Jindal Supreme (India) Ltd.

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IPO Note **15th September 2026**

Company Overview

Jindal Supreme (India) Limited is an established manufacturer of steel pipes, tubes and value-added infrastructure products, with a business legacy dating back to 1974. Its product portfolio comprises MS black pipes and tubes, MS galvanized pipes and tubes, metal beam crash barriers and GI tubular poles, catering to applications across water supply and plumbing, infrastructure and construction, roads and highways, bridges, oil & gas, chemicals, agriculture and rural electrification. The company has gradually diversified beyond its core pipe and tube business, with commercial production of metal beam crash barriers commencing in April 2024 and GI tubular poles in April 2025, expanding its presence into road-safety, street-lighting and public utility infrastructure. Its manufacturing facility at Hisar, Haryana, is equipped with integrated pipe mills, galvanizing, forming, cutting, threading, hydrostatic testing and quality-control infrastructure. In FY26, MS black pipes and galvanized pipes remained the key revenue contributors at 43.0% and 26.6%, respectively, while metal beam crash barriers contributed 17.4% and GI tubular poles 4.7%, indicating increasing contribution from value-added products. The company follows a predominantly direct-sales model, with direct sales accounting for 68.2% of FY26 revenue from operations, supported by a dealer network that expanded to 53 dealers as of June 2026 from 34 in FY24. Further, galvanizing capacity was increased from 45,000 MTPA to 63,000 MTPA, supporting higher value-added production and mix improvement. Going forward, capacity utilization, dealer expansion and increasing contribution from value-added products remain key levers for volume growth, operating leverage and profitability.

Objects of the issue

The net proceeds from the fresh issue will be used towards the following purposes:

⇒ Repayment and / or pre-payment, in full or part, of certain borrowings availed by the company;

⇒ General corporate purposes.

Investment Rationale

Diversified steel product portfolio and expansion into value-added infrastructure products

Jindal Supreme is gradually diversifying beyond its traditional MS black and galvanized pipe and tube business into value-added steel products, strengthening its presence across infrastructure and industrial applications. The company commenced commercial production of metal beam crash barriers in FY25 and GI tubular poles in FY26, enabling it to address applications across road safety, highways, street lighting, electrification and public utility infrastructure. The newer businesses have gained meaningful traction, with metal beam crash barriers contributing 17.4% of FY26 revenue from operations versus 10.6% in FY25, while GI tubular poles contributed 4.7% in their first full year of operations. Nevertheless, MS black and galvanized pipes remained the core revenue contributors, together accounting for nearly 70% of FY26 revenue, indicating that the diversification strategy is still at an early stage. The company is simultaneously strengthening its value-added product capabilities through capacity expansion, including an additional 18,000 MTPA galvanizing unit that increased total galvanizing capacity from 45,000 MTPA to 63,000 MTPA. The expanded facility is intended to support existing black pipe production and the higher crash barrier capacity while increasing the share of galvanized products in the overall sales mix. Given that galvanization is a value-added process, greater penetration of galvanized products could support higher revenue and profitability, as highlighted by management, although the eventual benefit would remain dependent on volumes, realizations and input costs. similarly, crash barrier capacity has been expanded from 24,000 MTPA to 42,000 MTPA, creating additional capacity to cater to demand from highways and road infrastructure projects. Management has further outlined medium-term plans to expand tube mill capacity, increase crash barrier output and enhance galvanization throughput, although these should be viewed as stated strategic plans rather than committed projects. Overall, the combination of product diversification, higher value-added capacity and a widening distribution network provides a pathway for improving capacity utilization, fixed-cost absorption and operating efficiency as volumes scale, while successful execution and sustained demand across the newer segments remain key to translating this diversification into stronger earnings growth.

Issue Details	
Offer Period	16th Sept, 2026 - 18th Sept, 2026
Price Band	Rs. 88 to Rs. 93
Bid Lot	161
Listing	BSE, NSE
Issue Size (no. of shares in mn)	13.4
Issue Size (Rs. in bn)	1.25
Face Value (Rs.)	10

Issue Structure	
QIB	50%
NIB	15%
Retail	35%
BRLM	Sarthi Capital Advisors Private Ltd.
Registrar	Bigshare Services Private Ltd.

Particulars	Pre Issue %	Post Issue %
Promoter & Promoter Group	100.00	73.68
Public	-	26.32
Total	**100.00**	**100.00**

(Assuming issue subscribed at higher band)

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Jindal Supreme (India) Ltd.

Strong exposure to infrastructure-led demand, supported by established manufacturing capabilities and distribution reach

The company's product portfolio is aligned with multiple infrastructure and industrial applications, including water supply, plumbing, roads, highways, bridges, oil & gas, agriculture and rural electrification. The Indian steel pipes and tubes industry is expected to benefit from continued infrastructure development, urbanization, industrial expansion and energy-related projects, with domestic demand for steel pipes projected to grow at approximately 5.5% CAGR between FY25 and FY30. These industry drivers provide a favourable backdrop for demand across both conventional and value-added pipe segments. Jindal Supreme's manufacturing capabilities are supported by German ERW and galvanizing technology, automated crash barrier and tubular pole fabrication lines, and in-house testing and certification protocols. Its products are manufactured in accordance with Indian Standards, with the company also highlighting compliance with ASTM and BIS standards. These capabilities support product quality, consistency and the ability to cater to diverse customer requirements. The company has also established a distribution network that can support market penetration beyond its existing institutional customer base. Its dealer network increased to 53 dealers as of June 30, 2026, and management intends to expand coverage into untapped geographies, including Tier-II and Tier-III cities, where demand for construction and infrastructure-related steel products is rising. A wider distribution footprint could improve market access and support higher volumes as manufacturing capacity expands.

Valuation

Jindal Supreme is positioned to benefit from the medium- to long-term growth in India's steel pipes and tubes industry, supported by infrastructure development, urbanisation, industrial expansion, water and energy infrastructure and rising steel consumption. The company is gradually diversifying beyond its core MS black and galvanized pipe business into value-added infrastructure products such as metal beam crash barriers and GI tubular poles, while higher galvanizing capacity and an expanding dealer network provide scope for deeper market penetration and an improved product mix. Operating performance has strengthened meaningfully over FY24-FY26, with revenue, EBITDA and PAT registering 2.2%, 40.4% and 32.3% CAGR, respectively, while EBITDA margin expanded from 3.27% in FY24 to 6.16% in FY26, reflecting improving operating leverage. However, PAT declined in FY26 despite higher EBITDA, primarily due to higher finance and other costs, highlighting the need for sustained earnings growth and improved capital efficiency. Going forward, higher capacity utilization, increasing contribution from value-added products, expansion of the dealer network and lower finance costs following the proposed debt repayment could support earnings growth and improve return ratios. Nevertheless, the business remains exposed to steel-price volatility, working-capital intensity and competitive pressures from larger industry players. At ~16.6x FY26 earnings, the issue valuation appears relatively demanding; however, the company's improving operating profile, diversification into value-added products and potential balance-sheet strengthening provide a constructive medium-term outlook. **Given the growth opportunities and deleveraging potential, we recommend a subscribe rating to the issue, with the outlook contingent on sustained volume growth, margin expansion and successful scaling of the newer product categories.**

Key Risks

⇒ The company remains exposed to fluctuations in the prices and availability of key raw materials, particularly MS coils, MS hot-rolled coils and galvanizing materials. Sharp increases in input costs or supply disruptions could pressure gross margins, production costs and overall profitability, particularly if higher costs cannot be passed on to customers.

⇒ MS black and galvanized pipes together accounted for 69.55% of revenue from operations in FY26, indicating continued dependence on the core pipe business. Any slowdown in demand, delays in order placement or slower-than-expected diversification into newer product categories could constrain revenue growth, profitability and cash flows.

⇒ The company operates in a competitive market across ERW/MS black pipes and tubes, galvanized pipes and tubes, GI tubular poles and metal beam crash barriers. Competition on pricing, product quality, product range and delivery capabilities, coupled with the larger scale, distribution reach and financial resources of established players, could limit market-share gains and exert pressure on margins.

Jindal Supreme (India) Ltd.

Income Statement (Rs. in million)

Particulars	FY24	FY25	FY26	Q1FY27
Revenue				
Revenue from operations	6454	5864	6,754	1,909
Total revenue	**6454**	**5864**	**6,754**	**1,909**
Expenses				
Cost of materials consumed	5,874	5,203	5,786	1,628
Change in inventories	-28	-27	-38	-16
Employee benefits expense	93	67	70	17
Other expenses	305	362	519	142
Total operating expenses	**6,243**	**5,605**	**6,338**	**1,772**
EBITA	**211**	**259**	**416**	**138**
Depreciation and amortization expense	38	31	34	9
EBIT	**173**	**228**	**382**	**128**
Finance costs	77	87	86	20
Other income	54	183	6	2
PBT	**151**	**324**	**302**	**110**
Tax Expenses	22	81	76	28
Consolidated Profit	**129**	**243**	**225**	**83**
Diluted EPS	**3.2**	**6.0**	**5.6**	**2.1**

Source: RHP, BP Equities Research

Cash Flow Statement (Rs. in million)

Particulars	FY24	FY25	FY26	Q1FY27
Cash Flow from operating activities	202	57	-57	325
Cash flow from investing activities	-430	119	-99	-14
Cash flow from financing activities	229	-177	155	-310
Net increase/(decrease) in cash and cash equivalents	**0**	**0**	**0**	**1**
Cash and cash equivalents at the beginning of the period	**0**	**0**	**0**	**0**
Cash and cash equivalents at the end of the period	**0**	**0**	**0**	**2**

Source: RHP, BP Equities Research

Jindal Supreme (India) Ltd.

Balance Sheet (Rs. in million)

Particulars	FY24	FY25	FY26	Q1FY27
Assets				
Non-Current Assets				
Property, Plant & Equipment	806	882	876	876
Right of Use Assets	31	28	24	23
Capital Work in Progress	61	5	72	78
Investments	8	8	0	0
Other Financial Assets	1	1	16	16
Other Non-Current Assets	6	6	6	6
Total Non-Current Assets	**911**	**928**	**995**	**1,000**
Current Assets				
Inventories	545	717	1,003	815
Trade Receivables	223	217	332	330
Cash & Cash Equivalents (Includes Cash in Hand)	0	0	0	2
Bank Balances other than Cash & Cash Equivalents	8	0	0	0
Other Current Assets	125	141	154	180
Total Current Assets	**900**	**1,075**	**1,489**	**1,327**
TOTAL ASSETS	**1,812**	**2003**	**2,484**	**2,327**
EQUITY & LIABILITIES				
Equity				
Equity Share Capital	19	19	403	403
Other Equity	484	727	565	647
Total Equity	**503**	**746**	**968**	**1050**
Non-Current Liabilities				
Borrowings	291	301	204	184
Lease Liability	27	25	23	24
Deferred Tax Liabilities (Net)	52	104	115	116
Provisions	4	5	5	6
Total Non-Current Liabilities	**374**	**434**	**347**	**330**
Current Liabilities				
Borrowings	758	658	995	741
Lease Liability	5	5	5	2
Trade Payables	87	67	110	77
Other Current Liabilities	82	81	56	106
Provisions	2	12	4	20
Total Current Liabilities	**934**	**823**	**1169**	**946**
TOTAL EQUITY & LIABILITIES	**1,812**	**2,003**	**2,484**	**2,327**

Source: RHP, BP Equities Research

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Disclaimer Appendix

Analyst (s) holding in the Stock : Nil

Analyst (s) Certification:

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