

OpenVoiceNews India

Transparent. Unbiased. Yours.

JSW Cement IPO Launches Today Amid Strong Grey Market Premium

August 7, 2025

– Categories: Finance



DOWNLOAD IPFS

JSW Cement, a part of the Sajjan Jindal-led JSW Group, is opening its ₹3,600 crore initial public offering (IPO) for public subscription on August 7. The IPO will remain open until August 11, with share allotment expected on August 12 and listing tentatively scheduled for August 14.

The issue includes a fresh equity sale of ₹1,600 crore and an offer-for-sale (OFS) component worth ₹2,000 crore from existing shareholders, including Apollo Management, Synergy Metals, and the State Bank of India. The price band for the IPO has been set at ₹139 to ₹147 per equity share, with a face value of ₹10 per share.

Proceeds from the fresh issue will be used primarily for funding the establishment of an integrated cement plant in Nagaur, Rajasthan, which will receive an investment of ₹800 crore. Additionally, ₹520 crore will be allocated for debt repayment, and the remaining funds will go toward general corporate purposes.

Ahead of its launch, the IPO has witnessed a surge in investor interest in the grey market, with shares trading at a premium of ₹18 to ₹20. This suggests an anticipated listing gain of about 12 to 13 percent, signaling robust sentiment among investors.

JSW Cement, which currently operates with a capacity of 19 million tonnes per annum, aims to reach 60 million tonnes by 2028 through organic and inorganic growth. However, the company posted a net loss in FY25 and saw a slight revenue decline from ₹6,114 crore in FY24 to ₹5,914 crore.

Despite recent financial challenges, analysts remain optimistic about the long-term growth of the cement sector, especially with the government's focus on infrastructure and housing. The IPO is also seen as a significant move in JSW Group's broader strategy to unlock value across its various businesses.