IPO Note

JAIN RESOURCE RECYCLING LIMITED

Sep 24nd, 2025

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Details of the Issue	
Price Band	₹ 220 - ₹ 232
Issue Size	₹ 1,250 Cr
Face Value	₹ 2
Bid Lot	64
Listing on	BSE,NSE
Post Issue Mcap	₹ 8,005.99 Cr
Investment Range	₹ 14,080 - ₹ 14,848

Important Indicative Dates (2025)	
Opening	24 - Sep
Closing	26 - Sep
Basis of Allotment	29 - Sep
Refund Initiation	30 - Sep
Credit to Demat	30 - Sep
Listing Date	01 - Oct

Lead Manager
DAM Capital Advisor Ltd
ICICI Securities Ltd
Motilal Oswal Investment Advisor Ltd
PL Capital Markets Pvt Ltd

Offer Details	
Offer Size	₹ 1,250 Cr
Fresh Issue	₹ 500 Cr
OFS	₹ 750 Cr

Type	In Rs Cr	No of Shares (Mn)		% of Issue
		Upper	Lower	
QIB	938	40.41	42.61	75
NII	188	8.08	8.52	15
Retail	125	5.39	5.68	10
Em-ploy.	-	-	-	-
Total	1,250	53.88	56.82	100

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Company Profile

Jain Resource Recycling Limited recycles and manufactures non-ferrous metals, offering lead and lead alloy ingots, copper and copper ingots, aluminium and aluminium alloys, tin ingots, and plastic. It operates three recycling facilities at SIPCOT Industrial Estate, Chennai, and a gold refining facility in Sharjah, UAE, through subsidiary JIGV. The company processes diverse metal scrap and supplies to sectors like lead-acid batteries, electricals, electronics, pigments, and automotive, serving clients such as Vedanta, Luminous, Yash Resources, Mitsubishi Corporation, and Nissan Trading. With a global footprint across Singapore, China, Japan, and South Korea, it employed 411 people as of July 31, 2025.

GEPL's Insights & Investment Thesis:

- Jain Resource Recycling Limited has three recycling facilities in India located at SIPCOT in Chennai and are in close proximity to the Chennai port, benefiting the company in imports and exports.
- The company is expanding its product offerings by expanding in the Copper Cathode, Wire Rod, and Copper Busbar manufacturing. It is also focusing on cost-efficiency by extracting by-products from lead and copper.
- Based on the FY25 earnings, relative to the company's post-IPO paid up capital, the issue is priced at a P/E ratio of 35.9x. We believe that the issue is fairly priced to its peers, expanding its product offerings, and focusing on cost efficiencies. Therefore, we recommend a "**Subscribe**" rating for the issue.

Business Highlights & Services

Jain Resource Recycling Limited is a leading non-ferrous metal recycling and production company in India, with a strong track record of growth, profitability, and global presence. Its lead ingot brand JAIN 9998 is registered with the London Metal Exchange (LME) and Multi Commodity Exchange (MCX), underscoring global credibility. The company operates three integrated recycling facilities in SIPCOT Industrial Estate, Chennai, spread across 26.94 acres, providing centralized operations and efficiency. Cross-facility utilization of by-products enhances raw material efficiency, reduces wastage, and offers a competitive cost advantage. Facilities are equipped with advanced furnaces, robotic casting systems, and specialized recycling capabilities for lead, copper, and aluminium, enabling economies of scale and product specialization. Located near Chennai Port, Ennore Port, and Katupalli Port, JMG benefits from seamless connectivity for imports and exports. Its logistics cost advantage is significant, with freight rates and seal charges well below market averages, strengthening global competitiveness. Exports form a major revenue stream, contributing 60.39% of FY25 revenue, with sales to over 20 countries including China, Japan, South Korea, Taiwan, and Singapore. Export revenue has grown from ₹15,820.73 million in FY23 to ₹43,033.25 million in FY25.The industry is characterized by high regulatory, capital, and relationship-driven barriers, limiting new entrants. JMG's long-standing expertise, customer trust, and ability to meet stringent global quality standards position it strongly for sustained growth. Its diversified product portfolio further helps mitigate cyclical risks across industries such as automotive, electricals, and batteries.

The company has established a strong international presence, deriving over 60% of its revenues from exports to more than 20 countries including China, Japan, South Korea, Taiwan, Singapore, and the UAE, with export revenue growing at a 64.93% CAGR to

The company's ability to meet stringent global quality and technical specifications has driven high customer retention, providing revenue visibility, industry goodwill, and scope for deeper penetration across markets and products. On the procurement side, it sources recyclable materials from over 120 countries through a direct ex-yard sourcing model, supported by a global trader network in the US and South America. This eliminates intermediaries, reduces costs, ensures supply reliability, and enhances margins. Strong supplier relationships, integrated sourcing efficiency, and long-term customer engagement position JMG to sustain global competitiveness, expand scale, and deliver profitable growth.

The company is pursuing forward integration through its new project to manufacture copper cathodes, wire rods, and busbars, leveraging recycled copper feedstock from its existing facilities. This initiative strengthens JMG's position in the copper value chain, broadens its customer base, and addresses the growing demand from wire, renewable energy, and electric vehicle industries. The project, to be implemented in phases and funded through internal accruals, benefits from operational synergies with existing recycling facilities due to its strategic location in SIPCOT, Gummidipoondi, and will be powered partly by an in-house rooftop solar plant to produce "Green Copper Cathode," aligning with global sustainability trends and enhancing appeal among environmentally conscious customers. Beyond copper, JMG is strategically positioned to expand into niche and high-growth recycling segments such as solar panel recycling, automotive tire recycling, copper-aluminium radiator scrap, brass scrap, and e-waste processing, all supported by rising demand and favorable government policies. Its proven expertise in large-scale recycling operations provides a strong foundation to capture these opportunities, diversify its revenue streams, and strengthen its competitive advantage. This forward-looking strategy is expected to drive sustainable growth, improve margins through value-chain expansion, and deliver long-term value creation for stakeholders.

The company leverages its integrated recycling capabilities to maximize value from non-ferrous metals and by-products, including tin and plastic, supporting both sustainability and profitability. Tin, recovered from lead scrap, is processed into high-purity tin ingots and lead-tin alloys for battery, alloy, and electronics industries, capitalizing on rising domestic lead demand. Plastic by-products from lead batteries and copper cables are recycled into PPVC and PVC granules for automotive, footwear, and industrial applications, creating additional revenue streams without raw material costs. This holistic approach enhances operational efficiency, broadens the product portfolio, strengthens market positioning, and drives sustainable growth, offering investors exposure to a diversified, high-margin, and environmentally responsible business.

Segmental breakup

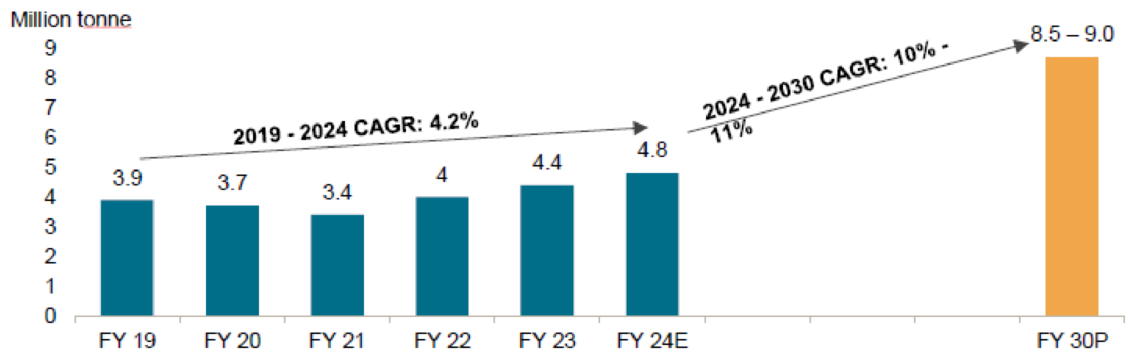
Particular	FY25		FY24		FY23	
	Amount	%	Amount	%	Amount	%
Lead & Lead Alloy Ingots	2,812	39.46%	2,076	46.88%	1,070	34.93%
Copper & Copper Ingots	3,194	44.82%	1,928	43.54%	1,815	59.25%
Aluminium & Aluminium Alloys	273	3.83%	272	6.14%	35	1.15%
Precious Metals	696	9.77%		0.00%		0.00%
Other	150	2.11%	152	3.44%	143	4.67%
Total revenue	**7,126**	**100%**	**4,428**	**100%**	**3,064**	**100%**

Geographical wise revenue breakup

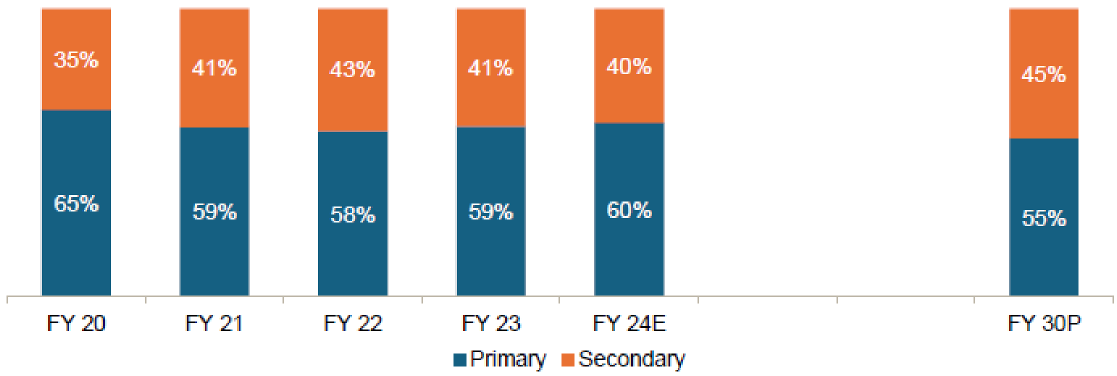
Particular	FY25		FY24		FY23	
	Amount	%	Amount	%	Amount	%
India	2,762	38.76%	2,100	47.27%	1,483	48.34%
Singapore	1,298	18.22%	973	21.91%	4	0.11%
China	1,364	19.15%	784	17.65%	1,035	33.73%
UAE	719	10.09%		0.00%		0.00%
Taiwan	651	9.13%	14	0.31%	4	0.13%
Japan	45	0.63%	90	2.02%	6	0.18%
South Korea	158	2.22%	362	8.16%	426	13.88%
Others	61	0.85%	204	4.58%	112	3.65%
Adjustments	68	0.95%	-85	-1.91%	-1	-0.02%
Total	**7,126**	**100%**	**4,442**	**100%**	**3,068**	**100%**

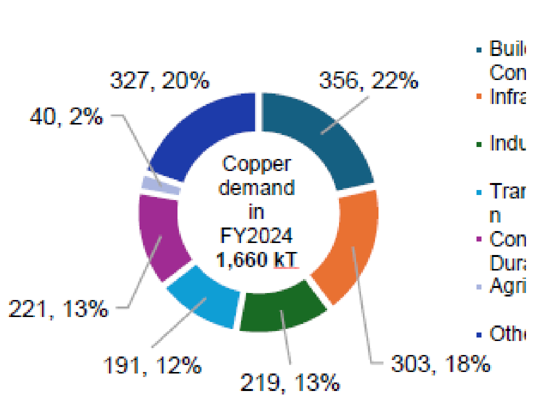
Industry Outlook

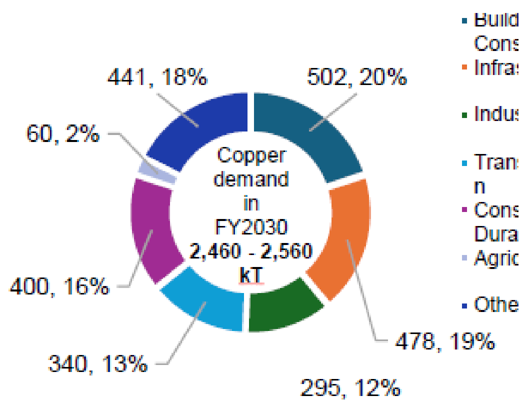
Aluminium demand on the rise



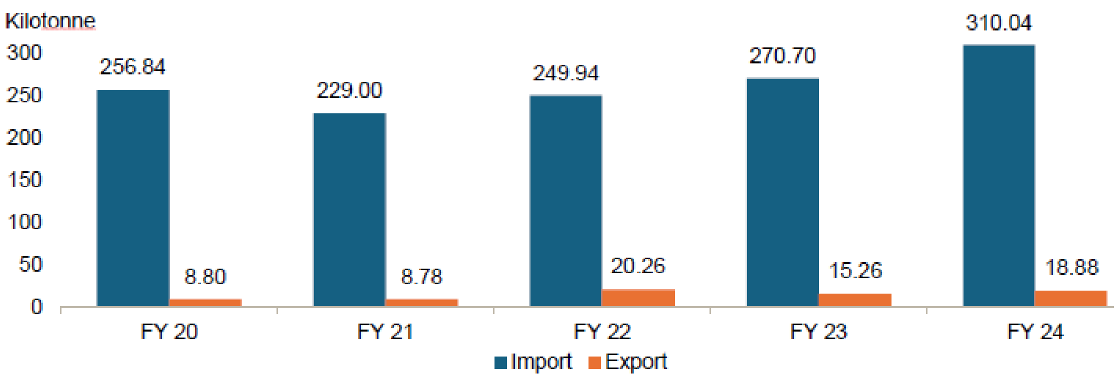
Share of secondary aluminium







Import/export of copper waste and scrap (HS Code: 740400) – FY 2020-FY 2024



Company's Competitive Strength

- Track record of profitability and consistent financial performance in an industry with significant entry barriers.
- Strategically located Recycling Facilities with capabilities to handle multiple products lines.
- Strong customer base with global footprint and deep sourcing capabilities.
- Application of Hedging Mechanism for Commodity Price Risk Protection for Products .
- Experienced management team and qualified personnel with significant industry experience.

Key Strategies Implemented by Company

- Forward Integration into Copper Cathode and Wire Rod Manufacturing Business.
- Exploring new recycling domains to better serve our customers in domestic and international markets.
- Value creation through extraction of by-product such as tin and plastic to achieve cost efficiency.
- Continuing to focus on sustainability and ESG principles.

Particular (INR in Cr)	FY25	FY24	FY23
Equity Capital	65	41	40
Reserves and Surplus	661	328	159
Net Worth	726	369	199
Revenue	7,126	4,428	3,064
Growth (%)	61%	45%	
EBITDA	206	227	124
EBITDAM (%)	2.9%	5.1%	4%
PAT	223	164	92
PATM (%)	3.1%	3.7%	3.0%
ROE (%)	41%	58%	60%
ROCE (%)	24%	19%	12%

Notes

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