

IPO Note: Jain Resource Recycling Ltd.

Industry: Metal

Date: September 24, 2025

Issue Snapshot		Issue Break up		
Company Name	Jain Resource Recycling Ltd.	QIB ex Anchor	30%	1,61,63,793
Issue Opens	September 24, 2025 to September 26, 2025	Anchor Investor	45%	2,42,45,690
Price Band	Rs. 220 – Rs. 232	HNI<Rs. 10 Lakhs	5%	26,93,965
Bid Lot	64 Equity Shares and in multiples thereof.	HNI>Rs. 10 Lakhs	10%	53,87,931
The Offer	Public issue of 5,38,79,310 Equity shares of Face value Rs. 2 each, (Comprising of fresh issue of 2,15,51,724 Equity Shares* (Rs. 500 cr.) and Offer for Sale of 3,23,27,586 Equity Shares (Rs. 750 cr.*) by Selling Shareholder).	RII	10%	53,87,931
		Total Public	100%	5,38,79,310
Issue Size	Rs. 1250 Crores	Equity Share Pre Issue (Nos. Cr.)	32.3	
IPO Process	100% Book Building	Fresh Share (Nos. Cr.)	2.1	
Face Value	Rs. 2.00	OFS Share (Nos. Cr.)	3.2	
Exchanges	NSE & BSE	Equity Share Post Issue (Nos. Cr.)	34.5	
BRLM	DAM Capital Advisors Ltd., ICICI Securities Ltd., Motilal Oswal Investment Advisors Ltd., PL Capital Markets Pvt. Ltd.	Market Cap (Rs. Cr.)	8006.0	
Registrar	Kfin Technologies Ltd.	Equity Dilution	6.1%	
		Stake Sale by OFS	9.3%	

Objects of the Offer

Offer for Sale

The Company will not receive any proceeds of the Offer for Sale by the Selling Shareholder. (up to Rs. 715 cr. by Kamlesh Jain and up to Rs. 35 cr. by Mayank Pareek)

Fresh Issue

- Pre-payment or scheduled re-payment of portion of certain outstanding borrowings availed by the company; (Rs. 375 cr.)
- General corporate purposes.

Company Highlights

- Jain Metal Group is India's largest and fastest-growing non-ferrous metal recycling businesses, in terms of revenue for fiscal 2025, fiscal 2024 and fiscal 2023, with over seven decades of industry experience and operations spanning lead, copper, and aluminium. Headquartered in Chennai, the company operates three integrated recycling facilities at Gummidipoondi, Tamil Nadu, along with a segregating facility at Hosur, providing end-to-end recycling solutions. These facilities are strategically located within proximity to Ennore, Kattupalli, and Chennai ports, enabling cost-efficient domestic and international logistics.
- The group is one of only two Indian recyclers registered with the London Metal Exchange (LME), with its refined lead brand "JAIN 9998" also approved by the Multi Commodity Exchange (MCX) for physical delivery under lead futures contracts. Its vertically integrated processes enable recycling of lead-acid batteries, insulated copper cables, motor scrap, aluminium chips, and electronic waste, positioning JMG as a pioneer in India's formal recycling ecosystem. Over FY23-FY25, the company sourced raw materials from more than 120 countries, supported by a deep global network of traders and bulk sourcing arrangements.
- JMG's product portfolio spans lead and lead alloys, copper and copper alloys, aluminium and aluminium alloys, and trading in non-ferrous metals. In FY25, its revenue mix was diversified across copper (44.82%), lead (39.46%), aluminium (3.83%), precious metals (9.77%), and others (2.11%). It has also diversified into new-age recycling streams including cable recycling, e-waste, automotive scrap, and international ventures in gold refining (UAE) and mineral sands processing (Sri Lanka).

- The company serves a broad domestic and international customer base across batteries, automotive, electrical, electronics, pigments, and infrastructure sectors. Notable clients include Vedanta-Sterlite Copper, Luminous Power Technologies, Mitsubishi Corporation RtM Japan, Nissan Trading, and IXM SA. Exports contributed 60.39% of FY25 revenue, with sales across more than 20 countries including Singapore, China, Japan, Taiwan, and South Korea. Customer loyalty is high, with repeat business accounting for nearly 84% of FY25 revenue.

View

- Jain Metal Group is India's largest non-ferrous metal recycler, with a strong presence in both domestic and international markets. The company has built its reputation on scale, global sourcing efficiency, and quality standards recognized by international regulators. Its diversified recycling operations allow it to serve a wide range of applications across industries including batteries, automotive, electrical, and electronics. With over seven decades of experience, JMG has played a pivotal role in formalizing India's recycling ecosystem, continuously investing in process improvements, sustainability, and operational efficiencies to maintain its leadership position.
- The group has been at the forefront of several landmark initiatives. It was among the first Indian recyclers to secure London Metal Exchange (LME) registration for its lead ingot brand, "JAIN 9998", and subsequently became one of only two recyclers in India with such recognition. This, along with approval by the Multi Commodity Exchange (MCX) for physical delivery of refined lead, has provided JMG with credibility in global markets and enhanced pricing transparency. Its ability to handle multiple metals within integrated facilities lead, copper, and aluminium showcases its technical expertise and operational flexibility.
- Its commitment to quality and compliance has been widely recognized. The company operates NABL-accredited laboratories under ISO/IEC 17025:2017, and its facilities carry certifications including ISO 9001:2015 for quality management, ISO 14001:2015 for environmental management, and ISO 45001:2018 for occupational health and safety. It has also been recognized with awards such as "Fastest Growing Company of the Year" (MSME Chamber, 2023), "Top 10 Metal Recycling Companies" (Industry Outlook, 2023), and "Excellence in Recycling & Manufacturing" (Times Business Awards, 2025), reflecting its industry leadership.
- JMG's products cater to global customers such as Mitsubishi Corporation RtM Japan, Nissan Trading, and Vedanta-Sterlite, while maintaining long-term domestic relationships with Luminous Power and other battery and copper manufacturers. Its high customer stickiness over 80% of FY25 revenue from repeat business demonstrates the reliability and trust it has built. Backed by a global sourcing network spanning over 120 countries and freight cost advantages well below market averages, the group has achieved strong export-led growth, with overseas sales contributing more than 60% of FY25 revenue.
- The company is executing a strategy to expand into new-age recycling opportunities such as electronic waste, end-of-life solar panels, automotive tyre scrap, and green copper cathode production, aligning with India's "Green Metal Revolution". In-house process innovations such as proprietary cable sorting and stripping methods have become industry benchmarks, further reinforcing its competitive edge.
- While challenges such as imported scrap dependence, volatile commodity prices, and working capital intensity remain, JMG's strong financial profile, diversified product mix, and scale-driven cost efficiencies position it well for sustainable growth. With its integrated facilities, international credibility through LME/MCX, and consistent profitability, Jain Metal Group is poised to emerge as a global leader in sustainable recycling and a key enabler of India's circular economy ambitions.
- In terms of the valuations, on the higher price band, Jain Resource Recycling demands P/E multiple of 35.9x post issue FY25 EPS.

Key Performance Indicator

Metric	Units	FY23	FY24	FY25
Revenue	Rs. Crore	3,064.07	4,428.42	7,125.77
Revenue Growth	%	7.53%	44.53%	60.91%
EBITDA	Rs. Crore	124.18	227.22	368.58
EBITDA Margin	%	4.05%	5.13%	5.17%
EBITDA Growth	%	6.65%	82.98%	62.22%
PAT	Rs. Crore	91.81	163.83	223.29
PAT Margin	%	3.00%	3.70%	3.13%
PAT Growth	%	5.77%	78.44%	36.29%
ROE	%	59.94%	57.66%	40.77%
ROCE	%	12.31%	19.13%	24.22%
Networth	Rs. Crore	196.97	367.18	707.46
RONW	%	60.62%	58.08%	41.56%
NAV	Rs.	6.09	11.35	21.87
Inventory Days	Days	43.59	39.69	33.72
Debtor Days	Days	27.67	18.03	8.01
Creditor Days	Days	4.52	2.68	3.59
Working Capital Days	Days	66.74	55.04	38.15
Net Debt	Rs. Crore	587.04	609.18	671.62
Net Debt / Equity	Ratio	2.95	1.65	0.92
Fixed Asset Turnover	Ratio	47.85	57.75	83.36
No. of Customers	Number	317	342	371
No. of Recycling plants	Number	4	4	4
Export revenue %	%	51.63%	54.11%	60.39%
Revenue split by segments (%)				
Aluminium & Aluminium Alloys	%	1.15%	6.14%	3.83%
Lead & Lead Alloy Ingots	%	34.93%	46.88%	39.46%
Copper & Copper Ingots	%	59.25%	43.54%	44.82%
Precious Metals	%			9.77%
EBITDA per tonne	Rs. per tonne	4,959.35	5,820.27	10,766.02

Segment-wise Revenue

Segment	FY23		FY24		FY25	
	Revenue (Rs. Cr.)	% of Revenue	Revenue (Rs. Cr.)	% of Revenue	Revenue (Rs. Cr.)	% of Revenue
Lead & Lead Alloy Ingots	1,070.25	34.93%	2,076.23	46.88%	2,811.92	39.46%
Copper & Copper Ingots	1,815.42	59.25%	1,928.19	43.54%	3,193.88	44.82%
Aluminium & Aluminium Alloys	35.30	1.15%	271.83	6.14%	273.20	3.83%
Precious Metals	-	-	-	-	696.39	9.77%
Others	143.10	4.67%	152.16	3.44%	150.39	2.11%
Total	3,064.07	100.00%	4,428.42	100.00%	7,125.77	100.00%

Financial Statement

(In Rs. Cr)	FY23	FY24	FY25
Share Capital	40	41.02	64.7
Net Worth	201.3	369.2	724.7
Long Term Borrowings	41.5	36.2	3.5
Other Long Term Liabilities	129.0	99.9	18.6
Short-term borrowings	691.3	873.2	916.4
Other Current Liabilities	52.9	150.3	173.0
Fixed Assets	58.4	64.7	71.6
Non Current Assets	83.87	88.3	191.1
Current Assets	1032.1	1440.4	1645.1
Total Assets	1115.9	1528.8	1836.2
Revenue from Operations	3064.1	4428.4	7125.8
Revenue Growth (%)		44.5	60.9
EBITDA	124.2	227.2	368.6
EBITDA Margin (%)	4.1	5.1	5.2
Net Profit	91.8	163.8	223.3
Net Profit Margin (%)	3.0	3.7	3.1
Earnings Per Share (Rs.)	2.7	4.7	7.2

Source: RHP, Ashika Research

Cash Flow Statement

(In Rs. Cr)	FY23	FY24	FY25
Cash flow from Operations Activities	10.86	33.36	3.58
Cash flow from Investing Activities	-8.65	-93.36	-25.96
Cash flow from Financing Activities	3.19	135.89	-35.43
Net increase/(decrease) in cash and cash equivalents	5.41	75.88	-57.81
Cash and cash equivalents at the beginning of the year	0.10	5.51	81.40
Cash and cash equivalents at the end of the year	5.51	81.40	23.58

Source: RHP

Comparison with Listed Industry Peers

Co Name	Net Sales (Rs. Cr.)	OPM (%)	D/E (x)	ROCE (%)	RONW (%)	P/E (x)	P/BV (x)	EV/EBITDA (x)	MCap/Sales (x)	Market Cap (Rs. Cr.)
Jain Resource Recycling Ltd.	7125.8	5.2	0.7	19.7	18.2	35.9	6.5	23.1	1.1	8006.0
Gravita India Ltd.	3868.8	11.3	0.1	22.0	21.5	36.2	5.7	25.7	3.1	12255.2
Pondy Oxides & Chemicals Ltd.	2056.9	5.2	0.2	15.7	12.7	55.2	5.9	31.4	1.8	3878.7

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