

September 22, 2025

Prominent play on non-ferrous metal recycling ...

About the Company: Jain Resource Recycling Ltd (JRRL) is engaged in the recycling and production of non-ferrous metals (Copper, Lead, Aluminium, others).

- Consol. FY25 Sales: Copper and copper ingots (~45%), Lead and lead alloy ingots (~40%), Aluminium and aluminium alloys (~4%).
- Operates 3 recycling facilities at SIPCOT Industrial Estate, Gummidipoondi, Chennai with combined annual production capacity of ~3.1 lakh tons.

Key triggers/Highlights:

- JRRL group has grown to become one of India's largest recyclers of non-ferrous metals and alloys. It has multi-purpose facilities that are designed to allow a level of flexibility enabling the company to manufacture a diverse range of products and provide it with the ability to offer customize solutions
- Exports continue to be a key revenue driver, with shipments to over 20 countries contributing 60% of JRRL's revenue in FY25 (vs. 54% in FY24).
- JRRL lead ingot is registered as a brand on London Metal Exchange (LME), providing a distinct advantage through access to a broad customer base.
- To strengthen its portfolio, JRRL is expanding into copper cathode, the purest form of copper, along with wire rod and copper busbar manufacturing. This will broaden its product offerings, diversify its consumer base, and extend its presence across the copper value chain.
- JRRL is also exploring entry into new-age recycling verticals such as solar panel, automotive tyre, and e-waste recycling. These segments provide growth potential & will further diversify operations within recycling industry
- In addition, JRRL plans to utilize by-products like tin and plastic generated during lead and copper recycling. By leveraging existing trading channels and cross-selling to customers, it aims to tap the growing tin ingot market.

Our View & Rating

- Sales/PAT at JRRL has grown at a CAGR of 52%/56% respectively over FY23-25, led by higher sales at its key revenue verticals namely copper and copper ingots and lead and lead alloy ingots. JRRL clocked EBITDA margins of 5.2% in FY25 with RoCE placed at 21.5%.
- We assign **UNRATED** rating on Jain Resource Recycling.

Key risk & concerns

- ~75-80% of our total scrap requirement is met through imports, thereby prone to supply disruption and volatility in scrap prices.
- More than 50% of revenue concentrated towards top 10 customers, resulting into exposing to risks associated with high customer dependency.
- With exports contributing 60% of revenue, JRRL remains exposed to foreign exchange rate fluctuations.

Key Financial Summary

Key Financials (₹ crore)	FY23	FY24	FY25	2 year CAGR (FY23-25)
Net Sales	3,064	4,428	7,126	52%
EBITDA	124	227	369	72%
EBITDA Margins (%)	4.1	5.1	5.2	
Net Profit	92	164	223	56%
Reported EPS (₹)	3.0	5.3	7.2	
P/E	87.1	48.8	35.8	
RoNW (%)	46.1	44.4	30.8	
RoCE (%)	11.8	16.5	21.5	

Source: RHP, ICICI Direct Research; Valuation at upper limit of price band i.e. ₹232.



IPO Details

Issue Details

Issue Opens	24th September
Issue Closes	26th September
Issue Size	~ ₹ 1250 crore
QIB (Institutional) Share	75% of issue
Non-Institutional Share	15% of issue
Retail Share	10% of issue
Issue Type	OFS + Fresh Issue
OFS Size	~ ₹ 750 crore
Fresh Issue Size	~ ₹ 500 crore
Price Band (₹/share)	₹220 - ₹232

Market Lot	64 shares
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Face value (₹/share)	₹ 2
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Listing Market Cap @	~₹8,000 crore
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Upper price band	
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Shareholding pattern

	Pre-Issue	Post-Issue
Promoters	88.0	73.6
Public	12.0	26.4
Total	100.0	100.0

Objects of the issue

The net proceeds from the Fresh Issue (~₹ 500 crore) will be utilized for repayment of debt (~₹375 crore), with balance allocated towards general corporate purposes

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Subscribe: Apply for the IPO

Avoid: Do not apply for the IPO

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