

JAI MATA ENGINEERING **LIMITED**

Unaudited Financial Results – FY 2024–25 (Provisional)

Investor Press Release

Works: SP-37, Kaladera Industrial Area, Jaipur, Rajasthan – 303801

Head Office: E-223, Kavi Nagar Industrial Area, Ghaziabad, U.P. – 201002

Registered Office: 15th Floor, Eros Tower, Nehru Place, New Delhi – 110019

Contact: corporate@jmel.co.in | **Website:** www.jmel.co.in



Management Overview

Jai Mata Engineering Limited (JMEL) presents its unaudited financial highlights for FY 2024–25. Amid a challenging economic environment and a volatile steel market, the Company has continued to strengthen its operational foundations and pursue strategic growth initiatives.

While industry-wide headwinds impacted pricing and margins, JMEL maintained production momentum, forged key strategic partnerships, and laid the groundwork for long-term capacity expansion through commissioning of a state-of-the-art rolling mill.

Key Strategic Developments

1. **Secured Long-Term Raw Material Supply with Jindal Steel Limited:** Successfully formalized a long-term exclusive Memorandum of Understanding (MoU) with Jindal Steel Limited, ensuring a stable and strategic supply of raw materials. This pivotal agreement not only guarantees uninterrupted operational continuity but also supports JMEL’s ambitious future capacity expansion plans, positioning the company for sustained growth and competitive advantage.
2. **Commissioned State-of-the-Art Rolling Mill Facility:** Achieved a major technological milestone by commissioning a cutting-edge Rolling Mill facility. Now in its advanced trial phase, this new installation significantly elevates JMEL’s production capabilities, enhances manufacturing efficiency, and underlines the company’s commitment to modernization and innovation in steel processing technology.
3. **Initiated Strategic HR Coil Supply Agreement Negotiations:** Proactively commenced exclusive negotiations for a high-value HR Coil supply agreement, targeting a high-margin product segment. This initiative aims to diversify JMEL’s product portfolio, secure consistent order volumes in rapidly growing markets, and significantly enhance profitability and competitive positioning.
4. **Expanded Market Footprint:** Successfully broadened JMEL’s customer base across key regions in India, reinforcing market presence. Further strengthened network in major markets with products such as wire rods, flat steel, and more.
5. **Forged Collaborative Partnerships with Tata Steel & other Industry Leaders:** Entered into strategic collaborative MoUs with Tata Steel and other premier ferro alloy manufacturers. These partnerships will enable JMEL to procure raw materials at more competitive pricing compared to peers, providing the Company a market edge.

Financial Performance Overview

(in ₹ Crores)

Particulars	FY 2024	FY 2025
Total Income	215.87	303.42
Total Expenses	207.99	267.42
EBITDA	12.81	24.29
Gross Profit	25.29	36.00
PBT	7.87	15.03
PAT	5.67	11.25
Total Debt	27.82	56.41
Net Profit Margin	2.63%	3.71%

Particulars	FY 25 Q4
Total Income	133.1
Total Expense	108.9
EBITDA	7.23
PBT	0.63

Result Commentary

JMEL and the broader steel industry continue to confront a complex set of challenges shaped by evolving market dynamics, geopolitical factors, and operational hurdles. These challenges have collectively impacted both the external environment and internal company performance.

Market Challenges faced in the Last Quarter

- **Rising Import Pressures:** An increased influx of low-cost steel imports, predominantly from China and South Korea, exerted significant downward pressure on domestic steel prices. This intensifying competition challenged Indian producers like JMEL to maintain profitability while ensuring quality and cost-effectiveness.
- **Global Trade Instability:** Ongoing protectionist trade policies, shifting tariff structures, and geopolitical uncertainties disrupted traditional export routes. These factors contributed to diminished investor confidence and reduced cross-border trade volumes.
- **Domestic Demand Slowdown:** Key steel-consuming sectors—including infrastructure, automotive, and real estate—experienced subdued demand over the past two quarters. Delays in



government projects and cautious private sector investments contributed to this muted consumption.

- **Export Market Contraction:** Softening global demand and competitive pricing pressures, especially in critical export markets, limited opportunities for mid-tier steel manufacturers, further constraining revenue streams.

JMEL's Specific Operational Challenges

- **Rolling Mill Trial Phase Setbacks:** The state-of-the-art Rolling Mill, originally scheduled to commence operations in April, faced technical and process-related delays, pushing its stabilization timeline to June. These setbacks led to temporary disruptions in production, increased operating costs, and added strain on profitability during the quarter.
- **Financing and Investment Delays:** JMEL had planned to secure key funding by November, but actual disbursement was delayed until late January. This disrupted the timely execution of critical capital projects, slowed expansion efforts, and led to cost overruns, further straining margins and impacting the Company's ability to meet interim financial projections.

Management Statement

"FY 2024–25 tested the resilience of the steel industry, and JMEL responded with clarity, conviction, and forward momentum. Amidst market volatility, price compression, and global headwinds, we remained focused on long-term value creation.

The successful commissioning of our advanced Rolling Mill marks a pivotal step in JMEL's evolution into a more agile, technology-driven, and customer-centric organization. Stabilization is underway, and once fully optimized, this facility will significantly enhance our capacity in value-added steel products, improve yield, and strengthen operating margins.

Our strategic approach to onboarding new customers through competitive pricing, despite short-term margin compromises, reflects our commitment to volume-led, sustainable growth. Strengthened alliances with industry leaders like Jindal Steel and Tata further reinforce our readiness for high-growth opportunities.

With key projects in place and operations stabilizing, we are confident in our ability to meet FY 2025–26 projections and deliver scalable along with future-ready growth. JMEL is not just preparing for the next quarter—we are building for the next decade."

- Akshay Bansal, Director


Forward-Looking Focus for FY 2025–26

Looking ahead to the next financial year, JMEL is strategically positioned to address these challenges and capitalize on emerging opportunities through focused initiatives:

- **Stabilizing and Optimizing Rolling Mill Operations:** Efforts will continue to ensure full operational stability and efficiency of the new Rolling Mill, unlocking its full capacity to drive production growth and margin improvement.
- **Enhancing Cost Efficiency:** The Company will intensify cost-control measures across all production cycles to mitigate market pressures and improve profitability. Additionally, with the commissioning of the Rolling Mill and growing volumes, JMEL aims to drive greater cost efficiency through economies of scale.
- **Diversifying Revenue Streams:** JMEL plans to broaden its product portfolio and secure long-term supply agreements, reinforcing resilience against market fluctuations.
- **Deepening Customer Engagement:** Focused expansion of the customer base and tailored value delivery will underpin efforts to increase market share in key regions and high-growth segments
- **Sustainability Initiatives:** Plan to install **solar panels** at the plant to reduce energy costs and lower carbon footprint, contributing to long-term environmental and financial sustainability.

For further information, please contact:

Investor Relations

 corporate@jmel.co.in

 www.jmel.co.in