Glimpsing the Indian Steel Industry

(Q3, 2024-25)

Exclusive Report by Oreaco

For Selective Distribution

New Milestone in Production — ***38.12 MMT, up 5% QoQ***

Imports Plunge — ***2.57 MMT, down 10% QoQ***

Vertiginous Exports — ***1.29 MMT, up 25% QoQ***

Consumption Skyrockets — ***38.43 MMT, Up 3% QoQ***

In the first three quarters of 2025, production at 110.99 MMT ascended by 4% relative to the same period in 2024, reflecting a subtle yet positive trend. Imports burgeoned by 20% year-on-year to 7.27 MMT, highlighting a notable surge in demand for foreign steel, while exports plummeted by 25% to 3.60 MMT, signaling a contraction in international trade. Meanwhile, consumption witnessed a robust 11% year-on-year growth to 11.25 MMT, underscoring the expanding appetite for steel within domestic markets.

JSW Steel Dominates — ***7.03 MMT, up 4% QoQ***

Tata Steel Intensifies Production — ***5.69 MMT, up 8% QoQ***

Results Awaited — ***JSP, & SAIL***

In the first nine months of 2025, JSW's production demonstrated a modest 1% uptick compared to the same period in 2024 to 20.16 MMT, reaching 20.16 million metric tons, while Tata Steel experienced a more pronounced 5% increase, escalating to 16.22 million metric tons, further solidifying its position in the market.

Iron Ore CC Averaged ₹8,656 — *Up 13% QoQ, from ₹7,642*

CC – Cost Component

Coking Coal CC ₹12,650 — *Down 39% QoQ, from ₹20,784*

HR Realization ₹45,543 — *Down 5% QoQ, from ₹50,121*

Spread Averaged ₹26,237 — *Up 21% QoQ, from ₹21,685*

Indian steel mills saw a decline in EBITDA for the quarter, driven by a 21% QoQ widening of the spread between hot rolled realization and the cost of iron ore and coking coal. This was mainly due to a ₹5,000 drop in hot band realization, impacted by weak demand, surplus domestic availability from overcapacity and a slowdown in export volumes, particularly due to the influence of Chinese mills. As a result, domestic competition intensified, putting further pressure on margins and profitability in the sector.

- *Amidst the pernicious vicissitudes of the global steel industry, India's steel sector seems to have been caught in a perfect storm. With the meltdown in the Chinese steel industry causing steel prices to plummet worldwide, the Indian steel mills should brace themselves for the impending turmoil.*

  Indian steel mills are poised to encounter mounting pressure driven by sluggish domestic demand, a surge in imports, and constrained opportunities arising from Chinese aggression. Additionally, the ramp-up and commissioning of hot band capacities will further intensify competition, challenging these mills to adapt and innovate in an increasingly volatile market.

- *Coking coal continues to be a wildcard factor that determines the health and prosperity of steel mills. Its volatile pricing and unpredictability have always been a challenge for steelmakers, especially with the recent disruptions caused by shifting trade flows. Nevertheless, coking coal remains a necessary evil for the steel industry, and detailed analysis and strategic planning are required to mitigate its impact and ensure a stable and profitable steel production process.*