Indian Steel Industry: September 2025 – A Trend Report

India remains a bright spot in the global steel industry and the steel demand in the country is expected to show a healthy growth of around 9% in both 2025 and 2026 compared to no growth and just 1.3% growth in global demand, according to the latest Short Range Outlook released by the World Steel Association. Indian steel demand will continue to charge ahead, driven by continued growth in all steel using sectors. In 2026, steel demand in India is projected to be almost 75 million tonnes higher than in 2020, worldsteel said.

WORLD ECONOMY AT A GLANCE

- The end of the third quarter saw a further improvement in global manufacturing operating conditions. Output and new order intakes rose and business optimism ticked up to a three-month high. The JP Morgan Global Manufacturing PMI stood at 50.8 in September, little-changed from August's 14-month high of 50.9.
- The survey signalled concurrent output growth across the consumer, intermediate and investment goods categories for the second consecutive month. The quickest rate of expansion was at consumer goods and the weakest in the intermediate goods industry.
- India registered the fastest rate of output expansion in September, while Thailand rose to second place. Although output PMI readings for China (51.2) and the USA (52.0) were broadly similar, this represented growth acceleration for the former but a slowdown in the latter. Japan saw output contract for the third successive month.

Key Economic Figures			
Country	GDP 2024: % change*	Manufacturing PMI	
		August 2025	September 2025
India	6.5**	59.3	57.7
China	5.0	50.5	51.2
Japan	0.1	49.7	48.5
USA	2.8	53.0	52.0
Eurozone	0.9	50.7	49.8
Brazil	3.4	47.7	46.5
Russia	4.1	48.7	48.2
South Korea	2.0	48.3	50.7
Germany	-0.2	49.8	49.5
Turkey	3.2	47.3	46.7
Italy	0.7	50.4	49.0

Source: GDP: official releases; PMI- Markit Economics, *provisional, ** FY 2024-25

GLOBAL CRUDE STEEL PRODUCTION

World crude steel production stood at 1230.635 million tonnes (Mt) in January-August 2025, registering a 1.7% decline over the same period of the previous year, according to provisional data released by the World Steel Association (worldsteel). In August 2025, world crude steel production stood at 145.288 Mt, up 0.3% compared with the same month of the last year.

World Crude Steel Production (Prov)			
Rank	Top 10	Jan-Aug 2025 (Mt)	% yoy change
1	China	671.810	(-)2.8
2	India	**108.920**	**10.2**
3	USA	54.552	1.6
4	Japan	54.099	(-)4.5
5	Russia	46.091	(-)4.8
6	South Korea	41.061	(-)3.5
7	Turkey	24.878	0.2
8	Germany	22.405	(-)11.9
9	Brazil	22.180	(-)1.5
10	Iran	19.781	(-)3.6
Top 10 Total		**1065.777**	**(-)1.7**
World		**1230.635**	**(-)1.7**
Source: worldsteel			

Major observations:

- China remained the leader in world crude steel production with an output of 671.810 Mt in January-August 2025, registering a decline of 2.8% compared with January-August 2024. The country accounted for 54.6% of world crude steel production during the period under review.
- India was the 2nd largest producer of crude steel with an output of 108.920 Mt in January-August 2025, showing a yoy growth of 10.2% over the same period of the previous year. The country accounted for 8.9% of world crude steel production during the period.
- USA was the 3rd largest producer of crude steel with an output of 54.552 Mt in January-August 2025, up by 1.6% compared with the previous year. The USA accounted for 4.4% of world crude steel production during the period.
- With crude steel production of 54.099 Mt (down 4.5% yoy), Japan was the 4th largest producer of crude steel in January-August 2025.
- Russia's crude steel production stood at 46.091 Mt (down 4.8% yoy) in January-August 2025 and the country was the 5th largest producer of crude steel.

- The top 10 countries' cumulative production in January-August 2025 stood at 1065.777 Mt (down 1.7% yoy) and they accounted for 86.6% of world crude steel production during the period.
- Among the top 10 steel producing countries, only India, the USA and Turkey reported year-on-year growth in production, while others registered y-o-y decline in output during the first eight months of 2025.
- Asian crude steel production stood at 908.972 Mt in January-August 2025, showing a decline of 1.5% yoy, led primarily by China and India, with their respective shares of 73.9% and 12.0% in total Asian crude steel production during the period.

GLOBAL DRI PRODUCTION

India led global DRI production in January-August 2025

World DRI production stood at 84.443 Mt in January-August 2025, showing a year-on-year growth of 5.3%, according to provisional data released by worldsteel.

World DRI Production (Prov)			
Rank	Top 5	Jan-Aug 2025 (Mt)	% yoy change
1	**India**	**39.043**	**8.7**
2	Iran	22.815	0.1
3	Russia	5.532	2.1
4	Saudi Arabia	4.500	1.0
5	Egypt	4.329	(-)1.6
Top 5 Total		**76.219**	**4.4**
World		**84.443**	**5.3**
Source: worldsteel			

Major observations:

- India remained the leader in world DRI production with an output of 39.043 Mt (up 8.7% y-o-y) in January-August 2025 compared with the same month of the previous year. The country accounted for 46.2% of world DRI production during the period under review.
- Iran was the 2nd largest producer of DRI with an output of 22.815 Mt in January-August 2025 (up by 0.1% y-o-y). It accounted for 27% of world DRI production during the period under review.
- Russia ranked third in terms of DRI production with an output of 5.532 Mt (up 2.1% y-o-y) in January-August 2025 compared with January-August 2024. The country accounted for 6.6% of world DRI production during the period.
- The top 5 countries accounted for 90.3% of total world DRI production in January-August 2025 with a cumulative output of 76.219 Mt, up by 4.4% y-o-y.

WORLD STEEL PRICE TRENDS

Global steel prices witnessed a mixed trend in September 2025 both month-on-month and year-on-year in major steel markets like China, India, the USA and the European Union. For example, TMT prices showed downward bias in India and China m-o-m, while a reverse trend was found in the US and the European Union markets. As regards y-o-y comparisons, prices generally saw appreciations, barring a select few items which saw corrections in prices in Indian market. Going forward, the movement of steel prices will be contingent upon a number of factors, including the factors as stated below.

a) ***US trade tariff:*** The USA has levied high tariffs on India, potentially affecting a significant portion of Indian exports. The move places India among the most heavily penalized nations under the new tariff regime. Ongoing trade negotiations between India and the USA aim to address these concerns. However, the move is expected to affect, at least in the short run, exports of certain value-added steel to the USA among other goods.

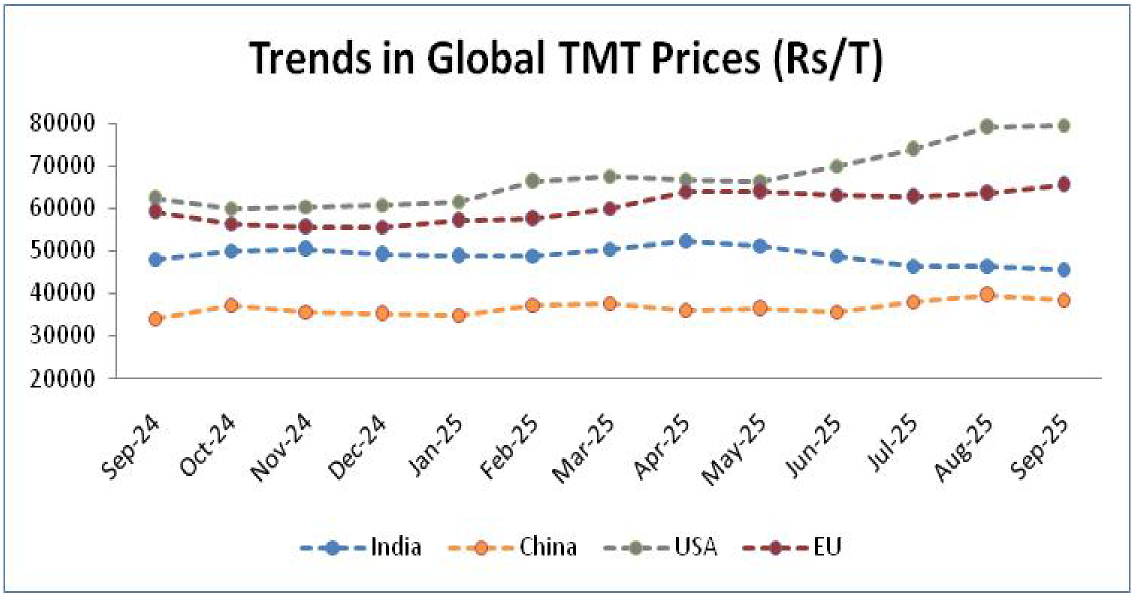
b) ***Geopolitical Uncertainty:*** Geopolitical uncertainty, including Russia-Ukraine and Israel-Iran conflicts, are impacting supply of key raw materials like ferroalloys and coking coal and leading to higher input costs for steelmakers. Besides, sanctions imposed on Russia and Iran are also disrupting normal trade channels.

c) ***Oversupply condition:*** China's overcapacity, primarily due to weak domestic demand caused by the prolonged property market crisis, is resulting in a surge in exports of steel and pushing down international iron and steel prices. Besides, it is also leading to protectionist measures by other countries like tariffs and duties, affecting the normal trade situation.

d) ***EU CBAM:*** EU's Carbon Border Adjustment Mechanism may pose a significant challenge to India's exports of steel with around 60 per cent of Indian steel exports headed to Europe in 2024. The government, however, has outlined a plan to decarbonise the steel industry. The CBAM imposes a carbon charge based on carbon emissions from steel entering the EU. It will take effect in January 2026.

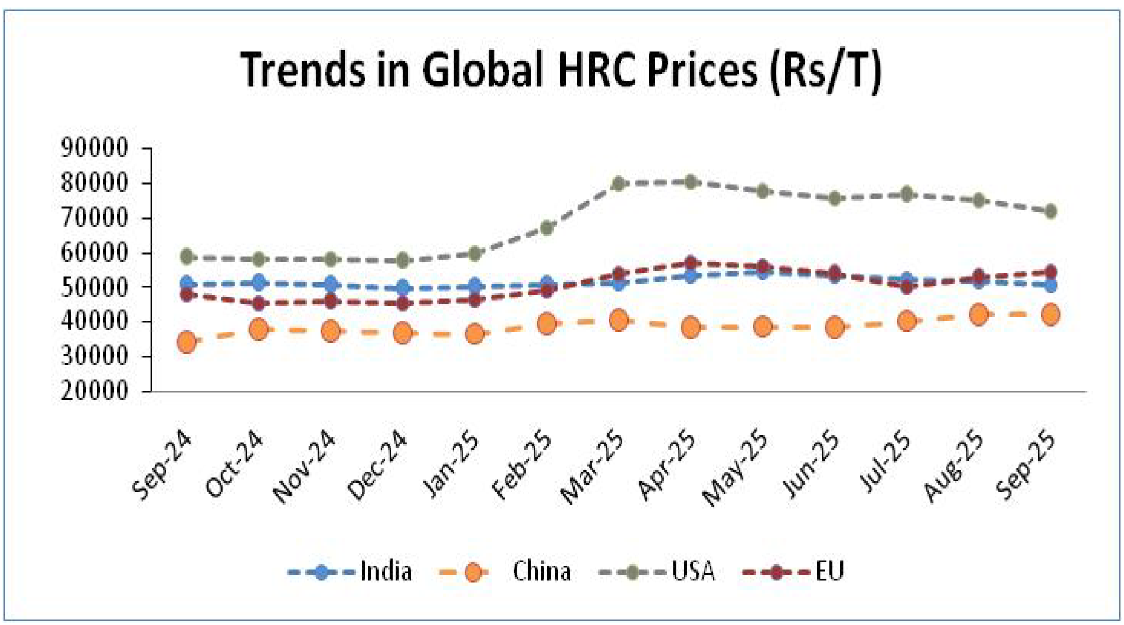
Long Products

- In September 2025, TMT prices remained more or less stable month-on-month in India, China and the USA. Prices, however, strengthened in the European Union.
- Domestic TMT prices hovered around the same level in India with overall market activity remaining subdued, while in China prices declined marginally due to weaker downstream purchasing sentiment.
- As regards year-on-year comparisons, prices rose in all the major markets, excluding only India.



Flat Products

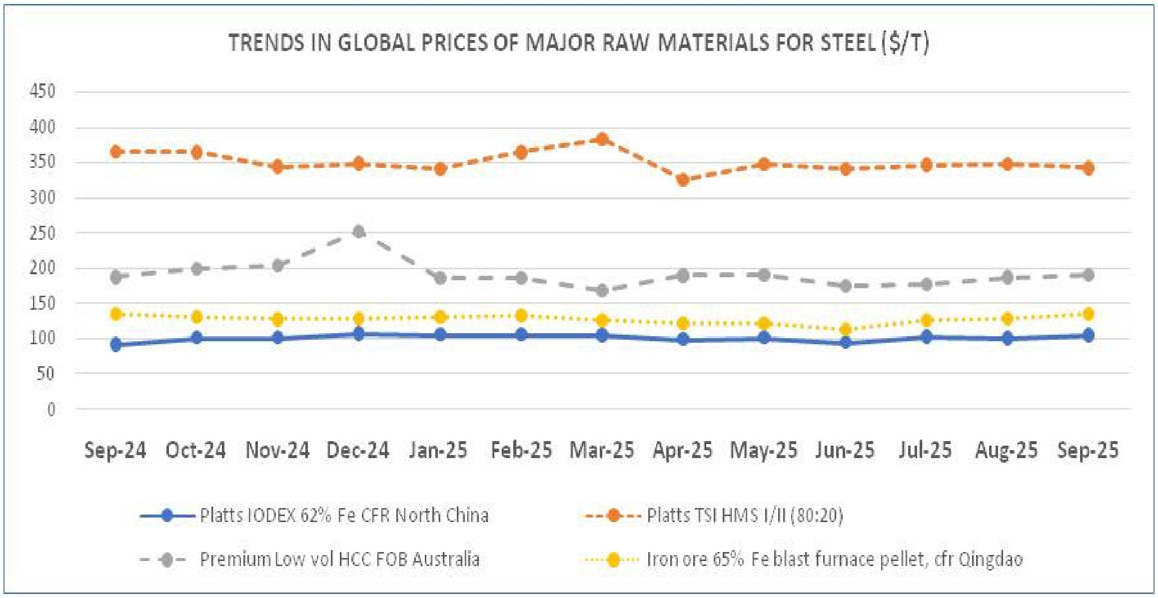
- HRC prices also remained stable month-on-month in September 2025 in India and China, while price fell significantly in the USA.
- In the European Union, however, HRC prices strengthened on supply side fundamentals as market participants across Europe reported a quieter return for the post-summer market.
- As regards year-on-year comparisons, prices showed significant improvement in China, the USA and the EU, while it remained stable in India.



[Source Credit: Fastmarkets Metal Bulletin]

RAW MATERIAL SCENARIO

Prices of major raw materials for steel making witnessed a mixed trend in September 2025. Prices of Platts IODEX 62% Fe CFR North China and Premium Low Vol. HCC FOB Australia went up year-on-year in September 2025. However, prices of TSI HMS I/II (80:20) came down year-on-year during the month, while Iron Ore 65% Fe Blast Furnace Pellet showed no change in price year-on-year in September 2025. Prices of the above raw materials also saw a mixed trend month-on-month. (Data source: Platts)



[Source Credit: Fastmarkets Metal Bulletin, Platts, JPC (India news)]

NEWS AROUND THE GLOBE

- The Canadian government will invest C$5 billion ($3.6 billion) and implement new policies to support industries most impacted by US tariffs, including its steel and aluminum sectors, Canadian Minister of Industry Mélanie Joly said.
- The European Commission reaffirmed its plans to impose fresh measures aimed at shielding its domestic steel industry from an influx of imports triggered by global overcapacity. “The Commission will propose a new, long-term trade instrument to succeed the expiring steel safeguards,” EC President Ursula von der Leyen said.
- Philippines’s SteelAsia Manufacturing Corp. plans to nearly double its domestic steel production capacity to 4.8 million mt/ year as early as 2028, from 2.5 million mt/year.
- Libyan Iron and Steel Company, or Lisco, aims to start up its new cold rolling mill before the end of 2025. The mill has a capacity of 200,000 mt/year.
- ArcelorMittal South Africa, has started winding down its long steel products business at the Newcastle and Vereeniging Works after failing to secure its future beyond the closure deferral period, which will end on Sept 30.
- Russian iron ore mining and steel company Severstal restarted after a major overhaul of blast furnace No. 4 at its flagship asset, Cherepovets Iron and Steel Works.

- The Korea Trade Commission and Korea Customs Service have established an antidumping consultative body to protect domestic industries, as cases climb, especially for steel.
- South Korea has finalized antidumping duties of 27.91%-34.1% that will be applied for five years to imports of hot-rolled carbon and alloy steel plates from China.
- German metal processing company, GMH Gruppe, is purchasing two business units of German specialty steel manufacturer Buderus Edelstahl GmbH, a wholly owned subsidiary of Mutares SE & Co.
- Vietnam's Hoa Phat has fired up new No. 2 blast furnace at its Dung Quat 2 expansion, which has become the sixth BF of the whole Hoa Phat Dung Quat integrated steel production complex.
- Thailand will impose antidumping duties ranging from 30.86% to 54.19% on H-beam imports from China for five years, although the effective date of the duties was not disclosed, pending publication in the Thai Royal Gazette.
- Turkish merchant bar and steel sections producer Kocaer Steel has accelerated investments to reach its decarbonization targets, comprising a complete elimination of Scope 2 emissions by 2030.
- The European Commission has initiated an antidumping investigation into imports of cold-rolled flat steel products – an important input used in automotive, appliance and construction applications — from India, Japan, Taiwan, Turkey and Vietnam.

INDIAN STEEL MARKET ROUND-UP

The following is a status report on the performance of Indian steel industry during April-August 2025-26, based on provisional data released by Joint Plant Committee (JPC) in its Monthly Report: Iron & Steel for April-August 2025-26. It is to be noted that total finished steel includes both non-alloy and alloy (including stainless steel) and all comparisons are made with regard to same period of last year.

Item	Performance of Indian steel industry		
	April-August 2025-26*(Mt)	April-August 2024-25 (Mt)	% change*
Crude Steel Production	68.584	61.239	12.0
Hot Metal Production	39.297	36.577	7.4
Pig Iron Production	3.599	3.346	7.6
Sponge Iron Production	24.746	22.559	9.7
Total Finished Steel (alloy/stainless + non-alloy)			
Production	65.128	59.094	10.2
Import	2.505	3.718	-32.6
Export	2.226	1.915	16.2
Consumption	65.394	60.435	8.2
Source: JPC; *provisional; Mt=million tonnes			

Overall Production

- **Crude Steel:** Production at 68.584 million tonnes (Mt), up by 12.0%.
- **Hot Metal:** Production at 39.297 Mt, up by 7.4%.
- **Pig Iron:** Production at 3.599 Mt, up by 7.6%.
- **Sponge Iron:** Production at 24.746 Mt, up by 9.7%, led by coal-based route (84% share).
- **Total Finished Steel:** Production at 65.128 Mt, up by 10.2%.

Contribution of Other Producers

- **Crude Steel:** SAIL, RINL, NSL, TSL Group, AM/NS, JSWL Group & JSPL together produced 38.722 Mt (56% share) during this period, up by 10.0%. The rest (29.862 Mt) came from the Remaining Producers, up by 14.8%.
- **Hot Metal:** SAIL, RINL, NSL, TSL Group, AM/NS, JSWL Group & JSPL together produced 36.414 Mt (93% share) up by 8.0%. The rest (2.882 Mt) came from the Remaining Producers, up by 1.0%.
- **Pig Iron:** SAIL, RINL, NSL, TSL Group, AM/NS, JSWL Group & JSPL together produced 0.830 Mt (23% share) up by 0.5%. The rest (2.769 Mt) came from the Remaining Producers, up by 9.9%.
- **Total Finished Steel:** SAIL, RINL, NSL, TSL Group, AM/NS, JSWL Group & JSPL together produced 35.298 Mt (54% share) up by 8.8%. The rest (29.829 Mt) came from the Remaining Producers, up by 11.9%.

Contribution of Public Sector Units (PSU)

- **Crude Steel:** With 84% share, the Private Sector (57.570 Mt, up by 12.2%) led crude steel production compared to the 16% contribution of the PSUs (up by 10.7%).
- **Hot Metal:** With 70% share, the Private Sector (27.425 Mt, up by 6.5%) led hot metal production, compared to the 30% contribution of the PSUs (up by 9.6%).
- **Pig Iron:** With 91% share, the Private Sector (3.259 Mt, up by 9.0%) led pig iron production, compared to the 9% contribution of the PSUs (down by 4.7%).
- **Total Finished Steel:** With 85% share, the Private Sector (55.476 Mt, up by 8.8%) led production of finished steel, compared to the 15% contribution of the PSUs (up by 18.8%).

Contribution of Flat /Non-Flat in Finished Steel

- **Production**: Non-flat products accounted for 55% share (up by 9.4%), the rest 45% was the share of flats (up by 11.1%).
- **Import**: Flat products accounted for 92% share (down by 34.6%), the rest 8% was the share of non-flats (up by 5.7%).
- **Export**: Flat products accounted for 82% share (up by 14.0%), the rest 18% was the share of non-flats (up by 27.4%).
- **Consumption**: Led by Non-flat steel (54% share; up by 8.7%) while the rest 46% was the share of flat steel (up by 7.7%).

Finished Steel Production Trends

- At 65.128 Mt, production of total finished steel was up by 10.2%.
- Contribution of the non-alloy steel segment stood at 59.673 Mt (92% share, up by 9.5%), while the rest was the contribution of the alloy steel segment (including stainless steel).
- In the non-alloy, non-flat segment, in volume terms, major contributor to production of total finished steel was Bars & Rods (27.680 Mt, up by 9.7%) while growth in the non-alloy, flat segment was led by HRC (24.056 Mt, up by 9.6%) during this period.

Finished Steel Export Trends

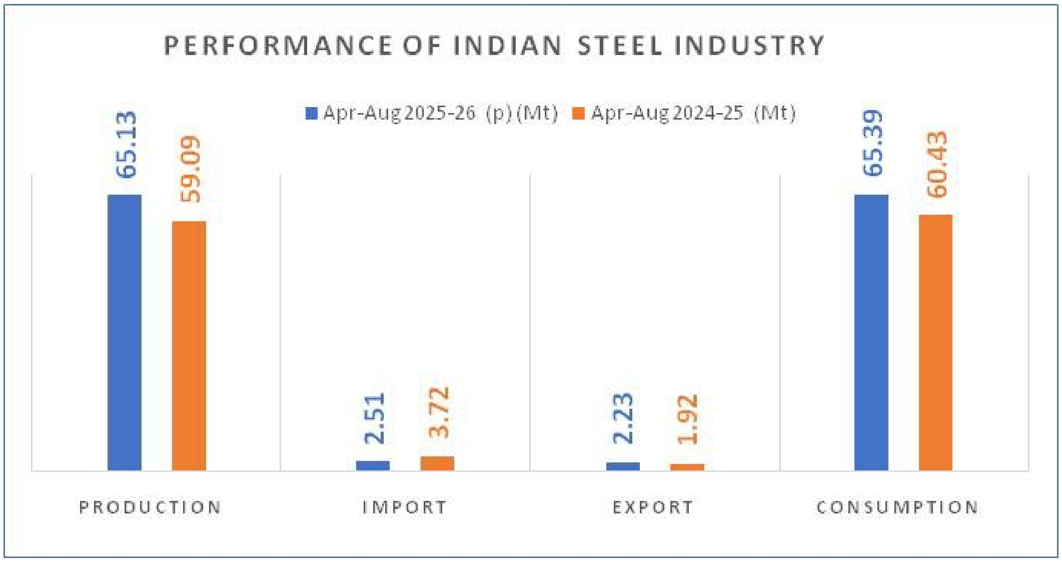
- Overall exports of total finished steel at 2.226 Mt, up by 16.2%.
- Volume wise, HR Coil/Strip (0.515 Mt) was the item most exported (23% share in total finished steel).
- Belgium (0.415 Mt) was the largest export market for India.

Finished Steel Import Trends

- Overall imports of total finished steel at 2.505 Mt, down by 32.6%.
- India was a net importer of total finished steel in April-August 2025-26.
- Volume wise, HR Coil/Strip (0.759 Mt, down by 52.9%) was the item most imported (30% share in total finished steel).
- Korea (0.914 Mt) was the largest import market for India (36% share in total).

Finished Steel Consumption Trends

- At 65.394 Mt, consumption of total finished steel was up by 8.2%.
- Contribution of the non-alloy steel segment stood at 59.481 Mt (91% share, up by 7.9%), while the rest was the contribution of the alloy steel segment (including stainless steel).
- In the non-alloy, non-flat segment, in volume terms, major contributor to consumption of total finished steel was Bars & Rods (27.260 Mt, up by 8.4%) while growth in the non-alloy, flat segment was led by HRC (24.294 Mt, up by 6.4%) during this period.



INDIAN ECONOMY – HIGHLIGHTS OF PERFORMANCE

GDP: As per provisional estimates of the Central Statistics Office (CSO), Ministry of Statistics and Programme Implementation, Real Gross Domestic Product (GDP) at Constant (2011-12) Prices in Q1 2025-26 is estimated to have attained a level of ₹47.89 lakh crore, as against ₹44.42 lakh crore in Q1 2024-25, showing a growth of 7.8 per cent. Barring Mining and Quarrying sector, all the other sectors reported positive growth during the quarter under review, with the Public Administration, Defence and Other Services sector reporting the highest growth at 9.8% and the Mining & Quarrying sector registering the worst performance showing a contraction of 3.1% during the period.

Industrial Production: Provisional CSO data show that the overall Index of Industrial Production for April-August 2025-26 rose by 2.8% over the same period of the previous fiscal, encouraged by similar high levels of growth trends noted for the various sectors /sub-sectors.

Infrastructure Growth: Provisional data released by the DPIIT indicate that the Index for the Eight Core Infrastructure Industries saw a growth of 2.8% in April-August 2025-26. While four sectors ~ Steel, Cement, Electricity and Refinery Products ~ reported positive growth, the remaining four ~ Natural Gas, Crude Oil, Fertilizers and Coal reported contraction in output in April-August 2025-26. The Steel sector reported the highest growth of 10.4% during the period under review, while the Natural Gas sector reported the steepest contraction of 2.5%.

Inflation: The rate of inflation based on Consumer Price Index stood at 1.54% and that on Wholesale Price Index stood at 0.13% in September 2025. Both CPI inflation and WPI inflation came down significantly compared with the previous month.

Prepared by: Joint Plant Committee