

Tata Steel Q2 net up 4 times to ₹3,183 cr on better realisation

STAKE BUY. To buy out JV partner in Tata BlueScope Steel for ₹1,100 crore

Our Bureau
Mumbai

Tata Steel has reported that its net profit in the September quarter increased more than four times to ₹3,183 crore, against ₹759 crore logged in the same period last year, largely due to better realisation and higher sales volume. Revenue was up at ₹58,689 crore (₹53,905 crore).

The company has signed an agreement to buy out its joint venture partner's stake in Tata BlueScope Steel for ₹1,100 crore.

Subsequently, Tata Steel Downstream Products has signed a share purchase agreement with BlueScope Steel and its holding companies to acquire 50 per cent stake in Tata BlueScope Steel, subject to regulatory approvals. Once the deal is executed, Tata BlueScope Steel will become an indirect subsidiary of Tata Steel.



Scorecard

	Q2 FY25	Q2 FY26
Revenue (₹ cr)	53,905	58,689
Net profit (₹ cr)	759	3,183
EPS (diluted) (₹)	0.67	2.49

Tata Steel has reported a 62 per cent increase in EBITDA at ₹8,968 crore (₹5,522 crore). EBITDA per tonne was up 54 per cent at ₹11,343 (₹7,345). The company has spent ₹3,250 crore on capital expenditure in the quarter. Gross debt decreased to ₹95,643 crore from ₹98,953 crore in the June quarter. Net debt was at ₹87,040 crore.

TV Narendran, CEO and MD, said the global operat-

ing environment remained challenging, with persistent overhang of tariffs, geopolitical tensions and elevated steel exports. However, he said the company improved its EBITDA margin for the second consecutive quarter on capacity expansion and a focused downstream strategy.

Kalinganagar's continuous annealing line and galvanising line have expanded high-end product offerings to the automotive sector, while the new 0.5 MTPA combi mill will strengthen its presence in the speciality steel segment, he said.

The e-commerce platforms Aashiyana and DigECA achieved Gross Merchandise Value of ₹1,980 crore for the quarter and more than tripled on a year-on-year basis.

UK, NETHERLANDS OPS

The company remains focused on making operations in the UK and Netherlands

viable, both economically and environmentally.

In September, the company signed a non-binding joint Letter of Intent with the Netherlands government and the Province of North-Holland on integrated health measures and a decarbonisation project, he added.

The cost transformation programme delivered saving of about ₹2,561 crore in the quarter. The India performance has been aided by strong growth in volumes.

Neelachal Ispat Nigam generated EBITDA of about ₹260 crore. While the Netherlands EBITDA increased, the UK EBITDA declined due to subdued prices on account of UK safeguard quotas exceeding the prevalent demand. The company has reduced its Tata Steel UK debt by £540 million in the quarter and cut consolidated gross debt by about ₹3,300 crore quarter on quarter to ₹95,643 crore.