

Steel prices hiked again amid rising exports

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The imposition of safeguard duty, an uptick in exports, and an increase in input cost are driving steel prices higher.

The latest round of price increase took place on Friday, with some steel mills increasing hot-rolled coil (HRC) prices by ₹500-750 a tonne, according to price reporting and market intelligence firm Big-Mint. HRC is a benchmark for flat steel.

"This is the second price hike this month; other mills are also expected to follow suit," Hemant Dewangan, analyst at Big-Mint said.

With this, the list price of HRC has increased by ₹3,000-5,250 a tonne since the middle of December to ₹50,500-₹51,750 a tonne from various mills. At the trade level (distributor to dealer), HRC prices increased by about ₹6,000 a tonne to ₹52,000 a tonne as on Friday.

Multiple factors have led to the price push. "Steel prices are rising due to cost pressures from higher imported met coke prices, compounded by a weak rupee. Policy support from safeguard duty, tight availability of long products and strong export orders have further lifted prices," Dewangan explained.

A top official in an integrated steel company said this could well be a turning point for steel prices that have been depressed for most of the calendar year 2025.

Ranjan Dhar, director and vice president at ArcelorMittal Nippon Steel India (AM/NS India), noted, India is the fastest growing major economy across the world and therefore, a growth market for all steel players. "Domestic demand growth has been healthy last year and has absorbed the additional supplies that were created during H2 of the year."



Tracking trends

2025	Prices*	% chg (Y-o-Y)
Jan	47,044	-13
Feb	48,413	-10
Mar	50,343	-5
Apr	52,033	-1
May	52,033	-4
Jun	51,050	-5
July	49,422	-5
Aug	49,894	-1
Sep	49,144	2
Oct	47,900	-1
Nov	46,750	-3
Dec	47,100	0

Jan, 2026
Price

₹52,000

Chg (Y-o-Y): 10.50%

*Prices in ₹/tonne (HRC, Exy-Mumbai)

Source: BigMint

Opportunities in South-East Asia — amid anti-dumping curbs on China — and a gradual return to West Asia after nearly two years is further helping ease the demand-supply gap at home, he added. "Safeguard duty in India has also helped."

Dhar said, "But it is notable though

that the current prices are still quite low given the substantial increase in input costs over the last 12 to 24 months."

Export sees uptick

An Elara Capital research report said that India's steel exports surged amid Carbon Border Adjustment Mechanism (CBAM)-led pre-buying.

For April-November 2025, India's steel exports (including stainless steel) grew 31 per cent year-on-year (Y-o-Y) to 5.77 million tonnes (mt), driven by pre-emptive restocking by European Union buyers ahead of the phased implementation of the CBAM, the report mentioned.

Will the price uptrend hold?

The industry has seen a record capacity addition of 15 mt over the past three to four quarters with another 5 mt expected by the end of FY26, said Sumit Jhunjhunwala, vice president, ICRA.

The surge created a temporary surplus and dampened prices. "Demand is expected to improve in FY27, with incremental consumption rising by 11-12 mt. With no major capacity additions in the first half of FY27 and gradual ramp-ups being absorbed by demand, the impact of overcapacity on prices should moderate," Jhunjhunwala explained.

He also pointed out that while global price dynamics would still matter, the domestic supply overhang is likely to ease significantly.

However, Sehul Bhatt, director, Crisil Intelligence, said that a few key blast furnaces were expected to be commissioned in the next fiscal. "The supply increase in the domestic market and declining demand momentum are expected to exert pressure on prices, limiting the current uptick."