

Iron ore imports set to hit 7-year high in 2025–2026

Reuters

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NEW DELHI: India's imports of iron ore, a key raw material in steelmaking, are set to rise to a seven-year high in the fiscal year ending on March 31, driven by a shortage of high-grade ore and demand from JSW Steel, analysts and industry executives said.

Overall imports are likely to reach 12 million to 14 million metric tons in 2025-26, more than doubling from a year ear-

lier, analysts and trade officials said.

JSW Steel, India's biggest steelmaker by capacity, was a key driver of iron ore imports for its mills in the western state of Maharashtra and the southern state of Karnataka, said Lalit Ladkat, a senior analyst at London-based consultancy CRU.

A cargo of BHP's Jimblebar Fines iron ore is heading to India in a rare sale, driven by discounts on the product that was banned for sale in China,

Reuters reported last week.

The bulk of India's iron ore imports in the fiscal year originated from Brazil and Oman, which together accounted for about 70% of total shipments, Ladkat said.

Iron ore output in India, the world's second-largest crude steel producer, is expected to reach 305 million tons in the 2025–26 fiscal year, up from 289 million metric tons a year earlier, according to commodities consultancy BigMint.

But exports of iron ore are

expected to reach 29 million metric tons, up 26% from a year earlier, with 85% of shipments going to China, Ladkat said.

India mainly exports low-grade iron ore that is generally not used by steel mills in the country, mining officials said.

In the fiscal year that begins on April 1, India's iron ore output is expected to rise as mines ramp up production, although imports may continue depending on grade requirements and plant-level supply dynamics, said Sumit Jhunjunwala, vice

president at ICRA Ratings. India, which has been importing cheaper iron ore pellets - processed or value-added products - from Iran since last year, is likely to see volumes decline due to the conflict in the Middle East, analysts said.

"Indian pellet imports from Iran could decline amid heightened geopolitical tensions and associated trade uncertainties, while ample domestic pellet availability is likely to constrain import demand," BigMint said.