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JSW Steel Commits Majority of ₹20,000 Crore Capex to Dolvi Plant Expansion

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JSW Steel, one of India's leading steelmakers, has confirmed that it will allocate the majority of its ₹20,000 crore capital expenditure for FY25 toward expanding its Dolvi plant in Maharashtra. The company aims to boost the plant's production capacity from 10 million tonnes per annum (MTPA) to 15 MTPA as part of its broader strategy to strengthen domestic steel output and meet rising demand.

The expansion, classified under Phase III of the Dolvi project, is considered a cost-efficient brownfield development. According to company officials, the project is expected to be completed by September 2027 and will play a critical role in helping JSW Steel meet its long-term production target of 42 MTPA nationwide.

“We are investing significantly in the Dolvi facility due to its strategic location and port connectivity, which makes it ideal for scaling up operations at a competitive cost,” said Jayant Acharya, Joint MD and CEO of JSW Steel. “This expansion aligns with our vision of sustainable and value-added growth.”

The Dolvi facility has emerged as a key site for JSW, thanks to its logistical advantages and integration with JSW’s port infrastructure. The current expansion is estimated to cost around USD 460 per tonne, which is far lower than the global average of USD 700, making it one of the most economical capacity additions in the global steel industry.

In addition to Dolvi, JSW will also invest in its other projects, including Bhushan Power & Steel (BPSL), JSW Vijayanagar Metallica (JVML), and various downstream capacities. The company’s total capex over the next three years is projected to reach ₹64,434 crore.

With the expansion, JSW is also expected to drive up India’s iron ore imports. Analysts expect imports to reach up to 10 million metric tons in 2025, up from 6 million metric tons in 2024, primarily due to JSW’s increased raw material requirements.

The strategic investment is seen as part of India’s broader push to enhance domestic manufacturing and infrastructure development through higher steel availability. JSW’s expansion is expected to contribute significantly to India’s National Steel Policy goals.