

## Tata Steel Reports Soaring Profit Amidst Flat Revenue in Q1FY26



Tata Steel has announced a remarkable 116.51% surge in its consolidated net profit, reaching ₹2,077.68 crore for the first quarter of the fiscal year 2025-26 (Q1FY26), despite a nearly flat revenue performance. The steel major's profit in the corresponding period last year stood at ₹959.61 crore. This significant jump in profitability was primarily driven by enhanced net steel realizations and strategic cost reduction measures across its global operations.

For the quarter ending June 30, 2025, Tata Steel's consolidated total revenue from operations was recorded at ₹53,178.12 crore, marking a marginal 2.91% year-on-year decrease from ₹54,771 crore in Q1FY25. While overall revenue remained largely unchanged, the company's robust operational performance, particularly in India, played a pivotal role in boosting the bottom line.

A key factor contributing to this increased profitability was the improvement in steel prices and a disciplined approach to cost management. The company also benefited from the Indian government's safeguard duties on certain steel imports, which helped maintain domestic pricing power amidst a subdued global demand environment. This regulatory support provided a crucial cushion for margins, offsetting any decline in volumes.

Tata Steel's India operations remained the primary contributor to its strong financial performance, posting an EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) of ₹7,486 crore with an impressive EBITDA margin of 24%. The EBITDA per

tonne in India also saw an improvement, rising to ₹15,760. Although steel production in India, at 5.24 million tons, and deliveries, at 4.75 million tons, were temporarily impacted by planned maintenance shutdowns at its Jamshedpur and Neelachal Ispat Nigam Limited (NINL) plants, the company anticipates a return to normal operations in the coming quarters. NINL, a recent acquisition, contributed ₹224 crore in EBITDA during the quarter.

T.V. Narendran, CEO and MD of Tata Steel, commented on the results, stating, "Tata Steel has demonstrated robust profitability across geographies despite volatile global macro conditions. Our strong Q1 performance was driven by improved net steel realisations and planned cost reductions." He also highlighted the positive impact of the company's expansive distribution network and growing digital platforms, with platforms like Aashiyana and DigECA generating an annualized Gross Merchandise Value (GMV) of ₹5,400 crore.

As of June 30, 2025, Tata Steel maintained a strong liquidity position of ₹43,578 crore, including cash and cash equivalents of ₹14,118 crore, while net debt stood at ₹84,835 crore. The company's ability to significantly increase profit despite flat revenues shows its operational efficiency and