Evonith Steel: Expanding Capacity, Strengthening Value-Added Steel Leadership

India's steel industry is in the midst of structural expansion, driven by infrastructure intensity, manufacturing growth and policy alignment. Few companies illustrate this transition as distinctly as Evonith Steel. Since acquiring and rebranding Uttam Galva in 2020, the company has accelerated capacity, strengthened its financial profile and repositioned itself toward value-added steel and ductile iron pipes.

In this conversation, ***Chairman, Jai Saraf*** speaks to ***Paresh Parmar, Editor, Minerals & Metals Review*** about operational synergies, domestic demand resilience, policy safeguards, pig iron volatility and Evonith's roadmap towards becoming one of the leading integrated steel players.

He outlines how Evonith Steel has transformed Uttam Galva into a high-growth, value-driven integrated steelmaker, doubled capacity, strengthened its balance sheet, and positioned itself at the heart of India's infrastructure-led steel expansion.

"Our focus is not just on expanding capacity, but on building a resilient, value-driven steel platform aligned with India's infrastructure and manufacturing growth story."

Jai Saraf
Chairman - Evonith Steel &
Founder & CEO - Nithia Capital

How would you assess the operational and financial synergies achieved since the acquisition of Uttam Galva?

How is Evonith repositioning or strengthening its brand in India and export markets after bringing Uttam Galva fully into the fold?

Since our acquisition of Uttam Galva companies in 2020, which were rebranded as Evonith Steel soon after, we have achieved an all-round improvement. Through our philosophy of continuous improvement, we have increased production and sales by almost 2.5x and are currently producing over 100,000 tonne per month. Our investment program has doubled our production capacity to 1.5 MTPA through refurbishment and technological improvements of the existing production facilities and investment in new capacity enhancement projects. In the near future, we are going to further increase our overall integrated steel production capacity to 3.5 MTPA.

Our focus remains the domestic Indian market which is the engine of growth for steel industry globally. Our product branding efforts like 'Neelpankh' for flat coated products and 'Nectra' for DI pipes signal our shift from a commodity player to a value-added partner.

Our upgrade to 'AA-' credit rating reflects a robust and prudent financial profile of the company with much lowered interest costs.

What are the major demand drivers currently shaping the Indian steel market (housing, infrastructure, manufacturing, EVs)? How resilient do you see demand over the next 12–24 months?

We believe, infrastructure and construction sectors will continue to drive over 60% of India's steel demand through 2030. Beyond housing, we see robust traction in automotive, railways, general engineering, renewable energy, defence and water management sectors, which are vital as India moves toward a 200 Mn MT total demand target. We see high resilience over the next 24 months, supported by a 6% sectoral CAGR and more than 60% increase in per capita steel consumption to over 160 kg by 2030.

What demand trends are you observing in ductile iron pipes across sectors such as water supply and distribution, irrigation and wastewater management?

Water management and irrigation sector has shown a sustainable demand, fuelled by government initiatives like the Jal Jeevan Mission and AMRUT. To meet this, we are now commissioning our 300,000 TPA DI pipe plant imminently. Our central location in Wardha near Nagpur not only gives us a PAN-India exposure but also an additional logistics benefit of being the only DI pipes manufacturer within a 500 km radius of our plant. This gives us a unique logistical advantage to serve Maharashtra, MP, Chhattisgarh, and Telangana efficiently. This ensures we provide the infrastructure needed for India's growth while maintaining proximity to our key customers.

How is Evonith balancing domestic priorities with export opportunities, especially in light of global steel demand cycles? Are there specific regions where you see greater growth or competitive advantage?

Our primary focus is and always will be the domestic market, where demand growth is most consistent and robust. This strategy buffers us against global cycles, trade barriers and various other costs. While we target national export growth, we prioritize regional leadership in Central India. For global opportunities, we remain jurisdictionally agnostic, focusing on markets with strong domestic demand like Africa or Middle East, ensuring our growth is both balanced and sustainable.

What are the key supply-side constraints — raw material costs, logistics bottlenecks, capital availability — that the industry still faces?

While iron ore is abundant domestically, we manage logistics via our captive railway siding and strategic central location. Coking coal remains a global import dependency, which we manage through long-term partnerships with major international players. We address capital constraints through strict financial discipline. Our focus remains on operational efficiency to mitigate these external pressures.

What has been the impact of recent import tariffs, anti-dumping duties, and safeguard measures on domestic steel competitiveness?

We welcome the government's focus on BIS standards and Quality Control Orders (QCOs) effective June 2025, which curb the dumping of non-compliant steel from East Asia. Safeguard duties are critical to managing the surge in flat steel imports. These measures, alongside the Steel Import Monitoring System (SIMS), ensure a level playing field for domestic producers and the continuous governmental support. We believe these policies strengthen the domestic sector's competitiveness and support the "Make in India" vision.

Pig iron prices in the domestic market have seen significant swings. How do you see the volatility for pig iron prices going ahead?

While pig iron prices are volatile, our strategy is to mitigate this through internal value-addition. By converting hot metal into value-added flat steel and DI pipes, we capture higher margins and reduce reliance on merchant pig iron sales. Our integrated model at Wardha ensures stable internal consumption even during external price swings. We remain focused on "value-added" over "volume-only," ensuring consistent performance despite market fluctuations.

How does the industry counter global overcapacity, particularly from major exporters such as China?

Together with the continued governmental and industry support, we counter global overcapacity by focusing on quality and regulatory compliance. Stringent BIS norms and the closure of import loopholes on various grades protect the domestic market from low-quality, dumped imports. Our focus remains on "value made in India," ensuring our operations stay competitive through superior efficiency and a focused domestic footprint. By establishing ourselves as a leading private sector steelmaker, we prioritize the domestic supply chain's integrity.

Are there collaborations with OEMs or technology partners to develop specialized steel grades?

We continually work alongside our customer requirements to service them with their needs. In this regard, we are expanding our portfolio into high-grade products for automotive, railways, and seamless pipe sectors. This year, we launched new grades designed for evolving market needs. Our upcoming Galvalume and colour-coating lines will further deepen our partnerships with specialized end-users. For us, steel is a promise to innovate boldly and build responsibly as we are "Here for a Better Today". ■