

## Green-steel price premiums in India

No Indian mill has publicly posted a fixed “green steel” surcharge. Industry analyses suggest any premium today is relatively modest. For example, an EY/CII study estimates the premium on H<sub>2</sub>-DRI “green steel” at roughly **US\$210/tonne** (about a 3–4% markup) <sup>1</sup>. Likewise, a recent Tata Nexarc report notes certified low-carbon rebar carries only a **2–5%** price premium over ordinary steel <sup>2</sup>. (In rupee terms, 2–5% of a ~₹60,000–₹65,000/t steel price is on the order of ₹1,200–3,000 extra per tonne.) However, these figures come from analysts; we found **no company press release or earnings call** quoting exact ₹/t or US\$/t premiums for “green” steel. In fact, Tata/AMNS executives have observed that many buyers are **reluctant to pay any premium** <sup>3</sup>.

- **Domestic sales:** To date, India’s mills have not announced special green-steel pricing for domestic customers. Companies like Tata Steel and JSW Steel have obtained green certifications (e.g. Tata’s GreenPro™ rebar, JSW’s “GreenEdge” certificate system) that may support a premium, but no public source gives a per-tonne price. Industry commentary implies any current domestic premium is small (roughly the 2–5% range above) <sup>2</sup>. One report notes that Tata’s certified products “boost[] Tata’s ability to command sustainable-product premiums and long-term contracts” <sup>2</sup>, but again without specifying values. Business press quotes executives stressing that **customers may not be willing to pay extra at all** for low-carbon steel <sup>3</sup>, suggesting mills have not built major markups into local prices.
- **Exports (EU/CBAM markets):** Exports to Europe will soon face the EU carbon tax (CBAM), which effectively adds roughly **€50–€80** (≈US\$55–\$90) of carbon cost per tonne of regular steel by 2030 <sup>4</sup>. In practice, this raises the effective price of blast-furnace steel for EU buyers. Indian mills have signaled little clarity on CBAM, and we found **no reports of separate “green-steel” pricing for exports**. In other words, exporters have not announced a special discounted or surcharged rate for green-certified shipments. (Analysts simply note that CBAM may force Indian producers to either decarbonize or pay the tax – e.g. an estimated ~\$80/t levy by 2030 <sup>4</sup> – but not that mills will differentially price “green” vs regular coils.)

## Companies’ stance

- **Tata Steel:** Tata has unveiled green-certified products (e.g. “Optemis® Carbon Lite” coil, GreenPro™ rebar, etc.) but has **not announced a per-tonne premium**. Reports indicate Tata’s investments (new EAFs, renewables) aim to reduce its carbon intensity, but no source quotes extra pricing. A Tata industry blog notes that certified output could earn a small premium <sup>2</sup>, but again no official ₹/t figure is given.
- **JSW Steel:** JSW launched “GreenEdge”, a certificate-based low-carbon steel scheme, and is building hydrogen/EAF capacity. However, JSW has not disclosed any premium price. (GreenEdge certificates help buyers claim lower Scope-3 emissions, but they do not specify a fixed surcharge per tonne.) One analysis explicitly remarks that mills like JSW “will gain an early advantage” by having certified steel

and can “demand a modest price premium” <sup>2</sup>, but this remains a market projection rather than an announced tariff.

- **AM/NS India (ArcelorMittal-Nippon):** AM/NS India is targeting major decarbonization (new EAF, etc.) but has not publicly set any green-steel price. In industry discussions, AM/NS's CEO has actually pointed out that buyers may balk at higher costs for low-carbon steel <sup>3</sup>. There is no news of AM/NS charging a green premium domestically or for exports.

In summary, **no Indian steelmaker has publicly specified a green-steel surcharge in ₹/t**. Industry sources merely give indicative premiums (e.g. ~\$210/t <sup>1</sup> or ~2–5% <sup>2</sup>) and note that customer willingness to pay may be limited <sup>3</sup>. For exports, the looming EU CBAM adds roughly US\$55–\$80/t of cost to ordinary steel <sup>4</sup>, but firms have not announced corresponding green discounts or added export premiums. All such figures remain estimates; actual in-market premiums in India are not documented in public reports at this time.

**Sources:** Industry and consulting reports, along with news coverage. EY/CII report (Jul 2025) estimates ~\$210/t green premium <sup>1</sup>; Tata Nexarc analysis suggests ~2–5% markup <sup>2</sup>. News articles (Business Standard, ET) quote executives on premium reluctance <sup>3</sup> <sup>4</sup>.

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<sup>1</sup> **Unlocking green steel demand**

<https://www.ey.com/content/dam/ey-unified-site/ey-com/en-in/insights/mining-metals/documents/ey-unlocking-green-steel-demand-digital.pdf>

<sup>2</sup> **Green Steel Incentives: Eligible Companies and MSME Impact - Tata nexarc Blog**

<https://blog.tatanexarc.com/da/green-steel-india-msme-impact/>

<sup>3</sup> **Steel industry flags high input cost, seeks support for green transition | Economy & Policy News - Business Standard**

[https://www.business-standard.com/economy/news/steel-industry-flags-high-input-cost-seeks-support-for-green-transition-125090801525\\_1.html](https://www.business-standard.com/economy/news/steel-industry-flags-high-input-cost-seeks-support-for-green-transition-125090801525_1.html)

<sup>4</sup> **EU carbon norms may cost Indian steelmakers \$116 per tonne by 2034, ET Energyworld**

<https://energy.economictimes.indiatimes.com/news/power/eu-carbon-norms-may-cost-indian-steelmakers-116-per-tonne-by-2034/119892319>