

India halves Chinese steel imports in April and May; negligible Vietnam shipments as safeguard duty bites

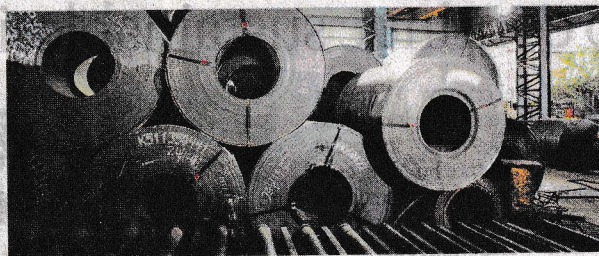
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India has managed to halve steel imports from China in the first two months of the current fiscal to 0.2 million tonnes (mt) while shipments from Vietnam, too, have turned negligible in April and May, indicative of trade measures that include the safeguard duty of 12 per cent and multiple quality control orders.

Steel Ministry data show that shipments from Japan also have plunged nearly 66 per cent y-o-y to 0.12 mt during this period.

In the same period last year, Chinese steel shipments stood at 0.41 mt and from Japan at 0.4 mt.

China and Japan were the top two steel exporters last year, with Vietnam among the top 4. So far in FY26, Korea leads as the top exporter of finished steel at



OUTPUT SURGE. India's domestic steel production has seen 7% y-o-y rise to 25.5 mt (23.9 mt)

0.37 mt, followed by China and Japan, with Vietnam not featuring in the list.

INDIA OUTPUT UP

To put things in perspective, India's steel production rose 7 per cent y-o-y to 25.5 mt (23.9 mt), while domestic consumption also grew 7 per cent to 25.2 mt.

The Ministry report noted that steel prices showed a mixed trend while rebar prices declined y-o-y, driven by weak demand and the impact of the monsoon.

However, benchmark

HRC prices moved up but remained range-bound.

STILL AN IMPORTER

India, however, remains a net importer of the alloy, with imports at 0.95 mt (₹9,167 crore), down 30 per cent y-o-y, outstripping exports at 0.77 mt (₹6,519 crore), which fell 18 per cent during April-May.

Net imports stood at 0.18 mt with a trade deficit of ₹2,648 crore.

In comparison, the trade deficit came down by nearly 38 per cent — driven by

lower imports — to ₹4,284 crore. In April, India imposed a 12 per cent safeguard duty on steel imports from China and Vietnam.

The impact was evident in April, with steel shipments from China dropping 30 per cent y-o-y, at 0.10 mt and down 16 per cent sequentially (over March).

In May, shipments from China were around 0.11 mt, slightly higher sequentially, but down 37 per cent y-o-y.

In fact, since January, when talks of safeguard duty imposition gathered pace, Chinese shipments started to decline.

From 0.18 mt in January, they dropped to 0.09 mt in February before seeing a rise in March to 0.13 mt.

"There'll be some monthly variations but overall, shipments are down and stabilised in the 0.1 mt range. We are further checking these monthly variations," said a Ministry official.