

India back to being net importer of steel in April-Nov as exports slump

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In a major setback, India has turned a net importer of steel for April-November period due to a continued fall in export orders on account of global recessionary pressures, inability to tap into new markets and stiff competition from lower priced of-

ferings coming in from China and Vietnam, data accessed by *businessline* from the Union Steel Ministry has showed.

Imports at 4.3 million tonnes (mt) exceeded exports, which stood 4.0 mt for the eight month period, by 0.3 mt. This marks a drastic change in India's competitive landscape, where the second largest producer of crude steel which became a net

exporter now turns back to be a net importer.

Fall in exports on a yearly basis in November is a high 30 per cent; which is now made up with an equivalent rise in imports of 30 per cent, Ministry data show. In November 2023, imports stood at 0.78 mt, up from 0.6 mt in the year-ago period. Exports on the other hand dropped to 0.23 mt from

0.39 mt in the year-ago period. On a sequential basis, exports fell by a high 20 per cent; against which imports increased 37 per cent.

SECTORAL PATTERNS

Non-alloyed steel increased closer to 46 per cent on a year-on-year (y-o-y) basis for 8M FY24 (April-November) to 3.5 mt (2.4 mt), but stainless and al-

loyed steel exports ceded space to price differences with China in the global market. Stainless steel exports fell 74 per cent y-o-y to 0.47 mt. On the import front, non-alloyed steel shipments coming in rose 42 per cent y-o-y to 3.5 mt; while stainless steel and alloy steel offerings dropped by 26 per cent to 1.2 mt.

According to an exporter, im-

ports going up has been the major concern across the primary steel mills. "Export numbers are better in the non-alloyed steel segment... This time, the increased quota by European nations and some good demand on April-June period has boosted numbers. But taking out the low base effect, export market remains depressed. Price competition with China is high and mills

withdrew new export offers post September since the couldn't compete on international price front (with China). There was practically no offer in November, except some in EU, the exporter explained.

Sources said, prices in China are witnessing some stabilisation as the scheduled production optimisation and cuts start playing out there.