

# Safeguard duty hits steel imports in April, but still higher than exports

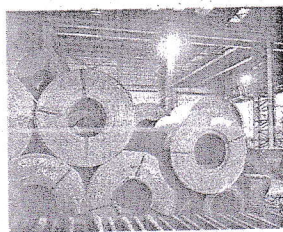
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A 12 per cent safeguard duty on steel from China and Vietnam reduced India's imports by 21 per cent sequentially.

Yet the country remained a net importer in April, the first month of FY26. According to a Steel Ministry report accessed by *businessline*, imports of the alloy reached 0.46 million tonnes (mt), outstripping exports of 0.38 mt by 0.08 mt.

## TRADE IMPACT

The duty imposed to shield domestic producers by raising costs for Chinese and Vietnamese steel drove imports down from 0.58 mt in March, but exports too fell 17 per cent from 0.46 mt. Year-on-year, finished steel imports fell 21 per cent to 0.59 mt, and exports slumped 27 per cent to 0.5 mt.



Finished steel includes non-alloy, alloy and stainless steel offerings.

Non-alloy steel imports, hit hardest by the duty, saw a 28 per cent decline y-o-y and a 24 per cent drop sequentially for April to 0.31 mt. Duty-exempt alloy and stainless steel imports, at 0.15 mt, remained flat y-o-y and were down 9 per cent sequentially.

Since January, when talks of a safeguard duty intensified, shipments from China and some other countries have steadily declined — from 0.86 mt in January to 0.6 mt in February (down 30 per cent) and 0.58 mt in March (down 5 per cent).

Yet, global demand woes, exacerbated by China's aggressive exports averaging 10 mt in March and April to markets like West Asia and Africa, have stifled India's export recovery. On the other hand, export of the metal, at 0.33 mt, was down 28 per cent y-o-y and down 19 per cent sequentially. Alloy and stainless steel exports, at 0.05 mt, were flat y-o-y and sequentially.

"So on the positive side, imports are down. The concern is export markets are still depressed," an official said requesting anonymity.

During a recent post result investor call, Tata Steel MD and CEO TV Narendran said the average monthly export by China was around 10 mt in March and April, which was on the higher side. In India, he expected prices to rise by ₹3,000 per tonne in Q1 (April-June) with imports coming down in the last couple of months.

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