

Easing imports pave way for investments, but dumping threat remains: Tata Steel CEO

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Steel imports at present “are not as big an issue as they were some three-four months ago”, and if the positives sustain, steel makers can resume their investment plans, TV Narendran, MD and CEO, Tata Steel, told *businessline*.

However, the sector is still not out of the woods, as apprehensions over the dumping of the alloy persist.

DUMPING THREAT

“In the last few weeks, the situation has slightly improved, and if it sustains, then we can revisit the (investment) plans. When we spoke previously, a few months ago, things (imports) were not great. That is why I said, unless there is some supportive action from the government, it would be

difficult to justify the investment and the returns (on it),” he said. Narendran cautioned that the threat of dumping is real, especially with global demand softening and surplus capacity finding its way to Indian shores.

According to him, China is flooding international markets with the alloy at prices that do not make sense — in some cases, even below their production cost. As a result, exporters here have been hesitant to make offers in international markets, while mills have been focusing on protecting their domestic market.

Exports remain subdued as global trade sentiment continues to be weak, he said.

The sharp uptick in inflows (and decline in exports) — largely driven by price undercutting by players in China — has renewed calls for safeguard measures



TV Narendran,
MD and CEO, Tata Steel

and cast a cloud over capital allocation plans in the sector.

IMPORT SLOWS

“It (import), was a concern... that’s why we had been pushing for safeguard duties. The government has initiated the process, and we are waiting for the final clearance. Once the government announced that it was taking action on safeguard duty, we saw imports drop a bit. The rupee’s devaluation has also slowed

imports,” Narendran said. Steel imports in FY25 surged to a 10-year high of 9.5 million tonnes (mt), with India emerging a net importer of the alloy. Exports were at a 10-year low of 5 mt. However, over the last few months, imports have shown a declining trend, bringing respite to alloy-makers.

In January, imports stood at 0.9 mt — flattening out over December — and in February, dropped by 36 per cent (over January) to 0.6 mt. In March, there was a sequential dip of around 8 per cent to 0.56 mt, according to data from the Steel Ministry.

“So just now, (steel) imports are an issue, but not as big as they were three-four months back. But we need to be watchful because of what’s happening across the world due to Trump tariffs. And we should not be flooded with unfairly priced imports,” he added.