

# Steel exports dip in Q1, trade deficit narrows on import curtailment

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India's steel exports declined 5 per cent year-on-year (y-o-y) to 1.2 million tonnes (mt) in the April-June period, as against 1.3 mt in Q1 FY25, with large markets in the European Union (EU) witnessing lower buying. The country was still a net importer of the alloy, at 1.4 mt, outpacing exports by 0.2 mt. Exports to the US surged 200 per cent — primarily driven by stainless steel, alloys and bar and rod shipments — to 71,000 tonnes (23,400 tonnes).

The EU was the largest market accounting for 0.57 mt — or 48 per cent of the alloy exports. However, shipments to the region were down 3 per cent y-o-y (0.6 mt). Of the nine EU markets, Belgium saw a 41 per cent y-o-y increase to 0.23 mt, followed by Spain — up 36 per cent at 0.12 mt. Steel shipments to Germany and Greece also increased. On the other hand, Italy — one of the largest buyers — saw a 40 per cent y-o-y decline in shipments at 0.17 mt, followed by France, Sweden, Portugal and Poland.

## TRADE DEFICIT

As per a Steel Ministry report accessed by *businessline*,

steel trade deficit declined 40 per cent, to ₹4,240 crore, y-o-y. Trade deficit was at ₹6,704 crore in Q1 FY25. This was fuelled by larger imports and a substantial slowdown in steel exports.

"Rebar and HRC prices came down both month-on-month and y-o-y in India and China," stated the report, adding that seasonal changes like monsoon have impacted rebar prices here. Exports stood at ₹9,776 crore in value terms for Q1, down 8 per cent y-o-y (₹10,636 crore).

## IMPORTS DOWN

During the period under review, imports — down 30 per cent in volume terms — were valued at ₹14,016 crore. Shipments in the year-ago

period (at 2 mt) were valued at ₹17,341 crore.

Hit by a 12 per cent safeguard duty imposed in May, imports from Japan declined 65 per cent to 0.17 mt in April-June period (0.5 mt). Steel imports from China, too, declined 45 per cent, to 0.3 mt (0.57 mt).

Shipments from Vietnam declined 15 per cent y-o-y to 47,000 tonnes; Korea — the largest import market for Indian steel-makers — saw a 7 per cent decline to 0.53 mt (0.57 mt). "Safeguard duty investigation and imposition have resulted in decline in imports," said a Ministry official. India, however, was the second largest crude steel producer globally at over 67 mt, up 8 per cent y-o-y.