

Steel Cos Raise Concern Over Imports from S Korea, China

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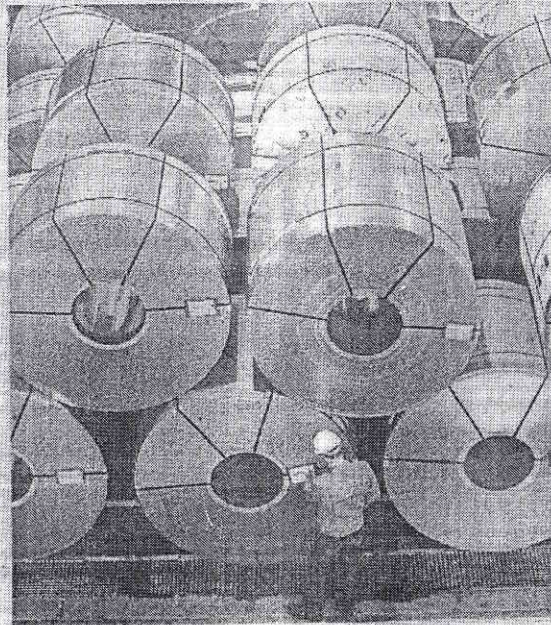
New Delhi: The domestic steel industry has flagged imports from South Korea and China which are said to be causing a price distortion hurting local producers.

South Korea continues to be the highest steel exporter to India, followed by China in the first quarter of the current financial year.

Total steel products coming into the country stood at 2.23 million tonnes (mt) in Q1, 31% more than the 1.70 mt import during the comparable period of fiscal 2023.

The sharp increase in import of metal products including finished steel, scrap and ferro alloys on an annual basis has been flagged to the centre by the industry representatives.

"A sharp rise in the imports of finished steel was recorded in the first quarter of the current financial year. This surge has caused a significant price distortion, subsequently exert-



ing an adverse impact on our domestic price realisations," said Ranjan Dhar, Chief Marketing Officer at Arcelor Mittal Nippon Steel.

According to official data, South Korea exported 6.86 lakh tonnes (lt) of steel to India, down from 7.13 lt in the first quarter of the current fiscal. Dur-

ing the same period, Chinese steel exports to India zoomed to 5.70 lt, up from 3.52 lt in the same months last year.

He says this goes beyond a supply-demand alteration. "It is a case of predatory pricing, a tactic that poses a formidable challenge to our industry's sustainability and growth," Dhar told ET.

According to steel traders, there is a sequential drop of ₹5,000-6,000 per tonne in Hot Rolled (HR) Coil prices from earlier this year.

Since HR Coil is used an input for most steel products, its price is used as an industry reference.

"Domestic steel prices had climbed up to ₹65,000 per tonne in the first quarter of the previous fiscal. This has now come down to ₹56,000 per tonne. But despite the fall, imported steel from Vietnam, Japan, China, and Russia is trading at ₹54,000 per tonne, and is expected to come down further next month," said Vedant Goel, Managing Director, at Neo Mega Steel, a trading company.