

# NAVIGATING 2025

## ALUMINUM TARIFFS

WHY INDIA IS A STRATEGIC  
SOURCING PARTNER



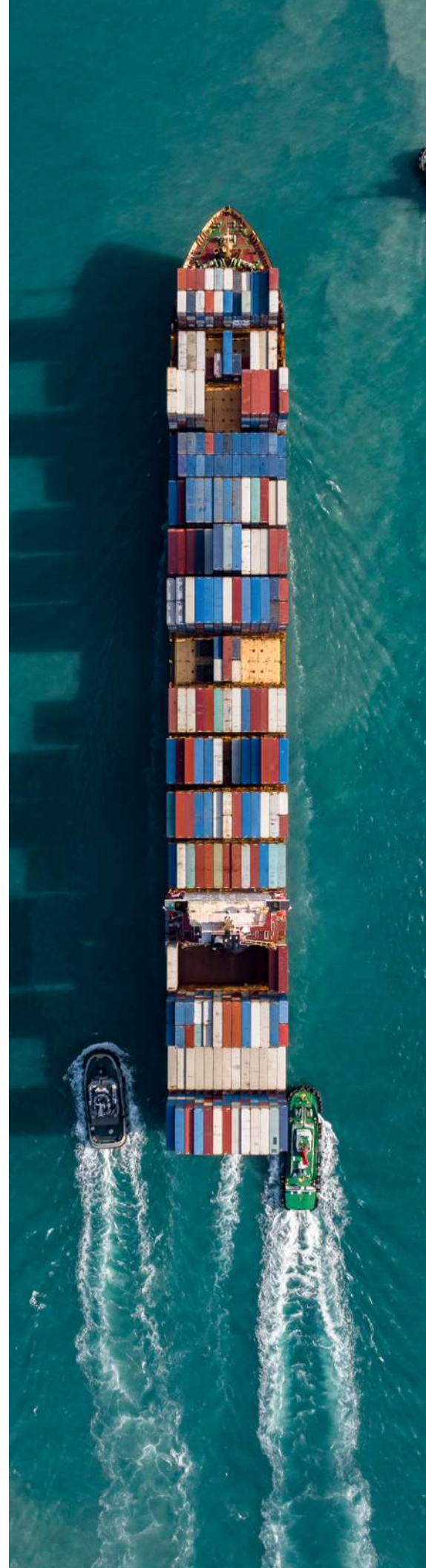
The global trade landscape continues to face significant uncertainty under the Trump administration, with protectionist policies reshaping supply chains across industries.

For businesses reliant on aluminum—ranging from construction to automotive and electronics—this policy shift introduces new challenges in sourcing and cost management. Companies must now reevaluate their supply chain strategies, considering alternative sourcing locations and adapting to evolving trade regulations to mitigate financial risks.

## GLOBAL SUPPLY CHAIN CONSIDERATIONS AMID TARIFF CHANGES

With the reinstated tariffs, businesses must rethink their global sourcing strategies to minimize disruptions and financial strain. Several key considerations come into play:

- **Diversification of Sourcing:** Companies must evaluate alternative aluminum suppliers beyond traditional markets like China, which remains subject to significant trade barriers. India is among the potential alternatives, with its distinct advantages and challenges.
- **Total Cost of Procurement:** Tariffs are just one component of overall procurement costs. Companies must assess shipping expenses, lead times, quality control, and infrastructure capabilities in potential sourcing countries.
- **Regulatory Adaptation:** Understanding the evolving trade environment is crucial. While the tariffs are currently in place, future trade negotiations or geopolitical shifts could alter sourcing dynamics. Keeping an eye on potential tariff exemptions, trade agreements, or policy reversals will be essential.
- **Utilizing Trade Programs:** Businesses can explore bonded warehouses, Foreign Trade Zones (FTZs), and Temporary Importation under Bond (TIB) strategies to mitigate tariff exposure. These measures allow for deferred duties or duty-free imports under specific conditions.



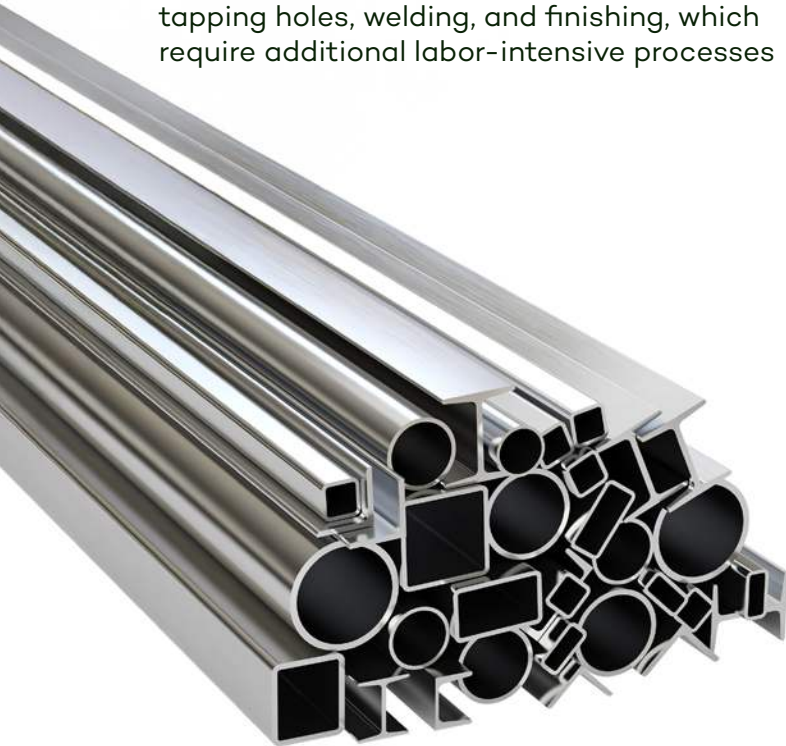


## THE CASE FOR SOURCING ALUMINUM FROM INDIA

As companies seek to adapt, India has emerged as a strong alternative for aluminum sourcing. Several factors make India an attractive option:

### ADVANTAGES OF SOURCING FROM INDIA

- **Bauxite Mines and Raw Material Availability:** India has significant bauxite reserves, producing approximately 25 million metric tons annually.<sup>1</sup> This upstream integration allows for greater price stability and lowers exposure to international supply shocks. Since raw material costs are the most significant factor in aluminum extrusion pricing, India's domestic supply provides a competitive advantage.
- **Lower Labor Costs:** While raw material costs dominate aluminum extrusion pricing, India's labor costs are significantly lower than those in China or other aluminum-producing countries. This is particularly beneficial for secondary operations such as drilling, tapping holes, welding, and finishing, which require additional labor-intensive processes
- **Growing Capacity:** The India aluminum extrusion market size reached 1,079,874.55 Tons in 2024, with an expected growth rate (CAGR) of 3.72% during 2025-2033.<sup>2</sup> The India foundry and casting market size reached USD 19.80 Billion in 2024 and has an expected growth rate (CAGR) of 11.13% for the same period.<sup>3</sup> This growth reflects India's rising role in the global aluminum market and its readiness to meet export demand.
- **Shipping Advantages to the East Coast:** When shipping to the East Coast of the US, transit times from India are often shorter than from China. While shipments to the West Coast take slightly longer, the overall cost efficiency often outweighs the time difference.
- **Overall Cost Competitiveness:** Even with tariffs considered, sourcing aluminum extrusions from India is often more cost-effective than domestic production. Furthermore, it is still generally less expensive than buying from China, particularly when factoring in additional trade barriers imposed on Chinese imports.
- **Tariff Impact on Canadian Imports:** Even U.S.-based extruders are facing higher input costs due to their reliance on Canadian ingots. Tariffs on Canadian aluminum have increased domestic production costs because aluminum producers in the US often import ingots from the country, making imports from India a more attractive alternative for businesses looking to optimize their sourcing strategies.
- **Robust Manufacturing Capabilities:** India has well-developed aluminum production facilities, offering a range of raw and semi-finished products that meet international standards. Indian facilities are increasingly adopting international certifications such as ISO 9001, IATF 16949, and AS9100.
- **Stable Trade Relations:** Unlike China, which faces ongoing trade tensions with the U.S., India has maintained relatively positive economic relations with the U.S., increasing the likelihood of trade negotiations that could ease tariff burdens.



<sup>1</sup> U.S. Geological Survey. (2024). Mineral Commodity Summaries: Aluminum. National Minerals Information Center. Retrieved from <https://www.usgs.gov/centers/national-minerals-information-center/mineral-commodity-summaries>

<sup>2</sup> IMARC Group. (2024). India Aluminum Extrusion Market Report by Alloy Type, Product Type, Application, and Region 2024-2032. Retrieved from <https://www.imarcgroup.com/india-aluminum-extrusion-market>

<sup>3</sup> IMARC Group. (2024). India Foundry and Casting Market Report by Material Type, Process Type, End Use Industry, and Region 2024-2032. Retrieved from <https://www.imarcgroup.com/india-foundry-casting-market>

## CONSIDERATIONS AND POTENTIAL CHALLENGES

While India presents numerous benefits, it is not without challenges:

- **Tariff Impact:** Even though India offers cost advantages, businesses must carefully assess whether tariffs offset those savings compared to sourcing from other regions such as Mexico and Canada.
- **Logistics and Infrastructure:** While India's manufacturing sector is strong, logistical factors such as port congestion can sometimes be a problem, and the potential impact on shipping lead times should be considered.

## THE LONG-TERM VIABILITY OF INTERNATIONAL SUPPLY CHAINS

Despite increasing protectionist policies, global supply chains remain essential for industries that rely on specialized materials and cost-effective production. U.S. manufacturers cannot simply shift all sourcing domestically without significant cost increases and capacity constraints.

This reality underscores the importance of working with experienced global sourcing partners who can help navigate trade challenges.

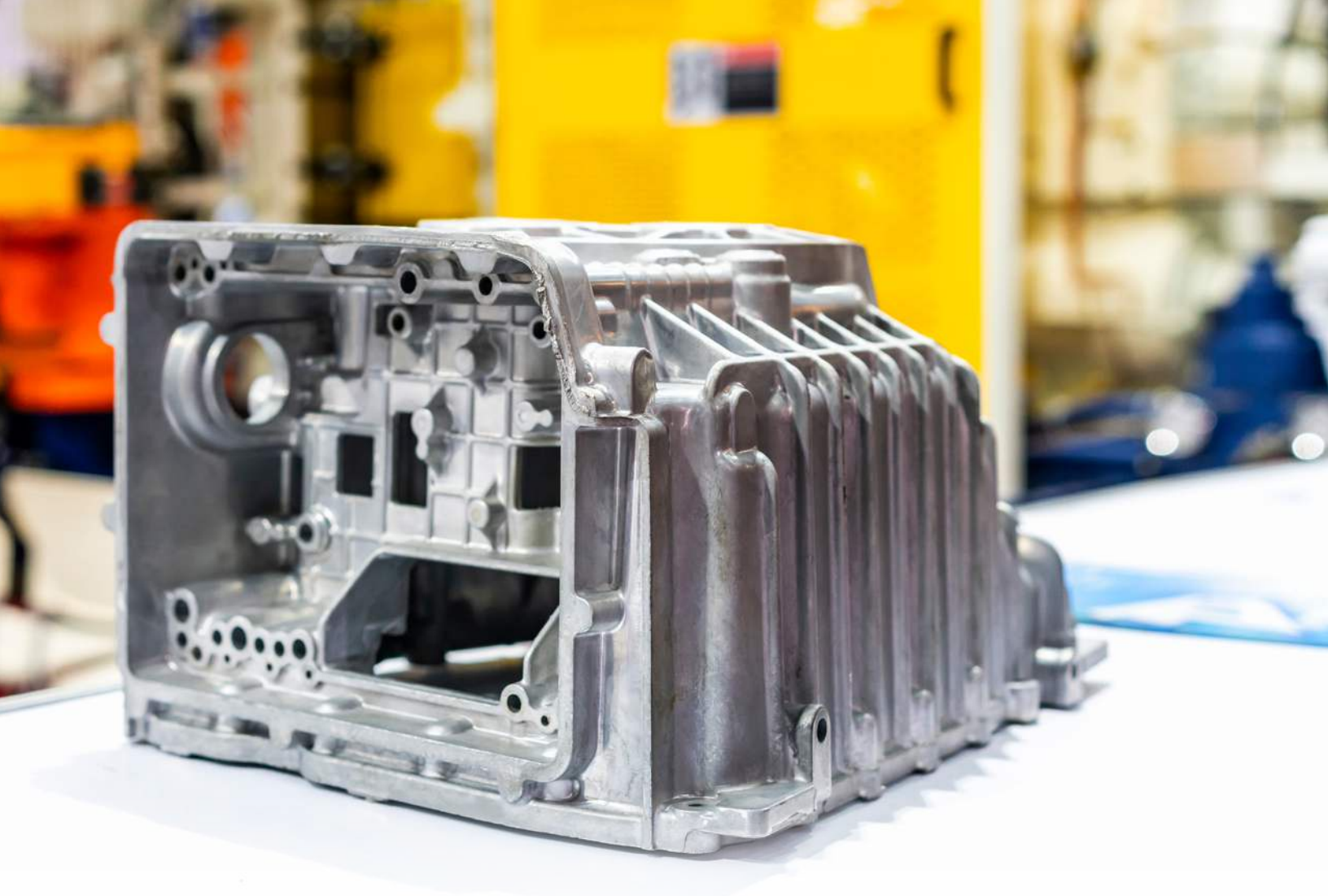
## HOW GABRIAN HELPS COMPANIES ADAPT

Gabrian International, a leader in aluminum sourcing and offshore manufacturing, provides companies with the expertise and flexibility needed to adapt to shifting trade policies. By working with vetted suppliers in India and other strategic locations, Gabriel helps businesses:

- **Identify Cost-Effective Sourcing Solutions:** Leveraging strong supplier relationships to find the best pricing and quality options.
- **Ensure Compliance:** Providing guidance on navigating regulatory changes and avoiding unexpected tariff exposure.
- **Optimize Logistics:** Managing shipping, lead times, and transportation to maintain smooth supply chain operations.

Gabrian has successfully helped numerous companies maintain a competitive edge despite past trade disruptions. By proactively adjusting sourcing strategies, leveraging alternative suppliers, and utilizing trade compliance solutions, businesses have been able to mitigate cost increases while ensuring product availability.





## CONCLUSION

The instatement of aluminum and other tariffs poses significant challenges for importers, but companies that take a proactive approach to supply chain management can maintain resilience in the face of uncertainty. Businesses must:

- **Stay Informed:** Monitor trade policy developments and tariff changes that could impact costs and sourcing decisions.
- **Diversify Sourcing:** Explore alternative suppliers in countries like India while weighing logistical and regulatory factors.
- **Leverage Expert Partnerships:** Work with experienced sourcing and compliance partners like Gabrian to navigate evolving trade regulations and optimize procurement strategies.

In an era of unpredictable trade policies, flexibility and strategic planning remain essential. Companies that proactively manage their sourcing strategies—by staying informed, diversifying partners, and working with experienced suppliers—will be better positioned for long-term stability.

Gabrian maintains strategic alliances with some India's top extrusion companies, ensuring access to reliable supply sources. Contact Gabrian to learn how we can help you navigate today's complex trade environment with confidence.





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