

GOVERNMENT OF INDIA
MINISTRY OF STEEL

LOK SABHA
UNSTARRED QUESTION NO. 466
FOR ANSWER ON 03.02.2026

IMPACT OF RISING STEEL PRICES ON CONSTRUCTION SECTOR IN TAMILNADU

466. SHRI SASIKANTH SENTHIL:

Will the Minister of STEEL be pleased to state:

(a) whether the Government has taken note of the sharp increase in prices of steel products since the beginning of 2026, including an increase of Rs. 5,000 to Rs. 8,000 per tonne, impacting the construction industry in Tamil Nadu, particularly in Tiruchirappalli, if so, the details thereof;

(b) whether the recent decision to impose import tariffs ranging from 11 per cent to 12 per cent on certain steel products has contributed to the price rise in the domestic market, if so, the details thereof; and

(c) whether the Government proposes to take any measures to stabilise steel prices and protect infrastructure and housing projects from cost escalation and if so, the details thereof?

ANSWER

THE MINISTER OF STATE IN THE (SHRI BHUPATHIRAJU SRINIVASA VARMA)
MINISTRY OF STEEL

(a)to(c): Steel is a deregulated sector and steel prices are determined by demand supply dynamics of market forces, input cost of steel companies and prevailing taxes/duties. The Government acts as a facilitator, by creating a conducive policy environment for the development of steel sector including small and medium producers in the country.

Construction industry mostly uses long products for general construction activity. Government has imposed safeguard duties on import of Non-Alloy and Alloy Steel "Flat Products" into India for a period of three years, on the subject goods falling under tariff headings 7208, 7209, 7210, 7211, 7212, 7225 and 7226 to safeguard the interests of domestic steel industry. Rate of safeguard duty is as follows: -

- i. 12 percent ad valorem, when imported during the period from 21st April, 2025 to 20th April, 2026;
- ii. 11.5 percent ad valorem, when imported during the period from 21st April, 2026 to 20th April, 2027;
- iii. 11 percent ad valorem, when imported during the period from 21st April, 2027 to 20th April, 2028.
