

Coimbatore MSMEs seek steel duty relief as raw material prices surge

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Coimbatore-based MSME and industry associations have sought urgent government intervention to address what they described as an “acute and unprecedented” increase in prices and shortage of essential raw materials, particularly steel, pig iron, aluminium and copper.

In a representation sent to Prime Minister Narendra Modi on Monday, the associations said steel prices had increased by around ₹8,000-10,000 per tonne between August and September 2026, despite wholesale price data indicating fluctuations and a decline in steel prices during the period.

“Though the Wholesale Price Index comparison indicates fluctuations and a decrease in steel prices, the actual market conditions are adverse,” the Joint Council

Associations of Coimbatore said in the letter.

The associations said the increase was adversely affecting the operations and competitiveness of MSMEs, making it difficult for them to sustain in the market.

They sought withdrawal of applicable import and safeguard duties on steel for six months, up to March 2027, saying the move would improve domestic availability and ease pressure on production costs arising from domestic demand and limited availability from domestic sources.

They also called for the constitution of a price monitoring committee for steel comprising ministry officials, major manufacturers, associations and MSMEs. The committee should monitor steel availability and prices and help prevent “hoarding, cartelisation and abnormal price increases”, the letter said.