

Specialty steel PLI investment falling due to supply chain issues

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Selected companies have invested about ₹12,900 crore in the domestic steel sector under the production-linked incentive (PLI) scheme for specialty steel till December and another ₹3,000 crore is expected during the current financial year (FY24), the government said on Wednesday.

The government is hoping to see an investment of ₹15,900 crore under the PLI scheme for specialty steel against an investment commitment of ₹21,000 crore in

the FY24, the steel ministry said in a statement.

“Delays due to unavoidable circumstances in the projects include supply chain delays due to geopolitical issues, unforeseen events, natural disasters and changed market circumstances for certain PLI products also have an impact on the pace, phasing, and the quantum of investment,” the ministry said.

Besides, investments in the steel sector have a long gestation period and depend on the procurement of various equipment. Often, the equipment is sourced from abroad.