

# Domestic steel demand to grow 7.5% in FY24

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Kolkata, 26 May

Steel demand in India is expected to grow 7.5 per cent to 128.85 million tonnes (mt) this financial year, according to the Indian Steel Association (ISA).

The industry body said that with strong momentum in infrastructure spending and sustained growth in urban consumption, steel demand in India

would expand by 8-9 mt annually in the next two financial years, resulting in a growth of 7.5 per cent in 2023-24 and 6.3 per cent in 2024-25 to touch 136.97 MT. Steel demand in FY23 rose by about 13.3 per cent to reach 119.86 mt led by higher output and domestic demand.

The ISA forecast is from the demand side and in consideration of the steel using sub-sectors. The association expects all

steel using sub-sectors to grow at 6 per cent or above in both FY24 and FY25. Steel demand has a strong correlation with GDP growth. "In an otherwise gloomy global economic environment, India has been a bright spot, defying global trends. India's GDP grew by 9.1 per cent in 2021-22, is estimated to grow by 7 per cent in 2022-23 and is forecasted to grow by 6.4 per cent in 2023-24," the ISA said.

