

'Aluminium demand may grow 9% till next fiscal'

Our Bureau

Mumbai

Domestic aluminium demand is expected to grow 9 per cent in the next two fiscal years, given the Government's thrust on infrastructure development.

Domestic demand growth would sharply outpace the rate of global growth in aluminium demand, said ICRA.

In the domestic market, a major portion of aluminium is consumed in the power transmission and distribution sectors. ICRA notes that the Central Electricity Authority has outlined a planned capacity expansion of 16,600 circuit kilometres (ckm) for the current financial year, which is an increase of over 13 per cent compared to FY23.

In addition, the Government's target to achieve 500 GW of renewable energy capacity by 2032 augurs well for domestic aluminium demand in the foreseeable future, ICRA said.