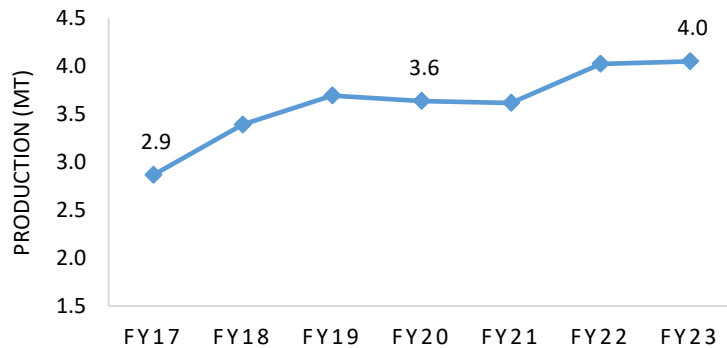


## Industry Highlights

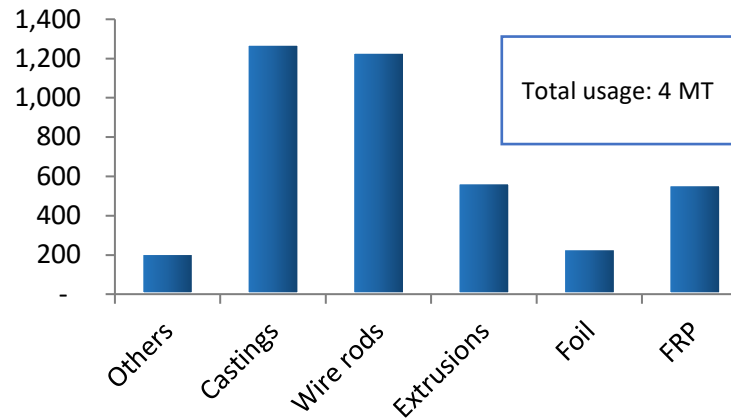
- India has an annual capacity to produce about 4.2 million tonnes of primary metal and production in FY23 stood at a little over 4 million tonnes
- Domestic aluminium usage (primary plus recycled) which declined in FY21 recovered to surpass pre pandemic level of 4 million tonnes in FY23
- Major end user sectors are Electrical (cables & wires), followed by Transportation, Building & Construction and Packaging applications
- India has emerged as a hub for aluminium scrap processing. Production of one tonne of recycled aluminium uses only about 5% of the energy required for the production of a tonne of primary aluminium

## Primary aluminium production, FY17 to FY23 (MT)



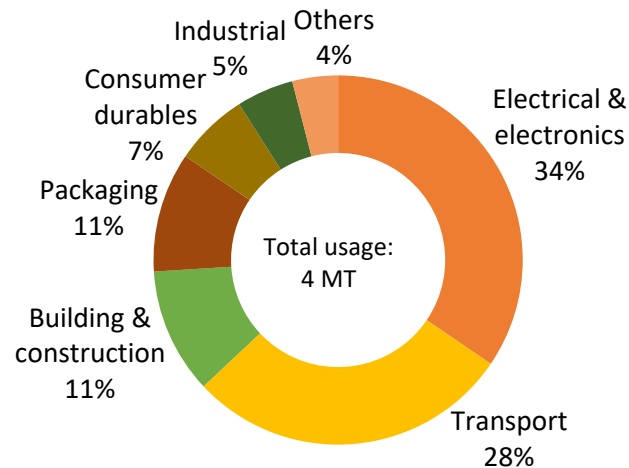
Source: Company websites

## Aluminium usage by products, FY23 (000 tonnes)



Source: MCG estimate

## Aluminium usage by end use, FY23 (%)



Source: MCG estimate

## Trade Indicators

- Export of aluminium and products (HS 76) from India, stood at US\$ 8.8 billion in FY23 and import stood at US\$ 7 billion
- Primary aluminium export stood at 2.3 million tonnes and scrap imports touched a new high of 1.7 million tonnes during FY23
- In 2023, the US has agreed to exempt a substantial part of steel and aluminium exports from India from tariffs imposed in 2018 under Section 232

## Recent developments

### Green Aluminium in India

- Low-carbon aluminium accounts for about 8% of total aluminium produced by Hindalco; expected to increase to 30% in next 3 to 4 years
- Vedanta launched 'Restora' and 'Restora Ultra', its low carbon aluminium brands in 2022. While Restora is made from aluminium smelter using renewable energy, Restora Ultra, is made from recovered aluminium dross

### Major Expansion Plans

- Hindalco's to invest in setting up 170,000 TPA capacity at Aditya Aluminium and Hirakud in Odisha
- Vedanta plans BALCO smelter capacity expansion from 580,000 TPA to 1 MTPY by FY25
- Nalco has plans to invest US\$ 3 billion to expand its aluminium smelter capacity in Angul
- Coal India and Adani Group are examining plans to enter the aluminium industry

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