

# **Growth of Indian Aluminium Industry and Vedanta**

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## **Abstract**

This article provides an overview and characterization of the Indian aluminum industry and its importance to the economy and focuses on Vedanta's contribution in significantly shaping Indian Aluminum scenario. The growth of Indian Aluminum Industry over the years has significantly contributed towards the overall development of the country. India being the third largest producer of Primary Aluminum (approximately 3.74 million tonnes) in the world with a share of 5.8 % of the total world's production of 63.1 million tonnes per annum is fast emerging as hub of primary aluminum in the global context. Even with the domestic market's dependency on aluminum import especially scrap, emerging trends indicated optimistic scenario wherein aluminum consumption in India expected to double to 7.2 Mt in next 5 years backed by strong reforms and focus on domestic production. India still remains highly under-utilized market with current per-capita aluminum consumption of 2.5 kg against the world average of 11 kg. With India's focus on self-reliance, use of aluminum is expected to rapidly grow in diversified sectors of Indian economy. Vedanta's aluminum operation has significant contribution in this context. Its production has grown to 1.91 Mt in FY20 (12 months ending at March 31, 2020) with compound annual growth rate (CAGR) 15.6 % (From FY16 - FY20) with the ramp up of the Special Economic Zone (SEZ) Smelter at Jharsuguda. With our operations based out of Odisha and Chhattisgarh, our Aluminium division currently reached 83 % of installed Capacity with our portfolio focusing more on value added products (VAP). We have successfully commissioned Billet Plant in SEZ to achieve 120 % of design capacity within two years and gained global acknowledgement for our product quality. Vedanta poised for its next phase of growth with potential aluminum production ramp up to 2.3 Mt which will support Government of India's drive to be self-reliant through its flagship program "ATMANIRBHAR BHARAT" that aims to drive Indian GDP to 5 trillion US dollars economy.

**Keywords:** Indian aluminum market, growth of aluminum business, Vedanta growth history, Vedanta product portfolio, Atmanirbhar Bharat.