

Publication: The Hindu Business Line

Date: Jan – Feb Issue

Page:

Edition: National

Copper consumption in India set to grow

'Power and utilities, appliances, infrastructure driving growth'

Vishwanath Kulkarni*New Delhi, March 12*

The energy efficiency initiatives of the Government coupled with a rebound in the construction sector are expected to boost copper consumption in India, according to the International Copper Association (ICA).

Mr Richard Xu, ICA's Regional Director for Asia said India is one of the fastest growing markets for copper consumption in the region.

"Growth in India is being driven by sectors such as power and utilities, construction, appliances, industry, agriculture, transportation and infrastructure," Mr Xu said.

ICA, which represents 34

large copper producers worldwide, does not provide growth numbers. "We do not have an aggregated view on the demand side," Mr Xu said, adding that ICA mainly tries to promote sustainable usage of copper across the globe.

However, copper demand in India has been growing at 5-6 per cent, according to ICRA Management Consultancy Services. In 2009, copper consumption grew 5.3 per cent to 5.2 lakh tonnes. Despite the slowdown in construction sector, ICA feels that demand for copper products should pick up in the near future, tracking a rebound in the demand.

"It was a temporary phenomenon and we expect the

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demand to pick up from construction sector," said Mr Ajit Advani, Deputy Regional Director, Asia Pacific.

POWER OUTPUT

The 12th Plan calls for 78,000 MW increase in power output with corresponding improvement in distribution network, which should drive the growth of copper usage further.

ICA estimates that India has recoverable reserves of 537.86 million tonnes of copper. Indi-

an copper reserves constitute around one per cent of the global reserves.

Indian mined production of copper stands at around 30,000 tonnes, around 0.15 per cent of the global production.

As part of its initiatives to drive copper consumption, ICA has been helping Governments to promote energy efficiency by establishing regulatory standards and labelling practice, besides creating awareness among

appliance manufacturers and consumers about benefits of copper usage. In India, ICA has been engaged with the Bureau of Energy Efficiency (BEE) in setting the rating standards and promoting the labelling programme. The energy efficiency programmes have assumed significance as India aims to cut down its carbon emission levels by 20-25 per cent by 2020, to tackle climate change. "We are also engaged in communicating these rating standards" Mr Advani said.

ICA is the training partner of BEE in training salesmen at retail outlets on the star rating programmes of products such as refrigerators and air-conditioners, among others.