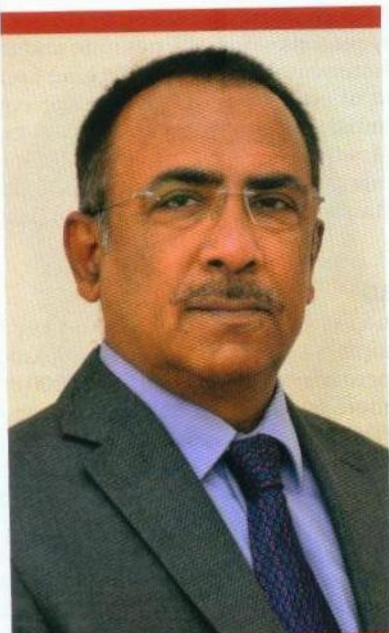


INDIA'S FERRO ALLOYS INDUSTRIES OUTLOOK & ROLE IN SUPPORTING STEEL SECTOR



Jayant Misra writes about long term fortunes of the Indian Ferro Alloys Industry being closely linked to the overall economic growth of the country - which is indicated by infrastructural development and increase in steel production.

The Ferro Alloys Industry in the organized sector in India came into existence in the mid 50's. Units were licensed based on 50% capacity for exports and the balance for meeting domestic requirements. First phase of significant capacity expansion was in late 60's and 70's. Substantial additional capacities thereafter followed the liberalization policies of early 90's and redistribution of Sukinda Chromite resources in late 90's. Installed capacity now stands at over 2000 MVA, with total production capacity of various ferro alloys amounting to 5 million tonnes per annum. With an investment of over ₹6000 crores, including by way of Captive Power Plants which supply surplus power to the grid, the Ferro Alloys industry employs more than 1,50,000 people, directly and indirectly. Today, India is a major producer/exporter of Ferro Alloys earning valuable foreign exchange. Export earnings have increased manifold in last decade, thanks mainly to increasing global forays of Indian Ferro Chrome, the most organized segment in Indian Ferro Alloys industry. As a matter of fact, one single product Ferro Chrome accounts for about 70% of export earnings of the Ferro Alloys industry; the major exporters being IMFA, Tata Steel, FACOR & Balasore Alloys. The long term fortunes of the Indian Ferro Alloys Industry are closely linked to the overall economic growth of the country - which is indicated by infrastructural development and increase in steel production. The projected crude steel production from the 12th Five Year Plan is 130 million tonnes by



Indian Ferro Alloys Industry has learnt to adapt to ongoing globalization