2016-17, from 70 million tonnes in 2011-12. Keeping in view the rapid strides made by Indian Economy, inspite of global recessionary trend post 2008; the Ferro Alloys Industry has reasons to be optimistic.

Amongst major Ferro Alloys, the Chromium Alloy or Ferro Chromium has probably made its presence felt most, with global competitiveness and recognition. Bulk of this Ferro Chrome output goes into production of stainless steel, as an alloying element. Stainless Steel Industry in India, inspite of the sedate growth record of the past, has huge potential in the medium to long term - the Indian per capita consumption of stainless steel is approx. 2.5 kg, as compared to 10 kg average for China and developed countries. In the short term, stainless steel production in India is expected to increase from 3 MT to 5 MT by 2015-2016, which is a quantum jump compared to trend of the recent past.

The growth prospects of Indian economy alone cannot sustain an indigenous industry. Fortunately, the Indian Ferro Alloys Industry has learnt to adapt to ongoing globalisation, lowering of tariff barriers and most importantly phasing out of subsidies. The balance between export and domestic market is already achieved in the major ferro alloy Ferro Chrome - out of approx 1 million tonne production, 0.6 million tonne is exported. This has been possible by addressing the high cost base by integration measures - by investment in captive power stations and by acquisition of mining right in India and overseas. Further, integration to coal mining to control electricity costs, an ongoing initiative, can be a defining point in competitive advantage globally.

For the Indian Iron and Steel Industry, raw material security is an extremely important issue for growth and development. Handicapped by absence of coking coal in the country, which is the major strength of world leader China, Indian steel industry needs to leverage local availability of quality iron ore, manganese and chromite for competitive advantage. To that extent, the Indian Ferro Alloys Industry has consolidated commendably over the last 50 years, so far as cost competitive value addition to chromite and manganese resources is concerned. For sustained and planned growth of steel industry, it is necessary to have long term planning and security for raw materials, for atleast 20-30 years. Value addition to minerals within the country, as a cornerstone of policy particularly with governments of mineral bearing states, was a move in the right direction. This has brought down unscrupulous trading and export of minerals, conserving the scarce resources for the Steel Industry's increasing future requirements. ■

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