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Outlook of Lime Industry in India

Introduction

Limestone is a versatile and widely available chemical across the globe. Calcination of Limestone leads to production of the Quick Lime and further value added products like Hydrated Lime is produced by mixing lime with water and high-end product Precipitated Calcium Carbonate is produced by reinjecting CO₂ into Lime.

India has only 12 % of its total deposit of limestone as high grade limestone and situated in North West. Unfortunately, major steel plants are located in the east coast of India and due to high logistic cost cannot use the local high grade limestone available in northwest part of India. There almost all the steel plants import limestone from UAE, Oman, Thailand etc.

Presently India is the third largest producer of Lime (16 MTPA), 50 % of the which is produced by Integrated Steel Plants for their captive usage and balance is produced by unorganized sectors in

Rajasthan, Andhra Pradesh, Chhattisgarh etc., which caters to mainly non-ferrous applications of Lime. Market for Lime is growing at the rate of 5.0 % since 2013 in India.

Lime has huge applications and it is used in Steel Refining, Sinter Plants, Water purification, Soil Stabilizing, Soda Ash, Bleaching Powder, Paper Industry, Sugar Industry, Alumina Refinery, Flue Gas Treatment, Aerated Bricks, Poultry feed, Paint and Rubber industry.

Forecast of Lime Industry - India

It is forecasted that Steel production in India shall increase from current level of 80 million tons to 150 million tons by 2022. Every 1.0 MTPA of Steel production requires approx. 400 Tons of Lime Per day. Addition of 70 Million Tons by 2022 requires addition of 28,000 MT Per Day capacity (Equals to addition of 46 Kilns of 600tpd).

Government of India plans to spend over US\$ ONE trillion over next 5 years on

infrastructure necessitating higher consumption of steel.

Rest of the industry catering to various other applications of lime, other than steel plants is expected to grow faster resulting an additional requirement of lime estimated at 15 000 MT Per Day (Equals to addition of 25 Kilns of 600tpd)

Challenges for the Lime Industry

As the industry has such bright outlook, it is quite natural to have challenges as well. The main challenges are:

- Cheap Imports from Vietnam, Malaysia and Gulf Countries.
- Availability of High Grade Limestone.
- Trained and Qualified Manpower to operate the modern kilns.
- Bank Finance at reasonable rate of interest for merchant lime producers.
- High Technology cost of imported technology suppliers.