

Industry body takes Centre to court over copper QCO

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INDIA'S TOP METALS trade associations have dragged the Centre to court over its quality control order (QCO) on copper cathode, alleging the QCO was not issued in public interest and has caused "acute shortages" in supply, it has been learnt.

Copper cathode imports recorded a sharp decline in December and January, after the QCO notified by the Ministry of Mines came into effect on December 1, 2024. The dip in imports followed delays in foreign suppliers securing quality certification from the Bureau of Indian Standards (BIS), without which their cathode shipments cannot be imported into India.

Legal challenge to QCO

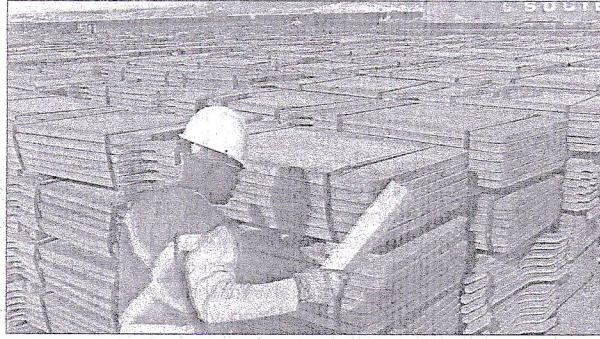
The petition, filed on March 18 by the Bombay Metal Exchange and the Bombay Non-ferrous Metals Association, urges the Bombay High Court to "quash" the QCO for the "survival" of downstream users.

India relies on imports for roughly 30% of its refined copper needs — a key raw material for wires, sheets, and tubes. In India, copper is classified as a critical mineral given limited domestic production and high demand in conventional and emerging technologies — from air conditioners and transformers to electric vehicle (EV) batteries and wind turbines.

It is also seen as a bellwether of economic activity due to its extensive application.

The petition was heard by a bench of the Bombay HC on March 27 and is yet to be admitted. It is listed for another hearing on April 17.

Till then, the mines ministry and the Ministry of Consumer Affairs —



A port worker checks a shipment of copper that is to be exported to Asia, in Valparaiso port

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under which the BIS falls — are expected to file an affidavit in reply as respondents to the petition.

The mines ministry and the consumer affairs ministry did not respond to requests for comment.

Steep fall in imports

After averaging 27,000 tonnes per month between April and November 2024, copper cathode imports fell below 4,000 tonnes in December and plunged further to just 611 tonnes in January. Compared to January 2024, this marked a 95% decline, official trade data showed.

The petition describes the QCO as a non-tariff trade barrier that "arbitrarily restricts the trade flow of copper".

According to official sources, there was a spike in imports in November, which downstream users stocked for later months. This, they said, meant there was no shortage in December and January. Trade data for February and March will give a clearer indication of whether any shortage has occurred, the sources added.

On December 6, days after the QCO came into effect, The Indian Express had reported that downstream users had warned the mines ministry of a 90-day shortage and requested that its implementation be delayed by four months. Japan accounts for nearly 70% of India's refined copper imports, followed by Tanzania and Mozambique.

Following the Express report, the mines ministry issued a press release stating that "no serious supply side constraint is envisaged," as it expected more Japanese suppliers to receive BIS certification. At the time, only two Japanese suppliers had been certified.

As of April 15, a total of nine foreign suppliers have been certified under the BIS's copper cathode standard covered by the QCO — including six from Japan, two from Malaysia, and one from Austria. Despite some foreign suppliers obtaining BIS certification, downstream users say the compliance burden remains high for most exporters — a factor that continues to deter imports into India.