

# China to give a Boost to Base Metals Demand

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The International Copper Promotion Council India (ICPCI) is a member of Copper Alliance and the Indian arm of the International Copper Association Limited (ICA), the leading not for profit organization for the promotion of copper worldwide set up in 1959.

International Copper Promotion Council (India) was formed in 1998 to actively associate with the growing number of copper users in India. And gradually it has extended its operations in other neighbouring countries such as Bangladesh, Sri-Lanka, United Arab Emirates and Kingdom of Saudi Arabia.

ICPCI is driven by the same objective as that of its parent organisation, which is to “Defend and grow markets for copper based on its superior technical performance and its contribution to a higher quality of life worldwide”.

ICPCI conducts various capacity building or promotional programs both at the supply chain end and market end across industries such as Building construction, Cables and Wires, Motors, Transformers & Heat Exchangers in promoting the usage of copper. Building construction initiatives focus on Building Wire, Power Quality, Copper Decorative and Gas Piping applications employing a mix of market development and regulation advocacy approach to encourage the use of copper. It contributes mainly through its catalytic role, accelerating changes and transforming the long-term markets for Copper in a sustainable way through its various major initiatives such as:

- Encourage safe house wiring practices and use of copper for architecture, decorative use, plumbing and gas piping systems in



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the Building Construction sector

- Education and awareness through Asia Power Quality Initiative Platform
- Propagate the use of Energy Efficient Motors for energy savings, in Industries
- Encourage use of Energy Efficient appliances by promoting star labeling program
- Promote the use of high efficiency motors and pumps in the Agricultural sector
- Reduce distribution losses in

the Power sector through the use of low loss Distribution Transformers

- Encourage Renewable Energy Technologies like solar water heaters
- Promote Antimicrobial Copper touch surfaces as the leading material in fighting hospital acquired infections (HAIs)

ICPCI drives its programs through seminars, workshops and training programs across India and other nearby countries in collaboration with other organizations, institutions and trade bodies. ICPCI publishes technical handbooks and training manuals and produce information booklets and brochures aimed at spreading general awareness of the benefits of Copper.

The organization receives support from its global-level members and from major Indian copper producers, fabricators, cable and wire manufacturers and EE motor manufacturers. Other global development organizations also support some of ICPCI run programs.

#### About ICA and Copper Alliance

ICA and the Copper Alliance™ are responsible for guiding policy and strategy and for funding international initiatives and promotional activities. Headquartered in New York, the organization has regional offices in Brussels, New York, Santiago, and Shanghai. It runs programs and initiatives in more than 60 countries through its regional offices and 31 copper promotion centers. This network of global copper centers and industry leading members have been unified under a common brand and visual identity referred to as Copper Alliance™.

Mr. Sanjeev Ranjan is the Chief Executive Officer (CEO) of International Copper Promotion Council, India (ICPCI) since April 2011. In addition, he is also fulfilling the role of Sub-Regional Director of West Asia. ICPCI is part of the worldwide network of copper promotion centres of the International Copper Association (ICA). Mr. Ranjan is an alumnus of IIT, Roorkee, from where he graduated in 1986 as Mechanical Engineer with specialization in Automobiles and Production Engineering. He also holds a Post Graduate Diploma in Business

Management (Marketing & Systems) from XLRI, Jamshedpur.

Mr. Ranjan's 26+ years of notable experience in the field of manufacturing, marketing & sales, business consulting and corporate strategy is enabling him to further establish ICPCI's position of credibility among its stakeholders. He is instrumental in providing guidance, as well as implementing strategies and supporting the team to achieve the vision and mission of the organization which is to - Inspire the world about copper's essentiality for health, technology and the quality of life.

"The most favourable contributing factors for the growth of the Indian copper industry include changes in global usage, industrial development in India, domestic increases in the construction, power, telecommunications and automobile sectors." says Sanjeev Ranjan, Chief Executive Officer (CEO), International Copper Promotion Council, India (ICPCI) in an exclusive interview with Metalworld. Excerpts:

#### How do you see the present status of Copper Industry globally and within India?

- Copper consumption globally has taken a hit mainly due to slowdown in the various economies restricting growth of various copper intensive sectors such as building & construction, appliances and electrical machineries & components to name a few. On the other hand, copper production is expected to rise due to resumption of various copper mines and also enhanced capacity utilization. As per a recent study by International Copper Study Group, the capacity utilization will increase to 81% in the current year from 79% in 2011. The study also highlights the fact that the refined copper production is set to increase by 6% to 21.14 mn tonnes whereas refined usage will increase by 1.5% to reach 20.1 mn tonnes in 2013.

In India, building wire is one of the biggest consumer of copper and a recent study by a third party done for ICPCI, highlights that even though the overall copper consumption in building wire has grown by average 2% in FY11 from FY09 mainly due to slowdown in construction sector, the copper density per sq ft has grown by impressive 6% during the same period. ICPCI has been conducting workshops and seminar across the country to educate the electrician community regarding the benefits of best practices in building



wiring and to an extent this increase in copper densities can be attributed to this workshops and seminars. Improving standards of living, rising disposable income and increased sale of consumer appliances are some other factors contributing to increase copper densities in the building wire segment.

There has been an increased uptake of higher rated energy efficient low tension motors (IE1, IE2) by many end-users industries and this trend will continue as awareness regarding energy saving through energy efficient motors increases in the coming future. This will further increase copper consumption in low tension motors. In terms of room air-conditioner, increasing popularity of micro channel heat exchangers (MCHE) pose a substitution threat to copper. However, we need to evaluate the impact of MCHE on the overall performance of the room air-conditioners in the long term.

#### Which are the present projects of ICPCI?

- ICPCI contributes mainly through its catalytic role, accelerating changes and transforming the long-term markets for Copper in a sustainable way through its various major initiatives like Building Construction, Sustainable Electrical & Renewal Energy. Individual program strategies are built around assisting the appropriate authorities bringing about



*“The most favourable contributing factors for the growth of the Indian copper industry include changes in global usage, industrial development in India, domestic increases in the construction, power, telecommunications and automobile sectors.”*

improvements in policies, standards and codes, end use practices and enabling the supply chain.

Some of our initiatives are:

- Encouraging safe house wiring practices and use of copper for architecture, decorative use plumbing and gas piping systems in the Building Construction sector

- Creating awareness and imparting education on Power Quality, through Asia Power Quality Initiative Platform

- Promoting the use of Energy Efficient Motors for energy savings in Industries

- Encouraging the use of high efficiency motors and pumps in the Agricultural sector

- Reducing distribution losses in the Power sector through the use of low loss Distribution Transformers

- Improving energy efficiency standards of Air Conditioners and promoting star labeling program

- Encouraging Renewable Energy Technologies like solar water heaters

- Promoting Antimicrobial Copper touch surfaces as the leading material in fighting hospital acquired infections (HAIs)

**How is ICPCI helping the industry to grow?**

- ICPCI's principal objective is “to promote the beneficial usage of copper for safety, health, environment and energy savings.” ICPCI's activities

focus on helping end-users to exploit the positive attributes of copper better. This is done by implementing programs and initiating and funding projects in copper technology, research and market development. It promotes safe house wiring practices and use of copper for plumbing and gas piping systems, in the building construction sector. It propagates the use of Energy Efficient Motors for energy savings, in Industries. It promotes the use of high efficiency motors and pumps in the Agricultural sector. It tries to reduce distribution losses in the Power sector through the use of High Efficiency Distribution Transformers. ICPCI actively promotes Copper through seminars, workshops and training programmes all over India, in collaboration with other organizations, institutions and trade bodies.

**What is your expectation going forward on copper prices? Do you think that there is more pain to come in the second half of this financial year?**

- As part the global policy, ICPCI cannot comment on price or make forward looking statement.

**What role copper industry is expected to play in our country's journey to be economic superpower?**

- The most favourable contributing factors for the growth of the Indian copper industry include changes in

global usage, industrial development in India, domestic increases in the construction, power, telecommunications and automobile sectors. Copper is used broadly in the manufacture of electrical machinery, building, cabling for power and telecommunications, and automobiles. This metal is also used for making brass and other similar alloys. However, it is the electrical industry that consumes an appreciable bulk of the total amount of copper produced in the world. The industry imports raw copper and exports finished products. Since Copper is a good conductor of electricity, it is an essential component for energy-efficient generators, transformers, motors and renewable energy production systems. Over the past decade, the consumption of copper has increased at a phenomenal pace. The metal's prospects increased as China, the world's fastest growing economy, drove the demand for base metals.

The performance of the copper industry is highly dependent on the performance of sectors like power, construction, telecom, and automobile, and on demand for products like power and telecommunication cables, transformers, generators, radiators, and other ancillary components. Hence, its growth is closely linked to the country's economic and industrial growth.

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