Forging the Benchmark:
How Indian Exchanges Are Unlocking Economic Growth and Pricing Power



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Amol Mehra is a Mechanical Engineer and MBA with over 28 years of global leadership experience across the mining, trading, and manufacturing sectors. He currently serves as President & Chief Procurement Officer at Exide Industries, the largest lead consumer in India and among the top-five global battery manufacturer. At Exide, Amol orchestrates primary and recycled lead sourcing while spearheading the company's strategic battery circularity initiatives.

Throughout his career, Amol has managed massive global portfolios and driven pioneering digital transformations. Prior to Exide, he was the Chief Business Officer at Adani Group, where he steered the world's second-largest coal trading book. A recognised innovator, he pioneered the commodity sector's digital evolution by launching groundbreaking platforms like *Sterlite Connect* (the first consumer-facing non-ferrous platform) while he was Sales Head , Run & develop Lykos was a wholly-owned subsidiary and the first online refined metal retail platform launched by Trafigura, one of the world's leading commodity trading houses as CEO - Lykos , and *IRM* (a transparent coal pricing & delivery based trading platform for selling coal to MSMEs).

Amol's career spans marquee organizations including The Great Eastern Shipping, Ballarpur Industries, Vedanta Group, Trafigura and Adani Group, alongside a successful stint as an independent trading entrepreneur in Mumbai. Having operated at scale as both a buyer and a seller, he possesses a rare, 360-degree mastery of the Indian & International coal and non-ferrous metals landscapes (copper, zinc, aluminium, lead, tin,cobalt and nickel). A respected industry authority, Amol frequently shapes & is part of Indian/Global thought leadership through prominent international conferences, advisory forums, and industry committees.

> ***India's commodity market has come of age. From the simplistic monthly fixed-pricing structures of 2001 to navigating complex global volatility in 2026, the nation has emerged as a non-ferrous powerhouse. Now ranking as the world's second-largest lead producer and consumer, India's unique recycling capabilities and open trade policies offer a golden opportunity to break away from traditional benchmarks and establish itself as a premier global pricing hub.***

It was 2001 when I joined as a young Assistant Manager in the Sales department at Sterlite Copper. This was my first exposure to the world of commodities. During that era, copper was sold in India at one fixed price for the entire month—no LME booking, no forward or spot booking, and no PNDL/DNPL terminology, which is so commonly used today. There was just one price for the month, and based on the quantity lifted during that month, volume discount slabs were applied. Therefore, the only differential between two companies in terms of raw material pricing was the discount slab.

Competition between downstream brands was primarily based on the slab discount they received at the end of the month. Price volatility was minimal, and the only justification we could offer customers for price changes was disruptions in major mine production, worker strikes, or shipping issues. In short, life was simple—there were no discussions about customs duty, landed price, premiums, or the "why" behind every price movement.

One consistent theme was the comparison of the Indian market with the Chinese market and the belief that India would grow over the next 10 years. Presentations and factsheets were created and discussed, yet global traders were not particularly interested in India—neither for selling nor for buying.

Things evolved over time. With the boom, production capacities increased across commodities. Companies like Vedanta, Hindustan Zinc, Hindalco, and Kutch Copper took centre stage, replacing & complimenting traditional players such as National Aluminium and Hindustan Copper. Consumer buying patterns changed significantly. For battery producers, lead accounts for 70–80% of their cost, and the same rationale applies to cable manufacturers and strip/busbar producers for their purchase of Non-Ferrous metals.

Commodity prices and their movements have become central to boardroom discussions thereafter and now. Strategy around pricing is now critical to an organization's growth, orders, and survival. It directly impacts the balance sheet. Disruptions have become more frequent and more impactful. We have witnessed record-high prices across commodities, extreme USD/INR volatility, and have navigated through events like COVID, the 2008 commodity meltdown, and multiple wars.

EVOLUTION OF INDIAN MARKETS

Over the years, India has evolved into a key producer of copper, aluminium, zinc, and lead. It has become both a net importer and exporter, depending on the commodity. The industry has embraced price variation clauses in contracts, and price discovery has become essential for survival. Organizations have recognised the importance of pricing, hedging, and arbitrage between importing raw materials and buying from domestic producers, considering factors like VAT/CST, dollar funding, and interest rates.

Indian producers of non-ferrous metals, as well as downstream players, have increasingly explored export markets, aligning with BIS standards and global norms. Global traders have shown growing interest in India, with many establishing offices here. MCX, India's own price discovery exchange, began functioning in the non-ferrous market and has evolved from a price discovery platform to a delivery-based exchange. Concepts like spot price, forward price, backwardation, and contango have become part of common industry language. Commodity pricing, hedging, and associated risks now play a central role in business success and failure narratives.

As of 2026, India has established itself as a significant player in the global commodity market across non-ferrous metals. It is strategically positioned near Southeast Asia, the Middle East, and China. While China's consumption accounts for 50–70% of global demand across many non-ferrous commodities, India's production volumes make it a key global supplier of raw materials, even though domestic consumption still lags.

INDIA'S OPPORTUNITY TO EMERGE AS A GLOBAL LEAD PRICING HUB

Lead is one of the world's most strategically important industrial metals, driven primarily by its indispensable role in energy storage,

automotive batteries, telecommunications, renewable energy, and backup power systems. Despite the emergence of new battery technologies, lead-acid batteries continue to account for a significant share of global energy storage applications owing to their reliability, cost-effectiveness, and near-complete recyclability. As global supply chains become increasingly diversified and countries seek resilient sources of critical raw materials, transparent and efficient price discovery mechanisms have become essential for facilitating trade, managing risk, and attracting investment.

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As a product, lead is quite unique. Indian producers have emerged as major global players. One advantage Or disadvantage India has over China is consumer price sensitivity. Out of approximately 76 LME-registered lead brands, 8 are from India (around 10%), and several more are in the process of registration. LME recognizes lead from recycled processes, and recycling plants can be set up with investments ranging from as low as INR 5 crore to advanced facilities costing INR 100–150 crore.

India has an estimated lead production capacity of 672 Units, 3.5 million tonnes through recycled route (as per Central Pollution Control Board Published data point) however actual usable capacity is way lower & around 0.24 Million through Primary Concentrate Route , though this figure may need revision due to plant closures and capacity expansions over period of time . The recycled and primary lead markets are nearly equal in size globally with recyclability capacity being a key advantage in India . However, India remains a net importer of lead, heavily dependent on scrap batteries and scrap lead imports, as domestic production does not fully meet the requirements of top battery manufacturers.

India is uniquely positioned to capitalise on the opportunity of rising demand for energy storage. With a rapidly expanding manufacturing base, a well-developed recycling ecosystem, and a strong presence in the global lead trade, the country possesses many of the structural advantages required to establish itself as a regional—and eventually global—pricing hub for lead. Achieving this objective, however, requires deeper market participation, stronger integration with international markets, and a robust ecosystem for transparent price discovery.

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THE INDIAN LEAD MARKET: A STRATEGIC GLOBAL PLAYER

India has emerged as one of the most significant participants in the global lead industry and is widely regarded as the second-largest producer and consumer of lead after China. The country has built a robust ecosystem around lead production, recycling, and battery manufacturing, positioning itself as a critical player in global supply chains. Indian battery manufacturers rank among the around top Ten globally, while several domestic lead recycling companies command market capitalisations that exceed those of many battery manufacturers, reflecting the growing importance of the recycling sector.

India is also one of the world's largest exporters of lead and lead alloys, supplying several leading international battery manufacturers. A key competitive advantage is India's open trade policy, which permits imports of lead in all forms, including scrap, unlike China, where imports of lead scrap remain heavily restricted. This has enabled India to develop a strong secondary lead industry and establish itself as a reliable global sourcing destination. Furthermore, lead is one of the few industrial metals that is 100% recyclable without any loss of quality, making it a cornerstone of the circular economy and an essential metal for sustainable industrial growth.

The Indian lead market has a unique price discovery mechanism, largely driven by secondary players, though there is a gradual shift toward primary markets. A parallel price discovery system exists, influencing the informal market. Additionally, regional markets declare their own daily price references. There is a strong need for a formal, structured price discovery model that serves both buyers and sellers.

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THE ECONOMICS OF THE GLOBAL LEAD TRADE

The global lead market operates on well-established economic principles that facilitate efficient allocation of resources across regions. Demand and supply imbalances create trade opportunities, while arbitrage between local physical prices and internationally recognised benchmarks ensure price convergence across markets. Interest rate differentials and the structure of futures markets—whether in contango or backwardation—also play an important role in determining inventory decisions, financing costs,

and trading strategies. Together, these factors drive the movement of lead across borders and influence pricing dynamics in both physical and derivative markets.

THE ROLE OF INDIAN COMMODITY EXCHANGES

Commodity exchanges play a pivotal role in connecting India's physical lead market with global price discovery mechanisms. They enable consumers to procure raw materials at transparent and competitive prices while providing producers with access to a wider pool of buyers beyond their immediate regional markets. This improves market efficiency and enhances the competitiveness of Indian producers in international trade.

At the same time, exchanges create opportunities for Indian traders to participate in global commodity markets through standardised contracts and efficient risk management tools. For investors, commodity derivatives provide an additional asset class that complements traditional investments such as equities and fixed income, thereby supporting portfolio diversification and improving overall market depth.

Most importantly, commodity exchanges provide the platform for convergence of multiple and diverse views on prices, based on market information available with multiple entities on buy and sell sides, leading to emergence, in a highly transparent manner, of the best available reference prices of the commodities.

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DEVELOPING INDIA AS A GLOBAL LEAD PRICING HUB

Transforming India into a globally recognised lead pricing hub requires coordinated efforts across industry, regulators, and exchanges. The first priority is to broaden participation by encouraging producers, recyclers, battery manufacturers, and other physical market participants to actively hedge and trade on domestic exchanges. Simplifying onboarding procedures and improving market accessibility can significantly accelerate participation. Greater involvement from financial institutions, domestic institutional investors, and foreign portfolio investors would further enhance liquidity and strengthen confidence in the price discovery process. Exchanges should also focus on contracts linked to the most actively produced and traded lead products to ensure relevance and market acceptance.

Integration with global markets is equally important. International participants, particularly those already approved on established exchanges such as the LME, should be provided with a simplified pathway to participate in Indian exchanges. Such an approach would encourage global traders to transact in India using familiar trading practices, much like they do on other leading commodity exchanges, thereby increasing international participation, liquidity, and the global visibility of Indian benchmark prices.

Operational and regulatory frictions also need to be addressed. Simplifying taxation, documentation, delivery procedures, and compliance requirements would reduce transaction costs and improve the ease of doing business for both domestic and international participants. In addition, well managed eco system of recycled battery is key perquisite to increase fair participation & market growth – Need of Zero GST on recycled battery sale, education to ensure batteries are recycled by approved & certified recycler only and ensuring right management of end-of-life batteries is key for taking this Industry to next level.

On the supply side, strengthening the domestic lead value chain would reduce dependence on imports while supporting India's ambitions to become a global manufacturing hub. Aligning exchange-led pricing initiatives with flagship government programs, such as 'Make in India' and the Production Linked Incentive (PLI) scheme, can further stimulate domestic production, investment, and consumption, statutory compliance & strict rules for management of end of life batteries.

Another important step is the development of a transparent and credible spot pricing ecosystem. Independent Price Reporting Agencies (PRAs) should be authorised to assess and publish daily spot prices across major trading centres such as Mumbai, Chennai, and Mandi Gobindgarh. These benchmark prices would complement exchange-traded futures, improve transparency in the physical market, and support the development of reliable domestic reference prices.

Finally, maintaining uniform quality standards remains essential for a successful pricing benchmark. Standardised BIS-aligned specifications for lead, which have already been implemented, provide confidence to market participants by ensuring consistency in product quality, facilitating smoother delivery, and strengthening the credibility of Indian benchmark prices in global markets.

REALISING INDIA'S POTENTIAL

India possesses many of the fundamental strengths required to emerge as a global lead pricing hub—a large and growing domestic market, a globally competitive recycling industry, strong manufacturing capabilities, and an expanding presence in international trade. However, these advantages must be complemented by a transparent, liquid, and internationally credible pricing ecosystem.

By increasing participation across the value chain, integrating more closely

with global markets, simplifying operational processes, strengthening domestic production, and developing reliable spot and futures benchmarks, India can establish a robust price discovery mechanism that reflects its growing importance in the global lead industry. Such a benchmark would not only improve risk management and trading efficiency for domestic stakeholders but also enhance India's strategic influence in global commodity markets. As the country's role in the lead value chain continues to expand, developing a trusted Indian lead benchmark represents both a natural progression and a significant opportunity to shape the future of global lead pricing.

One key lesson from global markets is the importance of strong domestic exchanges. Establishing a single, standardised benchmark for price discovery, rather than multiple regional indices, will help India move to the next level of growth. We continue to have multiple benchmarks - Delhi Price, Hyderabad Price, Kolkata Price, Mumbai Price etc complicating the already complicated business landscape whereas – whereas life is simple – If we follow one Benchmark Price Pan India to start with.

Disclaimer: *All the above views are personal and based on years of experience. They have no relation to or connection with my current employer or any organizational strategy. The data points mentioned are based on my experience attending various meetings and conferences and may not be exact; the numbers provided are approximate.*