

Minutes of the meeting held on 3.6.2020 in DGFT(HQ), Udyog Bhawan, New Delhi to finalise the quantum of (i) Calcined Pet Coke (0.5 Million MT) for Aluminium Industry and (ii) Raw Pet Coke (1.4 Million MT) for CPC manufacturing to be allotted in pursuance to the Public Notice No. 4 dated 17.4.2020

In Chair Shri Hardeep Singh, Additional DGFT

The following officers attended the meeting:

- i. Dr. Sundeep, Scientist 'F', M/o Environment, Forests and Climate Change
- ii. Shri Gaurav Kumar, Director, M/o Petroleum & Natural Gas
- iii. Dr. Sudheer C, Scientist 'E', M/o Environment, Forests and Climate Change
- iv. Shri Gagandeep Singh, Deputy DGFT

2. At the outset, the Committee noted that in pursuance to the Public Notice No. 4 dated 17.4.2020, 4 applications were received for import of Calcined Pet Coke (CPC) and 10 applications for Raw Pet Coke (RPC). The Committee noted that the Hon'ble Supreme Court in Writ Petition No. 13029/1985, vide its order dated 9.10.2018 has decreed that the import of CPC for Aluminium Industry cannot exceed 0.5 Million MT per annum in total. Similarly, import of RPC for CPC manufacturing industry cannot exceed 1.4 Million MT per annum. Accordingly, the Committee decided to make the annual allocation of both, import of CPC and RPC for the fiscal year 2020-2021.

3. Shri Gaurav Kumar, M/o Petroleum & Natural Gas informed that they have sent their comments on the proposal whereby they have mentioned that in light of COVID19 pandemic there is a possibility that the domestic requirement of CPC and RPC may be depressed. MoPNG recommended that DGFT may suitably make the allocation of RPC considering current domestic production and demand scenario while for CPC, DGFT may take a decision at their end. It was discussed that the total demand of RPC for all the companies put together comes out to 24.23 Lakh MT while quota allocation is of 14 Lakh MT. It had been informed to the Committee that the domestic production is around 5 Lakh MT. Hence, there is substantial demand for domestic raw material as well from these 10 firms. Moreover, there are other firms which are not importing any raw material and using

domestic RPC. Hence, the Committee decided to go ahead with the allocation of 1.4 million MT as per limit set up by the Supreme Court.

4. M/s Rain CII Carbon (Vizag) Ltd, SEZ Unit has submitted an application for quantity of 4,88,000 MT of RPC in addition to an application for the DTA unit. It was noted that the CTO from Andhra Pradesh Pollution Control Board had been obtained vide their Consent Letter dated 6.3.2020. The Committee noted that since the CTO does not specify the installed capacity as on 9th October 2018, the Committee accordingly decided to not consider the request for allocation of quota.

5. The Committee also noted that one of the conditions mentioned in the Office Memorandum No. Q-18011/54/2018-CPA dated 10.9.2018 of Ministry of Environment, Forests and Climate Change (MoEFCC) was that the consent issued by the concerned SPCB/PCC shall clearly specify the quantity permitted for import and its use on as per month and per annum basis. The quantity of imported input and capacity as on 9th October 2018 was taken into consideration for all applicants. The requisite document mentioning the imported quantity has not been received from M/s Petro Carbon and Chemicals Pvt. Ltd. The matter was discussed in detail with the representatives from MoEFCC. The Committee decided to provisionally allocate the quota to the firm subject to the condition that they submit the requisite document within 15 days from the date of uploading the Minutes of the Meeting so that their production process does not get hampered. It was also decided that if the quantity permitted in the consent for import by the concerned SPCB/PCC is less than the quantity provisionally allocated, the lower quantity will be permitted.

6. The Committee examined the SPCB certificates of all the applicants for RPC imports. On examination, Committee observed that the SPCBs have adopted varying conversion rates for calculating the requirement of RPC for producing CPC. In their CTO certificates, the Committee also noted that consumption requirement is not indicated in SPCB certificates of all the firms. To bring uniformity, the Committee decided to allocate RPC by adopting following criteria:

- i. The production capacity of the applicant is to be calculated on annual basis. Wherever, SPCB certificates shows production figures in TPD, the annual production capacity is to be arrived at by multiplying the capacity with 350 days (average operational days for the unit) to bring uniformity.

- ii. The production capacity for each applicant to be converted to input/raw material requirement by taking industry average conversion rate i.e. 1:1.36 (as mentioned in the EPCA report).
- iii. The additional capacity added by the applicants after the Hon'ble Supreme Court's order dated 9.10.2018 is not taken into consideration;
- iv. The quota be divided on a proportionate basis as per the following formula :—
Quota allocated = Total Quota available for allotment multiplied by the demand of applicant divided by the Total demand for all applicants
- v. In cases where requested quantity is lower than eligible quantity, the surplus on their heads are redistributed among others proportionately.

11. Accordingly, based on the above principle, the Committee made the allocation as in Annexure 1& 2 of the Minutes of the Meeting.

Annexure 1**Allocation of Calcined Pet Coke**

1	2	3	4	5	6	7	8
S.No .	Name of the Firm	Date of receipt of application	Quantity applied	Production Capacity as per SPCB Certificate (per annum) in MTs	Proportionate allocation in MTs	Quantity of CPC imported through re-validated license of 2019-20*	Total allocation in MTs (Col 6 -7)
1.	M/s National Aluminium Company Ltd.	2.5.2020	60,000	60,000	43,175	nil	43,175
2.	M/s Vedanta Ltd.	19.4.2020	3,89,820	3,73,800	2,68,979	48,610	2,20,369
3.	M/s Bharat Aluminium Company Ltd.	22.4.2020	1,50,000	62,500	44,974	6,540	38,434
4.	M/s Hindalco Industries Ltd.	30.4.2020	1,20,000 (Odisha) 60,000 (MP) 20,000 (UP)	1,16,550 (Odisha) 60,000 (MP) 22,000 (UP)	1,42,872	nil	1,42,872
			Total	6,94,850	5,00,000	-55,150	4,44,850

***Quantity adjusted in view of Delhi High Court's Order dated 15.5.2020 in WP No. 3112/2020, Bharat Aluminium Company Ltd. & Ors Vs. UoI**

Annexure 2**Allocation of Raw Pet Coke**

1	2	3	4	5	6	7	8	9
S.no	Name of the Firm	Date of Receipt of application	Quantity Applied	Production Capacity as per SPCB Certificate submitted	Input requirement as per EPCA Report @ 1:1.36	Proportionate allocation	Proportionate allocation of excess quantity	Total allocation of RPC (Col. 7+8)
1	Rain CII Carbon (Vizag) Ltd.	26.4.2020	7,05,600	5,11,000	6,94,960	463959.97	18000.70	4,81,961
2	Sanvira Industries Ltd.	1.5.2020	4,48,800	3,30,000	4,48,800	299621.90	11624.72	3,11,247
3	Goa Carbon	22.4.2020	4,15,800	3,08,000	4,18,880	279647.10	10849.74	2,90,497
4	India Carbon Ltd.	27.4.2020	75,600	54,000	73,440	49029.04	1902.23	50,931
5	Neo Carbon Pvt. Ltd.	1.5.2020	80,000	75,000	1,02,000	68095.89	2641.98	70,738
6	Amritesh Industries Pvt. Ltd.	21.4.2020	33,600	24,000	32,640	21790.68	845.43	22,636
7	Petro Carbon and Chemicals (P) Ltd.	28.4.2020	1,40,616	93,744	1,27,491	85113.85	3302.24	88,416**
8	Paradip Calciner Ltd.	30.4.2020	80,000	46,200	62,832	41947.07	1627.46	43,574
*9	Brahmaputra Carbon	1.5.2020	40,000	1,00,000	1,36,000	90794.51	-50794.51	40,000
		Total	20,20,016	14,11,944	20,97,043	14,00,000	0	14,00,000

10.	Rain CII Carbon (Vizag) Ltd. (SEZ Unit)	4.5.2020	488000	3,70,000	5,03,200	Nil	Nil	SPCB Certificate is dated 6.3.2020
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***Excess allocation to M/s Brahmaputra Carbon 90794.51 MT – 40000 MT = 50794.51 MT is re-distributed among other eligible applicants as they have applied for 40000 MT only.**

**** Quota is allotted subject to the condition that they submit the consent issued by the concerned SPCB/PCC specifying the quantity permitted for import within 15 days from the date of uploading the Minutes of the Meeting**