Minutes of the Meeting held on 27.12.2018 at 11.00 am in DGFT(HQ), Udyog Bhavan, New Delhi to finalise the quantum Raw Pet Coke (RPC) (0.70 Million MT) for Calcined Pet Coke (CPC) manufacturing to be allotted in pursuance of the Public Notice No. 50 dated 26th November, 2018

In Chair, Shri Nikunj Kumar Srivastava, Additional DGFT

2. The following officers attended the meeting:

i. Dr. Murli Krishna, Joint Director, M/o Environment, Forests & CC
ii. Shri S.P. Roy, Joint DGFT, DGFT
iii. Shri Noas Kindo, Under Secretary, M/o Petroleum & Natural Gas (MoP&NG)
iv. Shri Manmohan J.S. Kukreja, GM(IB), Indian Oil Corporation Ltd., DSO
v. Shri Arun Singal, CM(IB), Indian Oil Corporation Ltd., DSO
vi. Shri Rajan Kapoor, GM, Coord.(Ref.), M/o Petroleum & Natural Gas (MoP&NG)
vii. Shri Abdul Sadiq Khan, FTDO, DGFT

3. At the outset Committee was informed that in the previous EFC meeting held on 12.12.2018, out of the nine firms seeking allocation of RPC for CPC manufacturing, six firms were granted approval for import of RPC proportionate to the capacity indicted in the 91st EPCA Report. For the remaining three applicants, allocation was based on the capacity as indicted in the State Pollution Control Board Certificates submitted by them. Subsequently, some firms viz. M/s Rain CII Carbon (Vizag) Ltd., M/s Sanvira Industries Ltd., Kalinga Calciners Ltd. and M/s Petro Carbon and Chemicals Pvt. Ltd. have represented, seeking revision in the quota allocated.

3. M/s Rain CII Carbon (Vizag) Ltd , M/ s Sanvira Industries Limited and M/s Petro Carbon and Chemicals Pvt. Ltd in their representations have indicated that based on the Supreme Court judgment RPC imports of 1.4 MT should be allowed for only six applicants who had approached the Hon'ble Supreme Court and the allocated quota vide Minutes of the Meeting (MoM) dated 12.12.2018 should be revised and they be allocated the quantity requested for. M/s Sanvira has further submitted that their current production capacity (3,30,000 MT) has not been taken into account while making the allocation, therefore, the allocation made to them is significantly lower than their requirement. Further, they have submitted that their demonstrated historical level of import has also not been taken into account while making the allocation. M/s Kalinga Calciners Ltd has sought allocation of quota based on the consumption capacity as shown in their State Pollution Control Board Certificates and not on the basis of capacity reflecting in the EPCA report.

4. The Committee was further informed that consequent to these representations, it was decided to review the allocation made to the applicants for RPC imports and accordingly, all nine applicants who had applied for the RPC, were requested to intimate their actual

Consumption capacity, accompanied by supporting documents issued by the State Pollution Control Boards (SPCB), as mandated in the MoEFF's O.M. dated 10th September, 2018. Also, the Regional Authorities (RAs) of DGFT had been requested to stop issuing licenses for import of RPC based on MoM dated 12.12.2018. Further, as no representation had been received from the applicant importers of Calcined Pet Coke (CPC) in the Aluminum Industry, the RAs have been requested to release the quota meant for CPC applicant importers.

5. The Committee considered the representations and observed that DGFT had issued Notice for application to import RPC, without laying down any specific criteria for the applicants. The Committee noted that none had raised objection at the time of application to the Notice dated 26.11.2018 inviting applications from all eligible entities. It also noted that the Hon'ble Supreme Court in its order dated 9.10.2018 had no where specifically indicated that the total import of 1.4 MT of RPC is to be restricted to only the Petitioners in WP (Civil) No 13029/1985. The Committee observed that all industries making CPC have been given equal opportunity, including applicants. In view of this, Committee did not find any merit to not consider the three applicants that produce CPC, but had not applied before Supreme Court.

6. The Committee examined the SPCB certificates of all the nine 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 Consent to Operate (CTO) certificates. The Committee also noted that consumption requirement is not indicated in SPCB certificates of all industries. For the sake of uniformity, the Committee decided to consider the allocation of RPC in proportion to the production capacities of the applicants as indicated in SPCB certificates. As in some of the SPCB certificates, production capacity of CPC was indicated in TPD (Tonnes Per Day); to bring uniformity, production capacity was arrived at by multiplying the capacity with 350 days.

7. The Committee based on the above principal made the following allocation, as under:

1	2	3	4	5	6
S.no.	**Name of the Firm**	**Annual Production Capacity on or before 1st October, 2018**	**Quantity applied for Import**	**Half of the Annual Production Capacity on or before 1st October, 2018**	**Final Allocation in MTs**
1.	Rain CII Carbon(Vizag) Ltd.	5,11,000	3,52,145	2,55,500	2,53,338.65
2.	Sanvira Industries Ltd.	2,00,000	1,83,746	1,00,000	99,154.07
3.	Goa Carbon Ltd	3,08,000	2,07,900	1,54,000	152,697.27
4.	Kalinga Calciner Ltd.	46,200	42,000	23,100	22,904.59

5.	India Carbon Ltd.	54,000	37,800	27,000	26,771.60
6.	Petro Carbon and Chemicals (P) Ltd.	93,744	1,40,616	46,872	46,475.49
7.	Amritesh Industries (P) Ltd.	24000	16,800	12,000	11,898.48
8.	Brahmaputra Carbon Ltd.	100000*	50,000	50,000	49,577.03
9.	Neo Carbon (P) Ltd.	75000	50,000	37,500	37,182.77
Total		**1411944**		**7,05,972**	**699999.95**

* The Committee observed that the Certificate dated 26.6.2014 has indicated that the total annual production capacity of CPC including Electrode Paste shall not exceed 1,20,000 MTPA. In their certificate dated 1.12.2018, the amount has been restricted to 1,00,000 MTPA for imported Pet Coke. In the EPCA report no.91 the Capacity is shown as 1,00,000 MTPA. The committee accordingly, decided to consider only the figure of 1,00,000 MPTA.

8. With the above allocation made, the committee also decided to record the following:

(i) Imports will be subject to guidelines laid down by Ministry of Forest and Climate Change issued vide OM No Q-18011/54/2018-CPA dated 10th September, 2018;

(ii) Import of the allotted quota is on actual user condition and action will be initiated under FTDR Act against those Calciners who are found trading the imported RPC.

(iii) If based on the above allocation, any applicant desires to import part of the allocation or not import at all, the quantity accordingly must be surrendered, under intimation to the Regional authority with a copy to DGFT at **petcokeimport-dgft@nic.in** and import-dgft@nic.in.latest by January 31st, 2018 in order to facilitate distribution of the unutilized quota to other applicants who had applied initially.

(iv) Failure to import the allotted quantity, will invite penal action, as decided by the competent authority. **The import license/ authorization will be valid till 31.3.2019 only for the purpose of imports.** i.e. consignments must be cleared by customs authorities before this date.

(v) Review of the quota available, if any, after surrender of the quota by allottees will be held by 4th February, 2019 ; and

(vi) Holders of the license for import of Pet Coke would keep the RA informed of the details of his import consignments i.e the quantity of import, source, date of

import along with details of Bill of entry in respect of each consignment on clearance of goods from Customs. Subsequently, a consolidated report within 30 days of the expiry of import authorization period must be submitted to the Regional Authority, giving consolidated details of all imports made during the period.

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