

Minutes of the Meeting held on 10.05.2021 to finalise the import 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. 50 dated 31.03.2021

In Chair, Shri Hardeep Singh, Additional DGFT

The following officers attended the meeting:

1. Shri S.P.Roy, Jt.DGFT
2. Shri. Sundeep, Scientist 'F', M/o Environment, Forests and Climate Change
3. Dr. Sudheer Chintalapati, Scientist 'E', M/o Environment, Forests and Climate Change
4. Shri Santanu Dhar, US(S), M/o P&NG
5. Smt. Suminder Kaur, DDG, DGFT

2. At the outset, the Committee noted that in pursuance to the Public Notice No. 50/2015-20 dated 31.03.2021, 03 applications were received for import of Calcined Pet Coke (CPC) and 15 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 2021-2022 within this limit.

3. The Committee noted that 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. However, the application for SEZ unit was not considered as the Hon'ble Supreme Court has dismissed IA Nos. 77914, 77903/2019 vide order dated 13.09.2019 where an identical prayer was sought to consider SEZ unit for allocation.

4. The Committee also noted that M/s Paradip Calciner Limited vide email dated 13.04.2021 has requested merging of the quota of RPC of M/s Guwahati Carbon Limited with M/s Paradip Calciner Limited. The Committee however observed that M/s Guwahati Carbon Limited and M/s Paradip Calciner Limited are separate units and therefore decided to decline the request.

5. The Committee noted that for FY 2020-21, only 10 firms had applied for allocation of RPC Quota, however, this year (for FY 2021-22) 05 new firms, (i) M/s Guwahati Carbon Limited, (ii) M/s Carbon Resources Pvt. Ltd, Bihar, (iii) M/s Carbon Resources Pvt. Ltd, Assam, (iv) M/s Digiboi Carbon Private Limited and (v) M/s Raipur Minerals Private Limited have also applied for RPC Quota. The Committee considered applications of these companies as they were in existence prior to the Supreme Court Order dated 9th October, 2018.

6. The Committee also observed that in its meeting dated 17.02.2021, held for Re-allocation of the surrendered quantity of quota for RPC in FY 2020-21, it had decided that any unutilized quota remaining with the allottees as on 31.03.2021 would be deducted from their entitlement for the year 2021-22. The same was also informed to the firms vide email dated 17.02.2021 and was mentioned in the Minutes of the Meeting dated 17.02.2021. This was also informed in the Public Notice No 50/2015-20 dated 31.03.2021. Accordingly, the Committee has considered this while allocating the quota.

7. Further, several firms have requested for extension of validity of Import License for the FY 2020-21. However, the Committee in its meeting dated 17.2.2021 had held that allocation made in FY 2020-21 will only be valid till 31.3.2021; and had further observed in its meeting dated 19.3.2021 that allocated quota has to be imported by 31.3.2021. Accordingly, Committee decided to accept only the requests of those firms that have submitted valid Bill of Lading dated on or prior to 31.03.2021 as para 9.11 in 'Handbook of Procedures'. The details of the requests received from the firms are listed in Annexure 1.

8. The Committee also noted that one of the conditions mentioned in the OM No. Q-18011/54/2018-CPA dated 10.9.2018 of Ministry of Environment, Forests and Climate Change (MoEF&CC) 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 installed capacity as on 9th October 2018 was taken into consideration for all applicants. The requisite document mentioning the annual imported quantity has not been received from (i) M/s Guwahati Carbon Limited, (ii) M/s Carbon Resources Pvt. Ltd, Bihar, (iii) M/s Carbon Resources Pvt. Ltd, Assam, (iv) M/s Digiboi Carbon Private Limited and (v) M/s Raipur Minerals Private Limited.

9. It was also observed that all RPC and CPC units are yet to provide the CTO compliance certificate from the concerned State Pollution Control boards/PCC for the FY2020-21.

10. Committee Members also observed that the following five applicants for RPC have not submitted their opening and closing stock of imported Petcoke to the concerned SPCB on a quarterly basis for the FY 2020-21 (i) M/s Paradip Calciner Limited, (ii) M/s Neo Carbons Pvt Ltd, (iii) M/s Petro Carbon and Chemicals Private Limited, (iv) M/s Goa Carbon Limited (Goa unit, Odisha unit, Chhattisgarh Unit), and (v) M/s Brahmaputra Carbon Limited.

11. Accordingly, the Committee decided to provisionally allocate the quota to above firms subject to the condition that they submit the deficient documents within 15 days from the date of uploading of 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 in variance with the quantity provisionally allocated, the allocated quantity shall be restricted to the lower of the two.

12. 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 CPC and RPC allocation quota by adopting following criteria:

- a) Production capacity of the applicant will be calculated on annual basis. Wherever, SPCB certificates shows production figures in TPD, the annual production capacity will be arrived at by multiplying the capacity with 350 days (average operational days for the unit) to bring uniformity.
- b) The production capacity for applicant for RPC is converted to input/raw material requirement by taking industry average conversion rate i.e. 1:1.36 (as mentioned in the EPCA report).
- c) The additional capacity added by the applicants after the Hon'ble Supreme Court's order dated 9.10.2018 is not taken into consideration;
- d) The quota be divided on a proportionate basis as per the following formula :—

$$Q_A = Q \times (Q_{AD} / Q_{TD})$$

Where,

Q_A	=	Allocation of Import Quota for applicant 'A'
Q	=	Total Import Quota Available for distribution
Q_{AD}	=	Demand of the Applicant 'A'
Q_{TD}	=	Sum of demand by all applicant

For RPC – Demand is calculated based on installed capacity certified by SPCB and the conversion factor of CPC : RPC– 1:1.36.

i.e. – If the unit has installed CPC production capacity of 100 TPD,
so, Demand for the unit will be calculated = 136 TPD of RPC

e) In cases where requested quantity is lower than eligible quantity, the arising surplus is redistributed among others proportionately.

13. Accordingly, based on the above principles, the Committee made the allocation as in **Annexure 2 & 3**, subjected to following conditions

- a) Applicants have to submit compliance certificate of CTO of the utilising unit against which the import application has been made, from the concerned state pollution Control Boards for FY 2020-21.
- b) Applicants shall submit the consent issued by the SPCB, clearly mentioning the annual import quantity/ installed capacity of the utilising unit as on 09.10.2018.
- c) Applicants shall furnish copy of the opening and closing stock of the imported petcoke, submitted to the concerned SPCBs and CPCB.
- d) Applicants shall comply with the Guidelines for regulation and monitoring of imported pet coke in India issued by the Ministry of Environment forest and Change vide dated 10.09.2018
- e) The copy of the license issued by DGFT for import of Petcoke shall be submitted to concerned SPCB, CPCB and MoEF&CC for monitoring purposes

14. The above allocation has been made as per the documents submitted by the firm at the time of application. If at any point any discrepancy is found in the documents provided by the firm the allocation will be cancelled and action would be taken as per FTDR Act, 1992 (as amended).

Requests for extension of Import License of FY 2020-21									Annexure 1
1	2	3	4	5	6	7	8	9	
S. No.	Firm Name	Initial Allocation (in MT)	Additional Quota Allocated (in MT)	Quantity Surrendered before 31.03.2021 (in MT)	Quantity Imported as on 31.03.2021 (in MT)	Reasons for not importing before 31.03.2021 and seeking extension of license	Supporting Documents to request	Committee Decision	
1	Rain CII Carbon (Vizag) Limited	481961	136925.77	-	558,400.51	Two vessels carrying 18,000 MT and 32,800 MT of RPC will arrive by mid-April, 2021.	Bill of Lading dt. 21.03.2021 and 23.03.2021 for both vessels submitted by firm.	The Committee decided to Approve the request since BoL are dt before 31.03.2021	
2	Sanvira Industries Limited	311247	84233.23	60,523.23	301,693.00	Two vessels carrying 33264 MT of RPC are bonded at Vizag port and Two vessels carrying 48702 MT of RPC have departed from port of origin	Bill of Lading dt. 29.03.2021, 22.04.2021 and 30.04.2021 for all four vessels submitted by firm.	The Committee decided to Approve the request only for BoL dt before 31.03.2021	
3	Goa Carbon Limited	290497	0	75,000.00	150,375.00	They could not submit any BOL dated prior to 31.03.2021 without a specific approval for extending the validity of the RPC license issued for FY 2020-21.	No documents submitted	The Request for extension not accepted by the Committee.	
4	Amritesh Industries Private Limited	22636	0	18,236.00	-	They have been unable to enter into any firm import contracts.	No documents submitted	The Request for extension not accepted by the Committee.	
5	Brahmaputra Carbon Limited	40000	0	40,000.00	-	No request for extension made	NA	NA	
6	India Carbon Limited	50931	0	30,411.00	9,520.00	They have entered into an Import contract for 11,000 MT (10,000 MT +/- 10%) with M/s Cemerlang Coke Industrial SDN BHD, Malaysia, dated 20th April'2021. As per the said contract the cargo will be shipped by the end of May'2021 and expected to arrive by the 1st week of June 2021.	No documents submitted	The Request for extension not accepted by the Committee.	

Requests for extension of Import License of FY 2020-21								
1	2	3	4	5	6	7	8	Annexure 1
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7	Neo Carbons Pvt Ltd	70738	0	46,938.00	8,800.00	They have entered into a Sales Purchase Contract with M/s. Cemerlang Coke Industrial SDN BHD, Malaysia for import of 10,000 MT (±10%) of Raw Petroleum Coke which is scheduled to be shipped during the last week of May, 2021 and arrive around a week thereafter in India.	Copy of Purchase and Sales contract dt 20.04.2021 and Letter of Credit dt. 28.04.2021 submitted by the firm.	The Request for extension not accepted by the Committee.
8	Petro Carbon and Chemicals Private Limited	88416	0	-	62,918.71	They are trying to secure the source of procurement of overseas raw pet coke and finalized contracts of which the shipments to take place by May 2021	No documents submitted	The Request for extension not accepted by the Committee.
9	Paradip Calcliner Limited	43574	0	10574 + 17000	11,000.00	No request for extension made	NA	NA

Draft Allocation of Calcined Pet Coke						Annexure 2
1	2	3	4	5	6	
S. No.	Firm Name	Date of application	Quantity Applied (in MT)	Production Capacity as per SPCB Certificate (p. a.) in MTs	Proportionate Allocation (in MTs)	
1	Vedanta Limited	12.04.2021	389,820	373,800	294,400	
2	Bharat Aluminium Company Limited	13.04.2021	150,000	62,500	49,224	
3	Hindalco Industries Limited	14.04.2021	120,000	116,550	91,793	
			(Odisha)	(Odisha)	(Odisha)	
			60,000	60,000	47,255	
			(Madhya Pradesh)	(Madhya Pradesh)	(Madhya Pradesh)	
			20,000	22,000	17,327	
			(Uttar Pradesh)	(Uttar Pradesh)	(Uttar Pradesh)	
			739,820	634,850	500,000	

Draft Allocation of Raw Pet Coke															Annexure 3	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
S. No.	Firm Name	Date of application	Quantity Applied (in MT)	Production Capacity as per SPCB Certificate (p. a.) in MTs	Input Requirement as per EPCA Report @ 1:1.36	Proportionate Allocation (in MTS)	Surplus quantity (7-4)	Proportionate allocation of Surplus quantity	Provisional Allocation	Unutilised quota	Reallocation of unutilised quota	Total Allocation [10-11+12]	Surplus quantity (12-4)	Proportionate allocation of Surplus quantity	Final Allocation 13-14+15	
12	Carbon Resources Pvt Ltd, Bihar	13.04.2021	32,000.00	22,750.00	30,940.00	18,570.11	-	120.09	18,690.20	-	1,800.05	20,490.24	-	59.46	20,549.70	
13	Carbon Resources Pvt Ltd, Assam	13.04.2021	20,000.00	24,840.00	33,782.40	20,276.11	276.11	-	20,000.00	-	1,965.41	21,965.41	1,965.41	-	20,000.00	
14	**Digiboi Carbon Private Limited	14.04.2021	30,000.00	-	30,000.00	18,005.92	-	116.44	18,122.36	-	1,745.36	19,867.72	-	57.65	19,925.37	
15	Raipur Minerals Private Limited	14.04.2021	16,000.00	30,000.00	40,800.00	24,488.05	8,488.05	-	16,000.00	-	2,373.69	18,373.69	2,373.69	-	16,000.00	
			2,775,400.00		2,332,566.24	1,400,000.00	8,764.16	8,764.16	1,400,000.00	135,705.56	135,705.56	1,400,000.00	4,339.10	4,339.10	1,400,000.00	

**** Allocation is subject to the submission of SPCB Certificate indicating production capacity of the unit as on 09.10.2018 on per annum and per monthly basis**