

Minutes of the meeting held on 17.2.2020 in DGFT(HQ). Udyog Bhavan, New Delhi to finalise the allocation of surrendered quantity of (i) Calcined Pet Coke for Aluminium Industry and (ii) Raw Petcoke for CPC manufacturing

In Chair, Shri K.C. Rout, Additional DGFT

The following officers attended the meeting:

Dr. Sudhir Chintalapathi, Joint Director, MoEF

Shri Raghavendra Singh, Senior Manager, IOCL, MoPNG

Shri Nirmal Kumar, Dy. DGFT

Shri Abdul Sadiq Khan, FTDO

2. At the outset the Committee was informed that Hon'ble Delhi High Court in WP(C) 299 of 2020 in its Order dated 5.2.2020 has directed that the exercise of reallocation of Raw Petcoke shall be completed within a period of two weeks from the date of the order.

3. The initial allocation for Calcined Petcoke/Raw Petcoke was made in the EFC meetings held on 5.4.2019 and 22.4.2019. Subsequently, vide e-mail dated 10.12.2019, the applicants were request to intimate the unutilized quantity of CPC/RPC and the quantity they intend to surrender. In response, some of the applicants of RPC sought time up to 31.1.2020 to intimate the quantity they propose to surrender as they were still negotiating their contracts. The applicants vide e-mail dated 22.1.2020, were again reminded to intimate the quantity of RPC they propose to surrender. In response, to the above communications, four applicants viz. (i) M/s Goa Carbon Ltd., (ii) M/s India Carbon Ltd.(iii) M/s Amritesh Industries (P) Ltd. and (iv) M/s Vedic Petrochemicals (P) Ltd. have informed that they propose to surrender whole/part of the quantity of RPC allocated to them (*Annexure I*). As regards, CPC, two applicants viz. (i) M/s National Aluminium Company Ltd. and (ii) M/s Hindalco Industries Ltd. informed that they intend to surrender whole/part of quota of CPC allocated to them(*Annexure II*).

4. The Committee was informed that the total quantity of RPC surrendered by these four firms is **1,44,498.57 MT**. The details are given in *Annexure I*. Three firms viz. M/s Rain CII Carbon (Vizag) Ltd., (ii) Sanvira Industries Ltd. and (iii) M/s Petro Carbon and Chemicals (P) Ltd. have requested for allocation out of the surrendered quantity of RPC to them. As regards CPC, the surrendered quantity by two firms is **85,162.362 MT**. The details are given in *Annexure II*. Two requests are received for allocation of CPC out of the surrendered quantity from M/s Bharat Aluminium Company Ltd. and M/s Vedanta Ltd.



5. The Committee decided that the total quantity of RPC allocation to each applicant for the current financial year (2019-20) shall not exceed their input requirement as per EPCA Report i.e. 1:1.36 of the total Production Capacity. Accordingly, it decided to allocate the surrendered quantity on the same principle which was followed while making the initial allocation of RPC which is as under (*Annexure III*):

Total surrendered quantity of petcoke (X) divided by Total Quantity requirement of all applicants (Y) multiplied by requirement of a particular applicant (subject to maximum input requirement (Z): $\frac{X}{Y} \times Z$ (entitlement per applicant)

6. The Committee noted that M/s Petro Carbon and Chemicals (P) Ltd. have requested for allocation of only 1000 MT of RPC out of the surrendered quota. The Committee decided to allocate 1000 MT to M/s Petro Carbon and Chemicals (P) Ltd. as the total allocation to the firm including the initial allocation will be 1,02,553.68 MT (1,01,553.68 + 1000) which will not exceed the total input requirement of the firm i.e. 1,27,491 MT. As regards allocation of surrendered quota to the other two applicants viz. M/s Rain CII Carbon (Vizag) Ltd., and M/s Sanvira Industries Ltd., the Committee decided to make the allocation as per decision in Para 5 above and allocated 1,03,851.583 MT of RPC to M/s Rain CII Carbon (Vizag) Ltd. and 40,646.986 MT to M/s Sanvira Industries Ltd. as detailed in *Annexure III*.

7. As regards allocation of surrendered quantity of CPC, the Committee decided that the allocation should be restricted to such a quantity that the total allocation of firm should not exceed their capacity as per State Pollution Control Board Certificate. M/s Bharat Aluminium Company Ltd. has request for 17,539.206 MT and M/s Vedanta Ltd. have requested for 65,000 MT for allocation out of surrendered quantity. They have informed their specific quantity requirement to be allocated to them. As the available surrendered quantity of CPC is more than the quantity requested by the firms, and the quantity requested for allocation out of surrendered quota is within the production capacity of the recipient firms, the Committee decided to allocate the surrendered quantity of CPC as per decision in Para 5 above as in *Annexure IV*.

8. The representative of Ministry of Environment, Forests & Climate Change informed the Committee that a representation is under examination in that Ministry which is received from calciners where it is alleged that M/s Rain Carbon CII (Vizag) Ltd. has imported approximately 6.5 MT of Anhydrous Carbon Pellets (ACP) which is made primarily of RPC under ITC(HS) code 38019000 and that this action of M/s Rain Carbon CII (Vizag) Ltd. is an attempt to circumvent the quantitative restriction put by Hon'ble Supreme Court. The Committee decided that if at a later date it is determined by MoEF&CC that firm has actually imported RPC by declaring the item under incorrect ITC(HS) code, the quantity of ACP imported will be deducted from the total allocation of RPC(initial allocation + allocation out of surrendered quantity) allocated to M/s Rain Carbon CII (Vizag) Ltd. either from the current year quota or from the subsequent year quota.

9. The Committee noted that the above allocation is in the spirit of Supreme Courts judgement dated 9.10.2018 and without exceeding the limit of 1.4 Million MT. The Committee also decided that a consolidated report within 30 days of the expiry of import authorization period must be submitted by the applicants to the Regional Authority, DGFT and also copy to DGFT(HQ), giving consolidated details of total imports made during the current Financial Year.

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Allocation of Quantity of Raw Petcoke Surrendered

In MTs

1	2	3	4	5	6	7	8
S.no.	Name of the Firm	Quantity applied	Production Capacity as per SPCB Certificate submitted	Input requirement as per EPCA Report @ 1:1.36	Initial allocation of RPC	Quantity surrendered	Remarks
1.	Rain CII Carbon (Vizag) Ltd.	11,93,600	5,11,000	6,94,960	5,52,462	Nil	Filed Writ Petition in Delhi High Court for allocation of surrendered quota
2.	M/s Sanvira Industries Ltd.	4,95,000	2,00,000	2,72,000	2,16,227	Nil	Request received for allocation of surrendered quantity
3.	M/s Goa Carbon	4,15,800	3,08,000	4,18,880	3,32,991	1,05,000	Surrendered part of allocated quantity
4.	M/s India Carbon Ltd.	75,600	54,000	73,440	58,381	18,899,000	No request received for allocation of surrendered quantity

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5.	M/s Neo Carbon Pvt. Ltd.	50,000	75,000	1,02,000	50,000	Nil	Surrendered part of allocated quantity
6.	M/s Amritesh Industries Pvt. Ltd.	33,600	24,000	32,640	25,999.572	10,599.57	Surrendered part of allocated quantity
7.	M/s Kalinga Calciner Ltd.	80,000	46,200	62,832	50,049.178	Nil	No request received for allocation of surrendered quantity
8.	M/s Vedic Petrochemical Pvt. Ltd.	10,000	18,000	24,480	10,000	10,000	Surrendered part of allocated quantity
9.	M/s Petro Carbon And Chemicals(P) Ltd.	1,40,616	93,744	1,27,491	1,01,553.68	Nil	Request received for allocation of surrendered quantity
Surrendered Quantity							1000 MT
							1,44,498.57

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Quantity of Calcined Petcoke surrendered

In MTs

1	2	3	4	5	6	7	8
S.no.	Name of the Firm	Quantity applied	Production Capacity as per SPCB Certificate submitted per annum	Total allocation	Balance Quantity available	Quantity of CPC surrendered	Remarks
1.	M/s National Aluminium Company Ltd.	60,000	60,000	43,162.362	43,162.362	43,162.362	Surrendered the entire quantity allocated
2.	M/s Vedanta Ltd.	4,00,000	3,74,000	2,69,045.392	68,600.155	Nil	Request received for allocation of 65,000 MT
3.	M/s Bharat Aluminium Company Ltd.	81,235	62,500	44,960.794	9,310.027	Nil	Request received for allocation of 17,539.206 MT
4.	M/s Hindalco Industries Ltd.	2,00,000	1,98,550	1,42,831.450	1,02,000.000	42,000.000	Surrendered a part of the surrendered quantity
						85,162.362	82,540.000



Annexure III

Allocation of RPC out of surrendered quantity

In MTs

1	2	3	4	5	6	7	8
S.no.	Name of the Firm	Quantity applied	Production Capacity as per SPCB Certificate submitted	Input requirement as per EPCA Report @ 1:1.36	Initial allocation of RPC	Required quantity Col. 5-6	Surrendered quantity allocated
1.	Rain CIL Carbon (Vizag) Ltd.	11,93,600	5,11,000	6,94,960	5,52,462	1,42,498	1,03,851.583
2.	M/s Sanvira Industries Ltd.	4,95,000	2,00,000	2,72,000	2,16,227	55,773	40,646.986
9.	M/s Petro Carbon And Chemicals(P) Ltd.	1,40,616	93,744	1,27,491	1,01,553.68	1,000	1,000 .000
	Surrendered quantity :144498.57					1,99,271	1,44,498.569

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Allocation of Calcined Petcoke out of surrendered quantityIn MTs

1	2	3	4	5	7	8	7
S.no.	Name of the Firm	Quantity applied	Production Capacity as per SPCB Certificate submitted per annum	Initial allocation	Quantity of CPC surrendered	Quantity of CPC requested for allocation	Quantity of CPC allocated out of surrendered quantity
1.	M/s National Aluminium Company Ltd.	60,000	60,000	43,162.362	43,162.362	Surrendered entire allocated quantity	Nil
2.	M/s Vedanta Ltd.	4,00,000	3,74,000	2,69,045.392	Nil	65,000	65,000,000
3.	M/s Bharat Aluminium Company Ltd.	81,235	62,500	44,960.794	Nil	17,539.206	17539.206
4.	M/s Hindalco Industries Ltd.	2,00,000	1,98,550	1,42,831.450	42,000.000	Surrendered a part of the allocated quantity	Nil
					85,162.362	82,540.000	82,540.000

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