



Date: 21/12/2020

To,
Shri Samir Kumar Biswas
Joint Secretary
Department of Chemicals and Petrochemicals
Ministry of Chemicals and Fertilizers
341-(C), A Wing, 3rd Floor, Shastri Bhavan,
New Delhi 110001

CC: Shri Piyush Goyal, Honourable Cabinet Minister of Commerce & Industry,
Shri Sadanand Gowda, Honourable Cabinet Minister of Chemicals & Fertilizers,
Shri Mansukhbhai Mandaviya, Honourable State Minister of Chemicals & Fertilizers

Sub: Humble Submission for Extension of Quality Control Order for Acetone & Comments on Revised Indian Standard for Acetone IS 170: 2020 with Potential Shortage to Non-Pharma & Pharma consumers in India

Respected Sir,

We, Prasol Chemicals Pvt Ltd (ISO 9000:14000, OSHA 18000 Approved, DISR Approved by Government of India, Two Star Export House), are a leading consumer/producer of Acetone in India, consuming 24,000 + MT per annum, and engaged in production of various Acetone derivatives for domestic & exports. Since Acetone is basic raw material to our products we need to source this from local as well as international suppliers. In view of the recent Acetone (Quality Control) Order, 2020 (the last date of implementation of the said order now being 14th March 2021), we have serious concerns about this decision severely affecting the supply of Acetone to Indian market and subsequently to our production schedules.

We understand that BIS certification is highly technical and time consuming process due to the significant volume of documentation and data requirement, physical inspection at the factory premises, parallel testing of sample by third party laboratory and several post licensing formalities. As you would appreciate that because of prevailing situation of lockdown due to Covid 19, our suppliers of Acetone, especially international, are facing significant challenges in obtaining certification especially when international travels are severely restricted. In these circumstances it is extremely difficult to arrange the infrastructure and documentation required for Certification Process.

Recently the Indian Standard for Acetone has been revised as IS 170: 2020 (fifth revision). While examining the revised standards we noticed that in addition of other changes two new requirements/parameters have been included with their limits as under:

- i) Benzene content mg/kg, Max - 2.0
- ii) Methanol content, mg/kg, Max - 300

You may kindly be aware that Acetone is used for Pharmaceutical as well as for Non-Pharmaceutical products. Above mentioned requirement of 2 mg/kg of Benzene in Acetone or Benzene content as impurity up to max 2.0 mg/kg is relevant when the acetone is being used for Pharmaceutical Purpose and this requirement is not relevant if the Acetone is used for Other than Pharmaceutical Purpose like what we are producing. As per our understanding based on consumption of Acetone, non-pharmaceutical application industry is consuming more than 50% of the total volume which don't have any constraints in using Acetone with Benzene & Methanol content.

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Further, to cater the need of all type of the users of Acetone, there are number of manufacturers who are manufacturing Acetone which is not benzene free or the benzene contents are more than 2.0 mg/kg but those are still within acceptable quality range for companies such as ours. However if such producers want to produce benzene free or with benzene content less than 2.0 mg/kg, the changes in the process would require long time & would not be possible to do it within stipulated time frame.

Moreover, in any national or international standard, the parameters/requirements of any product should be such which could be achieved by the industry without affecting the very purpose of the user industry.

In the event of setting basic standards of Benzene & Methanol contents in Acetone as per above, there will be possible shortage of the material in the country on one side due to not meeting to these standards & on other side users like us will be compelled to use Benzene free material by paying premium price which will not only create potential shortage of Acetone for Pharma market but also increase cost of our end products in non-Pharma sector making it unviable for exports thereby losing foreign exchange. This is also detrimental to the government principle of "Atmanirbhar Bharat" & losing the all-important foreign exchange earning opportunity apart from loss of employment.

In view of above circumstances, we propose possible solution where there may be two grades of Acetone (like other chemicals) as below:

a) Grade A (Pharma Grade) - In this grade the parameters/requirements of Benzene content and Methanol content may be kept as the same i.e. 2.0 mg/kg max and 300 mg/kg max respectively. Other parameters/requirements and methods of tests may be the same as given in IS 170: 2020.

b) Grade B (non Pharma Grade) - In this grade the requirements/parameters of Benzene content and Methanol content may be removed like the earlier version of IS 170: 2004. Other parameters/requirements and methods of tests may be the same as given in IS 170: 2020.

Considering that the period till 14th March, 2021 to fulfill BIS requirements is not sufficient, especially with Covid restrictions making it more difficult, there could be possible situation where no supplier or very few suppliers can fulfill the documentation and still may not get the license within deadline. The enforcement of order, in the absence of certification by producers and subsequent absence of delivery, would be highly prejudicial to the interest of consuming industries and general public at large.

We therefore humbly request you to consider extension of another 180 days after 14th March, 2021 to avoid potential shortage of the material to both Pharma as well as non Pharma industry.

Hope you will consider our request positively & initiate suitable action in this regards.

Thanking you with Kind regards,

Gaurang N. Parikh
Managing Director

