

F. No.16/24/2016-Infra 1
Government of India
Ministry of Commerce and Industry
Department of Commerce
Infra-I Section


Udyog Bhawan, New Delhi
Dated 24th October, 2016

OFFICE MEMORANDUM

Subject: Minutes of Inter-Ministerial Committee (IMC) meeting held on 18-10-2016 at 12:15 pm in Room No. 141, Udyog Bhawan, New Delhi for consideration of proposals for setting up ICDs, CFSs & AFSs in India and extension of Lols - regd.

The undersigned is directed to refer to the subject mentioned above and to enclose the minutes of the Inter-Ministerial Committee (IMC) meeting held on 18-10-2016 at 12:15 pm in Room No. 141, Udyog Bhawan, New Delhi under the Chairmanship of Shri A. K. Bhalla, Additional Secretary, Department of Commerce for kind perusal and necessary action.

Encl: As above


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To

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2. Ministry of Railways (Shri Ajay Behera, Executive Director (TTS), Rail Bhavan, New Delhi, Fax No. 23303668 & 23383506, E mail: edtts@rb.railnet.gov.in,
3. Ministry of Shipping (Shri R. K. Agarwal, Joint Secretary (SM), Department of Shipping, Parivahan Bhawan, New Delhi, Fax No. 23328549, E mail: rabindra.a@ias.nic.in
4. Ministry of Civil Aviation (Dr. Renu Singh Parmar, Senior Advisor) Rajiv Gandhi Bhawan, New Delhi, Telfax: 24629322, Email: eco-adv.moca@nic.in
5. Ministry of Shipping (Shri D. K. Rai, Deputy Secretary (SM), Department of Shipping, Parivahan Bhawan, New Delhi, Fax No. 23328549, E mail: dkrai@nic.in
6. Central Board of Excise and Customs {Dr. Shaifali G. Singh, Under Secretary (Customs)}, Department of Revenue, North Block, New Delhi, E-mail: shaifali.singh@icegategov.in

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**Department of Commerce
Infra-I Section**

Minutes of the meeting of the Inter Ministerial Committee (IMC) for consideration of proposals for setting up of ICDs/CFSS/AFSS held under the Chairmanship of Shri A.K. Bhalla, Additional Secretary, Department of Commerce on 18-10-2016.

A meeting of the Inter-Ministerial Committee (IMC) was held on 18-10-2016 in Udyog Bhavan, New Delhi under the Chairmanship of Shri A.K. Bhalla, Additional Secretary, Department of Commerce, for consideration of proposals for setting up of Inland Container Depots(ICDs)/Container Freight Stations(CFSS)/Air Freight Stations (AFSS) in India. Following officials participated in the meeting: -

1. Shri Sanjay Chadha, Joint Secretary (Infrastructure), Department of Commerce
2. Shri B. Praveen, Director (Infrastructure) Department of Commerce
3. Shri D. K. Rai, Director, Ministry of Shipping
4. Shri Ravi Shekhar, OSD(TT), Ministry of Railways
5. Dr. Shaifali G Singh, Under Secretary, CBEC, Department of Revenue
6. Shri R. Rajakannu, Under Secretary, Department of Commerce
7. Shri M. Rama Pratap, Section Officer, Infra-I Section.

2. Initiating the discussions, Chairman of IMC reiterated the earlier decision of IMC that in cases where IMC receives pending formal comments of the IMC members and developer has furnished all the requisite documents, the proposal can subsequently be processed and cleared on file on receipt of the formal comments without waiting for the next IMC meeting subject to the condition that the same should be brought before the next IMC for ratification.

2.1 Ministry of Civil Aviation vide O.M. No.AV-16026/4/2014-ER(Pt.), dated 17-10-2016 has stated that due to pre occupation of Sr. Advisor, MoCA and Director, MoCA dealing with the subject matter, it is not possible to depute an official for the said meeting. They, however, provided written submission on the pending proposals relating to setting up of ICD/CFSS/AFS.

2.2 Chairman decided that all deferred proposals where comments of one or two IMC members are pending and the developer has given all the requisite documents as per the guidelines, such developers should not be invited for the meeting.

I. Ratification of minutes of the meeting held on 08-07-2016

IMC ratified the minutes of IMC Meeting held on 08-07-2016

II. Ratification cases (04)

Agenda No. 1

Setting up of an Inland Container Depot (ICD) / Multimodal Logistics Park (MMLP) in Mihan area of Khapri Village, Nagpur, Maharashtra by CONCOR (F. No. 16/26/15-infra-I)

IMC ratified the Letter of Intent (LoI) issued to the CONCOR on 01-08-2016.

Agenda No. 02

Setting up of an Inland Container Depot (ICD) in Multimodal Logistics Park (MMLP) at Naya Raipur, Dist. Raipur, Chhattisgarh by CONCOR (F. No. 16/31/2015-Infra-I)

IMC ratified the Letter of Intent (LoI) issued to the CONCOR on 04-08-2016.

Agenda No. 03 :

Setting up of Air Freight Station (AFS) at 76-77, Village Kapashera, New Delhi by M/s Continental Carriers Pvt. Ltd (F.No.23/02/2015-Infra-1)

IMC ratified the Letter of Intent (LoI) issued to the Continental Carriers Private Limited on 08-08-2016.

Agenda No. 04

Extension of LoI for setting up of ICD at Jharsuguda, Odisha by M/s CONCOR (F. No. 16/29/2014-infra-I)

IMC ratified the extension of LoI granted for a period of 03 months beyond 13-09-2016 i.e. upto 13-12-2016.

DEFERRED PROPOSALS (14) OF THE LAST IMC MEETING HELD ON 08-07-2016

Agenda No.05: (deferred proposal)

Setting up of CFS at Uran, Navi Mumbai, Maharashtra by M/s Nhava Sheva CFS & Agripark Pvt. Ltd. (F. No. 16/20/2014-Infra-I) received on 1.10.14

The proposal was deferred for want of comments from CBEC.

Agenda No.06: (deferred proposal)

Setting up of an AFS in existing CFS at Gut No. 55, Village: Kharne, MIDC, Taloja, Dist. Raigad, Navi Mumbai, Maharashtra by SBW Logistics Pvt. Ltd. (F. No. 23/01/2015-infra-I)

From the developer's side no one attended the meeting to present the case for setting up an AFS at the proposed location.

The comments of all the four IMC members are as under: -

Ministry of Railways has given its **no objection** vide letter No.2014/TT-III/99/2, dated 16-03-2015.

Ministry of Shipping, vide letter No.PD-14033/23/15-PD-V, dated 20-01-2015, has given its **no objection** provided that container handling at their CFS and services to the stakeholders availing services related to container operations is not affected. The developer has to strictly follow the SOP formulated for CFS operations even after setting up of AFS vide letter dated 06-05-2015.

Ministry of Civil Aviation vide it's O.M. No.AV-16026/37/2015-ER, dated 07-09-2016 in their final comments reiterated it's earlier comments that the area for handling both export and import cargo by AFS is less than 2000 sq. mt. this has been confirmed in the site visit by AAI and requested to drop the proposal as the developer has also not furnished clarification on the lesser land area.

CBEC has given its comments in the IMC meeting vide O.M. letter No.434/03/2015-Cus-IV, where they have stated that the Policy guidelines issued by MoCA there is no provision for setting up of AFS at an existing CFS. There is only provision for setting up of Green field AFS facility or for AFS at an existing ICD. Department of Revenue has held a view that AFS can only come up at an existing ICD since AFS is an analogue of ICD on the air side, whereas CFS is just an adjunct to ICD. Accordingly, the aforesaid proposal is not approved by CBEC.

The proposal was considered in the IMC meeting with specific reference to the comments / observations of Ministry of Civil Aviation and CBEC and decided that the proposal be dropped and the developer duly take cognizance of the CBEC concerns while framing a proposal.

Agenda No. 07: (deferred proposal)

Setting up of rail linked ICD at Village Maranaikanahalli, Taluk Anekal, Bengaluru, Karnataka by M/s Distribution Logistics Infrastructure Private Limited (formerly known as M/s Vikram Logistics and Maritime Services Pvt. Ltd (F. No. 16/14/2015-infra-I)

The developer mentioned that the proposal has been changed to a road based project from a rail-based project with area being reduced from 45 acres initially to 14 acres. It was informed by the developer that the trailers with containers would move on the connecting State and National Highways.

IMC was of the opinion that in view of the fact that the proposed road-based ICD is located near Bengaluru which is densely populated and a developed industrial zone there could be issues related to high volumes of traffic leading to congestion. In this perspective comments of the State Government are to be sought by Department of Commerce.

Comments of the members of the IMC on the revised proposal circulated on 08-09-2016 are awaited hence the proposal stands deferred.

Agenda No. 08 : (deferred proposal)

Setting up of CFS at Bayyavaram village, Kasim Kotta Mandal Visakhapatnam by M/s Visakha CFS & Logistics Pvt. Limited (F.No.16/20/2015-Infra-1)

Ministry of Civil Aviation in it's O.M. No.AV-16026/164/15-ER, dated 09-09-2015 has stated that they have no comments to offer and further stated that the possibility of processing of air cargo from proposed CFS may also be considered by the promoter.

Ministry of Railways in their O.M. No.2014/TT-III/99/2, dated 29-10-2015 have stated that as the project is road based they have no comments and hence, no objection.

Ministry of Shipping in its O.M. No.PD-14033/23/15-PD-V, dated 03-12-2015 supports the proposal.

CBEC in its O.M. No.434/09/2015-Cus-IV, dated 04-10-2016 has conveyed it's concurrence.

IMC after considering all the favourable comments of the IMC members, approved the proposal for issuance of Letter of Intent (LoI)

Agenda No. 09: (deferred proposal)

Setting up of an Air Freight Station at the existing CFS Dighi, Pune, Maharashtra by M/s Dynamic Logistics Private Limited. (F. No. 23/04/2015-infra-I)

From the developer's side no one attended the meeting. Comments from CBEC are still awaited. Developer is yet to furnish CLU for the proposed site. Thus, the proposal stands deferred.

Agenda No. 10: (deferred proposal)

Application for setting up of CFS at Village Dighode, Taluka Uran, Raigad, Maharashtra by M/s SKIL Infrastructure Limited (F. No. 16/24/2015- infra-I)

From the developer's side no one attended the meeting. Comments awaited from CBEC and Ministry of Shipping. Developer is yet to furnish complete CLU for the proposed site. Thus, the proposal stands deferred.

Agenda No. 11 :(deferred proposal)

Setting up of Container Freight Station (CFS) at Ponneri Taluka, Thiruvallur Dist. Tamil Nadu by M/s Supply Chain Logistics Pvt. Ltd (F. No. 16/23/2015-Infra-I)

Ministry of Civil Aviation in its O.M. No. AV-16026/164-ER, dated 09-09-2015 has stated that they have **no comments to offer**.

Ministry of Railways have that they have **no objection** vide O.M. No.2014/TT-III/99/2, dated 26-08-2015.

Ministry of Shipping has conveyed its revised comments vide No objection vide O.M. No.PD-14033/23/2015-PD-V dated 08-09-2016 stating it has no objection.

CBEC in its O.M. No.434/10/2015-Cus-IV, dated 06-10-2016 has conveyed its in-principle approval for the proposal.

IMC after considering all the favourable comments of the IMC members, approved the proposal for issuance of Letter of Intent (LoI)

Agenda No.12 : (Deferred Proposal)

Application for setting up of an ICD at Fatehpur Village, Shankarpally Mandal, RR District, Telangana by M/s S.V. Multi Logitech (F.No.16/28/2015-Infra-1)

From the developer's side no one attended the meeting. Comments awaited from CBEC. Thus, the proposal stands deferred.

Agenda No.13 : (Deferred Proposal)

Application for setting up of CFS at Survey No.1/3 B3, Pullicut road, Kattupalli Village, Ponneri Taluk, Tiruvallur, Chennai by M/s Apollo World Connect Pvt. Limited (F.No.16/37/2015-Infra-1)

Ministry of Railways has in its O.M. No.2014/TT-III/99/2, dated 04-01-2016 has stated that they have no objection for the project. However, attention of IMC is drawn on the prevailing issue of proliferation of CFS and consequent Road Congestion at Chennai area.

Ministry of Civil Aviation has conveyed vide O.M. No.AV-16026/3/16-ER, dated 02-02-2016 that they have no comments to offer and further stated that the possibility of processing of air cargo from the proposed CFS may be considered by the promoter.

Ministry of Shipping has conveyed their No objection vide O.M. No.PD-14033/23/15-PD-V, dated 16-08-2016.

CBEC in its O.M. No.434/27/2015-Cus-IV, dated 05-10-2016 has conveyed it's in-principle approval for the proposal.

Developer furnished a CLU vide Letter Ref No.187/2016/01, dated 01-02-2016 issued by the Ponneri Taluk Tahsildar that the mentioned dry land is not used for agriculture for many years and hence it is certified that the usage of the land has been changed as non-agriculture and has further certified that the land be used as Container Freight Station.

IMC after considering all the favourable comments of the IMC members and subject to the change in land use certificate issued being verified by the District Collector agreed in principle. The case may be approved on file after the clarification is obtained.

Agenda No. 14 : (Deferred Proposal)

Application for permission to set up of Inland Container Depot (ICD) at Village Bhamboli, Taluka Khed, District Pune, Maharashtra by M/s APM Terminals India Private Limited - regd. (F. No. 16/38/2015-infra-I)

Proposal has been deferred for want of comments from CBEC

Agenda No. 15 : (Deferred Proposal)

Application for setting up of an Inland Container Depot (ICD) at Viramgam, Dist. Ahmedabad, Gujarat by M/s Gateway Rail Freight Ltd.-regd (F. No. 16/04/2016-infra-I)

Proposal has been deferred for want of comments from CBEC

Agenda No. 16: (Deferred Proposal)

Application for setting up of a CFS at Hazira, Gujarat near Hazira Port by M/s Hind Terminals Private Limited (F.No.16/07/2016-Infra-1)

Proposal has been deferred for want of comments from CBEC.

Agenda No. 17: (Deferred Proposal)

Application for setting up of a CFS at Khidirpur, Kolkata by M/s Trans World Terminals Pvt. Limited (F. No.16/08/2016-Infra-1)

Ministry of Railways in their O.M. No.2016/TT-III/99/2, dated 25-04-2016 gave it's no objection.

Ministry of Civil Aviation in their O.M. No. AV-29012/9/2016-ER, dated 17-05-2016 stated that they have no comments to offer.

Ministry of Shipping in their O.M. No.PD-11020/18/16-KoPTdated 28-06-2016 stated that they have no objection.

CBEC in its O.M. No.434/06/2016-Cus-IV, dated 05-10-2016 has conveyed it's in-principle approval for the proposal. Further stated that since CBEC is one of the agencies which participate in the IMC, the final decision of the IMC may be taken as per the guidelines of IMC and that only after that CBEC would convey to the applicant about the requirement of Customs Staff.

IMC after considering all the favourable comments of the IMC members, approved the proposal for issuance of Letter of Intent (LoI).

Agenda No. 18 : (Deferred Proposal)

Application for setting up of a CFS at Meelavattan Village, Harbour Express High Road, Tuticorin, Tamil Nadu by M/s A L S Tuticorin Terminal Private Limited. (16/16/2016-Infra-1)

The developer has furnished the revised CLU in the IMC meeting. The CLU states that the land proposed for setting up the CFS is a dry lands and the usage of the land has been changed as non-agricultural land and further certifies that the land is to be used as a Container Freight Station.

Ministry of Railways vide O.M. No.2016/TT-III/99/2, dated 29-06-2016 conveyed their "No objection".

Ministry of Civil Aviation vide O. M. No. AV-29012/59/16-ER, dated 06-07-2016 conveyed their "No comments".

Ministry of Shipping vide O.M. No. PD-14033/23/2016-PD-V, dated 19-08-2016 conveyed their "No objection".

CBEC in its O.M. No.434/08/2016-Cus-IV, dated 06-10-2016 has conveyed it's in-principle approval for the proposal. Further stated that since CBEC is one of the agencies which participate in the IMC, the final decision of the IMC may be taken as per the guidelines of IMC and that only after that CBEC would convey to the applicant about the requirement of Customs Staff.

Developer furnished a CLU vide Letter Ref No.K. Dis/CBD/7235/16, dated 17-10-2016, issued by the Tehsildar, Thoothukudi, wherein it has been stated that the mentioned dry lands are non-agricultural lands and the usages of the land has been changed as non-agriculture land and has further certified that the land is be used as Container Freight Station.

IMC after considering all the favourable comments of the IMC members and subject to the change in land use certificate issued being verified by the District Collector agreed in principle. The case may be approved on file after the clarification is obtained.

III. New proposals: (07 proposals)

Agenda No. 19 (New Proposal)

Application for setting up of an Inland Container Depot (ICD) at Kila Raipur, Dist. Ludhiana, Punjab by M/s Adani Logistics Limited. (F. No. 16/12/2016-infra-I)

Proposal has been deferred for want of comments from CBEC. Further, developer to furnish title deed for the land on which the ICD is proposed, layout, worksheet, undertakings, clarifications etc as sought in Department of Commerce letter dated 18-07-2016.

Agenda No. 20 (New Proposal)

Application for setting up of an Inland Container Depot (ICD) at Surareddy Palem, Prakasam District, Andhra Pradesh by M/s A. S. Shipping Agencies Private Limited (F. No. 16/15/2016-infra-I)

Comments from CBEC and Ministry of Railways are awaited. Documents such as CLU, undertakings, layout etc submitted by the developer are being examined. Developer to furnish complete CLU. Thus the proposal stands deferred.

Agenda No. 21 (New Proposal)

Application for setting up of CFS at Dist. South 24 Parganas, Wattguge, Sonapur Road, Kolkata by M/s Allcargo Logistics Limited (F. No. 16/19/2016-infra-I)

Comments from CBEC and Ministry of Shipping are still awaited. Documents such as CLU, site layout etc submitted by the developer are being examined. Thus, the proposal stands deferred.

Agenda No. 22 (New Proposal)

Application for setting up of CFS & Bounded Warehouse facility at Revenue Survey No. 2/1, Vill- Bhorara, Tal- Mundra Kutch, Gujarat by M/s Argus Container Freight Station Pvt. Ltd. (F. No. 16/17/2016-infra-I)

Comments from CBEC and Ministry of Shipping are awaited. Developer to furnish Change in Land Use Certificate. Thus the proposal stands deferred.

Agenda No.23 (New Proposal)

Application for setting up of an AFS in existing CFS at 17/1 & 2, Kannekallu Village, Hoskote Taluk, Bangalore, Karnataka by M/s Marigold Logistics Pvt Ltd. (F. No. 23/02/2016-infra-I)

The developer has been asked to consider changing the CFS into an ICD for setting up an AFS since he has 10 acres of total land and setting up of AFS in the CFS is not possible. Developer to take a re-look into the proposal accordingly. However, comments on the original proposal are awaited from CBEC, Ministry of Civil Aviation and Ministry of Shipping. Thus the proposal stands deferred.

Agenda No.24 (New Proposal)

Application for setting up of CFS at No. 5, Ariyalur village, Madhavaram Taluk, Chennai by M/s Sabari Warehousing Pvt. Ltd. (F. No. 16/20/2016-infra-I)

Comments from CBEC, Ministry of Civil Aviation and Shipping are awaited. Further, the developer is required to submit CLU. Thus the proposal stands deferred.

Agenda No.25 (New Proposal)

Application for setting up of Container Freight Station (CFS) at Kakinada, Andhra Pradesh by M/s Fortuna Port Services Pvt. Ltd. (F. No. 16/23/2016-infra-I)

Comments from CBEC and Ministry of Shipping are awaited. Further, the documents furnished by the developer in response to Department of Commerce letter dated 28-09-2016 are being examined. Thus the proposal stands deferred.

IV. EXTENSION OF LOI CASES (07 cases)

Agenda No. 26

Extension of Lol for setting up CFS by M/s Saastha Warehousing Limited at Raigad, Maharashtra (F.No.16/28/2013-Infra-1)

A request for extension of Lol for a period of 09 months has been received from developer vide letter dated 11-10-2016, wherein they have stated 60% of work has

been completed. They have further stated that due to heavy rains, the work at the site has been halted.

IMC considered the above request and granted 2nd extension of Lol for a period of 06 months beyond 10-09-2016 i.e. upto 10-03-2017.

Agenda No. 27

Extension of Lol for setting up of CFS at Kalmassery Kochi, Kerala by M/s Periyar Chemicals Ltd. (F.No. 16/26/2011-Infra-I)

No one from the developer's side has attended the meeting. IMC has further been apprised that no one attended the previous meeting also. Further, it has been noted that though the Letter of Intent (Lol) was issued in 2013, no substantive progress in infrastructure has been reported.

In view of the above, IMC decided that a show cause notice be issued to the developer asking him to explain as to why the Lol issued on 14-06-2013 cannot be cancelled / revoked as no substantial progress could be made so far.

Agenda No. 28

Extension of LOI for setting up of an ICD at Village Jattipur, Samalkha, Panipat, Haryana by M/s Continental Warehousing Corporation Ltd. (F.No.16/30/2013-Infra-I).

In a letter dated 01-09-2016, the developer sought extension for a period of 06 months i.e. upto 04-03-2017. Notifications 7, 8 and 45 have already been issued by the Customs. Location Code has also been issued on 11-04-2016. Developer is awaiting EDI connectivity going live.

IMC considered the above request and granted 3rd extension of Lol for a period of 06 months beyond 04-09-2016 i.e. upto 03-03-2017

Agenda No. 29

Extension of Lol for setting up of an ICD at Industrial complex Ranegreth, Kashmir by M/s J & K State Industrial Development Corporation Ltd. (F. No. 16/37/2005-Infra-1)

The developer in a letter dated 13-10-2016 has stated that the ICD has been completed in all respects. The issue of notifications has already been taken up with the Commissioner Customs, which is still awaited.

No one from the developer's side has attended the meeting. IMC decided to issue a notice to the developer as to why the project has not been made operational so far.

Agenda No. 30:

Extension of Lol for setting up of ICD at Ahmedabad, Gujarat by M/s Continental Warehousing Corporation Ltd. (F. No. 16/24/2015-Infra-I)

The developer has apprised the IMC that they have completed the infrastructure in all respects and the requisite notifications have been issued by the Jurisdictional Commissioner of Customs and that they are waiting for EDI connectivity going live.

As no request for extension of Lol has been received, he has been asked to send a specific request for extension of Lol alongwith the copy of the notifications, etc. However, IMC granted 2nd extension of Lol for 06 months beyond 29-10-2016 i.e. upto 29-04-2017.

Agenda No. 31

Extension of Lol for setting up of ICD at Kashipur US Nagar, Uttarakhand by M/s Kashipur Infrastructure and Freight Terminal Pvt. Ltd. (F. No. 16/18/2012-infra-I)

The developer vide letter dated 07-09-2016 informed that the ICD got notified under section 7, 8 and 45 of the Customs Act, 1962. LO Code, Cost Recovery Post has been created. They have requested vide email dated 22-09-2016 for further extension of 03 months as the launch of EDI testing is under process.

IMC considered the above request and granted 5th extension of Lol for a period of 03 months beyond 30-09-2016 i.e. upto 31-12-2016

Agenda No. 32

Extension of Lol for setting up of CFS at Vishakhapatnam, Andhra Pradesh by M/s SICAL Multimodal and Rail Transport Pvt. Ltd. (F. No. 16/19/2015-infra-I)

As the Lol would lapse on 13-10-2016, the developer vide letter dated 23-09-2016 has sought extension of 06 months i.e. upto 13-04-2017. The developer has stated that the company commenced the development activities at the site and the work is almost on the verge of completion (i.e 85%).

IMC considered the above request and granted 1st extension of Lol for a period of 06 beyond 13-10-2016 i.e. upto 13-04-2017.
