

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 Binoy Kumar, Director General of Supply & Disposal (DGS & D) on 19-09-2017

A meeting of the Inter-Ministerial Committee (IMC) was held on 19-09-2017 in Jeevan Tara Building, Parliament Street, New Delhi under the Chairmanship of Shri Binoy Kumar, Director General of Supply & Disposal, 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: -

- I. Shri Sanjay Chadha, Joint Secretary (Infrastructure), Department of Commerce
- II. Ms. Vandana Aggarwal, Economic Advisor, Ministry of Civil Aviation
- III. Shri Prabhas Dansana, ED (TTS), Ministry of Railways
- IV. Shri B. Praveen, Director (Infrastructure) Department of Commerce
- V. Shri D.K. Rai, Director, Ministry of Shipping,
- VI. Shri Zubair Riaz Kamili, Director (Customs), CBEC, Department of Revenue
- VII. Shri R. Rajakannu, Under Secretary, Department of Commerce
- VIII. Shri P.C. Dhar, Director, NIC-Com
- IX. Shri Suvidit Sharma, Akiko Sherman Infotech

2. Initiating the discussions, Chairman of IMC sought a round of introduction from all IMC members. Chairman desired that the nominated officers who are the members of IMC should make it convenient to attend IMC meetings in future. The meeting may be held on time and at regular intervals to ensure that there are no delays in grant of approvals.

3. . The VIP references related to the proposals at Kila Raipur were placed for before the IMC. Chairman opined that there was a need to use the guidelines as an effective policy tool to promote efficiency in the system. As regards, guidelines of IMC, it was observed that it should inter alia contain existing government policy and the future need amenable to good governance. All IMC members emphasized the need to provide a futuristic vision to the setting up of the facilities. The members were requested to send their inputs on the proposed changes in guidelines for new ICDs/CFSS/AFSS which takes into account the requirements of the future. Inputs from Customs was specifically asked in view of their objections to many of the proposals. This will help in coming out with a new policy for ICDs/CFSS/AFSS to improve logistics sector.

3.1 The suggested changes to existing IMC guidelines were discussed by the IMC members It was agreed by all the IMC members that the changes suggested may be issued immediately so that all application are submitted online for consideration of the IMC only after obtaining in-principle approval of the Jurisdictional Commissioner of Customs. This should be put on the website of Department of Commerce and the online portal also (Copy enclosed).

3.2 It was brought to the notice of the IMC that the Commerce Secretary had written to the Secretary, Revenue that CBEC may ensure that necessary instructions are

issued to the Jurisdictional Customs Commissioners to expedite in-principle approval/ comments to the applicant and IMC within 30 days from the date of receipt of feasibility proposal by the applicants. The same was reiterated by the IMC to ensure that the Jurisdictional Customs Commissioners receive the DPRs / Feasibility Reports and examines them for feasibility before the applicant makes an investment in the land. This should be a pre condition for submission of the online application.

3.3 While acknowledging the steps to make applications to the IMC online, Chairman desired that e-sign option besides existing digital signature shall also be explored by NIC for accepting and processing of the applications online.

3.4 It was brought to the notice of the IMC that based on an internal analysis and the ongoing audit, it has been pointed out that members were taking substantial time in providing their comments. There have been cases of customs refusing clearance on grounds of feasibility 6 months to one year after the application has been circulated. This has been adversely commented upon at the highest level. Chairman requested that the members may suggest the timelines in which comments can be finalized by them on applications so that they may be incorporated in the guidelines. Director (Customs) mentioned that getting staff on cost recovery basis for new ICDs/ CFSS/ AFSs is a cause of concern and this consumes a lot of time which causes delay in the facility becoming functional. Chairman decided that Department of Expenditure officials may be invited for the IMC meetings.

3.5 Economic Adviser, Ministry of Civil Aviation specifically drew attention of IMC that certain process of government like security issues shall be taken into account while suggesting changes in IMC guidelines.

3.6 Chairman suggested that all the departments to provide their comments within a week on the vision envisaged for such facilities so that the IMC guidelines being may further be suitably amended. He also suggested that proactive measure need to be taken up by the concerned in view of the infrastructural developments in the country. He quoted the example of the Dedicated Freight Corridors where Customs could examine the possibility of areas being notified under Section 7 well in advance.

4. In reference to the tabled VIP References on proposed ICDs at Kila Raipur, Ludhiana, Punjab it was mentioned by the representative from Railways that the all the proposals were based on the arising projections of traffic while the CBEC was assessing them on the basis of existing traffic volumes. It was observed that the projections are based on the additional traffic being garnered by the Railways after commencement of operations of the Western Dedicated Freight Corridor. M/o Railways was requested to analyse the traffic projections so that the IMC may take a view accordingly. CBEC was requested to provide its views on the proposal within 10 days after due consideration of the arising projections and provisions of law to impose suitable conditions in the Lol for such proposals. IMC was also informed that comments from the Punjab Government in respect of the three proposals were sought.

5. The Customs and Shipping representatives reiterated their views to not approve any further facilities at JNPT and Chennai ports in view of the policy of the Government to promote Direct Port Delivery (DPD) at JNPT and Chennai ports. This may be reviewed at a later stage based on progress of DPD. Director, Shipping mentioned that there are new ports coming up in the vicinity of Chennai which have potential. IMC opined that the applications around Chennai sourcing traffic from nearby ports like Ennore and

Kattupalli may be considered on a conditional basis. CBEC was requested to consider the operational aspects in future and then provide its comments in all such proposals.

6. The following proposals were discussed and decision taken accordingly:

I. Ratification of minutes of IMC meeting held on 26-07-2017

IMC ratified the minutes of IMC Meeting held on 26-07-2017.

II. Ratification cases (02)

Agenda No. 1(Ratification Case)

Setting up of Container Freight Station (CFS) at Kattupalli Village, Ponneri Taluk, Tiruvallur, Chennai by M/s Apollo World Connect Pvt. Ltd. (F. No. 16/37/2015-infra-1)

IMC ratified the Letter of Intent (LoI) issued to M/s Apollo World Connect Private Limited on 30-03-2017.

Agenda No. 2 (Ratification Case)

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)

IMC ratified the Letter of Intent (LoI) issued to M/s Fortuna Port Services Pvt. Ltd. on 17-05-2017.

III. DEFERRED PROPOSALS (13) OF THE LAST IMC MEETING HELD ON 03-03-2017

Agenda No. 3 (Deferred 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):

Application was circulated to the Ministries/Departments for their comments on 10-08-2016.

The Comments of all 4 IMC members are as under:

Ministry of Railways have conveyed their No objection vide O.M. No. 2016/TT-III/99/2 dated 18-08-2016. However, attention of IMC is drawn to the fact that there are already 4 CFS's functioning in the close proximity of the Kolkata Port and this may be taken note of while according approval.

Ministry of Civil Aviation have conveyed they have no comments to offer vide O.M No. AV-29012/84/2016-ER dated 15-09-2016.

Ministry of Shipping have conveyed their No objection vide O.M. No. PD-14033/2/2016-PD-V-Part IV dated 28-10-2016.

CBEC have conveyed their In-principle approval vide O.M. No. 434/14/2016-Cus-IV, dated 21-07-2017.

Applicant mentioned that the infrastructure was complete and all efforts would be made to make the facility operational at the earliest. IMC after considering all the favourable comments of the members approved the proposal for issue of Letter of Intent (LoI).

Agenda No.04 (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):

Application was circulated to the Ministries/Departments for their comments on 27-10-2015.

The Comments of all 4 IMC members are as under:

Ministry of Shipping vide its O.M. No.14033/23/2014-PD. V, dated 02-12-2015 has stated that they support the proposal

Ministry of Civil Aviation vide its O.M. No. AV-16026/179/2015-E. R, dated 10th^h November, 2015 has stated that they have no comments to offer in the matter.

Ministry of Railways in its O.M. No. 2014/TT-III/99/2 dated 02-02-2016 has stated that it has no objection for the said project.

CBEC vide O.M. No. 434/22/2015-Cus-IV dated 08-03-2017 have conveyed that the feasibility report received from the jurisdictional Commissioner states that the said project **does not appear to be viable.**

IMC opined that CBEC has considered only the present traffic projections in the vicinity and was of the view that the facility would not be viable and that the applicant may be given a chance to present his case. Decision on the proposal was thus deferred due to CBEC not giving clearance for the project.

Agenda No. 05 (Deferred proposal):

Application for setting up of CFS at Village Kalambasure, Raigad, Maharashtra by M/s International Cargo Terminals Infrastructure Ltd. (F. No. 16/09/2016-infra-I)

Application was circulated to the Ministries/Departments for their comments on 13-10-2016.

The Comments of all 4 IMC members are as under:

Ministry of Railways vide O.M. No. 2016/TT-III/99/2 dated 28-10-2016 have conveyed that the CFS proposed to be set up is road based. IMC may like to please look in to the issue of proliferation of CFS at JNPT area. Considering the fact that there are already 34 CFSs in and around Nhava Sheva area of which only 3 are rail based. It was confirmed in the IMC that the comments were to be considered a No objection.

Ministry of Civil Aviation vide O.M. No AV-29012/34/2016-ER dated 01-11-2016 have conveyed their "No Comments"

Ministry of Shipping vide O.M. No PD-14033/2/2016-PD-V dated 23-12-2016 have conveyed their "No objection" subject to certain conditions as mentioned in the Standard Operating Procedure (SOP)

CBEC vide O.M. No. 434/19/2016-Cus-IV dated 01-05-2017 have conveyed that since 33 CFSs are already functioning at Nhava Sheva Port, in light of current emphasis on

Direct Port Delivery (DPD), setting up of **new CFSs may not be feasible at this juncture.**

IMC accepting the contention of Customs and Shipping to pend setting up of new CFSs in Chennai and JNPT did not approve of the proposal for issue of Lol.

Agenda No. 06 (Deferred 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)

Application was circulated to the Ministries/Departments for their comments on 18-07-2016.

The Comments of all 4 IMC members are as under:

Ministry of Railways vide their O.M. No. 2016/TT-III/99/2 dated 26-07-2016 conveyed their "No objection". However, attention of IMC is drawn on the prevailing issue of proliferation of CFS's around Mundra Port may be taken note of in this regard while according approval.

Ministry of Civil Aviation vide their O.M. No. AV-29012/63/2016-ER dated 01-08-2016 conveyed their "No comments to offer".

Ministry of Shipping vide O.M No. PD-14033/2/20156-PD-V-Part-I, dated 13-06-2017 have conveyed their No objection subject to the conditions mentioned by Gujarat Maritime Board (GMB).

CBEC vide O.M. No. 434/10/2016-Cus-IV dated 25-07-2017 conveyed that the project **does not appear to be viable.**

IMC opined that CBEC has considered only the present traffic projections in the vicinity and was of the view that the facility would not be viable and that the applicant may be given a chance to present his case. Decision on the proposal was thus deferred due to CBEC not giving clearance for the project.

Agenda No. 07 (Deferred proposal):

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

Application was circulated to the Ministries/Departments for their comments on 18-07-2016.

The Comments of all 4 IMC members are as under:

Ministry of Civil Aviation vide O. M. dated 04-08-2016 conveyed their "No comments".

Ministry of Shipping vide O.M. dated 24-08-2016 conveyed their "no comments" to offer.

Ministry of Railways vide O.M. No. 2016/TT-III/99/2 dated 30-09-2016 have conveyed their "No objection".

CBEC vide O.M. No. 434/11/2016-Cus-IV dated 14-02-2016 conveyed that during the last five years, there has been no growth in the number of container handled by already existing ICDs / CFSs. Further, analysis of year wise performance of existing ICDs indicates that, on an average these ICDs are working at less than 50% of their annual handling capacity. Moreover, ICD at Baddi & Dapper have almost no business. In view

of the foregoing, the projections for Container Traffic (TEUs) as provided by the applicant in their proposal appear to be unrealistic.

Applicant mentioned that the investment has been made based on the future traffic projections. Presently they are operating dwarf containers at the logistic facility. It was mentioned that there has been a shift of cargo from rail to road due to uncertainty. It is expected that with the freight corridor coming, the share of export rail traffic will increase such as being proposed along the Dedicated Freight Corridor in the future as it would be cheaper due to reduced tariffs, handling charges, toll etc. The cargo related to rice, yarn which is currently moved by road will shift to rail as a mode of transport from the proposed location due to convenience and low tariff.

IMC was informed that Commerce Secretary had written to Revenue Secretary to examine the proposal with conditions as deemed necessary. Department of Revenue /CBEC informed that they will be sending the comments very soon. In view of the pending comments from Department of Revenue (CBEC) to consider the proposal on the arising traffic and with conditions as deemed necessary, the IMC decided to have the next round of consideration expeditiously on receipt of pending reply under process by CBEC expected within ten days. Representative of Railways was requested to meanwhile obtain the views of the concerned Member of the Board and convey the same to the IMC expeditiously.

Agenda No. 08 (Deferred proposal):

Application for setting up of ICD at Village Kila Raipur, Dehlon Dist. Ludhiana, Punjab by M/s Hind Terminals Pvt. Ltd. (F. No. 16/26/2016-infra-1)

Application was circulated to the Ministries/Departments for their comments on 24-10-2016.

The Comments of all 4 IMC members are as under:

Ministry of Civil Aviation has conveyed its "No Comments to offer" vide O.M. No AV-29012/9/2016-ER dated 08-12-2016.

Ministry of Shipping vide O.M. No. PD-14033/23/2015-PD-V dated 06-12-2016 conveyed their "No comments to offer".

Ministry of Railways vide O.M. No.2016/TT-III/99/2 dated 27-02-2017 have conveyed their No objection.

CBEC, vide O.M. No. 434/20/2016-Cus-IV dated 06-03-2017 have conveyed that the feasibility report received from the Jurisdictional Commissioner states that the projection of volume made in the proposal does not appear realistic and feasible.

Applicant informed that the decision to invest is to be of the applicant. He informed that the approval for the rail connection has been obtained from Indian Railways and will be able to move more than 95% of the cargo through rail.

IMC was informed that comments were sought from the Punjab Government in respect of proposals at Kila Raipur which are awaited. IMC was informed that Commerce Secretary had written to Revenue Secretary to examine the proposal with conditions as deemed necessary. Department of Revenue /CBEC informed that they will be sending the comments very soon. In view of the pending comments from Department of Revenue (CBEC) to consider the proposal on the arising traffic and with conditions as deemed necessary, the IMC decided to have the next round of consideration expeditiously on receipt of pending reply under process by CBEC expected within ten

days. Representative to Railways was requested to meanwhile obtain the views of the concerned Member of the Board and convey the same to the IMC expeditiously.

Agenda No. 09 (Deferred proposal):

Application for setting up of ICD at Ahmedgarh, Ludhiana, Punjab by M/s Punjab Logistics Infrastructure (F. No. 16/14/2016-infra-1).

Application was circulated to the Ministries/Departments for their comments on 09-12-2016.

The Comments of IMC members are as under:

Ministry of Civil Aviation vide O.M. No. AV-29012/146/2016-ER dated 21-12-2016 conveyed their "No comments to offer".

Ministry of Shipping vide O.M. No. C1-25021/4/2017-SM dated 28-02-2017 conveyed their No comments.

Ministry of Railways vide O.M. No. 2016/TT-III/99/2 dated 02-03-2017 conveyed their No objection based on In-principal approval issued by Northern Railway's letter No. 86 T/PFT/TGP/PLIL/UMB dt. 13.05.16.

Applicant informed that the facility was on the feeder route of the dedicated freight corridor. The primary cargo likely to be exported is rice, garments, engineering and auto components. The investment is primarily being made considering the future potential and the business acumen gained based on their creating such facilities elsewhere in the country. It was mentioned by the applicant that the domestic operations have started in December, 2016 itself.

IMC was informed that Commerce Secretary had written to Revenue Secretary to examine the proposal with conditions as deemed necessary. Department of Revenue /CBEC informed that they will be sending the comments very soon. In view of the pending comments from Department of Revenue (CBEC) to consider the proposal on the arising traffic and with conditions as deemed necessary, the IMC decided to have the next round of consideration expeditiously on receipt of pending reply under process by CBEC expected within ten days. Representative to Railways was requested to meanwhile obtain the views of the concerned Member of the Board and convey the same to the IMC expeditiously.

Agenda No. 10 (Deferred 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)

Application was circulated to the Ministries/Departments on 02-07-2016.

Comments from IMC members are as under:

Ministry of Railways vide O.M. No. 2016/TT-III/99/2 dated 08-09-2016 have conveyed their **No objection**. However, attention of IMC is drawn on the prevailing issue of proliferation of CFS's and consequent Road congestion at Chennai area.

Ministry of Civil Aviation vide O.M. AV-29012/128/2016-ER dated 04-11-2016 has conveyed it's "No comments to offer".

Ministry of Shipping vide O.M. No. C1-25021/6/2017-SM dated 28-03-2017 have conveyed their No objection.

Applicant handed over the recommendation of the Jurisdictional Commissioner of Customs which was given to Director, Customs.

IMC reiterated its stand that setting up of new CFSs in Chennai and JNPT are not to be recommended presently as there are already a large number of CFSs are functioning in Chennai and that Direct Port Delivery facility in Chennai area is to be promoted. The applicant informed that the Jurisdictional Customs Commissioner to already received their case.

M/o Shipping informed that there are new terminals coming up at Ennore and Katupalli which need to be considered. IMC opined that the applications around Chennai sourcing traffic from nearby ports like Ennore and Katupalli may be considered as suggested by Ministry of Shipping representative. CBEC was requested to consider the operational aspects in future and then provide its comments in all such proposals for Katupalli and Ennore. Thus the proposal stands deferred.

Agenda No. 11 (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)

Proposal forwarded to the Ministries/Departments for their comments on 31-08-2015.

Comments of IMC members are as under:

Ministry of Railways have stated that the project is road based hence they have no objection vide O.M. dated 26-08-2015.

Ministry of Civil Aviation in its O.M. dated 29-09-2015 has stated that they have no comments to offer.

IMC accepting the contention of CBEC and Shipping that setting up of new CFSs in Chennai and JNPT are not to be recommended presently as there are already 33 CFSs are functioning in JNPT Mumbai and that Direct Port Delivery facility in JNPT area is already in force did not approve the proposal.

Applicant, however, requested that the decision may be deferred till March, 2018 in view of the fourth terminal coming up at the port which was agreed to, after which the application would be considered as withdrawn and same is to be communicated to the developer.

Agenda No. 12 (Deferred proposal):

Application to set up of Container Freight Station (CFS) at Vichoor, Chennai, Tamil Nadu by M/s Trans world Terminal Pvt. Ltd. (F. No. 16/31/2016-infra-I)

Application was circulated to the Ministries/Departments for their comments on 06-01-2017.

Comments of IMC members are as under:

Ministry of Railways vide O.M. No. 2016/TT-III/99/2 dated 16-01-2016 conveyed their "No Objection" to the company. However, attention is drawn on the prevailing issue of proliferation of CFS and consequent Road congestion at Chennai area. Also in view of

recent developments for increased Direct Port Deliveries (DPD), the need for CFSs may have to be reviewed.

Ministry of Civil Aviation vide O.M. No. AV-29012/10/2016-ER dated 17-01-2017 conveyed their "No comments to offer".

Ministry of Shipping vide O.M No. C1-25021/2/2017-SM dated 13-07-2017 conveyed their No objection.

No one from the developer's side attended the meeting. Clarification on CLU is awaited from the developer.

M/o Shipping informed that there are new terminals coming up at Ennore and Katupalli which need to be considered. IMC opined that the applications around Chennai sourcing traffic from nearby ports like Ennore and Katupalli may be considered as suggested by Ministry of Shipping representative. CBEC was requested to consider the operational aspects in future and then provide its comments in all such proposals for Katupalli and Ennore. Thus, the proposal stands deferred.

Agenda No. 13 (Deferred proposal):

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

Proposal forwarded to the Ministries/Departments for their comments on 20-08-2015.

Comments of IMC members are as under:

Ministry of Civil Aviation in its O.M. dated 09-09-2015 has stated that they have no comments to offer. However, the possibility of air cargo from the proposed ICDs may also be considered by the promoter.

Ministry of shipping has conveyed it's no objection vide O.M. dated 08-09-2015, and **Ministry of Railways** in its O.M. dated 26-10-2015 has stated that they have no objection for setting up of the ICD.

IMC was informed that the applicant had proposed a rail based ICD but due to delay in obtaining rail link to the facility it is to be operated as a road based facility where in the M/o Railways has commented that the facility be preferably developed as a rail based one. Obtaining of clarification sought from Transport Department, Govt. of Karnataka is to be expedited.

Chairman IMC mentioned that there are other proposals near Anekal, Bangalore which is likely to come up as a logistics corridor in the state. Comments are still awaited from the CBEC. Thus, the proposal stands deferred for want of comments from CBEC.

Agenda No. 14 (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)

The proposal was forwarded to the Ministries/Departments for their comments on 16-10-2014.

Comments of IMC members are as under:

Ministry of Railway: No objections the project is not rail-based vide O.M. dated 17-11-14

Ministry of Shipping vide O.M. dated 20-1-2015 has stated that they have **no objection** to the proposal subject to certain conditions.

CBEC vide O.M. No. 434/12/2014-Cus-IV dated 29-08-2017 conveyed that since 33 CFSs are already functioning at Nhava Sheva Port, in light of current emphasis on Direct Port Delivery, setting up of new CFSs may not be feasible at this juncture.

IMC accepting the contention of CBEC and Ministry of Shipping that setting up of new CFSs in Chennai and JNPT are not to be recommended presently as there are already 33 CFSs are functioning in JNPT Mumbai and that Direct Port Delivery facility in JNPT area is already in force, did not approve the proposal.

Applicant, however, requested that the decision may be deferred in view of the fourth terminal coming up at the port which the IMC agreed to until March, 2018 after which the application would be considered withdrawn and same is to be communicated to the developer.

Agenda No. 15 (Deferred proposal):

Application for setting up of CFS at Village Mota Kapaya, Taluka Mundra, District-Kutch, Gujarat by M/s Ganatra Terminals Pvt. Ltd. (F. No. 16/03/2017-infra-1)

Application was forwarded to the Ministries/Departments for their comments on 17-01-2017.

Comments of IMC members are as under:

Ministry of Railways vide O.M. No.2016/TT-III/99/2 dated 01-02-2017 conveyed their "No Objection". However, attention of IMC is drawn on the prevailing issue of proliferation of CFS's around Mundra Port and also the latest initiative of consumers for promotion of Direct Port Delivery (DPD), which would have an impact on movement of containers to the CFSs.

Ministry of Civil Aviation vide O.M. No. AV-29012/16/2017-ER dated 07-02-2017 their "No comments".

Ministry of shipping vide O.M No. C1-25021/3/2017-SM dated 13-06-2017 have conveyed their No objection.

Proposal still stands deferred for want of comments from the CBEC. CBEC to expedite the comments.

III. New Proposals (11)

Agenda No. 16 (New proposal):

Application for setting up of ICD at Rajkot in the State of Gujarat by M/s Ala Agropower Pvt. Ltd (F. No. 16/06/2017-infra-I)

Application was forwarded to the Ministries/Departments for their comments on 13-04-2017.

Comments of all IMC members are as under:

Ministry of Railways vide O.M. No. 2016/TT-III/99/2 dated 27-04-2017 have conveyed their No objection.

Ministry of Civil Aviation vide O.M. No. AV-29012/67/2017-ER dated 28-04-2017 have conveyed their "No comments".

CBEC vide O.M. No. 434/11/2017-Cus-IV dated 31-07-2017 conveyed their in-principle approval.

Ministry of Shipping vide O.M No. C1-25021/12/2017-SM dated 22-08-2017 have conveyed their No comments.

On enquiry regarding the rail connectivity to the facility, the developer mentioned that it was 20km from the Rajkot station and on the main highway. Land availability for the rail connectivity was not feasible for the facility. IMC after considering all the favourable comments of the IMC members approved the proposal for issue of Letter of Intent (LoI).

Agenda No. 17 (New proposal):

Application for setting up of CFS in Vemgal, Industrial Area, Koorgal Village, Vemgal Hubli, Kolar Taluk & Dist. Karnataka by M/s Sattva CFS & Logistics Pvt. Ltd. (F. No. 16/08/2017-infra-I, C. No. 3087171)

Proposal was circulated to the Ministries/Departments for their comments on 05-04-2016.

Comments of IMC members are as under:

Ministry of Railways vide O.M. No.2016/TT-III/99/2 dated 27-04-2017 have conveyed their "No Objection".

Ministry of Civil Aviation vide O.M. No. AV-29012/65/2017-ER dated 19-04-2017 have conveyed their "No comments".

Ministry of Shipping vide O.M No. C1-25021/14/2017-SM dated 13-07-2017 conveyed their No objection stating that the proposed CFS is in the hinterland of Karnataka and New Mangalore Port Trust (NMPT) is the only Major Port in Karnataka, the promoter of CFS may therefore, be advised to utilize the facility of NMPT for all requirement of Shipping activities.

No one from the developer's side attended the meeting. The proposal thus stands deferred due to want of comments from the CBEC. CBEC to expedite its comments.

Agenda No. 18 (New proposal):

Application for setting up of ICD at Vernama, Dist. Vadodra, Gujarat by CONCOR (F. No. 16/29/2016-infra-I)

Proposal was circulated to the Ministries/Departments for their comments on 26-04-2017.

Comments of IMC members are as under:

Ministry of Civil Aviation vide O.M. No. AV-29012/71/2017-ER dated 04-05-2017 have conveyed their "No comments".

Ministry of Shipping vide O.M. No. C1-25021/10/2017 dated 18-05-2017 have conveyed their No comments.

Ministry of Railways vide O.M. No. 2016/TT-III/99/2 dated 30-08-2017 conveyed their No objection.

Chairman IMC decided that CONCOR will provide proof that land was for non-agriculture purpose from the competent authority since the proposal is not accompanied by any CLU certificate.

The proposal stands deferred due to want of comments from the CBEC. CBEC to expedite its comments.

Agenda No. 19 (New proposal)

Application for setting up of ICD at Guntur Dist. Andhra Pradesh by M/s CONCOR (F. No. 16/01/2017-infra-I)

Proposal was circulated to the Ministries/Departments for their comments on 27-04-2017.

Comments of IMC members are as under:

Ministry of Civil Aviation vide O.M. No. AV-29012/70/2017-ER dated 04-05-2017 have conveyed their "No comments".

Ministry of Shipping vide O.M. No. C1-25021/11/2017-SM dated 18-05-2017 have conveyed their No comments.

Ministry of Railways vide O.M. No. 2016/TT-III/99/2 dated 07-07-2017 conveyed their No objection.

IMC opined that the certificate of the M/o Railways would suffice as the proof of ownership and change of use of land. The proposal however stands deferred due to want of comments from the CBEC. CBEC to expedite its comments.

Agenda No. 20 (New proposal)

Application for setting up of CFS at Village Veshvi, Taluka- Uran, Dist. Raigad, Maharashtra by M/s MSA Global Logistics Pvt. Ltd (F. No. 16/02/2017-Infra-I)

Proposal was circulated to the Ministries/Departments for their comments on 31-03-2017.

Comments of IMC members are as under:

Ministry of Civil Aviation vide O.M. No. AV-29012/61/2017-ER dated 10-04-2017 have conveyed their “No comments”.

Ministry of Railways vide O.M. No. 2016/TT-III/99/2 dated 05-04-2017 have conveyed their No objection. However, attention of IMC is drawn on the prevailing issue of proliferation of CFS’s around J N Port and also the latest initiative of consumers for promotion of Direct Port Delivery (DPD), which would have an impact on movement of containers to the CFSs.

The comments from the M/o Shipping and CBEC were not received. It was brought to the notice of the IMC that the applicant was a partner with the Government in promoting the INSTC trade route.

IMC accepting the contention of CBEC and Ministry of Shipping that setting up of new CFSs in Chennai and JNPT are not to be recommended presently as there are already 33 CFSs are functioning in JNPT Mumbai and that Direct Port Delivery facility in JNPT area is already in force, did not approve the proposal, which may be communicated to the developer.

Agenda No. 21 (New proposal)

Application for setting up of CFS at Thimmanagaripalem Village, Chillakuru Mandal, Nellore District, Andhra Pradesh by M/s Simhapuri Farmers Agri Parks Private Limited (F. No. 16/05/2017-infra-I)

Proposal was circulated to the Ministries/Departments for their comments on 10-02-2017.

Comments of IMC members are as under

Ministry of Railways vide O.M. No. 2016/TT-III/99/2 dated 20-02-2017 have conveyed their No objection.

Ministry of Civil Aviation vide O.M. No. AV-29012/43/2017-ER dated 09-03-2017 have conveyed their “No comments”.

Lay out plan, details of Directors are awaited from the developer. Comments from Ministry of Shipping and CBEC are also awaited. Director (Shipping) mentioned that Krishnapatnam is a minor port which falls under the purview of State Government. M/o Shipping and the developer were advised to expedite comments of Director (Ports) of the State Govt. and provide their recommendation. Thus, the proposal stands deferred for want of comments from CBEC & Ministry of Shipping.

Agenda No. 22 (New proposal)

Application for setting up of CFS at Chennai by M/s Waymark CFS Pvt. Ltd (F. No. 16/28/2016-infra-I)

Proposal was circulated to the Ministries/Departments for their comments on 24-04-2017.

Comments of IMC members are as under

Ministry of Railways vide O.M. No. 2016/TT-III/99/2 dated 04-05-2017 have conveyed their No objection. However, attention of IMC is drawn on the prevailing issue of proliferation of CFS and consequent Road congestion at Chennai area. Also in view of

recent developments for increased Direct Port Delivery (DPD), the need for CFSs may have to be reviewed.

Ministry of Civil Aviation vide O.M. No. AV-29012/72/2017-ER dated 04-05-2017 have conveyed their "No comments".

Ministry of Shipping vide O.M No. C1-25021/9/2017-SM dated 13-07-2017 conveyed their No objection.

IMC reiterated its stand that setting up of new CFSs in Chennai and JNPT are not to be recommended presently as there are already a large number of CFSs are functioning in Chennai and that Direct Port Delivery facility in Chennai area is to be promoted. The applicant informed that the Jurisdictional Customs Commissioner to already received their case.

M/o Shipping informed that there are new terminals coming up at Ennore and Katupalli which need to be considered. IMC opined that the applications around Chennai sourcing traffic from nearby ports like Ennore and Katupalli may be considered as suggested by Ministry of Shipping representative. CBEC was requested to consider the operational aspects in future and then provide its comments in all such proposals for Katupalli and Ennore. Thus the proposal stands deferred.

Agenda No. 23 (New proposal)

Application for setting up of CFS at Visakhapatnam, Andhra Pradesh by M/s Visakhapatnam Port Logistics Park Ltd. (F. No. 16/07/2017-infra-I)

Proposal was circulated to the Ministries/Departments for their comments on 31-03-2017.

Comments of IMC members are as under

Ministry of Civil Aviation vide O.M. No. AV-29012/60/2017-ER dated 10-04-2017 have conveyed their "No comments".

No one from the developer's side attended in the meeting. Developer may submit the relevant documents desired. Comments from Ministry of Shipping, Railways and CBEC are awaited. Thus proposal thus stands deferred.

Agenda No. 24 (New proposal)

Application for setting up of ICD at Kalinganagar Jajpur, Odisha by M/s Jindal Stainless Limited (F. No. 16/25/2016-infra-I)

Proposal was circulated to the Ministries/Departments for their comments on 12-06-2017.

Comments of IMC members are as under:

Ministry of Civil Aviation vide O.M. No. AV-29012/103/2017-ER have conveyed their No comments to offer.

Ministry of Railways vide O.M. No. 2016/TT-III/99/2 dated 30-08-2017 conveyed that their No objection.

Comments from Ministry of Shipping and CBEC are awaited. Director (Shipping) assured that comments will be furnished within a week. Thus proposal stands deferred for want of comments from CBEC & Ministry of Shipping.

Agenda No. 25 (New proposal)

Application for setting up of CFS at Nallur village, Ponneri Taluk, Thiruvallur Dist. Chennai by M/s Seahorse Distribution & Freight Services Pvt. Ltd. (F. No. 16/10/2017-Infra-I)

Proposal was circulated to the Ministries/Departments for their comments on 23-05-2017.

Comments of IMC members are as under:

Ministry of Railways vide O.M. No. 2016/TT-III/99/2 dated 06-06-2017 have conveyed their No objection, however attention of IMC is drawn on the prevailing issue of proliferation of CFS and consequent Road congestion at Chennai area. Also in view of recent developments for increased Direct Port Deliveries (DPD), the need for CFSs may have to be reviewed.

Lay out plan, CLU, Undertakings (regarding non-acquisition & non-encumbrance indicating survey no) are awaited from the developer.

IMC reiterated its stand that setting up of new CFSs in Chennai and JNPT are not to be recommended presently as there are already a large number of CFSs are functioning in Chennai and that Direct Port Delivery facility in Chennai area is to be promoted. The applicant informed that the Jurisdictional Customs Commissioner to already received their case.

M/o Shipping informed that there are new terminals coming up at Ennore and Katupalli which need to be considered. IMC opined that the applications around Chennai sourcing traffic from nearby ports like Ennore and Katupalli may be considered as suggested by Ministry of Shipping representative. CBEC was requested to consider the operational aspects in future and then provide its comments in all such proposals for Katupalli and Ennore. Thus the proposal stands deferred.

Agenda No. 26 (New proposal)

Application for setting up of Inland Container Depot (ICD) at Barhi, District Sonapat, Haryana by M/s CONCOR (F. No. 16/12/2017-infra-I)

Proposal was circulated to the Ministries/Departments for their comments on 03-08-2017.

Comments of IMC members are as under:

Ministry of Civil Aviation vide O.M. No. AV-29012/133/2017-ER dated 11-08-2017 have conveyed their No Comments.

M/s CONCOR apprised that the facility is part of a logistic facility with total area of 71 acres and earmarked customs bonded area of 4.16 hectares for the proposed ICD facility. The facility is to come up in the outskirts of NCR which will result in easing of traffic to Tughlakabad.

M/s CONCOR was requested to provide the documents required for completion of the proposal. Comments of M/o Railways and CBEC are awaited. Thus proposal stands deferred.

IV. Extension Cases (21)

Agenda No. 27 (Extension case)

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

The developer stated that notification u/s 7(aa) has been issued on 25-06-2017. Notifications u/s 8 & 45 are yet to be issued. The developer sought extension for a period of 06 months vide letter No. CON/SP/IMC-Vol-III/2016-17 dated 18-08-2017. IMC granted extension of Lol for 06 months beyond 12-06-2017 upto 12-12-2017.

Agenda No. 28 (Extension case)

Extension of Lol for setting up of ICD at Naya Raipur, Chhattisgarh by M/s CONCOR (F. No. 16/31/2015-Infra-1)

M/s CONCOR apprised in the meeting that notifications u/s 8 have already been issued. The developer sought extension for a period of 06 months vide letter No. CON/SP/IMC-Vol-III/2017-18 dated 06-06-2017. IMC granted extension of Lol for 06 months beyond 04-08-2017 upto 04-02-2018.

Agenda No. 29 (Extension case)

Extension of Lol for setting up of ICD at Mihan area of Khapri Village, Nagpur, Maharashtra by M/s CONCOR (F. No. 16/26/2015-infra-I).

The developer vide letter No. CON/SP/IMC-Vol-III/2017-18 dated 06-06-2017 has informed that 1st phase of project with rail connectivity is under process and expected to complete in July, 2017. However, notification u/s 7, 8 & 45 are yet to be issued hence sought extension of Lol for a period of 06 months beyond 01-08-2017. IMC granted extension of Lol for 06 months beyond 01-08-2017 upto 01-02-2018.

Agenda No. 30 (Extension case)

Extension of Lol for setting up of CFS at Chennai by M/s Central Warehousing Corporation (CWC) (F.No.16/14/2013-Infra-1)

CWC Vide Letter No. CWC-CD/XII-Open yard Ennore/13-14/110/721A dated 26-04-2017 has sought extension (2nd) for a period of one year. The developer apprised in the meeting that notification u/s 45 is yet to be issued. They stated that Legal dispute has already been sorted out. IMC granted extension of Lol for a period of 09 months beyond 09-03-2017 to 09-12-2017.

Agenda No. 31 (Extension case)

Extension of Lol for setting up of CFS at Village Mota Kapaya, Tal: Mundra - Kutch, Gujarat by M/s Rishi Container Freight Station Pvt. Ltd. (F. No. 16/26/2014-Infra-I).

The developer vide letter dated 11-09-2017 (letter with division) has requested for 2nd extension of Lol for a period of one year beyond 14-03-2017. They apprised in the meeting that 80% of infrastructure work has been completed and intends to complete remaining work in one and half months. IMC granted one-year extension of Lol beyond 14-03-2017 upto 14-03-2018.

Agenda No. 32 (Extension case)

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

No representative from the developer's side attended in the meeting. The Lol was issued on 22-11-2005. No extension has been sought since the last extension (9th) valid upto 24-03-2017 has already been expired. IMC considered this as a reluctance of the developer to set up the facility and decided that a show cause notice will be served in this regard seeking the status of the project, as Lol issued has already expired.

Agenda No. 33 (Extension case)

Extension of LOI for setting up of an ICD at Attible, Anekal Taluk, Bangalore by M/s Palrecha Infrastructure and Developers (F. No. 16/04/2011-Infra-I).

The developer vide letter dated 17-06-2017 has informed that customs notifications, posting of CRB Post and EDI connectivity are pending. In the meeting, the developer sought extension of 9 months though they had initially in their aforesaid letter had sought extension of Lol for a period of 6 months. The applicant has furnished a request letter dated 19-09-2017 for 9 months' extension. Accordingly, IMC granted extension for a period of 9 months beyond 30.06.2017 upto 31.03.2018.

Agenda No. 34 (Extension case)

Extension of LOI for setting up of CFS at village Dighode, Uran Taluka, Raigad District, Maharashtra by M/s Sarveshwar Logistics Services Pvt. Ltd. (F.No.16/28/2010-Infra 1).

No one from the company attended in the meeting. It is observed that the office of Commissioner of Customs (Nhava Sheva-I) in their letter No. EDI/Misc-85/2016/JNCH dated 18-09-2017 addressed to the developer conveyed that EDI CFS Code has been allotted, a copy received through email.

Agenda No. 35 (Extension case)

Extension of Lol for setting up of CFS at Navi Mumbai, Maharashtra by M/s Saastha Warehousing Ltd. (F. No. 16/28/2013-infra-I).

No one from the company attended in the meeting to update the status of the project. Though, the developer made a request to Department of Commerce vide letter dated 20-06-2017 for extension (3rd) of Lol for a period of one year beyond 10-03-2017 it was not considered for grant of extension.

Agenda No. 36 (Extension case)

Extension of LOI for setting up of an ICD at Hindaun City Dist. Karauli Rajasthan by M/s Kribhco Infrastructure Ltd. (F.No.16/12/2012-Infra-I)

No representative of the applicant attended in the meeting. No request from the developer has been received. IMC decided that since despite several extensions the facility has not been made functional no further extension shall be given.

Agenda No. 37 (Extension case)

Extension of LOI for setting up of an ICD at Modinagar (U.P) by M/s Kribhco Infrastructure Ltd. (F.No.16/18/2010-Infra-I).

No representative of the applicant attended in the meeting. No request from the developer has been received. IMC decided that since despite several extensions the facility has not been made functional no further extension shall be given.

Agenda No. 38 (Extension case)

Extension of Lol for setting up of ICD at Beta, Patna, Bihar by M/s Pristine Magadh Logistics Park Pvt. Ltd. (F. No. 16/06/2013-Infra-I)

The developer vide letter dated 10-07-2017 has informed that infrastructure is almost complete now, however they are waited for issuance of Customs Notification u/s 7 of Customs Act, 1962. Thus, they have requested for extension of Lol for a period of one year beyond 30-06-2017. IMC granted extension of Lol for a period 09 months beyond 30-06-2017 upto 31-03-2018.

Agenda No. 39 (Extension case)

Extension of Lol for setting up of CFS at Kakinada, Andhra Pradesh by M/s Innovative Container Services Pvt. Ltd. (F. No. 16/05/2014-infra-I)

The developer vide letter dated 20-04-2017 has sought 2nd extension of Lol for another period of one year i.e. upto 12-04-2018. They also apprised in the meeting that boundary wall has already been completed. Land is being filled up. IMC took note of the delay in the completion of the facility and granted extension of Lol beyond 12-04-2017 upto 31-03-2018.

Agenda No. 40 (Extension case)

Extension of Lol for setting up CFS at Anuppampattu Village, Chennai by M/s Sical Multimodal and Rail Transport Ltd. (F. No. 16/09/2012-Infra-I)

The developer vide letter dated 02-06-2017 has informed that they are waiting for NoC from Dist. Collector for use of agriculture wet lands for non-agriculture purposes and final approval of DPR from Southern Railways, hence requested for another one-year extension of Lol i.e. till June, 2018. IMC observed that CLU is pre requisite as per IMC guidelines. Since the developer is still in the process of obtaining CLU. IMC decided that the Lol issued in the year 2012 shall be cancelled. However, developer can apply afresh if he wishes to, as per extant guidelines.

Agenda No. 41 (Extension case)

Extension of Lol for setting up of CFS at Kacharakannahalli, Village, Bangalore, Karnataka by M/s Sical Multimodal and Rail Transport Ltd. (F.No.16/07/2012-Infra-1)

IMC observed that CLU is a pre requisite as per IMC guidelines. Since the developer is still in the process of obtaining CLU, IMC decided that the Lol issued in the year 2012 shall be cancelled. However, developer can apply afresh if he wishes to as per extant guidelines.

Agenda No. 42 (Extension case)

Extension of Lol for Setting up of ICD at Madurai, Tamil Nadu by M/s Kern Enterprises Private Limited. (F. No. 16/02/2016-infra-I)

The developer vide email dated 24-06-2017 has informed that they have almost completed the infrastructure. In the meeting the developer mentioned that notifications u/s 7(aa), 8 & 45 have already been issued and CRB posts have already been sanctioned by DGHRD. IMC granted extension of Lol for a period of 06 months beyond 04-08-2017 upto 04-02-2018.

Agenda No. 43 (Extension case)

Extension of LoA for Setting up of Air Freight Station (AFS) at Kapashera, New Delhi by M/s Continental Carrier Pvt. Ltd. (F. No. 23/02/2015-infra-I)

The developer vide letter No. CCPL/AFS/01/01/2017-18 dated 07-07-2017 has sought extension of LoA for a period of one year beyond 08-08-2017. They stated that notification u/s 45 is awaited. Economic Advisor, MoCA advised that process of procurement of equipment as per the BCAS guidelines, which is mandatory at the facility, may be initiated to which the developer responded that it had already been done. IMC granted extension of LoA for a period of 06 months beyond 08-08-2017 upto 08-02-2018.

Agenda No. 44 (Extension case)

Extension of Lol for Setting up of CFS at Visakhapatnam, Andhra Pradesh by M/s Vishakha Container Terminal Pvt. Ltd. (F. No. 16/33/2015-infra-I)

No one from the developer's side attended in the meeting. It is observed that 1st extension of Lol was valid upto 28-07-2017. No request from the developer has been received. No further extension was granted.

Agenda No. 45 (Extension case)

Extension of Lol for Setting up of CFS at Hyderabad, Telangana by M/s Telangana State Trade Promotion Corporation (F. No. 16/08/2009-infra-I)

No one from the developer's side attended in the meeting. It is observed that last extension (5th) of Lol was valid upto 31-08-2017. No request from the developer has been received. No further extension was granted.

Agenda No. 46 (Extension case)

Extension of Lol for setting up of CFS at Ayanadiappu, Tuticorin, Tamil Nadu by M/s Prompt Terminals Private Limited (F. No. 16/07/2015-infra-I)

The developer vide letter dated 05-08-2017 has informed that they have completed the infrastructure, they are waiting for Customs Notification under section 8 & 45 of the Customs Act, 1962. Thus, they have requested for extension of Lol for a period of 06 months beyond 14-09-2017. IMC granted extension of Lol for a period of 06 months beyond 14-09-2017 upto 14-03-2018.

Agenda No. 47 (Extension case)

Extension of Lol for setting up of CFS at Hazira, Gujarat by M/s Hazira Container Terminal Pvt. Ltd. (F. No. 16/08/2015-Infra-I)

The developer vide email dated 07-09-2017 has informed that boundary wall has been completed. In the meeting developer stated that proposed facility is in the low laying area. They have started filling up soil which is a huge task. Rainwater is also stagnating in the site. IMC granted extension of Lol for a period of 06 months beyond 14-09-2017 to 14-03-2018.

Agenda No. 48 (Review case 1)

Review of Letter of Approval (LoA) for setting up of AFS at Devanhalli, Bangalore Rural Dist. Karnataka by M/s Pearl Port Pvt. Ltd. (F. No. 16/37/2014-Infra-I)

LoA was issued on 14-09-2015, after that one extension for a period of one year was granted upto 14-09-2017. As per Policy Guidelines of AFS as issued by Ministry of Civil Aviation vide O.M. No. AV.13011/03/2013-ER dated 28-10-2014 states as under:

“Letter of Approval (LoA) will be issued by the D/o Commerce. This shall be valid for a period of one year and further extension for one more year will be considered by the IMC if there is valid justification for extension. If operations are not commenced within the extended period, the LoA issued to that entity is deemed to have become invalid.”

Economic Advisor, MoCA stated that the developer is to respond to the communication of MoCA due to which progress in infrastructure also could not be ascertained. IMC decided that MoCA may examine the guidelines before any further consideration of extension.

V. Misc. Matters: 1

Agenda No. 49 (Extension case)

Commencement of Operations of CFS at Village Thatipartipalem, Venkatachalam Mandal, Nellore, Andhra Pradesh – M/s Gateway Distriparks Limited (F. No.16/01/2016-Infra-1)

IMC noted that the proposed facility has become functional.
