

Udyog Bhawan, New Delhi
Dated: 3rd February, 2015

OFFICE MEMORANDUM

Subject: Minutes of IMC meeting held on 22.01.2015 at 11:30 a.m. in room no. 141, Udyog Bhawan, New Delhi for consideration of proposals for setting up of ICDs, CFSs and AFSs in India-regarding.

The undersigned is directed to refer to the subject captioned above and to enclose the minutes of the Inter-Ministerial Committee (IMC) meeting held on 22.01.2015 at 11:30 a.m. in Room No. 141, Udyog Bhawan, New Delhi under the Chairmanship of Shri Madhusudan Prasad, Special Secretary, Department of Commerce for kind perusal and necessary action.

L - *R. Rajakannu*
3/2/15
(R. Rajakannu)

Under Secretary to the Government of India
Tel: 23061732
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To,

1. Central Board of Excise and Customs {Shri S.M. Bhatnagar, Joint Secretary (Customs)}, Department of Revenue, North Block, New Delhi, Fax No. 23093475, E mail: jscus@nic.in, Phone No.23092978.
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, Phone No. 23303872.
3. Ministry of Shipping (Shri N.Muruganandam, Joint Secretary (Ports), Department of Shipping, ParivahanBhavan, New Delhi, Fax No. 23328549, E mail: js-ports @nic.in, Phone No.23711873.
4. ~~Ministry of Civil Aviation (Attn: Dr. Renu Singh Parmar, Economic Advisor) Rajeev Gandhi Bhawan, New Delhi, Tel: 24629322 Email: eco-adv.moca@nic.in,~~ with request to depute and ensure attendance of a representative of MoCA for the IMC meetings whenever scheduled.
5. Jawaharlal Nehru Port Trust (Attn: Shri N.N. Kumar, Chairman) Administrative building, Sheva, taluka- Uran, Navi Mumbai – 400707, Fax: 022-67431116
6. Chennai Port Trust (Attn: Shri Atulya Mishra, Chairman) Administrative Office Rajaji Salai, Chennai- 600001, Tel: 044-25362201, Fax: 044-25361228

Copy to: PS to SS (MP)/PS to JS(JKD)/PS to Director (SJ)

Minutes of the meeting of the Inter Ministerial Committee (IMC) for consideration of proposals for setting up of ICDs, CFSs and AFSs held under the Chairmanship of Shri Madhusudan Prasad, Special Secretary (Infrastructure), Department of Commerce on 22-01-2015.

Inter Ministerial Committee (IMC) met on 22.01.2015 in UdyogBhavan, New Delhi with Shri Madhusudan Prasad, Special Secretary, Department of Commerce in Chair, for consideration of proposals for setting up of Inland Container Depots(ICDs), Container Freight Stations(CFSs) and Air Freight Stations (AFSs) in India. Following officers participated in the meeting:-

1. Shri J.K. Dadoo, Joint Secretary, Department of Commerce
2. Shri A.K. Behera, EDTT/s, Ministry of Railways
3. Shri Shobhit Jain, Director, Department of Commerce
4. Shri Dinesh Kumar, Dy. Secretary, Ministry of Shipping
5. Shri N.N Kumar, Chairman, JNPT
6. Shri A. K. Bose, Chief Manager Traffic, JNPT
7. Shri Atulyamishra, Chairman, Chennai Port Trust
8. Shri Pawan Khetan, OSD, CBEC, Department of Revenue
9. Shri N. Jeyavenkatesan, CHC, M/o Railways, New Delhi
10. Shri R. Rajakannu, Under Secretary, Department of Commerce

I. RATIFICATION OF MINUTES OF THE IMC MEETING HELD ON 11.11.2014

IMC ratified the minutes of IMC Meeting held on 11.11.2014

Chairman of the IMC welcomed all the IMC members, introduced the special invitee Shri N.N. Kumar, Chairman JNPT. He mentioned that 05 CFS proposals under JNPT area are required to be considered, inter-alia, by the IMC, which have been on hold for quite some time due to reported congestion problems. Chairman requested the Chairman, JNPT to brief the IMC on the existing congestion problems and steps taken or proposed to be taken by them to ease the congestion at JNPT.

Chairman JNPT informed that they planned to invest an amount of Rs.3000 crore for broadening the 4 lane road into 8 lane road. It is being contemplated that ~~the amount required for this purpose would be mopped up by levying a congestion~~ ~~cess on the shipping liners. At a suitable stage Department of Commerce would be~~ apprised and consulted in the matter. Special Secretary (MP) stated that stakeholders consultation should be done and a situation like the one created by Railways should not arise.

He also detailed the plans for creation of a buffer yard at Y junction (expected by 2017) and allocation of 2 parking yards (2015) to the Terminal operators to ease the congestion. Chairman JNPT stated that CFSs are an integral part of logistic operation chain and any disturbance affects the operation of JNPT Port. The present congestion is not due to CFS. The port, CFS and other authorities have a role to play in easing it. He informed that on suggestion of Department of Commerce the Public Grievance Committee has been set up with members of all stakeholders. It has

started functioning and shall strive to solve operational problems in the area and optimize and streamline all infrastructure related issues. It shall be positioned as an oversight mechanism for all ICD/ CFS and other operators in JNPT area. Any deviation reported to it shall be taken up and matter pursued to resolve it. eg charges need to be published by CFS. Any lapse shall be reported to Customs and DoC. JNPT Chairman expressed that the above measures including other procedural reforms and IT based solutions shall help in dealing with congestion related issues in near future. While stating that the congestion in around JNPT has eased to quite an extent, he supported the setting up of proposed CFSs in the JNPT area subject to the conditions laid down therein.

JS (JKD) advised JNPT to also keep in mind the recommendations of DGFT's report on Ease of Doing Business and also send the issues to Department of Commerce if any specific need for action arises from this oversight mechanism.

Chairman, Chennai Port Trust who represented the CPT for agenda No. 31 was also requested to brief the IMC regarding the congestion at Chennai. Shri Dinesh Kumar, Deputy Secretary, Ministry of Shipping and Shri Shobhit Jain, Director, Department of Commerce had visited the Chennai Port with Chennai port authorities to assess the situation of congestion at Chennai. Chairman, CPT has stated that the congestion is due to the comparatively narrow approach roads leading to CPT. Key issues are paucity of land and parking area in and around port, skeleton customs staff posted and manual procedures. He briefed that 4 laning of the road to Ennore is almost complete with only 3 bottlenecks remaining. A bufferyard is ready for operationalisation. Other measures include proposed RFID installation, pursuance with CFS to send trucks only after the completion of all papers etc. He briefed about a system of stickers introduced for each truck which are issued only after completion of all documentation. The steps taken have partially eased the congestion and once all measures are completed the congestion is expected to be over. With the growing containerization, he expressed the view that more CFSs could be supported in the area.

II. DEFERRED PROPOSALS OF THE LAST IMC MEETING DATE 23.05.2014 & 11.11.2014

Agenda No. 01

Setting up a Container Freight Stations (CFS) at Sadayankuppam, Village No.44, Thiruvallur District, Chennai by The KCP Limited (CFS Division), Chennai (F.No.16/34/2013-Infra 1)

~~Proposal deferred due to want of revised comments from CBEC. Representative of CBEC conveyed that the revised comments would be furnished in 15 days.~~

Agenda No. 02

Setting up a CFS at Village Koproli, Uran Taluka, Dist. Raigad, Maharashtra by Nhava Sheva Logistics Pvt. Ltd. (F. No. 16/24/2013-Infra 1)

IMC noted that comments in some cases of JNPT area have been sent by CBEC wherein in some cases comments are pending even after repeated reminders. In view of the IMC meeting decision dated 11.11.2014 and discussions in the meeting it was decided that all JNPT cases will be taken together in the next meeting with receipt of comments of CBEC in pending cases. Thus proposal stands deferred to be considered in the next IMC meeting.

Agenda No. 03

Setting up a Container Freight Stations (CFS) at Mumbai Goa, Highway, Panvel by Take Care Logistics Park (India) Pvt. Ltd.(No.16/33/2013-Infra 1)

IMC noted that comments in some cases of JNPT area have been sent by CBEC wherein in some cases comments are pending even after repeated reminders. In view of the IMC meeting decision dated 11.11.2014 and discussions in the meeting it was decided that all JNPT cases will be taken together in the next meeting with receipt of comments of CBEC in pending cases. Thus proposal stands deferred to be considered in the next IMC meeting.

Agenda No. 04

Application from M/s Saastha Warehousing Ltd. for permission to set up a CFS at Village Bhingar, Panvel Taluk, Dist. Raigad, Navi Mumbai (No.16/28/2013-Infra- 1).

Comments from CBEC yet to be received even after repeated reminders. CBEC advised to send the comments urgently. In view of the IMC meeting decision dated 11.11.2014 and discussions in the meeting it was decided that all JNPT cases will be taken together in the next meeting with receipt of comments of CBEC in pending cases. Thus proposal stands deferred to be considered in the next IMC meeting.

Agenda No. 05

Application from M/s Sarveshwar Logistics Services Pvt. Ltd. for permission to set up a CFS at Village Dighode, Uran Taluka, Raigad District, Maharashtra (F.No.16/28/2010-Infra 1).

No representative attended the meeting. IMC noted that comments from CBEC yet to be received even after repeated reminders. Representative of CBEC informed that the report of Commissioner Customs had been received with certain objections like police verification of Director and registering of cases against another Director. CBEC was advised to send its considered comments urgently. In view of the IMC meeting decision dated 11.11.2014 and discussions in the meeting it was decided that all JNPT cases will be taken together in the next meeting with receipt of comments of CBEC in pending cases. Thus proposal stands deferred to be considered in the next IMC meeting.

Agenda No. 06

Setting up of a Container Freight Station/CY at Kakinada near Kaninada Deep Water Port, East Godavari District, Andhra Pradesh by M/s Innovative Container Services Private Limited (F.No. 16/05/2014-Infra-1)

Deferred, CBEC comments yet to be received. CBEC representative stated that the same shall be given in 15 days.

Agenda No. 07

Setting up an Inland Container Depot (ICD) at Tumb, Taluk Umergoan District-Valsad, Gujarat by Navkar Terminals Ltd. (F.No. 16/9/2014-Infra-I).

Ministry of Railways and CBEC would be furnishing their revised comments in 15 days. Developer has to submit CLU. Proposal deferred to the next IMC meeting.

III. NEW PROPOSALS

Agenda No. 08

Setting up CFS at New Paharpur Road, santoshpur, Nearest Landmark, Nature Park, Maheshtala- Kolkata by M/s Phonex Logistics (P) Ltd. (F. No. 16/13/2014-Infra-I)

CBEC comments yet to be received. CBEC Representative stated that the comments would be furnished in 15 days. Comments from Ministry of Shipping are also awaited. Developer to furnish CLU or NOC/ declaration from the Municipal authorities stating that no CLU is required. Proposal stands deferred to the next IMC.

Agenda No. 09

Setting up of CFS at Plot No. 468, Moje Suvali, Taluka, Choryasi, Dist. Surat, Gujarat by M/s Seabird Marine Services Pvt. Ltd. (F. No. 16/19/2014-Infra-I)

Deferred, CBEC to furnish their comments at the earliest.

Agenda No. 10

Setting up of CFS at Khopta Village, Region Uran, Navi Mumbai, State Maharashtra by M/s NhavaSheva CFS & Agripark Pvt. Ltd. (F. No. 16/20/2014-Infra-I)

CBEC comments yet to be received. CBEC Representative stated that the comments would be furnished in 15 days. Developer to submit all the required documents at the earliest. Proposal deferred to the next IMC.

Agenda No. 11

Setting up of CFS & Bounded Warehouse facility at Krishnapatnam Port by M/s Krishnapatnam Bay Area CFS Pvt. Ltd. (F. No. 16/22/2014-Infra-I)

~~Deferred, CBEC to furnish their comments at the earliest. Documents about ownership require to be submitted~~

Agenda No. 12

Setting up of an ICD at Village Sachana, Near Jakhvada Railway Station, TalukaViramgam, District Ahmedabad, Gujarat by M/s Continental Warehousing Corporation (NhavaSeva) Ltd. (F. No. 16/24/2014-Infra-I)

Approval of Railways was communicated. CBEC comments yet to be received. Representative stated that the comments would be furnished in 15 days. Applicant says Commissioner has sent report to CBEC. Proposal stands deferred.

Agenda No. 13

Application for permission to set up of a CFS at Dhrub village, Taluka Mundra, District Kutch, Gujarat by M/s Hind Mundra Terminal Pvt. Ltd.- regd.(F.No. 16/25/2014-Infra-I)

Deferred, CBEC representative informed that the jurisdictional commissioner has not sent a report in the matter. CBEC comments shall be sent at the earliest.

Agenda No. 14

Application for permission to set up of a CFS & bounded warehousing facility at Survey No. 254/1, 254/2 & 255 Paiki, Vill- Mota Kapaya, Tal: Mundra- Kutch – Gujarat, by M/s Rishi Container Freight Station Pvt. Ltd (16/26/2014-Infra-I)

Deferred, CBEC representative informed that the jurisdictional commissioner has not sent a report and CBEC comments shall be sent at the earliest.

Agenda No. 15

Application for granting permission to set up of a CFS at Visakhapatnam, Andhra Pradesh by CONCOR (F. No. 16/28/2014-Infra-I).

CBEC representative informed that the proposal has been approved by the Board; the decision shall be communicated in writing soon. M/o Shipping also gave its NOC. IMC approved the proposal subject to the receipt of formal comments of CBEC.

IV. EXTENSION OF LOI CASES

Agenda No. 16

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).

IMC ratified the extension granted and also extended the Lol upto 30-06-2015.

Agenda No. 17

Extension (5th) of LOI for setting up of an ICD at Hindaun City Dist. Kaauli Rajasthan by M/s Kribhco Infrastructure Ltd. (F.No.16/12/2012-Infra-I)

CBEC representative informed that the file was in submission to M/o Law for legal vetting and the notification shall be issued shortly. IMC extended the Lol upto 30-06-2015.

Agenda No. 18

Extension of LOI for setting up of an ICD at Bihta, Patna By M/s Pristine Magadh Logistics Pvt. Ltd. (F.No.16/06/2013-Infra-I)

CBEC to issue Section 7 Notification at the earliest. Warehouse construction is complete. IMC extended the Lol upto 30-06-2015

Agenda No. 19

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).

IMC extended the Lol upto 30-06-2015 as applicant had taken possession and started the work.

Agenda No. 20

Extension of LOI for setting up of CFS at Veshvi – Village, Raigad – Dist. Navi Mumbai By M/s EFC Logistics India Pvt. Ltd. (F.No.16/14/2012-Infra-I)

IMC ratified the extension granted and also extended the Lol upto 30-06-2015 with directions to CBEC to complete the needful action at the earliest.

Agenda No. 21

Extension of LOI for setting up of CFS at Visakhapatanam by Sravan Shipping Services Pvt. Ltd. (F.No.16/32/2011-Infra-I)

IMC extended the Lol upto 30-06-2015 as applicant was awaiting clearance of insurance claims.

Agenda No. 22

Extension of LOI for setting up of CFS at Dighode Village, Near JN Port Navi Mumbai, dist. Raigad, Maharashtra by SKIL Infrastructure Ltd. (F.No.16/06/2007-Infra-I).

IMC extended the Lol upto 31-03-2015. Name change to SKIL has to be examined as per DoC guidelines on it.

Agenda No. 23

Extension of LOI for setting up of CFS at on Ennore Express High Road at Tiruvottiyur, Chennai By M/s STP Services Pvt. Ltd. (F.No.16/07/2013-Infra-I)

IMC extended the Lol upto 30-06-2015.

Agenda No. 24

Extension of Lol for setting up their CFS at Survey No. 178/5, village Chudwa & Survey No. 54, Village mithirohar Gandhidham, Kutch, Gujarat by M/s Fairdeal Freight Solutions Ltd. (F. No. 16/01/2012-Infra-I)

IMC extended the Lol upto 30-04-2015 as work is completed and Customs has to post staff.

V. PENDING NOTIFICATIONS CASES TO BE TAKEN UP WITH CBEC.

Agenda No. 25

Pending notification under section 8 & 45 of Custom Act 1962, in respect of project of setting up of CFS at Vaikadu Village, Chennai by Sudharsan Logistics Pvt. Ltd. (F. No. 16/01/2011-Infra-I)

Developer informed that the requisite action is still pending under Section 8 and 45 of the Customs Act. The approval for CRB posts is also pending from DGHRD. In

view of the same the IMC extended the Lol upto 30-04-2015 with directions to CBEC to quickly complete the needful action.

Agenda No. 26

Pending notification under Section 7 of Customs Act 1962, in respect of M/s Arshiya Industrial 7 Distribution Hub Pvt. Ltd. for setting up of ICD at Village Ibrahimpur, Khurja, Dist. Bulandhshar (U.P.)(F.No. 16/11/2012-Infra-I)

IMC extended the Lol upto 30-04-2015. Representative of CBEC informed that the report of the Commissioner of Customs has been received and needful action for notification under section 7 of the Customs Act, 1962 shall be taken.

VI. REVIEW OF CASES WHOSE Lol WOULD LAPSE SHORTLY OR HAS LAPSED VERY RECENTLY, BUT HAVE NOT SOUGHT EXTENSION.

Agenda No. 27

Waiting for customs staff in respect of ICD at Bawal, Dist. Rewari, Haryana of M/s Sanjivik Terminals Pvt. Ltd. (F.No. 16/21/2008-Infra-I)

No representative of developer was present.

Agenda No. 28.

Waiting for customs staff deployment in respect of ICD at Baddi, Dist. Solan, Himachal Pradesh by M/s CONCOR. (F.No. 16/24/2009-Infra-I)

IMC took note and appreciated the progress made by the developer in completing the requisite infrastructure for the proposed ICD, 1 AC and 2 Superintendents deployment. Awaiting full staff deployment.

Agenda No. 29

Waiting for customs staff in respect of ICD at Butibori, Nagpur, Maharashtra of M/s Glocal ICD Pvt. Ltd. (F.No. 16/ 08/2012-Infra-I)

Developer informed the matter of EDI connectivity was pending for allocation of LO Code. The infrastructure is complete and ready.

Agenda No. 30

Waiting for customs staff deployment in respect of ICD at Hosur, Dist. Krishnagiri, Tamil Nadu of M/s Pearl Port & Warehousing Pvt. Ltd. (F.No. 16/05/2011 -Infra-I)

Staff has been sanctioned, but yet to be deployed.

Agenda No. 31

Review of the proposal for setting up of CFS at Chennai Port by M/s Chennai Port Trust (F. No. 16/14/2013-Infra-I)

Chairman, CPT stated that they have no financial interest in the project and are not into the business of CFS. The facility was conceived to ease the congestion. An experienced partner like CWC is better suited to run the facility. Customs has insisted in LOI to be in name of CWC for issuance of Sec 8 and 45 notifications. Central Warehousing Corporation representative also stated that they preferred being the Custodian than an operator. Both conveyed that the project is ready to be

operationalised and only Customs formalities are pending. IMC decided that Lol may be issued in name of Central Warehousing Corporation after examining formal agreement between CWC and CPT in this regard.

Agenda No. 32

Pending notification under section 45 of Custom Act 1962, in respect of project of Central Warehousing Corporation (CWC) LOI for setting up of ICD at Kannur, Kerala. (F.No.16/10/2010-Infra-I)

Developer informed that the land available is 4.30 acres, less than the norm for ICD. IMC extended the Lol upto 31-03-2015. In continuation of its advice in IMC dated 03-06-2014, the IMC advised that the developer should come back with a clear proposal in this matter. Matter to be considered in next IMC.

The meeting ended with a vote of thanks to the Chairman. The absence of representative of Ministry of Civil Aviation was noted and a letter may be sent to MoCA for their presence in future meetings of IMC.
