



# Web Based System for Online Processing of Application for ICD/CFS/AFS (An Initiative under 'Minimum Government Maximum Governance')

Posted On: 18 AUG 2017 3:18PM by PIB Bhubaneshwar

The Government has simplified the process for companies to set up an Inland Container Depot/ Container Freight Station (CFS)/Air Freight Station (AFS). The improved procedure is aimed at ensuring a speedier and more transparent approval process. Towards this objective, companies can now make their application online and view its progress/update on-line, without a visit to any government office. Also this is a pioneer attempt as a major ***Inter-Ministerial IT application rather than a mere Intra-Ministerial IT initiative.***

The approval process for setting up an ICD/CFS/AFS involves many departments. This is facilitated through an Inter-Ministerial Committee (IMC) which consists of officials from Ministries of Commerce, Finance (Dept. of Revenue), Railways and Shipping. If required, the view of the respective State Government is also sought. This IMC is housed in the Department of Commerce which is mandated to act as a single window for the approval process.

## **CURRENT PROCESS**

In the current process the applicant submits as many as ten physical copies of the application form with the requisite documents to the Infrastructure Division at Department of Commerce (DoC), New Delhi, besides one copy with the Jurisdictional Commissioner of Customs.

The current process of examination of the application is very cumbersome and the application form is very bulky with the ancillary material running into almost 500-1000 pages. This is initially scrutinized by the Department of Commerce for adherence to the land acquisition guidelines. Copies of the application are then sent to Ministry of Railways, Shipping, Civil Aviation and Department of Revenue (CBEC) for scrutiny and comments. Department of Revenue (CBEC) then sends the copies of this application to the Jurisdictional Commissioners in the field and thereafter on receiving a report from them sends their clearances to Department of Commerce. Upon receiving the comments from the Ministry of Railways, Shipping, Civil Aviation and Department of Revenue (CBEC), Department of Commerce convenes the meeting of Inter-Ministerial Committee where the application is reviewed on the basis of the comments received, and a decision taken on issue of the Letter of Intent (LoI) to the applicant.

Upon receiving the approval, the applicant is required to set up the infrastructure within one year from the date of approval. The IMC may grant an extension of six months after reviewing the justification for delays given by the party.

After the applicant has put up the required infrastructure, conformed with the security standards of the Jurisdictional Commissioner of Customs and provided a bond backed by bank guarantee to the Customs, a final clearance and Customs notification is issued by the Customs department which then declares the facility operational.

## **IMPROVED PROCESS**

There have been frequent complaints from the Stakeholders (applicants) that the manual process is very cumbersome and not only does it result in loss of documents in the transit but also there is lack of transparency regarding the status of various clearances by the various agencies/departments. There have been persistent demands from the various stakeholders to streamline the processes and therefore, Department of Commerce embarked upon a project to have the complete process made online for the convenience of the applicants.

Now with the culmination of the project, the backend process will also be online and the applicant can see the various stages of processing of his application in the various Ministries/Departments as it is visible online.

Apart from saving reams of paper, the process also brings about greater transparency by disclosing the status of the application. This includes sending out SMS and Email alerts to keep all the stakeholders abreast with the progress.

This approach was conceived under the broader umbrella motto of the government - "Minimum Government, Maximum Governance" espoused by honourable Prime Minister Shri Narendra Modi

\*\*\*\*\*

