

GOVERNMENT OF INDIA
MINISTRY OF SHIPPING

LOK SABHA

UNSTARRED QUESTION NO.4610

TO BE ANSWERED ON 15TH DECEMBER, 2016

MODEL CONCESSION AGREEMENT

4610. DR. KIRIT SOMAIYA:

Will the Minister of SHIPPING be pleased to state:

पोतपरिवहनमंत्री

- (a) whether the Government proposes a new Model Concession Agreement (MCA) for development of port infrastructure in the country;
- (b) if so, the details and the present status thereof;
- (c) whether the proposed MCA has taken into consideration suggestions from various stake holders; and
- (d) if so, the details thereof?

ANSWER

**MINISTER OF STATE IN THE MINISTRY OF SHIPPING
(SHRI PON. RADHAKRISHNAN)**

(a)to(d):Yes, Madam. A new Model Concession Agreement (MCA) for development of Port infrastructure in the country has been prepared and is presently under stakeholders' consultation. The key changes proposed are :-

- (i) Change in equity holding to provide exit route.
- (ii) Discounts on ceiling tariff and exclusion of storage charges.
- (iii) Provision of additional land to the Concessionaire.
- (iv) Provision to deploy higher capacity equipments for higher productivity and improved utilization of Port assets.
- (v) Concessionaire can be compensated for all changes in law except imposition of 'New Direct Tax'.
- (vi) Provision for mid-term review and dispute resolution.
- (vii) Provision to initiate commercial operation before Commercial Operations Date(COD).
- (viii) Re-financing of debts.
