

Model Concession Agreement

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.

This information was given by Minister of State for Shipping, Shri Pon. Radhakrishnan in a written reply to a question in Lok Sabha today.

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