

# The Telegraph

CUTTIA SATURDAY 19 JULY 2008

BENGAL

## Tata firm to take charge of Haldia water supply

OUR SPECIAL  
CORRESPONDENT

Calcutta, July 18: A Tata company will take over the water supply system of Bengal's biggest industrial town, Haldia, from September.

Jusco, a Tata Steel subsidiary, will be equal partner with Ranhill Utilities Berhard, the largest water utility of Malaysia and Indian Infrastructure giant IDFC to form a new entity that will take over the existing water facilities in Haldia for 25 years.

The new entity, Haldia Water Management Co Ltd, entered into a concession agreement with the Haldia Development Authority (HDA) today after winning a bid through an international tender in which half a dozen companies participated.

The agreement includes setting up a 25 million-gallons-a-day water treatment plant along with operation, maintenance and upgrade of the existing water supply system at an expected investment of about Rs 100 crore.

According to the pact, the entire facility will go back to the HDA after 25 years.

The authority now distributes 25 million gallons a day to industries like Haldia Petrochemicals and Mitsubishi Chemicals and the Haldia Municipal Corporation.

From September 1, the new company will supply water to the industries. The corporation will continue to distribute the water among residents, but instead of buying the water from the HDA, it will source

### TAPPING TAPS

#### What is happening?

• A consortium led by Tata Steel subsidiary Jusco is taking over Haldia's water management. Jusco now runs the water supply network in Jamshedpur and Sector V in Salt Lake

#### What will it do?

- Double water distribution capacity
- Plug leaks in the supply network

#### How will it help residents and industries?

- Ensure clean water round the clock

#### Who supplies the water now?

- Haldia Development Authority
- After Jusco enters, the authority will fix the tariff

#### How long will it hold charge in Haldia?

- For 25 years from September 1, 2008



it from the private company.

"This is a path-breaking initiative in the country as far as water management goes. It will be win-win for us, the users and the authority," Sanjiv Paul, the managing director of Jusco, told *The Telegraph*.

Under the agreement, the HDA will have an annual guaranteed income and also share a part of the revenue earned. Together, they will fetch well

over Rs 1,200 crore in 25 years.

The company will pay the HDA Rs 25 crore a year for the next two years and Rs 45 crore a year for the three years thereafter. The HDA will earn Rs 61 crore a year for the remaining 20 years.

It now gets Rs 20 crore a year as user charges from the industries and the civic body but spends Rs 10 crore in maintaining the system.

The new company hopes to plug the leaks in the entire chain, starting from distribution to collection of charges.

It will not collect water tariffs from the residents of Haldia town, though. That is the civic body's headache. The civic body has to pay for the water.

Paul said only about 50 per cent of the water drawn by civic bodies in India reach taps.

Jusco manages the civic fa-

cilities in Jamshedpur and the water and sewerage networks in sector V, Salt Lake. But Malaysian Ranhill is new to India.

The Tatas' involvement in Haldia confirms that protests against its small car plant in Singur have not managed to scare them away from Bengal.

The small-car, Nano, too, has braved the protests and is likely to roll out of Singur before Puga.