



## Privatisation of water supply set in motion

SATURDAY, 04 AUGUST 2012 00:08 RAJESH KUMAR | NEW DELHI

**Following Planning Commission's directions, Delhi Jal Board (DJB) has approved a proposal to involve Public Private Partnership (PPP) for better distribution and maintenance of water supply in Malviya Nagar, Mehrauli and Vasant Vihar in south Delhi areas.**

DJB's high-level meeting chaired by Chief Minister Sheila Dikshit on Friday approved a proposal to this effect. The Delhi Government will brief the Planning Commission about the proposal. Under the project, the entire distribution network in a particular area would be handed over to the private parties. They would be in-charge of maintaining the water pipeline networks. They would be responsible for repairing all leaking pipelines in the locality.

The decision was taken to save distribution losses which ranges between 40 to 50 per cent, sources said.

According to the proposal, a total of 32.21 square km would be covered in the pilot project. Messers Suez Environment India Private Limited and, SPML Infra Limited and Degremont would look into Malviya Nagar project while M/s SPML Infra Limited, Tahal Consulting Engineers and Hagihon Jerusalem Water and Wastewater Works would look into Mehrauli and Vasant Vihar distribution system. The Degremont is the same company, handling the Sonia Vihar water treatment plant which supplies water in South Delhi areas.

The contracts would be awarded for 10-12 years for the key operators. Under the project, the assets will remain with the DJB and the Board would pay to private parties for distribution and maintenance.

Cost of Rs 253.30 crore is estimated for Malviya Nagar project, including recovery of 30 per cent operator's contribution in Rs 87.68 crore (Rs 171.62 crore - Rs 83 crore) of rehabilitation and development cost. For Mehrauli and Vasant Vihar projects, the estimated cost is Rs 201 crore. The areas to be covered in Malviya Nagar include Khirki, Saket, Adhchini, Begumpuri, Chirag Delhi, Hauz Rani, Shivalik, Pushp Vihar, Sheikh Sarai, Qutub Institutional Areas, Nav Jeevan, Sarvodaya Enclave; Qutub, Lal Tanki, Bawaji Wala, Kishan

garh and Garhwal colony in Mehrauli areas; West End Enclave, Shanti Niketan, Anand Niketan in Vasant Vihar areas.

After the meeting, Dikshit told that the Planning Commission of India had approved the proposal and this model would be different. "In this model, the assets will remain with DJB. This will ensure up-gradation to un-interrupted and pressurised water supply, reduction in the coping costs, minimal chances of contamination, free of cost change in service lines, prompt grievances redressal and improvement in services to consumers at no extra cost. It will increase revenue generation and will also reduce energy consumption," she said.

It may be noted that DJB supply 76 MLD water per day to Malviya Nagar; 10-13 MLD in Mehrauli and 7 MLD in Vasant Vihar. Total 32,148 jal board connections are registered in Malviya Nagar which has a population of 3.82 lakh, while 7,216 connections in Mehrauli having population of 1.87 lakh. In Vasant Vihar, the population is nearly 50,000 and estimated connections are 6,847.

Since 2002, the Delhi Government has been planning to initiate water sector reforms on the lines of the proposals given by the World Bank. DJB also appointed PricewaterHouseCoopers as the consultant for the project. PWC suggested that DJB enter into contracts with companies who would manage the distribution network. But by 2006, the whole issue died down due to large scale protests. In 2011, the Delhi Government appointed a committee under the chairman of PK Tripathi to suggest a roadmap for water distribution reforms.