

# Urban Water & Sanitation

## News

India Infrastructure Publishing  
B-17, Qutab Institutional Area  
New Delhi 110016  
Tel: 91-11-4103 4600 / 4601  
Fax: 91-11-2653 1196  
E-mail: info@indiainfrastructure.com

December 31, 2007 – January 06, 2008

### Policy

■ In an **year-end review**, the **Ministry of Water Resources** has stated that it has **implemented various water development schemes and projects to conserve, develop and regulate water resources** in the country. Under the Ground Water Development and Management initiative, the Central Ground Water Board identified high yielding aquifers in Tamil Nadu, Karnataka, Kerala, Orissa, Andhra Pradesh, Maharashtra, Madhya Pradesh, Himachal Pradesh, Jammu & Kashmir, Gujarat, Bihar and West Bengal. The Rajiv Gandhi National Groundwater Training and Research Institute organised 32 water management training programmes for capacity building among the stakeholders and 10 training courses dealing with various aspects of groundwater development, management, protection and regulation. In addition, the National Water Award and the Bhoomijal Samvardhan Puraskar were instituted to promote the sustainable use of groundwater. Under the Artificial Groundwater Recharge scheme, Rs 18.71 billion was approved by the union cabinet. The beneficiary states identified for the scheme were Andhra Pradesh, Maharashtra, Karnataka, Rajasthan, Tamil Nadu and Madhya Pradesh. Also, the National Water Board was constituted for implementing the National Water Policy and developing water resources in the country.

■ The **Haryana government** has **decided to set up the Municipal Corporation of Gurgaon (MCG)**. The areas under the **jurisdiction of Haryana Urban Development Authority, Haryana State Industrial and Infrastructure Development Corporation** and Gurgaon's **Municipal Council** will be **transferred** to the **MCG**. The MCG will cover 58 sectors of Gurgaon as well as the areas specified by the notification as per Gurgaon's Master Plan 2021. Meanwhile, Haryana government officials have claimed that Gurgaon town has a population of more a million people, and are thus hopeful of qualifying for the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) under the million-plus towns category.

### Service Providers

■ The **Nagpur Municipal Corporation** is **planning to outsource the city water distribution network** on a **public-private partnership** basis to **provide 24x7 water supply** across the city, **improve the efficiency** of supply and **reduce the supply discrepancy by 2010**. A five-year pilot project based on this model is currently being implemented at Dharampeeth zone for distribution of water, collection of bills and operation and maintenance (O&M) of the system. A Rs 210 million contract was awarded to Veolia Water India to provide uninterrupted water supply to the zone. Meanwhile, municipal authorities recently carried out an audit of the water supply system. The corporation supplies about 470 million litres per day (mld) of water to the city. It will soon put forth a proposal in the general body meeting to extend the pilot project to the entire city.

### Projects

■ The **Government of Andhra Pradesh** is **planning to implement various water supply projects** at a **combined investment of Rs 2.28 billion** under the **Andhra Pradesh Water Sector Improvement Project**. The project scope involves repairing and modernising the Mukthyala, Madhira, Nuzvid, Mylavaram, Addanki, Eddanapudi, Darsi, Pamidipadu and Ongole branch canals of the Nagarjuna Sagar Lal Bahadur Canal. The government expects to make these projects operational between April 2011 and April 2012, and the project tenders have been issued. Meanwhile, the state water resource department has modified the tender rates for construction of the Satdhara and Tinsmarpani tanks to Rs 137.8 million and Rs 94.8 million respectively.

■ The **Vizianagaram Municipal Corporation** in **Andhra Pradesh** has **approached the state government** for **approval to draw 10 million gallons per day (mgd)** of water from the **Tarakrama Teertha Sagaram project** to meet future drinking water needs of the Vizianagaram. According to the corporation, about 4.2 mgd of water is currently being consumed in the district. The project is expected to augment the water supply by 8.5 mgd. The corporation further stated that works worth Rs 130 million under the Urban Sanitation Project are currently in progress.

■ **Tamil Nadu Water Supply and Drainage Board** is **planning to implement a water supply project** on a **turnkey basis** in **239 coastal habitations** in **Thoothukudi district** and **Virudhunagar and Aruppukkottai municipalities**. The project scope involves laying pipelines for the project and all other maintenance work contingent thereto for a period of 12 months.

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■ Meanwhile, the **board** has **invited tenders** for **implementing three water supply projects** on a **turnkey basis** in the state. The project scope involves laying and jointing the pipelines for the projects and constructing intermediate sumps, pump rooms, as well as supply and delivery of pumpsets at Saravanapuram, Ariyavur and Enamkulathur areas (including commissioning and maintenance for one year).

■ The **Guwahati Municipal Corporation** has **directed Kirloskar Brothers** to **complete the Satpukhuri and Panbazar water projects** by **February 2008** to **avoid** any further **penalties**. The project, involving repair and modernisation of water plants, is worth Rs 70 million and has already been extended for three times. As penalty charges, the corporation deducted 1 per cent of the total project cost for the months of January and February. A penalty of about Rs 30 million will be imposed by the corporation in the event of failure to meet this deadline. Meanwhile, agencies report that almost 90 per cent of the project has been completed. The project is expected to augment the water supply in 10 wards of the corporation.

### Corporate

■ **Manila Water Company**, a **subsidiary** of the **Philippine conglomerate Ayala Corporation**, in **collaboration** with **Jindal Water Infrastructure**, has **pre-qualified to bid** for a **water project in West Bengal**. The project scope involves constructing a water treatment plant with a capacity of 113.5 million litres and O&M work of the existing water supply schemes for 10 years. The project will be administered by the Haldia Development Authority.

■ **Delhi-based** consulting firm **WAPCOS** along with the **Kerala Water Authority (KWA)** has **undertaken a preliminary survey** of the topographic levels and contours in **Kochi city** to **augment city water supply**. KWA has completed a detailed survey of 30 wards in the city and the remaining surveys are being undertaken by WAPCOS. The project will be implemented in two phases under the JNNURM and is expected to increase the water supply to about 680 mld. Under Phase I, the existing 225 mld of water supply in the city will be augmented by 150 mld. Under Phase II, another 285 mld of water will be added to the city water supply.

### Finance

■ **Fitch Ratings** has **assigned** an expected **national rating of 'AAA (ind) (SO)'** to **India Infrastructure Finance Company Limited's (IIFCL)** Rs 2 billion **unsecured redeemable non-convertible taxable rupee bonds**. The outlook on the rating is stable. The rating is based on the unconditional and irrevocable guarantee to be issued by the Government of India for the rated debt programme, covering the full and timely payment of principal and all accrued simple interest. The final rating is contingent upon receipt of final documents conforming to information already received. IIFCL is currently in the process of seeking external assistance to help develop its risk management systems for credit, market and operational risks, to be partly funded by a grant from the World Bank. The company is presently dependent on the primary lender to the project (the lead banker) for appraisal.

■ **Hyderabad-based Ramky Infrastructure Limited** has **filed the draft red herring prospectus** with **SEBI** to **enter the capital market** with its **initial public offering**. The company proposes to offer equity shares of Rs 10 each through a 100 per cent book-building process aggregating to Rs 4 billion. It plans to list the equity shares on the Bombay Stock Exchange and the National Stock Exchange. A part of the proceeds will be used for purchasing construction equipment and working capital requirements.

■ The **Government of Maharashtra** has **sanctioned Rs 1.33 billion** to undertake different infrastructure projects **including water supply** in **Mumbai** in 2008-09. Of the total amount, Rs 500 million will be invested in improving the city's water supply.

■ The **Tirunelveli Municipal Corporation** has **proposed** the **union government** to **sanction Rs 199.9 million** to **provide basic infrastructure facilities** including **water supply, sanitation and storm water drainage facility** to the 69 slums of the district under the Integrated Housing and Slum Development Programme. Of the total amount, Rs 2.85 million will be invested in laying 33.45 km long water pipelines; Rs 5.5 million will be invested in constructing 26 overheads tanks; and Rs 32.1 million will be invested for laying 25.71 km long drains. In addition, two community toilets will also be constructed at an estimated investment of Rs 1 million each.