



The business of urbanity

Jusco, India's first and only private sector comprehensive urban infrastructure services provider, is winning contracts all over India, and awards and accolades from around the world

Poor infrastructure is a fact of urban life; pipes running dry, potholed roads and dysfunctional sewers are usually taken with a large dose of resignation. Yet there is one provider of urban infrastructure services that is consistently winning awards and commendations for its services — the Jamshedpur Utilities and Services Company (Jusco).

Jusco is the only utility services company in the world to have been conferred the Total Productive Maintenance (TPM) Excellence Award 2008 by the Kyoto-based Japan Institute of Plant Maintenance. It is also the first Indian water utility to have bagged a High Commendation Award from Global Water Intelligence at London and the 5th Asia Water Management Excellence Award at Kuala Lumpur for its contribution towards the water sector in the Indian subcontinent and Asia.

More significant is the fact that its main customer base — the citizens of Jamshedpur — has also given the thumbs-up to the utility that single-handedly looks after the town's water requirements, waste disposals, sewers, power, health services, roads, parks, etc. Jamshedpur today figures among the most preferred towns in India to live in, with an AC Nielsen ORG Marg survey 2008 showing that people are more satisfied and happy with the civic and municipal services provided by Jusco as compared to other cities.

Jamshedpur may not be a metro but the area that Jusco is responsible for servicing covers 64sq km and is home to over 700,000 people. What is remarkable is the fact that the water in Jamshedpur taps runs so clean that it exceeds standards set by the World Health Organisation and the Bureau of Indian Standards. In addition, it provides electricity to locals with an availability factor of over 99 per cent, a figure that is arguably unmatched in India.

Jusco's achievements within Jamshedpur have been so remarkable that in 2005 the city was selected as one of the six (now extended to 13 cities) around the world to participate in the United Nations Global Compact Cities Pilot Programme. The programme's objectives are to apply the universally accepted principles of the United Nations Global Compact (UNGC) (in the areas of human rights, labour, environment and anti-corruption) to urban infrastructure management, in order to manage pressing urban problems like shortage of potable water, crumbling infrastructure, shortage of food and housing, deteriorating health services, etc.

Says Jusco managing director, Sanjiv Paul, "Jamshedpur was chosen because of its long-standing approach to systematic urban development and the robust systems and processes adopted by Jusco to manage this cosmopolitan town."

Vision: Best-value

Today, the company's vision of providing best-value infrastructure and utility services lies in an area that has traditionally been in the purview of the third tier of the government, ie, urban local bodies (ULBs). The business in the municipal sector has been executed by ULBs, where the same body regulates, executes and judges its own performance, with minimum levels of accountability. The challenge to enabling better quality standards lies in separating these roles and making them accountable.

But with the launch of the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) in 2005, this age-old system is now undergoing changes. The mission advocates separation of the role of service provider from that of policy maker, both of which have been performed by the ULBs so far.

As Mr Paul points out, "This ensures proper utilisation of funds and accountability to execute projects for the benefit of citizens. This has given a fillip to the infrastructure sector and enabled growth in a sustainable manner."

Under the JNNURM, opportunities have increased. According to Jusco, the municipal water and sanitation market is estimated at Rs100,000 million and is growing at the rate of 6-8 per cent every year. Similarly, the industrial sector market is estimated to be worth about Rs100,000-120,000 million, growing at 5-7 per cent per annum. "There are immense opportunities here," says Mr Paul, "As a result, many international players are also eyeing this sector."

And therein lies the foundation of the Jusco model. Says Mr Paul, "Our business model is very simple — provide the best of services to your customers and let them pay for it. Civic services were always considered to be free services provided by the government. But in today's scenario people demand better services and they are ready to pay."

Odourless, tasteless, colourless

Of Jusco's basket of services, there is one area



Jusco's state-of-the-art water treatment plant in Jamshedpur



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Sanjiv Paul

where it has chosen to stand out and excel as a service provider — water. Drinking or potable water is today one of the world's emerging crisis sectors. India along with the rest of the world is poised on the brink of an environmental holocaust caused by global warming, which will have huge repercussions on the quality and availability of fresh water.

Under the UNGC project, Jusco has taken on the mandate of providing water to areas that lie outside its command areas at Jamshedpur, where there is no ULB providing services to underprivileged households. When the project began in 2005, only 5 per cent of this population had access to piped water; today half the households have access to taps and the rest, according to Jusco's plan, should follow suit by 2012.

Jusco's competencies in water and waste water management have been built over nine decades of experience. To this Jusco has added technology, expertise and high quality standards. As Mr Paul puts it, "We are the only comprehensive water service provider in the country. Our expertise lies in the robust systems and processes that is the core of all our projects. The systems and processes developed over the years have given us an edge over others."

High watermark

What makes Jusco's services a benchmark in the water management sector is the fact that the company has implemented quality management systems, environmental management systems and established a water laboratory accredited by the National Accreditation Board for Testing and Calibration Laboratories.

With competencies spanning both water and waste water, Jusco is the first utility to have integrated river-to-river water management skills. It has also set up a non-revenue water reduction programme that has enabled it to record the lowest water losses among water utilities in India.

Jusco extensively uses both technology and good management practices to enhance its efficiencies — for instance, the company uses TPM, supervisory control and data acquisition systems for the water treatment



Corporate avatar

Hiving off well-managed business units as stand-alone profit centres is an established business practice. But the case of Jamshedpur Utilities and Services Company (Jusco) is truly unique.

Before its new avatar as a corporate entity, Jusco used to be an internal division of Tata Steel, the town division created in 1911 to handle civic and municipal services for the thousands of employees living in the steel company's township. As a matter of fact, Jusco started operations even before the town known as Sakchi was renamed Jamshedpur in honour of the Founder, Jamsetji Tata.

As the township around Tata Steel's mills and factories grew, so did the scope of the division's services. Its mandate was onerous: ensure that Jamshedpur becomes one of the world's best industrial townships. But so well did Jusco perform this task that in August 2003, Tata Steel took the pioneering step of establishing it as a wholly-owned subsidiary making it India's first and only private sector, comprehensive urban infrastructure services provider.

plant, energy audit and conservation measures, metering and flow monitoring, trenchless technologies, ground penetrating radar, electronic pipe locator, leak detection instruments, geographical information system, hydraulic modelling, and so on. Says Mr Paul, "These are best practices that have been developed over the years and can be replicated anywhere. Most developed countries use similar systems and processes."

On top of that, the company has invested in a 24/7 helpline service as a part of its customer

management system called Jusco Sahyog Kendra that allows customers to log and track complaints. This system has proved so effective in tracking and improving response time that it won the company the National Urban Water Award 2009. Says Mr Paul, "The system is so robust that it has been implemented successfully at Jamshedpur, Haldia and Seraikela-Kharsawan operations."

As a result, the company is in a position to offer end-to-end solutions in the water sector to customers not just in the civic sector, but also in commercial and industrial areas. Its services comprise operation and maintenance, lease or concession contracts, engineering and construction of new facilities, management contracts, reduction in non-revenue water and creation of 24x7 water supply zones.

Today, the company is busy replicating the Jamshedpur practices in other cities of India and is working on water and waste water projects with municipal authorities in Mysore, Kolkata, Haldia, Chennai, Muzaffarpur, Gwalior and Bhopal. It has also secured corporate projects from Tata BP Solar in Bangalore and the Uranium Corporation of India in Tummalapalle (Andhra Pradesh). Remarks Mr Paul, "Any new project brings new challenges and helps in learning. The UCIL project involves design, construction and commissioning of its entire water and effluent treatment and distribution facility."

Quality of life

Jusco's span of operations goes far beyond water; it provides comprehensive and sustainable solutions for other urban infrastructure needs as well, namely power distribution, municipal solid waste management, and engineering and construction. In fact it is one of the few utilities in India that has been given a licence to set up power distribution infrastructure in parallel with the state electricity board in the Seraikela-Kharsawan district of Jharkhand. Jusco boasts the highest level of power availability at the lowest tariff rate.

For municipal solid waste management it has operations at Jamshedpur, Kollam and Kolkata. Under engineering and construction it provides services in industrial, civil and structural areas. The company caters as a single-stop shop for urban and industrial infrastructure like roads, bridges, residential and commercial complexes, recreational facilities, and civil and structural construction.

Jusco's green focus has led to intelligent illumination and energy-saving devices for street lights. It has planted over 100,000 trees making Jamshedpur one of the greenest cities in India. It's clear that Jusco is taking every word of its promise of 'Quality services for life' very seriously. ●

Gayatri Kamath