



# महाराष्ट्र जलसंपत्ती नियमन प्राधिकरण Maharashtra Water Resources Regulatory Authority

Order No. 1/2018

## Review and Revision of Bulk Water Rates for Domestic, Industrial & Agricultural Irrigation Use in Maharashtra State

- Ref : 1) "Criteria for Distribution of Surface Water Entitlements by River Basin Agencies for Domestic and Industrial Use" issued by the Authority in September 2017
- 2) Minutes of the meeting held with the Principal Secretary (CAD), Water Resource Department, dated May 30, 2017 about Bulk Water Tariff Proposal

Date : January 11, 2018

### 1. Introduction

- 1.1 Maharashtra Water Resources Regulatory Act 2005 (henceforth called "the Act") has been enacted to regulate water resources within the State, facilitate and ensure judicious, equitable and sustainable management, allocation and utilization of water resources as well as to fix the rates or use of water for all purposes and matters connected therewith and incidental thereto. Maharashtra Water Resources Regulatory Authority (henceforth called as "the Authority") has been established as per Section 3 (1) of the Act on May 4, 2005.

Section 11(d) of the Act empowers the Authority, to establish a water tariff system and fix the criteria for water charges in such a way that the water charges shall reflect the recovery of full cost of irrigation management, administration and maintenance of water resources project. Vide Section 11 (u) of the Act, the Authority is required to review and revise the water charges every three years.



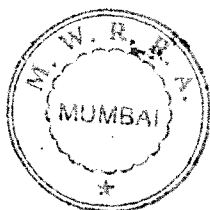
- 1.2 Earlier, the Authority vide its order dated May 30, 2011 had fixed the bulk water tariff for domestic, industrial and agricultural water uses. These rates were in force since commencement of Rabi season 2010-11 i.e. October 15, 2010. Since then the bulk water rates have not been revised or increased, although in the meanwhile, Cost Inflation Index (CII) has increased by 63%.
- 1.3 Presently, expenditure on irrigation management is more than the recovery of water charges. Adequate funds are not available for maintenance and repairs of water resources projects. This paradoxical situation has been adversely impacting on the performance of the projects. The Government of Maharashtra, therefore vide its letter dated March 18, 2017 had submitted a proposal to the Authority for revising the bulk water tariff. As per the proposal, average estimated cost of operation and maintenance of water resources projects of the State for the period 2016 to 2019 is Rs. 1412.12 crore. The estimated cost for 2017-18 is Rs. 1406.53 crore. However, the Authority after the scrutiny of the proposal had earlier considered norm based estimated expenditure of Rs. 911.44 crore for the year 2017-18, calculated on the basis of irrigation potential created up to June 2014 and its actual utilization. The Authority in June 2014, through consultations with experts and stakeholders had evolved the criteria for sharing of this estimated cost among the three main water use sectors as- domestic (22%), industry (59%) and agriculture (19%).
- 1.4 Subsequently, the Water Resources Department (WRD) widely publicized the draft tariff proposal as prepared by the Authority through news papers and website. The proposal was also made available to the public through the local offices of WRD. Comments and suggestions of public on the draft tariff proposal were invited during one month period (1 to 31 August 2017). Authority, after due consideration of comments / suggestions received from various line Departments, field officers, experts, NGO, water users associations and other beneficiaries has finalized the bulk water tariff proposal.
- 1.5 A summary of comments / suggestions received on the tariff proposal along with point-wise response of the Authority has also been posted on the Authority's website ([www.mwrra.org](http://www.mwrra.org)), separately. While framing the bulk water tariff for 2018-20, as per comments / suggestions received Authority, has finalized the estimated O&M cost for 2017-18 as Rs. 1016.145 crore on the basis of updated scenario of irrigation potential created (up to June 2016) and its actual utilization in 2016-17. This cost has been distributed amongst various water use sectors as per the criteria mentioned earlier in Para 1.3.



- 1.6 In order to control unregulated water use and water losses, WRD in its proposal of March 18, 2017 has proposed, supply and charging of water on volumetric basis. The Fourteenth Finance Commission has also recommended the same. The supply and charging of water on volumetric basis will facilitate implementation of the provisions of the Act pertaining to determination of equitable water entitlements, their actual distribution and monitoring. With the foregoing advantages, it would be worthwhile to adopt volumetric basis for water supply and charging. Principal Secretary (CAD), WRD during the meeting held with the Authority (Reference No. 2) has appraised the Authority that the WRD has already initiated the required preparedness at field level for volumetric supply of water for irrigation. Also, he clarified that area specific rates are no more relevant now.

### Order of the Authority

- 2.0 The Authority, in exercise of the power conferred on it as per Section 11(d) and 11(u) of the Act, hereby decides the revised bulk water Tariff for the period 2018-20 for agricultural irrigation, domestic and industrial purposes as per **Annexure 1, 2 and 3**, respectively.
- 2.1 The water rates for flow irrigation will be as per Table No. 1 of the **Annexure 1**.
- 2.2 The water rates for Private Lift Irrigation Schemes (PLISs) will be as per Table No. 2 of the **Annexure 1**.
- 2.3 The water rates for Government Lift Irrigation Schemes (GLISs) will be as per Para 5 of the **Annexure 1**.
- 2.4 The standard bulk water rates of the domestic water use will be as per Table No. 1 of **Annexure 2** while the applicable domestic water supply rates for identified blocks of consumption will be as per Table No. 2 of **Annexure 2**.
- 2.5 The standard bulk water rates for industrial use will be as per Table No. 1 of **Annexure 3**; whereas the applicable rates for identified blocks of consumption will be as per Table No. 2 of **Annexure 3**.
- 3.0 For accounting of non-irrigation water use, the water year shall be considered from July 1 to June 30.



- 4.0 In order to ensure that water reserved for non-irrigation purpose shall not remain unutilized and available water shall be utilized optimally, non-irrigation water utilities are permitted to give phase-wise plan of utilization. In case, non-irrigation utility wants to use allocated water in phased manner, it has to plan so, prior to execution of agreement. Such phase-wise planned water use shall be incorporated in the agreement. The levy of water charges shall be based on such phase-wise planning. But, balance water quantity (total allocated quantity - phase-wise planned water use) should be charged at the rate of 5% towards commitment charges. Similarly, if variation in actual water use and phase-wise planned water use is more than 10%, the assessment shall be done as follows:

In case, actual water use happens to be less than 90% of the phase-wise planned quantity of water, the billing shall be done on the 90% of the quantity of water specified in the agreement. If the actual water use is between 90% to 110% of the corresponding phase-wise water use; billing shall be made as per the standard rate. However, if the actual water use is more than 110% of the planned quantity of water corresponding to that particular phase, the billing of such excess quantity shall be made at 1.5 times of the standard rate. A typical example is enclosed as **Annexure 4** for more clarification.

- 5.0 Revised water charges for non-irrigation uses will be applicable from February 1, 2018. The revised water charges for the irrigation will be applicable from the date of commencement of Hot Weather (H.W.) season of the year 2018 as shown in Para 6 of **Annexure 1**.
- 6.0 The rates in **Annexure 1, 2 and 3** are exclusive of local cess. The local cess as decided by the State Government time to time shall be applicable over and above the water charges.
- 7.0 The water rates in the **Annexure** to this order with 10% increase shall be applicable for the water year of July 1, 2018 to June 30, 2019.
- 8.0 The water rates in the **Annexure** to this order with 20% increase shall be applicable for the water year of July 1, 2019 to June 30, 2020.



9.0 The WRD with an intention to control the uncontrolled water use and discourage the wastage of water in flow irrigation in its Tariff Proposal of March 18, 2017, has proposed to adopt, here-in-after the volumetric system for supply and charging of water supply for irrigation. During the transition period, till the installation of measuring devices, the volume of water used will be computed on the basis of duty (ha/cum) achieved at project / canal / branch canal. As regards the computation of duty, the decision of Executive Engineer shall be final.

10.0 The Urban Development Department of the State Government vide G.R. dated November 30, 2017 has declared its policy for wastewater treatment, recycle and reuse in urban areas. As per the provisions in the in Para 12 of the said policy, rights of fixing tariff for reuse of treated wastewater are vested with the committee / respective Urban Local Body (ULB). The Authority therefore, as per Section 12(5) of the Act is consciously supporting the said policy. However, the following provisions must be complied with while implementing the said policy:

a) Provision in Para 6.2 (iii) in Reference 1.

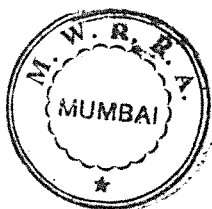
b) Treated wastewater must be transported from Sewage Treatment Plant (STP) location of its reuse, through concealed pipeline.

c) The rates of treated wastewater to be reused for irrigation purpose shall not be more than 60% of applicable rates for flow irrigation.

d) If the treated wastewater is discharged in canal / natural river - nalla then regulation of such water shall be done as per the provisions in the Section 11(1) of Maharashtra Irrigation Act 1976. Rates for such water shall be as that of freshwater.

11.0 Henceforth, the agreements for non-irrigation water supply shall be in conformity with the provisions of "Criteria for Distribution of Surface Water Entitlements by River Basin Agencies for Domestic and Industrial Uses" issued by the Authority on September 22, 2017.

12.0 For the purpose of framing the future strategies, all Irrigation Development Corporations shall submit to the Authority the abstract of category-wise recovery of water charges, expenditure incurred on Maintenance and Repairs



(M&R) of irrigation projects, expenditure incurred on electricity charges and M&R of Government lift irrigation schemes, reduction in revenue due to concessions / incentives offered to domestic and industrial uses and increase in revenue due to penalties. Such information pertaining to the year ending on 30 June shall be submitted to the Authority for future policy decisions by September 30<sup>th</sup> each year. Such information shall also be kept in public domain by hosting it on website.

- 13.0 Irrigation Development Corporations shall keep control on establishment expenditure. In order to increase water use efficiency in irrigation sector, at least 40% of the revenue collected from recovery of water charges shall be spent for M&R of the irrigation systems and payment of electricity bills of Government Lift Irrigation Schemes.
- 14.0 The Government shall direct the field officers to give wide publicity by public notice to these water rates.
- 15.0 **Powers to remove difficulties:** In case of any difficulty in implementation of the revised water tariff system, concerned bulk water user/ Irrigation Development Corporation / Government can approach to the Authority with petition. The decision of the Authority as regards to this shall be final and binding.

Encl.: Annexure No. 1 to 4.

Sd/-

(S. T. Sangle)  
Member (Economy)

Sd/-

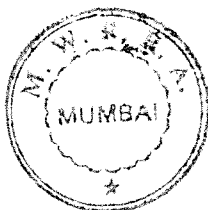
(V. J. Tiwari)  
Member (Law)


Sd/-

(V. M. Kulkarni)  
Member (WR Engineering)

Sd/-

(K.P.Bakshi)  
Chairman



  
(Dr. S. A. Kulkarni)  
Secretary

**Annexure No. 1**  
**Bulk Water Rates for Irrigation**

**1. Volumetric Rates for Flow Irrigation**

Table No.1

Sr. No.	Season	For Registered Water User Associations (Paise per Cum)	For individual beneficiaries (Paise per Cum)
(1)	(2)	(3)	(4)
1	Kharif	3.38	4.50
2	Rabi	6.75	9.00
3	Hot Weather	10.13	13.50

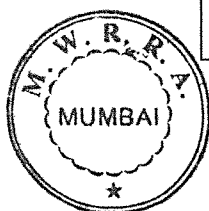
**2. Relevant Provisions for Flow Irrigation**

- 2.1 The rates in Column No. 3 of Table No. 1 will be applicable to all Water Users Associations (WUA) registered under Maharashtra Co-operative Societies Act, 1960 and Maharashtra Management of Irrigation Systems by Farmers Act, 2005.
- 2.2 Farmers can receive water on volumetric basis from off-take point of canal and use the same directly for flow irrigation or can store in wells / farm ponds for irrigation purpose. If water is stored in wells / farm ponds, gauge shall be installed.
- 2.3 Farmers at their own cost shall lay the pipelines from the canal off-take to their well / farm pond, for storing water in a well / farm pond for micro irrigation. If water is taken to a well / farm pond through an open channel, then an additional 10% quantity shall be charged towards water loss.

**3. Volumetric Rates for private lift irrigation schemes**

Table No. 2

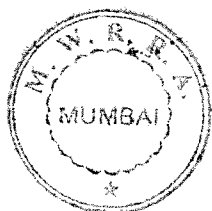
Sr. No.	Classification	Source of Water Supply	Water Rate (Paise per Cum)		
			Kharif	Rabi	H.W.
(1)	(2)	(3)	(4)	(5)	(6)
1	Assured Water Supply	Reservoirs of major projects	3.66	7.31	10.97
2		Reservoirs of medium projects, canals of major and medium projects, storage tanks	2.93	5.85	8.78



Sr. No.	Classification	Source of Water Supply	Water Rate (Paise per Cum)		
			Kharif	Rabi	H.W.
(1)	(2)	(3)	(4)	(5)	(6)
3	Regulated Water Supply including conveyance losses	Regulated river reach downstream of dam / K.T. weirs with back up reservoirs on upstream/ tail race water of hydropower stations	2.93	5.85	8.78
4	Partly assured water supply	Canals of minor projects, K.T. weirs without back up of reservoirs & arrangement without any regulation in absence of bandhara	1.46	2.93	4.39
5	Reservoir constructed at own cost by water user entity for capacity of at least 8 months water requirement and also maintained at its own cost	Reservoir constructed at own cost by water user entity for capacity of at least 8 months water requirement and also maintained at its own cost	0.47	0.94	1.40

#### 4. Relevant Provisions for Private Lift Irrigation Schemes

- 4.1 Rates in Table No. 2 are applicable for individual lift irrigation schemes.
- 4.2 Co-operative Societies registered under Co-operative Societies Act, 1960 and Water User Association (WUA) registered under MMISF Act, 2005 will be entitled for 25% concession in the above rate.
- 4.3 In case of private lift irrigation schemes, the beneficiary should install the water meter on delivery pipeline at its own cost. During transition period before installation of water meter, the water charges shall be levied on the basis of discharge of the pump or standard duty. This concession will be applicable for a period of 1 year from the date of this Order. After this, water charges shall be levied at 1.5 times applicable rate for flow irrigation.
- 4.4 In case registered private lift irrigation Water Users' Association, fails to install water meter / water meter is not working / water meter is tampered, the assessment will be done at the rate, 2 times applicable water rate for





flow irrigation with quantity calculated as per actual irrigated area and standard duty.

## **5. Water Rates for Government Lift Irrigation Schemes**

Water Rates for Government Lift Irrigation Schemes will be decided project-wise and season-wise. While fixing the rates for the project, the concerned Chief Engineer should take into consideration the volumetric rates for flow irrigation provided in Table No. 1 plus 19% of expenditure (electricity charges, M&R cost and operation cost of the head works of Lift Irrigation Schemes) of the Lift Irrigation Scheme.

## **6. Periods of Irrigation Seasons**

Period of Kharif, Rabi and Hot Weather seasons for Konkan & Vidarbha regions, and rest of the Maharashtra for purpose of levying water charges, shall be as under:

Season	Period (excluding Konkan & Vidarbha regions)	Period (for Konkan and Vidarbha regions)
Kharif	1 July to 14 October	1 July to 14 November
Rabi	15 October to 28 February	15 November to 31 March
Hot Weather	1 March to 30 June	1 April to 30 June

## **7. Other Provisions**

- 7.1 If the water is supplied by WRD up to the decentralized storages as provided in Government Resolution dated 02/05/2017 then the water rates as prescribed in Table No. 1 and Para 5 corresponding to the conveyance system will be applicable. If water is taken to decentralized storage by means of natural streams then 10% of conveyance losses shall be levied. However, if the beneficiary takes the water to its decentralized storages through natural stream, then these conveyance losses shall not be applicable.
- 7.2 Water rates for fishery Volumetric shall be as prescribed for volumetric rates of irrigation.



## **Concessions / Incentives / Penal Provisions**

### **8. Concessional Provisions**

- 8.1 Project affected farmers, having been allotted compensatory land in the command area, shall be entitled to get water at 75% of the applicable water rates. Further, if project affected farmer has resorted to Lift Irrigation at his own cost 50% of the applicable rates shall be charged.
- 8.2 If the water is taken for an extended Kharif crop in Rabi season or for an extended Rabi crop in Hot Weather, relevant Kharif / Rabi rates will be charged for such water taken in the extended irrigation rotation.

### **9. Incentives**

- 9.1 Water cess should not be levied for the irrigation in the first year of irrigation (trial irrigation) of the project.
- 9.2 If the individual farmer takes metered water supply for modern irrigation system (micro-irrigation) then the rates applicable shall be 75% of the rates prescribed for individual farmer practicing flow irrigation. (If registered WUA takes the metered water supply for micro irrigation then the rates applicable shall be 75% of the rates prescribed for registered WUA practicing flow irrigation).
- 9.3 If water cess for a season is paid before commencement of that season (advance payment) then the water cess will be charged at 90% of the applicable water rate.
- 9.4 Water rights in case of ex-malgujari tanks shall be governed by the decision already given by the Supreme Court.

### **10. Penal Provisions**

- 10.1 Penalty at the rate of 10% per year will be charged for delayed payment/ part thereof beyond permissible time limit.
- 10.2 If water supplied for irrigation use is found to be used for industrial purpose without prior permission of WRD, then assessment will be done at 2 times the rate applicable for industrial use.



Annexure No. 2

**Bulk Water Rates for Domestic Water Use**

1) **Standard Rates for Domestic Water Use**

**Table No. 1**

Sr. No.	Category	Source & Type of Supply	Standard Rates for Domestic Water Use (Rs. per m <sup>3</sup> )		
			Gram panchayats	ULBs	Municipal Corporations
(1)	(2)	(3)	(4)	(5)	(6)
1	Assured Water Supply	Water Supply from Reservoir	0.15	0.18	0.25
2	Regulated Water Supply with conveyance loss	River reach downstream of dam, canals & K. T. weirs (*)	0.30	0.36	0.50
3	Partly Assured Water Supply	Water use through natural stream without any releases from upstream reservoir, canal etc.	0.08	0.09	0.13
4	If water user entity has constructed a storage of at least 8 months of its water use and is also maintained at its own cost	Water supply through water user entity's own dam or has shared the cost in proportion to its water use	0.02	0.03	0.04

\* The source of water supply of which storage capacity is less than 80% of the water supply through it and which depends on releases from upstream water sources (dam, powerhouse etc.) as a backup.

**Note** - In case where water user entity has constructed a dam at its own cost or has shared the capital cost of dam in proportion to its water use but WRD is incurring expenditure on M & R works then 20% increase shall be applicable in rates at Sr. No. 4, Table No. 1.



2) **Norms of Water Use:**

The Authority vide Ref. No. 1 of this Order has determined the "Criteria for Distribution of Surface Water Entitlements by River Basin Agencies for Domestic & Industrial Uses" on September 22, 2017. Accordingly, the norms of water supply for domestic use are as follows. The account of applicable water use shall be maintained for water year (1<sup>st</sup> July to 30<sup>th</sup> June).

- |  |            |
|--|------------|
| 1. Grampanchayats  | — 55 lpcd  |
| 2. Peri-urban area                                       | — 70 lpcd  |
| 3. C - Class municipal councils / nagarpanchayats        | — 70 lpcd  |
| 4. B - Class municipal councils                          | — 100 lpcd |
| 5. A - Class municipal councils                          | — 125 lpcd |
| 6. Municipal Corporations (Population less than 50 lakh) | — 135 lpcd |
| 7. Municipal Corporations (Population more than 50 lakh) | — 150 lpcd |

3) **Water Rates as per Water Use :**

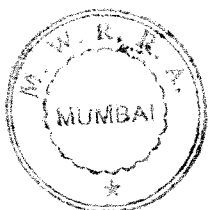
The Bulk Water Tariff for Grampanchyats / Municipal Councils / Nagarpanchayats / Municipal Corporations for domestic water supply shall be as follows:

**Table No. 2**

Sr. No.	Actual Water Use [including leakages, Unaccounted-For-Water & commercial use]	Applicable Rate
A	Quantity upto 115% of norm based water use	Standard Rate
B	Quantity between 115% - 140% of norm based water use	1.50 times Standard Rate
C	Quantity exceeding 140% of norm based water use	2.00 times Standard Rate

The Authority having considered the provision in Section 11 (d) of the Act, and with an intention to promote efficient water use and encourage water conservation and to discourage wastage of water, has ordered assessment at higher rates for water use exceeding the norm based permissible water use.

But, standard rate shall be applicable on entire water use, for those ULBs / Semi-Government Organizations, who have constructed storages at their own cost and its M & R is also being done at their own cost.



However, no rights can be claimed by paying water charges at higher rates for such excess water use. Urban Local Bodies should focus on measures such as leakage preventing, controlling Unaccounted-For-Water (UFW), promotion of water saving, reuse, rainwater harvesting etc. to keep water use within prescribed limits.

- 4) Townships developed by private or Non-Governmental organizations will be charged at 5 times the applicable rates stipulated for the municipal corporations.

5) **Ancillary Provisions :**

- 5.1) As per the Section 6.2 (5) of the "Criteria for Distribution of Surface Water Entitlements by River Basin Agencies for Domestic and Industrial Uses" issued by MWRRA in September 2017, it has been made obligatory for municipal councils / municipal corporations to submit annual water budget. Applicable water use will be computed on the basis of details submitted in the water budget by bulk water user and will be charged accordingly. In case, municipal councils / municipal corporations are drawing water from more than one source (e.g. WRD and MIDC) for its distribution, it is mandatory to give all these details in their water budget. In such cases, the applicable source-wise penal rates will be levied (if any) in proportion of water supply.
- 5.2) Commissioners of municipal corporations / CEOs of municipal councils or nagarpanchayats shall submit to MPCB & MWRRA within 2 years from the issuance of Order for the Bulk Water Rates, an action plan to establish new / additional sewage treatment plants of capacity capable to treat entire sewage generated to the specified standards. In case of default, 1.50 times tariff stipulated in Table No. 2 will be levied. MIDC will recover the penal charge from ULBs to whom they are supplying water and shall pass on the penal charges recovered to WRD.
- 5.3) During the construction phase of commercial entity, private colonies, townships; the water use will be charged at industrial (process) rate and after completion of the construction (i.e. after receipt of Occupation Certificate), water use will be charged as per the provisions in Para - 4. If both uses are concurrent, different meters are to be installed and assessments be done accordingly.
- 5.4) Quantity of water reserved in the reservoir (even though actual use is less) during drought period will be charged at applicable rate including evaporation and conveyance losses.



## **Concessional / Incentives / Penal Provisions:**

### **6) Concessional Provisions:**

In case, the drinking water source is a well, within 35 meters of nearest boundary of either side of canal and command area of canal, the rate of water supply will be 50% of rate mentioned in the Table No. 1, Sr. No. 1 of Annexure No. 2.

### **7) Penal Provisions:**

- 7.1) Water used without signing the agreement, will be charged at 2 times the applicable rate in Table No. 2, in Para 3 (100% Penal Charges)
- 7.2) If ULBs are found to be supplying water from its drinking water entitlement to industrial users / water sports without prior approval of WRD, such water use will be charged at 3 times the applicable industrial water rates retrospectively.
- 7.3) In absence of meter or if the meter found to be non-working, the sanctioned quantity of water or recent water use whichever is higher, shall be levied at 1.5 times the applicable rate.
- 7.4) Late fee at 10% per annum shall be levied on arrears of water charges.



### Annexure No. 3

#### Bulk Water Rates for Industrial Use

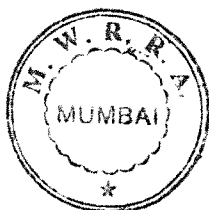
1) Standard Rates fixed for Industrial Use:

Table No. 1

Sr. No.	Category	Water Supply Type and Source	Standard rates for Industrial Use (Rs. per Cum)	
			Process	Raw Material
(1)	(2)	(3)	(4)	(5)
1	Assured Water Supply	Water use from Reservoir	4.80	120.00
2	Regulated Water Supply with conveyance loss	Water use from regulated river reach below dam, canal / K.T. weirs with backup reservoir	9.60	240.00
3	Partly Assured Water Supply	Water use from exclusively from unregulated rivers without releases from any reservoir / canal	2.40	60.00
4	Reservoir constructed for capacity of at least 8 months requirement by the water use entity at its own cost and maintained at its own cost	Water supply from a private reservoir or from reservoir proportionate cost of which infrastructure and management has been shared by the water user entity	0.77	19.20

**Note 1 -** In case where water user entity has constructed a dam at its own cost or has shared the capital cost of dam in proportion to its water use but WRD is incurring expenditure on M & R works then the rates provided at Sr. No. 4 shall be increased by 20%.

**Note 2 -** Industries using water as raw material means those manufacturing cold drinks, brewery, mineral water or of similar kind.



2) **Water Use Norms:**

Authority has finalized "Criteria for Distribution of Surface Water Entitlements by River Basin Agencies for Domestic and Industrial Uses" as per Para 7 of Reference - 1. Industry-wise norms for water use have been stipulated in this Criteria.

3) **Rates for Water Charges as per Water Use:**

To promote optimum utilization of water and to restrict wastage of water, increasing block tariff for industrial use shall be as follows:

Sr. No.	Actual Water Use	Applicable Rate
A	Up to 115% of eligible water use as per norms	Standard Rate
B	Water use greater than 115% eligible use	1.5 times Standard Rate

**Note** - Entire water use of Industries / Water User Entities (ULBs / Government undertakings) which have constructed reservoirs at their own cost and are performing M&R at their own cost will be entirely charged at standard rate specified at Sr. No. 4 of Table No. 1 with due consideration to Note provided below the table.

**Concessions / Incentives / Penal Provisions:**

4) **Concessional Provisions:**

4.1 For Agro-industries:

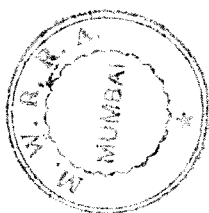
Water rates applicable for Agro-Industries like poultry, Rice Mill, Dairy, corn processing, Vegetable Ghee etc., 75% of the applicable rates provided in Para 3 above. However, this concession will not be applicable for industries manufacturing alcohol / ethanol from sugarcane or corn as well as for winery, breweries.

4.2 Standard rates for industrial water use from wells within command area of canal and wells within 35 meter on either side of nearest edge of canal will be 50% of applicable rates at Sr. No.2 of Table No.1 of this **Annexure**.

5) **Incentives:**

5.1 If any industry reduces its requirement by recycling (reducing its net demand of water up to minimum 75% or less than that), it shall be charged at 75% of applicable rate, provided, officers of WRD not below the rank of Executive Engineer have confirmed the reduction made in water use by recycling.

5.2 Industries are entitled to use treated effluent provided such use is by way of conveyance through closed pipe from treatment plant (without discharging it

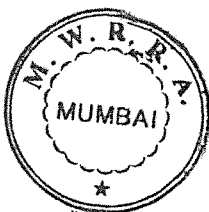




into river /nalla). If such water is supplied for irrigating farms, its rates shall not be more than 60% of rates specified for irrigation by fresh water. Similarly, they shall submit details of such water use to WRD.

**6) Penal Provisions:**

- 6.1 Action as proposed in Para 7.2 (vii) of Reference 1 shall be taken against those industries which are not treating effluent to specified norms. Such industries will be charged at higher rate which shall be twice that of standard industrial rate. Maharashtra Industrial Development Corporation (MIDC) shall be responsible for collecting the water charges at higher rate i.e. twice the standard rate from those industries to whom they are supplying the water but not treating the effluent to specified standards, MIDC shall pass on the water charges so collected to WRD. If Maharashtra Pollution Control Board (MPCB) issues orders to stop the water supply of such industries, MIDC shall discontinue water supply to such industries.
- 6.2 One months notice shall be given for repairing and commissioning of the meter which is found to be tampered / faulty /non-working. Water charges for this period shall be levied on the basis of actual use / reservation / water use calculations based on specific water consumption as per Criteria issued by MWRRA Order dated September 22, 2017 and production, whichever is more, and at rates 1.25 times the applicable rates. Extension of one month can be given for repairing the water meter depending on specific local situation. Billing in this extended period shall be done at rate 1.5 times the applicable rate. However, if meter is not repaired within this extended time limit, water supply shall be discontinued. In case of MIDC, instead of discontinuing entire water supply, it shall be limited to its domestic entitlement. Water use without installation of meters shall be charged at twice the applicable rate.
- 6.3 Metered water use within the allocated quota sanctioned limits and installing meter without entering into agreement, shall be billed at twice the applicable rates.
- 6.4 Water use without sanction/agreement and without installing meter, shall be billed at 2.5 times applicable rates. Quantity for such use shall be as per Para 6.2 above.
- 6.5 Late fee at 10% per annum shall be levied on arrears of water charges.



#### Annexure No. 4

### **Implementation of Commitment and Penal Charges**

#### **(Illustrative Example)**

#### **Commitment Charges:-**

Suppose a water user has signed an agreement with the WRD for 100 Mm<sup>3</sup> of non-irrigation use of water for 5 years. The user will need 100 Mm<sup>3</sup> water from the 4<sup>th</sup> year and its need in first 3 years it is 50, 60 and 80 Mm<sup>3</sup> respectively. This stage-wise water supply requirement will be mentioned in the agreement.

The water tariff for this use will be as follows:

1.	Year One	50 X Standard Rate + 5% of Applicable Tariff on remaining 50, as Commitment Charges
2.	Year Two	60 X Standard Rate + 5% of Applicable Tariff on remaining 40, as Commitment Charges
3.	Year Three	80 X Standard Rate + 5% of Applicable Tariff on remaining 20, as Commitment Charges
4.	Year Four	100 X Standard Rate

#### **Penal Charges:-**

If actual water use is not as per the above stages and, if the difference is more than 10%, then the following rates will be levied.

- (1) Consider water use for 1<sup>st</sup> year is 60 Mm<sup>3</sup> instead of 50 Mm<sup>3</sup> which deviates by more than 10% from permissible limit of deviation (more than 55 Mm<sup>3</sup>). The billing shall be done as below:

55 Mm<sup>3</sup> X Standard Rate + 5 Mm<sup>3</sup> X 1.50 times the Standard Rate + 40 Mm<sup>3</sup> X 5% of Standard Rate as Commitment Charges.

- (2) Consider water use for 2<sup>nd</sup> year is 50 Mm<sup>3</sup> instead of 60 Mm<sup>3</sup>, billing for 90% i.e. 54 Mm<sup>3</sup> shall be done at standard rate. The billing shall be as given below:

54 Mm<sup>3</sup> X Standard Rate + 46 Mm<sup>3</sup> X 5% of Standard Rate as Commitment Charges.

