

**REVISED DRAFT CRITERIA FOR
DETERMINATION OF BULK WATER
TARIFF FOR THE STATE OF
MAHARASHTRA**

FOR CONTROL PERIOD JULY 2026 TO JUNE 2029.



**MAHARASHTRA WATER RESOURCES
REGULATORY AUTHORITY
MUMBAI**

30th April 2026

List Of Abbreviations

Sr. No.	Abbreviations	Definition
1	AR	Applicable Rate
2	BWSE	Bulk Water Supply Entity
3	BWUE	Bulk Water User Entity
4	BR	Basic Rate
5	CBWT	Criteria for Determination of Bulk Water Tariff
6	CLA	Canal Level Association
7	DBWU	Domestic Bulk water User
8	DLA	Distributary Level Association
9	ESR	Economic Survey Report
10	ETP	Effluent Treatment Plant
11	GLIS	Government Operated Lift Irrigation Scheme
12	IBWU	Industrial Bulk Water User
13	ISR	Irrigation Status Report
14	KT Weir	Kolhapur Type Weir
15	LIS	Lift Irrigation Scheme
16	MWRRA	Maharashtra Water Resources Regulatory Authority
17	MRTP Act	Maharashtra Regional & Town Planning Act
18	MMISF Act	Maharashtra Management Irrigation System by Farmers Act
19	MI Act	Maharashtra Irrigation Act
20	MPCB	Maharashtra Pollution Control Board
21	MSP	Minimum Support Price
22	M & R	Maintenance & Repairs
23	NPV	Net Present Value
24	O & M	Operation and Maintenance
25	PVT LIS	Private Lift Irrigation Scheme
26	PLA	Project Level Association
27	RBA	River Basin Agency
28	STP	Sewage Treatment Plant
29	ULB	Urban Local Body
30	WRD	Water Resource Department
31	WUA	Water User Association
32	ZLD	Zero Liquid Discharge

REVISED CRITERIA FOR BULK WATER TARIFF SYSTEM FOR THE CONTROL PERIOD (2026-29)

1. Background:

1.1 The Maharashtra Water Resources Regulatory Authority (MWRRA) Act, 2005, (hereinafter referred to as the Act) was enacted inter-alia for the purpose of regulating the water resources within the State of Maharashtra and for facilitating and ensuring judicious, equitable and sustainable management and allocation of water resources in the State. The Act was brought into force by the State government by Gazette notification no. Committee-2005/ (72/05)/1/WRI dated 08/06/2005. Subsequently, vide Notification No. MWRRA Selection 2005/78/05 dated 12/08/2005 the MWRRA (hereinafter referred to as the Authority) was established to carry out the tasks specified in the Act.

1.2 One of the powers, duties and functions of the Authority (under Section 11 (d) of the Act) is to fix the Criteria for water charges at sub-basin, river basin and State level and to establish a water tariff system after ascertaining the views of the beneficiary public based on the principle that water charges shall reflect the full recovery of the cost of irrigation management, administration, operation and maintenance of water resources project.

The provision u/s 11(d) of the Act mandates to fix the Criteria for water charges at sub-basin, river basin and State level, but to ensure uniformity in tariff across the State, the Authority has decided to prescribe the criteria for water charges at State level.

1.3 Vide Section 11 (u) of the Act, the Authority is required to review and revise the water charges after every three years.

1.4 In exercise of the powers conferred by Sub-Section 1 of Section 31 read with Sub-Sections (d) and (u) of Section 11 of the Act, the Authority had notified Maharashtra Water Resources Regulatory Authority (Fixing Criteria for and Issuance of Tariff Orders for Bulk Water) Regulations, 2013 dated 15/10/2013 after approval by the Water Resources Department (WRD).

1.5 Post issuance of Second tariff order in January 2018, based on experience the regulations of tariff fixation have been repealed by separate Notification published in the Gazette Part 4 (c) dated 24/05/2019. The Authority, with an objective to set out a transparent and consistent procedure for fixing bulk water tariff system and also undertake its periodic review and revision, has notified “MWRRA (Fixing Criteria for And Issuance of Tariff Orders For Bulk Water) Guidelines, 2019” on 14/11/2019. Meanwhile, the authority prepared an approach paper for the determination of bulk water tariffs for the year 2020-23 in October 2019. After following the procedure laid down in these guidelines, the Authority, vide order dated March 29, 2022, issued revised water rates for the control period 2022-25, while retaining the existing rates of 2020 for an additional two years due to the impact of the COVID-19 pandemic. Further, upon the request of the Government, an extension of one year was granted for the tariff under this order.

1.6 The prevailing tariff for the control period 2022-25 is applicable up to June 2026. Now, the Authority has initiated the tariff review process. After reviewing available supporting data from Irrigation Status Reports of 2020-21, 2021-22 & 2022-23, the Authority has prepared draft criteria for Bulk Water Tariff (CBWT) and as stipulated in the Approach Paper (April 2024) had carried out first phase consultation process with Focus Group in September 2024. Taking into consideration comments/suggestions received from various experts from the Focus Group, the Authority had revised the draft CBWT based on merit.

1.7 After revising the Draft Tariff Criteria in view of the comments received from the Focus Group, the Revised Draft Tariff Criteria and Draft Tariff Proposal are hosted on the MWRRA website “www.mwr.ra.maharashtra.gov.in” for ascertaining the views of the beneficiary public as provided in section 11 (d) of the Act. The notices to that effect to be published in two Marathi and one English State level daily newspapers. The beneficiary public will be asked to suggest / to offer their comments on the drafts within 30 days from the date of hosting both drafts (Draft Tariff Criteria and Draft Tariff Proposal) on website. The copies of the drafts also to be provided to Executive Directors of all five Irrigation Development Corporations with a request to make available the copies of the Drafts in their divisional and sub-divisional offices for the Comments of Stakeholders. The copies of the drafts will also to be circulated

to concerned line departments. The beneficiary public has the options to submit their comments through e-mail or by post provided on the Authority's website.

1.8 After the careful consideration of the comments received from the Stakeholders on merit basis, the Criteria for Bulk Water Tariff (CBWT) would be finalized by the Authority.

1.9 The Rates specified in the Bulk Water Tariff Order shall be effective from 1st July 2026 to 30th June 2027. Thereafter, the rates shall be escalated annually @10% in the subsequent year.

2. Responsibilities of Service Provider (WRD & RBAs/IDCs):

2.1 E- Governance module must be developed for water pricing by WRD.

2.2 Central Government's Policy, need to be adopted by Thermal Power Plants located within 50 km radius of STP, shall mandatorily use treated sewage water.

2.3 RBAs shall determine the quantity of water for penal charges by way of "Polluter Pay Principle", on the basis of water audit or Water quality certificate (latest) issued by competent Authority for the category of domestic & Industrial use.

2.4 RBAs should follow tail to head principle to ensure water to tail end farmers.

2.5 RBAs to conduct joint Inspection, Repairs and handing over of management to WUAs, as per section 22 of MMISF Act.

2.6 RBAs should carry out capacity building programs for effective functioning of WUAs.

2.7 Responsibilities of Monitoring and implementation of Criteria and Tariff Order shall be made compulsory by WRD to RBAs with targets in KRA

2.8 The whole quantity of Sewage/Trade effluent generated by local Authorities and Industries should get treated 100% and the treated water by STPs/CETPs should Comply with consent terms of MPCB.

2.9 Various forms for submission of reports required for determination of tariff shall be taken by WRD from RBAs/IDCs and submit the compiled information to MWRRRA within stipulated time as per Guidelines 2019.

2.10 Efficiency of recovery for agricultural sector is very low and needs to be improved. Targets for improving recovery of water charges must be given by the WRD for IDCs. Digitisation of billing and revenue recovery within the Irrigation Department is imperative to ensure efficiency, transparency, and financial discipline. It is essential that a comprehensive, end-to-end digital system covering assessment, billing, collection, monitoring, and reconciliation be developed and implemented within a defined timeline of one year. This will enable complete control over the revenue cycle, minimise leakages, improve recovery efficiency, facilitate real-time monitoring, and strengthen accountability across all levels of service delivery.

2.11 Chief Auditor should carry out Water Audit as per procedure prescribed by the Authority as per provision in the “Criteria for distribution of Surface Water Entitlements by River Basin Agencies for Domestic and Industrial uses” issued by MWRRA, Mumbai, September 2017” and submit report along with summary report to the RBA & Authority. Summary report to be issued by chief auditor annually after completion of water year by 30th September.

2.12 Refund of water charges collected from WUA’s as per relevant Government Orders vide GR dated 23/07/2001 as grants shall be done by Service Provider Within 3 months after such collection.

2.13 Water pollution is an increasing concern, and the River Basin Agency (RBA) has conveyed to the Authority certain technical challenges in ensuring the effective implementation of the Water Quality Certification mechanism.

In order to address these challenges, it is proposed to establish/designate laboratories at cluster or regional levels for testing the quality of wastewater supplied for designated uses. Based on the test results generated by these laboratories, the RBA shall ascertain the quality of water and take necessary actions for verification and compliance with prescribed standards.

2.14 Water rates shall be levied in accordance with the approved category of water use. In the event that water allocated for a particular category is utilised for any other category without due authorization and proper infrastructure, such use shall be treated as unauthorised. In such cases, the applicable tariff shall be the highest rate corresponding to the actual category of use, and penal charges as specified in the Tariff Order shall also be levied.

Illustration:

If water allocated under the Domestic category is utilised for Industrial purposes, the entire quantity so used shall be charged at the applicable Industrial tariff, and penal charges, as prescribed in the Tariff Order, shall be levied accordingly.

3. Legal & other support documents:

This draft criteria is formulated as per the provisions in:

- a) MWRRRA Act, 2005 as amended from time to time.
- b) Maharashtra Irrigation Act, 1976 (MIA, 1976).
- c) Maharashtra Regional & Town Planning Act, 1966 (MRTP Act, 1966).
- d) Maharashtra Management of Irrigation System by Farmers Act, 2005.
- e) Maharashtra Ground Water (Development & Management) Act, 2009.
- f) MWRRRA (Fixing Criteria for and Issuance of Tariff Orders for Bulk Water) Guidelines, 2019 ("The Guidelines 2019" for short).
- g) Approach Paper on Determination of Bulk Water Tariff 2026-29 (April 2024).
- h) Irrigation Status Report 2020-21, 2021-2022, 2022-23, 2023-24.
- i) Economic Survey Report of Maharashtra (ESR) 2023-24 .
- j) Minimum Support Price (MSP) latest available for 2024-25.
- k) Criteria for distribution of Surface Water Entitlements by River Basin Agencies for Domestic and Industrial uses" dated 22nd September 2017.
- l) CGWA Guidelines dated 24/09/2020 (about 10 cum/day).
- m) CGWA notification dated 13/07/2021 (about safety of wells).

4. Applicability of the Tariff Order:

The Tariff Orders issued by the Authority shall be applicable to all Bulk Water Supply Entities (BWSE) and Bulk Water User Entities (BWUE) of the State including individual farmer as bulk water user in the respective jurisdiction or any Entity connected thereto in the State for the control period, including any extension /extensions given by the Authority with annual increase of 10% or at the discretion of the Authority.

Further, the Tariff Order so issued, on the basis of the methodology prescribed in the Approach Paper for the State, shall be applicable to all categories of users to whom bulk water is supplied by water resources project owned and/or managed by any other BWSE or any other entity either in Public or Private Sector.

5. Validity of the Criteria:

These criteria will be valid for 3 years of the control period from 01/07/2026 to 30/06/2029. The Authority reviewed existing tariff as per provisions under section 11(u) & taking into consideration projected O & M cost as per section 11(d) for the period of July 2026 to June 2029.

This Criteria is valid for three water accounting years starting from the year in which tariff order is issued as per provisions in Para 2(14) of the Guidelines for the control period of 01/07/2026 to 30/06/2029. To finalise this criteria, the Authority shall follow the procedure stipulated in Para 3 of the Guidelines, 2019.

6. Bulk Water Tariff Proposal from Service Provider:

As per the Clause 3 (2) of the Guidelines, 2019 BWSE has submitted the Draft Bulk Water Tariff proposal with supporting data on 24 February 2026.

7. Admitted Operation & Maintenance Cost:

7.1 Admitted Operation and Maintenance (O & M) Cost shall include projected cost of irrigation management, administration, operation and maintenance of water resources projects in the State as per Section 11(d) of the Act. The Authority is further guided by following principles of water pricing under **State Water Policy, 2019 which states as: -**

“The recurring expenses shall include operating and maintenance charges including electricity charges, spares, consumables, establishment and administrative charges, overheads and also the cost of special repairs (restoration and retrofitting of structures) including replacement cost of any component of the infrastructure (viz. control gates etc.), required to ensure sustainability of the system, water use, user access to avail water rights and equitable water distributions.”

The terms defined in the **Guidelines, 2019** are as under;

Guidelines 2(2) *Admitted O & M cost means Operation and Maintenance (O & M) cost of the relevant water resources projects that is required to be incurred in the process of operating and maintaining the facility in delivering the bulk water and shall include cost of irrigation management, administration, operation and maintenance of water resources of water resources projects in the State as admitted by the Authority.*

It is seen that, the process of delivering the Bulk Water to the BWUE is governed by MMISF act. Further, section 22 of the MMISF act stipulate repairs and rehabilitation of the WRD projects and canal system. It is further seen that, such repairs and rehabilitation is prerequisite to functioning of WUAs. Hence the cost to be incurred as per the section 22 forms an essential component of Admitted O & M cost.

Guidelines 2(15) *“Cost of Administration” means the expenses of offices at division level and above on items such as, but not limited to, salaries and allowances of staff actually engaged in administration of irrigation management and other expenses as admissible under the head of Administrative Charges as per the accounting standards adopted by the respective agencies or entities.*

Guidelines 2(16) *“Cost of Irrigation Management” means the expenses of the irrigation management sections and irrigation sub-divisions such as, but not limited to, salaries and allowances of staff, expenses on contingent field staff appointed during rotation period, office expenses, stationary, advertisements, vehicles, purchase of miscellaneous material, formation of Water User Associations, their training and capacity building activities, crop measurement, assessment and recovery of water charges etc. including such other expenses as may be necessary in the opinion of the Authority.*

Guidelines 2(17) *“Cost of Maintenance” means expenses on both Preventive Maintenance and Operative Maintenance.*

Guidelines 2(18) *“Cost of Operations” means expenses on items such as, but not limited to, energy charges of lift irrigation schemes, spares, consumables, etc., including such other expenses as may be necessary in the opinion of the Authority.*

Guidelines 2(19) *“Cost of Operative Maintenance” means expenses on items such as, but not limited to, pumping out of water from the drainage galleries, restoring discharge carrying capacity of canals by removing silt, weeds, shrubs, restoring breeched sections of canals, repairs to canal structures to prevent water losses, replacing damaged rubber*

seals/stem rods, repairs of residential and non-residential buildings for operating staff etc., including such other expenses as may be necessary in the opinion of the Authority.

Guidelines 2(20) “Cost of Preventive Maintenance” means expenses on painting, lubrication of moving parts in electro-mechanical equipment’s in head works, lift irrigation schemes and canal control structures, treating the leakage paths and arresting the leakages through bank-work to avoid piping failures, remedial measures to prevent progress of retrogression in spillway channels, restoring damaged pointing in stone masonry etc., including such other expenses as may be necessary in the opinion of the Authority.

This may include the cost required for the maintenance of the irrigation system for the Water user Association.

7.2 The aggregate of above cost elements is put to consultation in two phases as stipulated in the Approach Paper (April 2024). The Authority after taking cognizance of inputs received through consultation process, shall finalize the full O&M cost which shall be considered as “ Admitted O&M cost”.

8. Review of User Categories:

In the earlier tariff order, three main user categories of Agriculture, Domestic & Industrial were considered. Further one sub category under Domestic use i.e. sub category of “Commercial” was introduced. However, this was applicable only for Municipal Corporations. Henceforth, in addition to Municipal Corporations even in Municipal Councils, sub - categorisation of commercial under Domestic will be applicable. In the case of Gram Panchayats and Nagar Panchayats, commercial entities drawing water equal to or more than 10 cubic meters per day shall also be brought under the “Commercial” sub-category within Domestic use.

The commercial use as defined in the Guidelines, 2019 is as under-

“Commercial use” means water used by any entity to which water is made available for commercial use such as, but not limited to restaurants, lodges & hotels, water sports/resorts, swimming pools, clubs, malls, hospitals, stadiums, construction activities etc. and any other activity as may be identified by the Authority as commercial activity from time to time.

“Domestic use in industrial units” means water used for domestic purpose by industries for the employees staying in Residential colonies developed & provided by the industries.

Industrial use in domestic unit means Water used for Industrial purposes by Urban Local Bodies (ULBs), to the Industries located in their jurisdiction.

Commercial use in Domestic unit means Water supplied for Commercial use by Urban Local Bodies (ULBs), in their jurisdiction.

BWSE shall quantify and sanction such use and make such provision in the **Agreement** on compliance of relevant **infrastructure** and **installation of separate water meters** etc. as applicable.

9. Government Subsidy:

Recovery of the admitted Operation and Maintenance (O&M) costs from Bulk Water Users Entities (BWUEs) is mandated under the State Water Policy as well as the MWRRA Act, 2005.

However, the Government may extend subsidies on water charges to disadvantaged and economically weaker sections of society. Such subsidies shall be well-targeted, transparent, and designed in a manner that ensures equity without undermining the principles of financial sustainability and efficient water use.

10. Apportionment of O & M Cost:

Rationalized tariff order dated 29/3/2022 was issued, based on criteria that involved parameter based apportionment of O & M cost within three user categories by the Authority after carrying out Stakeholder Consultation process on CBWT as well as Tariff Proposal for Control Period of 2022 - 2025.

Projected O & M cost for the control period of 2026-29, will be based on Tariff proposal received from government, yearly increment considering Cost Inflation Index, Wholesale Price Index etc. Subsidies and cost of O & M for water delivery system as mentioned in para 9 above will be taken into account in projected /admitted O & M cost for the Period 2026-27. This Projected O & M Cost will be apportioned within three categories of users to fix the basic rate and also source-wise applicable rates. Concessions/ penalties are not accounted for in fixation of basic rate.

The O & M cost was apportioned among each of the three categories of user's viz. agriculture, domestic and industry based on four fundamental parameters i.e. (a) Affordability, (b) Quantity & Accessibility (c) Timeliness of Supply and (d) Impact on Water Quality. Following percentage weightages were assigned to these parameters;

<u>Parameter</u>	<u>Weightage assigned</u>
(i) Affordability	- 60%
(ii) Quantity & Accessibility	- 10%
(iii) Timeliness	- 10%
(iv) Impact on water quality	- 20%

The above percentage weightages of parameters were assigned to each category of use and has resulted into the allocation of O&M cost to the three categories. The study of Cost apportionment was carried out in the year 2013 & was finalized by the Authority after consultation process, as 19% for Agriculture, 22% for Domestic and 59% for Industry. It is proposed to keep the **cost apportionment for 2026-29**, same as per the Tariff Order for control period 2022-25 i.e. **19% for Agriculture, 22% for Domestic and 59% for Industry.**

11.1 Agriculture:

11.1.1 Basic Rate:

The Basic Rate (BR) for flow irrigation will be based upon 19% of Admitted O & M cost and will be applicable to Agriculture Sector. Individual beneficiary's rate for rabi season is treated as basic rate.

11.1.2 Season wise Rate:

The BR for flow irrigation volumetric tariff will be fixed for Rabi season, 50% of it in Kharif season and 150% of it in Hot-weather season shall be applicable.

11.1.3 Periods of Irrigation Season:

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

Table no. 1: Periods of Irrigation Season

Season	Period (excluding Konkan & Vidarbha regions)	Period (for Konkan and Vidarbha regions)
Kharip	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

11.1.4 Rates Minor Level WUAs:

In order to promote WUA formation, the BR of flow irrigation for WUA will be 25% lower than that of Individuals.

11.1.5 Rates Higher Level WUAs:

Volumetric rate for Agriculture for Primary Unit (minor) level Water User Association (WUA) will be determined as above. For higher level (DLA, CLA, PLA) as provisions in MMISF Act WUA's water charging will be based on aggregate water charges used for WUA's under their jurisdiction.

11.1.6 Rates for Government Lift Irrigation Schemes (GLIS):

Rates for Government Lift Irrigation Schemes (GLIS) will be same as rate for flow Irrigation.

11.1.7 Rates for Private Lifts:

As Private Lift has their Own Infrastructure, Maintenance & Electricity Bills, the Applicable Rate (AR) for Private LIS will be calculated as given in the Table 2 below;

**Table No. 2 : Source wise Applicable Rates for Private LIS
(Individual user) with meter installed**

Sr. No.	Classification	Source of Water Supply	Applicable Rate
(1)	(2)	(3)	(4)
1	Assured Water Supply	Reservoirs of major projects	80 % of BR
2	Assured Water Supply	Reservoirs of medium & minor projects, canals of major and medium projects, storage tanks	65 % BR
3	Regulated Water Supply including transmission losses	Regulated river reach downstream of dam / K.T. weirs with back up reservoirs on upstream/tail race water of hydropower stations/ Canal	65 % BR
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	30 % BR
5	Infrastructure constructed & maintained by water user entity itself	Reservoir constructed and maintained by the water user entity at its own expense	10% of BR

11.1.8 Rates for Water Meter:

The beneficiaries of Private LIS should install the water meter at the source on delivery pipeline at its own cost in the year of private LIS put to use. However, if the meter is not installed, the above benefit will not be given and water will be charged as per the flow rate of Individual.

11.1.9 Concession in rate to registered WUAs:

The registered WUAs formed under Private LIS/Co-operative Act 1960, WUAs lifting water from single source will be given additional 25% concession in rate mentioned in table 2

11.1.10 Rates for Decentralized storages:

If the water is supplied by BWSE up to the decentralized storages as provided in Government Resolution dated 02/05/2017 then the water rates as prescribed in Sub-Paras (11.1.1), (11.1.4) & (11.1.6) of Para 11.1 above corresponding to the conveyance system viz. flow or lift will be applicable. If water is taken to decentralized storage by means of pipe line from canals, then conveyance losses shall not be levied. However, if the beneficiary takes the water to its decentralized storages through open Channel from regulated source of or through natural stream, then losses should be levied @ 10%.

11.1.11 Rates for fishery:

Water rates for fishery shall be the same as volumetric rates applicable to individual beneficiaries of Agriculture.

11.1.12 Rates for Project Affected Person (PAPs):

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/her own cost, additional 25% (Total 50%) of the applicable rates shall be charged.

11.1.13 Seasonal Rates:

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.

11.1.14 No Charges for Trial:

Water charges should not be levied for the irrigation in the first year of irrigation (trial irrigation) of the project.

11.1.15 Rates for Micro-Irrigation:

If the individual farmer takes metered water supply for modern efficient irrigation system (micro-irrigation) then the rates applicable shall be 75% of the rates prescribed for individual farmer practicing in flow irrigation. If minimum 75% members of registered WUA take the metered water supply for micro irrigation then the rates applicable shall be 75% of the rates prescribed for registered WUA practicing in flow irrigation.

11.1.16 Rebate for Advance Payment:

If water charges for a season is paid in advance i.e. before commencement of that season then rebate @ 10% shall be given in applicable water charges for that season.

11.1.17 Penal interest for Delayed Payment:

Penal interest on arrears at the rate of 10% per annum shall be levied for any delay in payment, or part thereof, beyond the permissible time limit as specified by the BWSE.

11.1.18 Rates for ex-malgujari :

Water rates in case of ex-malgujari tanks shall be governed by the decision already given by the Supreme Court in case No. CIVIL Appeal No 2475 of 1968 dated 16/08/1978.

11.1.19 Rates for Percolation/Leakages:

For the areas where compliance of provision under MMISF Act 2005, are not made, it means where water supply to only individuals is in practice following provision is applicable as per section 55(a) of MI Act 1976.

Section 55. (a) Any cultivation land receiving by percolation or leakage from a canal or deriving by surface flow, an advantage equivalent to that which would be given by a direct supply of canal water for irrigation.

Section 55. (b) Any cultivated land irrigated by means of a well sunk within the irrigable command of a canal or within 35 meter on either side of the Canal shall be charged in respect of cultivated land falling under Clause (a) a water rate not exceeding that which would ordinarily have been charged for a similar direct supply for the crop or the Season during which the water is admitted in the canal, and in respect of cultivated land falling under clause (b) a water rate not exceeding one-half of such rate as may be determined by the Appropriate Authority."

11.1.20 Penal Charges for Change in the purpose of use:

If BWUE are found to be supplying water from its Agricultural water entitlement to Industrial/Commercial users without prior approval of BWSE, such water use will be charged @ 2 times the applicable industrial water rates retrospectively.

11.2 Domestic :

11.2.1 Basic Rate for Domestic Water Use:

The Basic Rate (BR) for Domestic Water Use will be based upon 22% of the Admitted O & M cost, and other factors given below.

11.2.2 Tariff same for all Season:

The BR for volumetric tariff will be same for all seasons and will be linked to source of supply.

11.2.3 Rate for Municipal Corporations, Urban Local Bodies & Gram panchayats:

The Applicable Rate (AR) will be 125% of BR for Municipal Corporations, 90% of BR for other Urban Local Bodies and 75% of BR for Gram panchayats.

11.2.4 Source wise rate & MPCB outlet Standard:

Basic Rate (BR) will be linked to source of supply as categorized in the Table No. 3 below and subject to the condition that the sewage will be treated to the required MPCB standards before its release into a natural water course or an irrigation canal.

Table no. 3 : Source wise Applicable Rates for Domestic Supply

Sr. No.	Category	Source of supply	Rate
a)	Assured water supply	Reservoir/storage tank without canal	AR
b)	Regulated water supply with transmission loss	Regulated river portion below dam/KT weir with back up reservoir/tail race from hydro plant/ Canal	Two times of AR
c)	Partly assured water supply	KT weir without back up reservoir/ unregulated river without any KT weir or bandhara	50% of AR
d)	Water user entity has shared proportionate cost of infrastructure	Water user entity (Gram Panchayat/ Nagar Palika/ Municipal Corporation and such other utilities/ shared proportionate cost of dam/bandhara/KT weir	See note below.

Sr. No.	Category	Source of supply	Rate
e)	Infrastructure constructed & maintained by water user entity	Water user entity (Gram Panchayat /Nagar Palika/Municipal Corporation and such other utilities) has constructed dam/ bandhara /KT weir at own cost	16% of AR

Note: For past agreements on sharing in total / proportionate cost of infrastructure or where shared cost of infrastructure is agreed to at planning stage in new projects or where weir / bandhara for the capacity equal to annual water demand is constructed by entity below a dam to use its share, the water rate will be 16% of applicable rate in proportion to the cost shared. However, in case of new agreements for water allocation to an entity from a completed dam, any payment in share cost will be treated only as advance water tariff to be adjusted against concessional water tariff of 16% applicable rate, the concessional tariff will be operative will be calculated by NPV method with 10% rate of interest. On full adjustment of the advance tariff, the appropriate basic rate will become applicable.

11.2.5 Water Charges for Urban Local Bodies (ULBs):

The Urban Local Body (ULB) shall pay to the Water Resources Department (WRD) / Irrigation Development Corporation (IDC) for water allocation based on the Agreement / Entitlement / Quota or Actual Water Use, whichever is higher, for each category of use, at the applicable tariff rate.

Illustration:

If a Municipal Corporation has agreed allocation as follows:

- Domestic - 75%
- Commercial - 15%
- Industrial - 10%

but the actual usage is:

- Domestic - 75%
- Commercial - 20%
- Industrial - 5%

then the billing shall be:

- Domestic: 75% @ applicable Domestic rate
- Commercial: 20% @ applicable Commercial rate
- Industrial: 10% @ applicable Industrial rate (being higher than actual use)

This methodology ensures adherence to allocated category-wise entitlement, prevents diversion/misclassification of water, and promotes efficient monitoring and regulation of water use.

The category-wise distribution data maintained by the Municipal Corporation for supply to Domestic, Commercial, and Industrial users shall be utilized by WRD/IDC as supporting documentation for billing and verification purposes.

In the case of Municipal Councils, the total water use for commercial purposes, and in the case of Nagar Panchayats and Gram Panchayats, any commercial entity drawing water equal to or more than 10 cubic meters per day, shall be classified under the "Commercial" sub-category within Domestic use. Such entities shall be charged at five (5) times the Applicable Rate (AR) prescribed for Domestic use for Municipal Councils, Nagar Panchayats, and Gram Panchayats.

11.2.6 Rates for Townships under MRTP Act:

The "Integrated Townships project", means an Integrated Township Project declared under section 18 or 44 of Maharashtra Regional and Town Planning Act, 1966 to which water is supplied by BWSE, will be charged at the rate for Municipal Corporation, as may be applicable for domestic and commercial, linked with source of supply.

11.2.7 Rates for Private Township during Construction:

For Construction phase of commercial entity, private colonies, Township, treated waste water from STP shall be used. If fresh water is supplied, it shall be charged at 2 times Commercial Rate. Treated wastewater from STP shall preferably be used for Construction Purpose.

11.2.8 Rates for Wells within the Command Area:

Water charges for BWUE, using well's water falling within the irrigable command of the canals ('Canal' as defined in Sec. 2(3) of MIA, 1976), will be charged at the rate of 50% of rate given in Table no. 3 Sr. No. b), as per provision in sec. 56 of Maharashtra Irrigation Act 1976 as under :

Section 56. (1) Water used for purposes other than those of irrigation from any natural stream or artificial drain receiving percolation water from a canal shall be charged a water rate not exceeding that as would ordinarily have been charged if the supply had been made from the canal for such purposes; and water used for such purposes from any well sunk within the irrigable command of a canal shall be charged a water rate not exceeding one-half of such rate, as may be determined by the Appropriate Authority.

Section 56. (2) The provisions of sub-section (1) shall not apply to water from such stream, drain or well used exclusively for domestic purposes by the residents of any village.

11.2.9 Penal Charges for Excess Use:

Water Entitlement shall be as per the criteria of September 2017 (as per para 6.1 of it). Water charges for Annual Quantities drawn upto 100% of sanctioned quota will be at source wise rate as per Table-3 AR, for more than 100% & less than 125% of sanctioned quota, water charges will be 1.50 times source wise rate as per Table-3 AR and beyond 125% of sanctioned quantity, water charges will be 3.0 times source wise rate as per table-3 AR.

11.2.10 Penal Charges if generated Sewage is not treated as per MPCB norms:

ULBs/ Any other bulk water entity supplying domestic water are expected to treat the entire sewage generated to the standard specified by Maharashtra Pollution Control Board (MPCB) before its release into a natural water course or an irrigation canal. ULBs, who have not installed Sewage Treatment Plant (STPs) for entire sewage generated or STPs not working to its full capacity or the quality of treated water is not as per the required standards as prescribed by Maharashtra Pollution Control Board, will be charged 3 times applicable rate for the sanctioned quota or actual water use whichever is higher. MPCB's valid consent and laboratory report for quality control shall be made available by the BWUE to the BWSE, and based on the same, penalty for the previous period shall be levied. In case the MPCB's current laboratory report (not older than three months) is not available, then the laboratory report as referred to in para 2.13 shall be considered for determining the water quality and for taking necessary action Details of STPs shall be given in demand letter and reflected in the agreement.

11.2.11 Penal Charges for Water Use without Agreement:

Water used without signing the agreement, will be charged at 2 times source wise rate as per table-3AR.

11.2.12 Penal Charges for Change in the purpose of use:

If ULBs are found to be supplying water from its drinking water entitlement to Industrial/Commercial users without prior approval of BWSE, such water use will be charged at 2 times the applicable industrial water rates retrospectively.

11.2.13 Penal Charges for Water Meters not installed:

Where water meter is not installed, water charges will be 2 times source wise rate as per Table-3 AR.

11.2.14 Penal Charges for Water meter not functioning:

Where meter installed but is found not functioning/removed/ tampered / faulty, one months' notice shall be given for repairing & commissioning of the meter. Water meter shall be repaired within 60 days from receipt of notice from Service Provider. Water charges for this period will be at the AR on the sanctioned quantity of water or recent water use whichever is higher. Extension of one month can be given for repairing the water meter depending on specific local situation. If this defect is not rectified within stipulated period, water charges will be 2 times source wise rate as per table-3AR.

11.2.15 Penal Charges for Delayed Payments:

Penal interest on arrears at the rate of 10% per annum shall be levied for any delay in payment, or part thereof, beyond the permissible time limit as specified by the BWSE.

11.3 Industrial :

11.3.1 Basic Rate for Industrial water use:

The Basic Rate (BR) for Industrial water use will be based upon 59% of the Admitted O & M cost, and other factors given below.

11.3.2 Tariff same for all season:

The BR for volumetric tariff will be same for all seasons & will be linked to supply from reservoir or storage.

11.3.3 Source wise rate & MPCB outlet Standard:

Basic Rate (BR) will be linked to source of supply as categorized in the Table No. 4 below and subject to the condition that the effluent will be treated to the required MPCB standards before its release into a natural water course or an irrigation canal.

11.3.4 Rates for Industries:

Water Use for Industries category:

The water supplied to any industry for industrial or commercial purposes, irrespective of its end use—whether for processing, input, or output—shall be classified based on the category of the industry for administrative efficiency, effective water utilisation, and conservation. The entire quantity of water supplied to the industry shall be treated as a single unit and shall not be bifurcated on the basis of processing or end use, as detailed below:

i) Category A Industries:

Industries other than those specified under Category B shall be classified as Category A and shall be charged at rates linked to the source of supply, as per the applicable schedule.

ii) Category B Industries:

The Industries manufacturing products such as mineral water, packaged drinking water, beverage industries (alcoholic and non-alcoholic), soft drink, alcohol and ethanol production, breweries, distilleries, wineries, including similar type of industries – shall be classified as Category B. The applicable tariff for Category B shall be ten times the rate prescribed for Category A.

Provided that:

- Water utilised by distilleries for production of ethanol as a biofuel shall be treated as Category A Industry and charged at Category A rates. However, water used for production of ethanol other than biofuel shall be treated as Category B Industry shall accordingly be charged under Category B.
- Provided in case of same factory having Category A & Category B type industry separate infrastructure shall be constructed and separate meters need to be installed with appropriate permission and provision in the agreement.

iii) Domestic use in Industrial Category as defined in Para - 8 will be charged at the BR of Municipal Corporations linked with source of supply

Table no. 4: Source wise Applicable Rates for Industrial Supply

	Category	Source of supply	Applicable Rate (AR)
a)	Assured water supply	Reservoir/ storage tank without canal	BR
b)	Regulated water supply with transmission loss	Regulated river portion below dam / KT weir with back up reservoir/ tail race from hydropower plant/ Canal	Two times BR
c)	Partly assured water supply	KT weir without back up reservoir / unregulated river without any KT weir	50% of BR
d)	Water user entity has shared proportionate cost of infrastructure	Water user entity/ has shared proportionate cost of dam/ bandhara / KT weir	See note below.

Note: For past agreements on sharing in total / proportionate cost of infrastructure or where shared cost of infrastructure is agreed to at planning stage in new projects or where weir / bandhara for the capacity equal to annual water demand is constructed by entity below a dam to use its share, the water rate will be 16% of applicable rate in proportion to the cost shared. However, in case of new agreements for water allocation to an entity from a completed dam, any payment in share cost will be treated only as advance water tariff to be adjusted against concessional water tariff of 16% applicable rate, the concessional tariff will be operative will be calculated by NPV method with 10% rate of interest. On full adjustment of the advance tariff, the appropriate basic rate will become applicable.

11.3.5 Rates for Domestic use in industrial units:

While entering into agreement with Industries, "Domestic use in industrial units" will be separately quantified and charged as per AR of Municipal Corporation. BWSE shall

sanction such use & make such provision in the agreement on compliance of relevant infrastructure & installation of separate water meters etc. as applicable.

11.3.6 Rates for Wells within the Command Area:

Water charges for BWUE, using well's water falling within the irrigable command of the canals ('Canal' as defined in Sec. 2(3) of Maharashtra Irrigation Act, 1976), will be charged at the rate of 50% of rate given in Table no. 4 Sr. No. 2, as per provision in sec. 56 of Maharashtra Irrigation Act 1976 as under :

Section 56. (1) Water used for purposes other than those of irrigation from any natural stream or artificial drain receiving percolation water from a canal shall be charged a water rate not exceeding that as would ordinarily have been charged if the supply had been made from the canal for such purposes; and water used for such purposes from any well sunk within the irrigable command of a canal shall be charged a water rate not exceeding one-half of such rate, as may be determined by the Appropriate Authority.

11.3.7 Penal Charges for Excess Use:

Water Entitlement shall be as per the criteria of September 2017 (as per para 7.1). Water charges for annual volume usage up to 100% of the approved quota will be at the applicable rate (AR); for water usage above 100% and below 125% of the approved quota, the water charges will be 1.50 times the AR, and for water usage above 125% of the approved quota, the water charges will be 3.0 times the AR.

11.3.8 Rates for Agro-Industries:

Water rates applicable for Agro-Industries like Sugar Industry with its electricity/ power cogeneration plant, Food grains and Fruits processing, Poultry, Rice Mill, Dairy, Vegetable Oil & Ghee etc. will be at 75% of the rate of agriculture sector. However, this exemption will not apply to industries that use falling in the definition of Category B Industries for making alcohol from maize and similar crops, grains, fruits, etc. Similarly, wineries, breweries, distilleries and perfume industries will also be charged at the rate prescribed for Category B Industries. In addition to the above, the category A industries rate will be applicable for all grain based distillation units producing only biofuel ethanol.

11.3.9 Penal Charges if generated Effluent is not treated as per MPCB norms:

All industrial units are required to treat their industrial effluents as per the standards specified by the Maharashtra Pollution Control Board (MPCB) before discharging them into a natural stream or irrigation canal. Industries which do not have Effluent Treatment Plants (ETPs) or whose ETPs are not functioning at their full capacity or the quality of treated effluent does not confirm to the quality standard prescribed by MPCB will be charged three times the applicable rate for the sanctioned quota or actual water usage, whichever is higher. It is mandatory for BWUE to submit valid consent from MPCB and quality control analysis report from Government approved/NABL accredited laboratory to BWSE and based on this the penalty for the past period will be imposed. In case the MPCB's current laboratory report (not older than three months) is not available, then the laboratory report as referred to in **Para 2.13 (Responsibilities of Service Provider (WRD & BAs/IDCs) of CBWT** shall be considered for determining the water quality and for taking necessary action. Effluent generated in lieu of water allocation shall be mentioned in the agreement and if amended, then in the supplementary agreement.

11.3.10 Rates for Recycle and Reuse:

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 the reduction in water use by water recycling is confirmed by BWSE officials not below the rank of Executive Engineer. If the demand is reduced by recycling to 50% or less, it will be charged at 50% AR.

11.3.11 Rates for Zero Liquid Discharge (ZLD):

If an industry adopts Zero Liquid Discharge (ZLD) technology and uses only upto 25% of its allocation to cover line loss, evaporation and process consumption, it will be charged only @ 25% of the AR for the water drawn. However, this concession shall be applicable only if that industry is reducing its demand by 75% or more. The concerned Executive Engineer shall ensure this and certify it accordingly.

11.3.12 Penal Charges for Water Use without Agreement:

Water used without signing the agreement, will be charged at 2 times AR.

11.3.13 Penal Charges for Water Meter not installed:

Where the meter is not installed water charges will be 2 times AR.

11.3.14 Penal Charges for Water meter not functioning:

Where a meter is installed but is found not functioning / removed / tampered, the one months' notice shall be given to BWUE for repairing & commissioning of the meter. Water charges for this period will be at the AR on the sanctioned quantity of water or recent water use whichever is higher. Extension of one month can be given for repairing the water meter depending on specific local situation. If this defect is not rectified within stipulated time limit / days, water charges will be 2 times AR.

11.3.15 Penal Charges for Delayed Payment:

Penal interest on arrears at the rate of 10% per annum shall be levied for any delay in payment, or part thereof, beyond the permissible time limit as specified by the BWSE.

11.3.16 Rates for Green Hydrogen Projects:

As per GR dated. 17/10/2023 of Industries Department & WRD letter received no. संकीर्ण- २०२४/प्र. क्र.१६१/२४/सिंब्य (धोरण) दिनांक : १७/०४/२०२६ Water Supplied for Green Hydrogen Projects (for electrolysis by Renewable Energy Sources) shall be charged at 50% applicable rate for Category A industries. This concessional rate will be applicable for first 3 years from commissioning of such project.

11.3.17 Rates for Pumped Storage Projects:

Water Supplied for Pumped Storage Schemes shall be charged at Industrial Rate under category A Industry as per WRD letter received no. संकीर्ण- २०२४/प्र. क्र.१६१/२४/सिंब्य (धोरण) दिनांक : १७/०४/२०२६.

12. Commitment charges and Penalties:

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.

In case of phased plan of utilisation, the quota if not used in five years shall be cancelled or reduced to the extent of water use as applicable and balance will be cancelled if the required phase wise water use is not achieved.

Balance water quantity (total allocated quantity – phase-wise planned water use) should be charged at the rate of 5% towards commitment charges.

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 100% of the corresponding phase-wise water use, billing shall be made as per the applicable rate. However, if the actual water use is more than 100% of the planned quantity of water corresponding to that particular phase, the billing of such excess quantity up to 125% shall be charged at 1.5 times and if it exceeds beyond 125% it shall be charged at 3 times of the applicable rate (AR).

