Water Pricing & Cost Recovery

The infrastructure created needs to be self-sustainable. Therefore, water pricing is necessary. As per the State Water Policy, the cost of operation and management will be fully recovered from the beneficiaries. Water Rates & Cost Recovery Committee has been formed to fix and review water charges. The Committee recommends the water charges to Water Resource Board for approval. In the meantime, the water rates for non-irrigation use have been revised thrice during 1994, 1998 & 2010 and for irrigation use the rates have been revised during 1998 & 2002. The water rates presently applicable for irrigation and non-irrigation use are given in the following table.

Table -10.3 Irrigation use Compulsory Basic Water Rate
(Khariff crop)

Sl. No.	Class of Irrigation works	Depth of Supply in inches	Rate for flow Irrigation (per hectare / year) in ` Gazette No. 494 dt. 5.4.2002
1	1st Class	28	250
2	2nd Class	23	188
3	3rd Class	18	125
4	4th Class	9	63

Rabi Water Rate.

Sl. No	Name of the crops	Rate for flow irrigation (per hectare / year) in `	Sl. No	Name of the crops	Rate for flow irrigation (per hectare / year) in `
1	Dalua	450	13	Fodder	170
2	Tobacco	420	14	Pulses	60
3	Potato	280	15	Cotton	280
4	Vegetables	230	16	Til (oil seeds)	60
5	Onion	280	17	Betel Leaf	840
6	Wheat	170	18	Arhar	170
7	Maize	140	19	Sunhemp	200
8	Mung	28	20	Chilly	170
9	Groundnut	170	21	Saru	840
10	Orchards	334	22	Ragi	70
11	Sugarcane	500	23	Mustard	60
12	Jute	84	24	Ganja	930

Non-Irrigation Use

Sl. No	Purpose for which supply is given	Rate in ` (Gazette No. 1571 dt. 4.10.2010)		Unit
		Irrigation	Govt. Water	
1	Bricks or tile making	33	27.50	1000 Nos.
2 (i)	For water actually used and consumed for industrial / commercial purpose			
	Slab I – Consumption ≤ 5 cuses	4.62	3.74	1000 litre ($1m^3$)
	Slab II – Consumption > 5 cuses	6.16	4.95	1000 litre ($1m^3$)
(ii)	For water used for Hydro Power Generation	0.011	0.011	1 KWH
3.i)	For bulk supply to Municipalities and Notified Area Councils and other local authorities for drinking, washing, etc.	0.275	0.22	1000 litre ($1m^3$)
ii)	For bulk supply to Municipalities & Notified Area Councils and other local authorities & cluster of villages by industrial, commercial or other establishments actually drawn or allocated whichever is higher for drinking, washing etc.	0.55	0.44	1000 litre ($1m^3$)
4	Construction of commercial buildings	7.81	5.83	1000 litre ($1m^3$)
5	For filling tanks	0.11	-	1000 litre ($1m^3$)
6	For filling tanks mainly for drinking purpose	0.055	-	1000 litre ($1m^3$)
7	For sub-soil water actually used and consumed for industrial / commercial purpose			
	Slab I – Consumption ≤ 5 cuses	-	7.48	1000 litre ($1m^3$)
	Slab II – Consumption > 5 cuses	-	9.90	1000 litre ($1m^3$)

The cost recovery from Agriculture and Industrial Sectors has shown an increasing trend as it increased from ₹7.0281crore in the year 1996-97 to ₹598.97 crore in the year 2016-17. The following table gives an indication of the rising trend of water tax collection.

Table -10.4 Cost Recovery
(`₹. in crore)

Year	Agricultural Sector	Industrial Sector	Total amount collected
1996-97	3.400	3.628	7.028
1997-98	4.466	3.613	8.080
1998-99	9.507	5.369	14.876
1999-00	5.939	2.465	8.403
2000-01	10.986	8.881	19.866
2001-02	12.387	4.853	17.240
2002-03	16.161	4.021	20.182
2003-04	23.692	8.623	32.315
2004-05	27.778	6.504	34.282
2005-06	28.299	7.350	35.649
2006-07	28.565	18.876	47.441
2007-08	29.792	9.762	39.554
2008-09	29.835	12.392	42.228
2009-10	32.640	34.400	67.040
2010-11	25.768	120.823	146.591
2011-12	29.980	283.440	313.420
2012-13	32.855	330.970	363.825
2013-14	55.480	359.790	415.270
2014-15	71.46*	557.760	629.220
2015-16	145.802*	593.298	739.10
2016-17	31.97*	567.00	598.97

* Agriculture & other Revenues

COST RECOVERY