

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

Irrigation Use

Committee recommends the water charges to Water Resource Board for approval. In the meantime, the water rates for non-irrigation use have been revised twice during 1994 & 1998; for irrigation use the rates have been revised during 1998 & 2002. The details of revision of water rates are given in the following table.

Compulsory Basic Water Rate (Khariff crop)

Sl. No	Class of Irrigation	Depth of Supply in inches	Irrigation rates for flow Irrigation (Rs. per hectare)		
			1981-82	1998-99	2002-03
1	Class-I	28"	39.54	100.00	250.00
2	Class-II	23"	29.65	75.00	188.00
3	Class-III	18"	19.77	50.00	125.00
4	Class-IV	9"	9.88	25.00	63.00

Rabi Water Rate.

Sl. No	Class of Irrigation	Irrigation rates for flow Irrigation in Rs. per hectare		
		1981-82	1998-99	2002-03
1	Dalua	88.96	225.00	450.00
2	Tobacco	83.40	210.00	420.00
3	Potato	55.60	140.00	280.00
4	Vegetables	44.48	115.00	230.00
5.	Onion	55.60	140.00	280.00
6.	Wheat	33.36	85.00	170.00
7.	Maize	27.80	70.00	140.00
8.	Mung	5.56	14.00	28.00
9.	Groundnut	27.80	85.00	170.00
10.	Orchards	66.72	167.00	334.00
11.	Sugarcane	100.08	250.00	500.00
12.	Jute	16.68	42.00	84.000
13.	Fodder	27.80	85.00	170.00
14.	Pulses	11.12	30.00	60.00
15.	Cotton	55.60	140.00	280.00
16.	Til (oil seeds)	11.12	30.00	60.00
17.	Betel Leaf	166.79	420.00	840.00
18.	Arhar	27.80	85.00	170.00
19.	Sunhemp	38.91	100.00	200.00
20.	Chilly	27.80	85.00	170.00
21.	Saru	166.79	420.00	840.00
22.	Ragi	13.99	35.00	70.00
23	Mustard	11.12	30.00	60.00
24.	Ganja	185.33	465.00	930.00

Non-Irrigation Use

Sl. No	Purpose for which supply is given	Unit	Rates		
			1981-82	1994-95	1998-99
1	Bricks or Tile Making	1000 Nos	0.25	5.00	6.00
2	Water used & consumed for industrial purpose	1,00,000 Gallons	20.00	200.00	250.00
3	For water temporarily used for industrial purpose and discharged back unpolluted or after purification into irrigation project from which the same has been drawn	1,00,000 Gallons	4.00	50.00	60.00
4	Bulk supply to Municipalities & NACs & other local authorities for drinking & washing, etc	10,000 cft	5.00	25.00	30.00
5	Construction of Buildings	100 cft	0.15	3.00	4.00
6.	For filling tanks	10,000 cft	5.00	-	30.00
7.	For filling tanks mainly for drinking purpose	10,000 cft	2.50	-	15.00

Prior to 1999, the cost recoveries from Agricultural and Industry sectors were done by Revenue Department. In 1999, the cost recovery of Industrial sector was transferred to the control of Water Resources Department. The cost recovery from Agriculture and Industrial

Sectors has shown an increasing trend as it increased from Rs. 7.0281 crore in the year 1996-97 to Rs. 42.1969 crore in the year 2008-09. The following table gives an indication of the rising trend of water tax collection.

Cost Recovery (Rs. in crore)

Year	Agricultural Sector	Industrial Sector	Total Amount Collected
1	2	3	4
1996-97	3.3999	3.6282	7.0281
1997-98	4.4664	3.6134	8.0798
1998-99	9.5074	5.3688	14.8762
1999-00	5.9386	2.4648	8.4034
2000-01	10.9857	8.8806	19.8663
2001-02	12.3871	4.8531	17.2402
2002-03	16.1614	4.0208	20.1822
2003-04	23.692	8.6225	32.3145
2004-05	27.7784	6.504	34.2824
2005-06	28.2988	7.350	35.6488
2006-07	28.5653	18.8758	47.4411
2007-08	29.7918	9.7623	39.5541
2008-09	29.8352	12.3617	42.1969

To increase the cost recovery from the Industrial Sector, adequate steps are being taken for metering the industrial water use. 58 Major Industries out of 226 identified industries have already installed flow meters. As per the Revenue & Excise Department

Notification dated 29.09.1999 published in the Orissa gazette No. 1423 dated 30.09.99 and No.1466 dated 13.10.99. Government of Orissa have empowered Executive Engineers of Department of Water Resources to enter into fresh agreements with the

Industries/Commercial establishments and direct them to install Flow Meter and collect water tax basing on the prevailing water rate towards water consumption in place of Tahasildars with effect from 11.10.1999. The field

officers of D.O.W.R. are taking steps to execute fresh agreements with the Industries/Commercial establishments, direct them to install flow meters and to collect industrial water rates.