

**GOVERNMENT OF JHARKHAND**  
**WATER RESOURCES DEPARTMENT**

**DRAFT**

**Subject:- “Jharkhand Industrial Water Allocation Policy, 2019”.**

Jharkhand state has taken a number of initiatives for ensuring rapid industrialisation across various parts of the State to increase opportunities of employment for better livelihood as well as to increase the GDP of the State.

As a part of this endeavour, industries are allowed to draw water from public sources – both surface and ground water during construction and operation of the industries / plants.

The issue of uniform guidelines regarding allocation, revalidation, penalty and phasing / rephasing of allocated water was under active consideration of Government since certain period.

Accordingly, the State Government hereby releases the draft of the Jharkhand Industrial Water Allocation Policy, 2019. This draft shall be displayed in public domain for a period of 30 days from its issual for public feedback/suggestion/comment, if any. Such feedback/suggestion/comment may be submitted (**web site : wrdjharkhand.nic.in, e-mail : sec-wrd-jhr@nic.in**) to the department in the following manner :

**1.0      Introduction**

1.1      The surface water allocation of the industries is based upon their need and online application to the Water Resources Department (WRD).

On the basis of the recommendation of the Water Allocation Committee, the Water Resources Department, Government of Jharkhand takes decision regarding allocation of water to the applicant Industries and an agreement for a period of 5 years is executed initially, which has a provision for further renewal.

1.2      The applicant Industry is expected to start its commercial production as per the application. However, due to various reasons, sometimes, beyond the control of the applicant Industry, the Industrial Plant

and Machinery are not installed within the specified time period and the commercial production gets delayed.

1.3 It has also been observed that, during the initial period of setting up of the aforesaid applicant industry, the entire quantity of allocated water is not drawn by applicant industry. Further, Government does not get any revenue from such unutilized quantity of water allocated to the applicant industry.

1.4 For considering revalidation or phasing or rephasing industrial water, there is no uniform policy and the decisions are taken on case to case basis, which lack consistency. The standard agreement, which is being executed presently contains certain penalty clauses, which creates litigation and complexities, ultimately affecting the State Government's desire for rapid industrialization.

## 2.0 Allocation

2.1 The applicant Industry shall apply initially for allocation of water online to Water Resources Department, Jharkhand enclosing all necessary documents indicating the period of construction and likely period, in which operation of the industries / plants is expected to start.

2.2 The sources of water for allocation during construction period, whether surface or ground water must be clearly mentioned in the application by the applicant industry proportionately.

2.3 If ground water is required for construction then, a No Objection Certificate (NOC) and quantity from DLEC (District Level Evaluation Committee) shall be obtained and attached to the application. This will be only for construction period.

2.4 No ground water will be utilised for operational purposes. A separate notification shall be issued by Water Resources Department, Government of Jharkhand regarding the Ground Water charges to be levied upon such Industries, who intend to use Ground Water during construction period.

2.5 Construction water shall ordinarily be allocated for a period of six months. However depending on construction status, the said period can be extended upon payment of appropriate charges as per the government decision.

2.6 The application of applicant Industry along with the recommendations of Industry Department, Jharkhand will be taken up for approval by the Water Resources Department, Jharkhand and decided accordingly under intimation to the Industry Department and the applicant Industry.

2.7 The initial allocation of water for operational purposes shall be for a period of 5 years for all industries (Including Micro Small & Medium Enterprises) and effective after signing of '**Jharkhand Water Allocation Agreement**' with the designated authority of Water Resources Department.

2.8 The applicant Industry shall have to sign the agreement within a period of 60 days from the date of grant of allocation of water, failing which the allocated water would be de-allocated. Such de-allocated water shall be re-allocated only upon payment of penalty charges.

2.9 Upon expiry of the agreement period, such quantity of water that has not been used shall be de-allocated automatically. No further correspondence on de-allocation shall be considered unless request for the same is received in Water Resources Department, Jharkhand with supporting documents and recommendation from Industry Department prior to three months of expiry of the agreement period.

### **3. Extension / Re-validation / Re-phasing**

3.1 In case, the industry concerned needs the allocation of water to be revalidated or modified, the request for the same shall be submitted to Water Resources Department well before 3 months of the expiry of the agreement along with necessary fees as notified and in the prescribed format duly recommended by Industry Department as per procedure mentioned above.

3.2 The maximum period of re-validation shall not exceed 3 years, based upon the recommendations of Industry Department.

3.3 During this period, the industry shall utilise the allocated water. Ordinarily no extension of water allocation shall be entertained beyond this period except under exceptional circumstances, where re-validation beyond the above maximum allowable period of total 8 (eight) years (5 years + 3 years) may be considered only upon the basis of recommendations of Industry Department.

3.4 During the extension period beyond the initial allocation period of 5 years, the concerned industries shall have to pay commitment charges as prescribed below.

#### **4.0 Commitment charges:**

4.1 During the period of allocation of water for operational use, the industries are expected to consume full quantity of water allocated. However, if the industry is not able to consume full quantity of operational water, they shall have to pay commitment charges, which shall be equivalent to 10% of the cost of unutilized water (Allocated quantity – quantity of water utilized), in addition to payment of usual water rate for quantity of water being utilized as per notification.

4.2 The date of levy of commitment charge shall be from the date of initial agreement for operational water.

#### **5.0 Power of the State Government**

5.1 Notwithstanding anything contained in the foregoing paragraphs of the Jharkhand Industrial Water Allocation Policy, 2019, the State Government by issuance of notification in the official gazette may amend or withdraw any of the provisions and/or the schemes mentioned herein above.

5.2 If any difficulty arises in giving effect to provisions of the Jharkhand Industrial Water Allocation Policy, 2019 and/or if any dispute arises about the interpretations of any provisions of the said policy, the same shall be referred to the Departmental Minister through Departmental Secretary and thereon the decision taken shall be final.