



Fee to Promote Conservation of Groundwater

In a bid to promote [conservation of groundwater](#), the Central Ground Water Authority (CGWA) has notified a **Water Conservation Fee (WCF)** that industries will need to pay on groundwater extraction starting from June, 2019.

- Apart from industrial units, all business establishments and infrastructure projects, such as residential complexes, office buildings, hotels and hospitals, will have to **pay WCF and also apply for a no-objection certificate (NOC)** from the government.
- However, the **agriculture sector — the largest consumer of groundwater in the country** — will be **exempt** from the fees. **Defence establishments** and **users who don't use electricity** to extract water have also been **granted exemption** from the requirement of obtaining NOCs and having to pay the WCF.
- The entire process of grant of NOC will be done **online through a web based** application system of CGWA.
- The rates would be levied depending on the **location of the groundwater** extraction point and the **amount of water being extracted. E.g.**
 - 20 cubic metres a day in a 'safe' block would cost a company ₹3 per cubic metre, while extracting 5,000 or more cubic metres a day, at an 'over exploited' block would invite a daily charge in excess of ₹100 per cubic metre.
- In India, extracted groundwater is **mainly used for irrigation** and accounts for about 228 BCM (billion cubic metre) — or about 90% of the annual groundwater extraction. The rest, 25 BCM, is drawn for drinking, domestic and industrial uses.
- India is the **largest user of groundwater in the world**, and accounts for about 25% of the global water extraction.
- The WCF is meant to **discourage the setting up** of new industries in over-exploited and critical areas, and deter large-scale groundwater extraction by industries.
- It is also expected to **force industries to take steps to use water efficiently**, and discourage the growth of packaged drinking water units.
- Other salient features of the revised guidelines include encouraging the use of **recycled and treated sewage water** by industries, provision of **action against polluting industries**, and **mandatory requirement of installing digital flow meters**.