

**THE WATER (PREVENTION AND CONTROL OF POLLUTION)  
CESS (AMENDMENT) ACT, 2003**

No. 19 of 2003

[13th March, 2003]

**An Act further to amend the Water (Prevention and Control of Pollution) Cess Act, 1977.**

**BE** it enacted by Parliament in the Fifty-fourth Year of the Republic of India as follows:—

**1. (1)** This Act may be called the Water (Prevention and Control of Pollution) Cess (Amendment) Act, 2003.

Short title and commencement.

**(2)** It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

36 of 1977.

**2.** In the Water (Prevention and Control of Pollution) Cess Act, 1977 (hereinafter referred to as the principal Act), in section 2, for clause (c), the following clause shall be substituted, namely:—

Amendment of section 2.

**(c)** "industry" includes any operation or process, or treatment and disposal system, which consumes water or gives rise to sewage effluent or trade effluent, but does not include any hydel power unit;.

**3.** In the principal Act, for the words "specified industry", wherever they occur, the word "industry" shall be substituted.

Substitution of certain expression.

**4.** For section 16 of the principal Act, the following section shall be substituted, namely:—

Substitution of new section for section 16.

**"16. (1)** Notwithstanding anything contained in section 3, the Central Government may, by notification in the Official Gazette, exempt any industry, consuming water below the quantity specified in the notification, from the levy of water cess.

Power of Central Government to exempt the levy of water cess.

(2) In exempting an industry under sub-section (1), the Central Government shall take into consideration—

- (a) the nature of raw material used;
- (b) the nature of manufacturing process employed;
- (c) the nature of effluent generated;
- (d) the source of water extraction;
- (e) the nature of effluent receiving bodies; and
- (f) the production data, including water consumption per unit production, in the industry and the location of the industry."

Omission of  
Schedule I.

5. Schedule I to the principal Act shall be omitted.

Substitution  
of new  
Schedule for  
Schedule II.

6. For Schedule II to the principal Act, the following Schedule shall be substituted, namely:—

"SCHEDULE II

(See section 3)

Purpose for which water is consumed	Maximum rate under sub-section (2) of section 3	Maximum rate under sub-section (2A) of section 3
(1)	(2)	(3)
1. Industrial cooling, spraying in mine pits or boiler feeds	Five paise per kilolitre	Ten paise per kilolitre.
2. Domestic purpose	Two paise per kilolitre	Three paise per kilolitre.
3. Processing whereby water gets polluted and the pollutants are—	Ten paise per kilolitre	Twenty paise per kilolitre.
(i) easily biodegradable; or		
(ii) non-toxic; or		
(iii) both non-toxic and easily biodegradable		
4. Processing whereby water gets polluted and the pollutants are—	Fifteen paise per kilolitre	Thirty paise per kilolitre."
(i) not easily biodegradable; or		
(ii) toxic; or		
(iii) both toxic and not easily biodegradable		