Circular No. Infra/01/2019

Date: 18th December 2019

Subject: Circular for Utility Rates and Maintenance charges for Auric City

Ref: Minutes of 24th Board meeting dated February 1st, 2019

Aurangabad Industrial Township Limited ("AITL") is a joint venture special purpose company incorporated on 12th December 2014 under the Companies Act, 2013 between MIDC and DMIC Project Implementation Trust Fund ("DMIC Trust"). It has been appointed as the SPA under Section 40(1B) of the MRTP for AURIC and is entrusted with the responsibility to develop AURIC over a period.

As part of the development, AITL is responsible for the construction and maintenance of roads, water distribution network, recycle water distribution network, common effluent treatment plant, sewage treatment plant, drainage/ sewerage network, information and communication technology network (ICT) and other supplementary infrastructure at AURIC. Utilities offered by AITL to plot holders at AURIC include –

- Wet utilities: Water, recycle water, effluent collection (industrial) & CETP treatment, sewage collection (non-industrial) & STP treatment and firefighting water
- Dry utilities: Optical fibre (ICT) and power

In 24th AITL board meeting held on February 1st, 2019, board approved following utility rates and maintenance charges for the plot owners in AURIC.

UTILITY RATES

1. Water Rate

- To encourage the judicious use of water in AURIC, AITL practices slab-like water rate structure to charge the consumption of water. Base water rate for various category of consumers is tabularized below:

Consumer Category	Base Water Rate (INR per cum)
Industrial	20
*Industrial- water as raw material	70
Commercial	30
Domestic (Residential)	10

* Industrial- water as raw material consumers includes manufacturers of mineral water, beverages and liquor

- Water rates will be escalated by 7.5% every year w.e.f. January 1st of every year
- The relationship of water consumption slabs vs loading factor on base water rate is tabularized below:

Industrial Use (Cum per day per Ha.)		Loading Factor	Effective Water Rate (Industrial)	Effective Water Rate (Commercial)
Lower Limit	Upper Limit			
0	15	1.00	**20**	**30**
15	25	1.25	**25**	**37.5**
25	50	1.40	**28**	**42**
50	100	1.60	**32**	**48**
100	Above	1.75	**35**	**52.5**

Calculation of water charges: Approach and methodology

- Slab-like water rate structure is levied on industrial and commercial consumers only; whereas for other consumers uniform base water is charged as blanket rate on overall consumption
- AITL may revise the loading factor for the respective slabs from time to time
- Water connection on the plots where the occupancy certificate has been issued for the minimum required FSI utilization as per AITL policy is classified as permanent connection. Permanent status of the connection will be continued even during the addition/ alteration construction activity after issuance of occupancy certificate
- To maintain the uniformity in calculation of water charges in the ERP implemented by AITL:
    - No. of days in a month are considered as 30 days
    - The calculations are rounded off to two decimal points
- Minimum chargeable quantity- For permanent water connections, the metered consumption of water considered for calculation of water charges is capped at minimum chargeable quantity on lower side. During the construction phase, the minimum chargeable quantity is not considered for calculation of water charges
- The relationship of minimum chargeable quantity vs size of water connection is tabularized below: *(It is assumed that a single water meter per plot is installed to supply total water demanded by plot holder)*

Water connection size Inner Diameter (mm)	Minimum consumption of water (Cum per day)
15	1
25	7
32	12
40	20
50	24
60	25
70	35
80	40
100	55
110	65

- For non-permanent water connections (during construction phase), water is charged at 1.5 times the normal rate till the time the connection gets converted to permanent connection

- **Example I (Industrial Consumer):**

Plot use	: Industrial plot
Area of plot	: One-hectare (10,000 SQM)
Connection size	: 80 mm
Connection status	: Permanent connection
Monthly water consumption	: 900 cum
Minimum chargeable quantity:	40 cum per day

Although the metered water consumption is of 900 cum, water charges are calculated on minimum chargeable quantity of 40 cum per day * 30 days = 1200 cum. Water consumption up to lowest slab- 30 days * 1 hectare * 15 cum per day per hectare = 450 cum is charged at INR 20 per cum. Subsequently, water consumption up to second slab- 30 days * 1 hectare * 25 cum per day per hectare = 750 cum is charged at INR 25 per cum. Furthermore, consumption up to third slab- 30 days * 1 hectare * 50 cum per day per hectare = 1500 cum is charged at INR 28 per cum. Therefore, water bill works out as: 450 * 20 + 300 * 25 + 450 * 28 = INR 29,100

- Note: If the plot holder in above example manufactures mineral water (uses water as raw material), the water bill would have been worked out as: 1200 cum * INR 70 per cum = INR 84,000

- **Example II (Commercial Consumer):**

Plot use	: Commercial plot
Area of plot	: Two-hectare (20,000 SQM)
Connection size	: 40 mm
Connection status	: Temporary connection
Monthly water consumption	: 1000 cum
Minimum chargeable quantity:	NA

Water charges are calculated on metered water consumption of 1000 cum. Water consumption up to lowest slab- 30 days * 2 hectares * 15 cum per day per hectare = 900 cum is charged at INR 30 per cum. Subsequently, water consumption up to second slab- 30 days * 2 hectare * 25 cum per day per hectare = 1500 cum is charged at INR 37.5 per cum. As the connection is non-permanent, bill amount is 1.5 times the normal bill amount. Therefore, water bill works out as: 900 * 30 * 1.5 + 100 * 37.5 * 1.5 = INR 46,125

- **Example III (Domestic Consumer):**

Plot use	: Residential plot
Area of plot	: Two-hectare (20,000 SQM)
Connection size	: 40 mm
Connection status	: Temporary connection
Monthly water consumption	: 1000 cum
Minimum chargeable quantity:	NA

Water charges are calculated on metered water consumption of 1000 cum. As the connection is non-permanent, bill amount is 1.5 times the normal bill amount. Water charges are calculated as: 1000 * 10 * 1.5 = INR 15,000

2. CETP treatment charges

- Commencement of charges: On issuance of occupancy certificate
- The effluent generated from industrial plots will be treated in common effluent treatment plant facility (CETP) set up in AURIC
- The CETP treatment charges are INR 50 per cum of metered amount of effluent
- In absence of meter for measurement of generated effluent, 75% of the total metered water consumption is considered for calculation of CETP treatment charges
- AITL may revise the structure or rates of CETP treatment charges from time to time

3. STP treatment charges

- Commencement of charges: On issuance of occupancy certificate
- The sewage generated from non-industrial plots will be treated in sewage treatment plant facility (STP) set up in AURIC
- The STP treatment charges are INR 20 per cum of metered amount of sewage
- In absence of meter for measurement of generated sewage, 75% of the total metered water consumption is considered for calculation of STP treatment charges
- AITL may revise the structure or rates of STP treatment charges from time to time

4. Recycle Water Rates

- With installation of sophisticated CETP and STP facilities, AURIC provides high quality of recycle water. Recycle water rates for various categories of consumers are tabularized below:

Consumer Category	Recycled Water Rate (INR per cum)
Industrial	10
Industrial- water as raw material	35
Commercial	15
Domestic (Residential)	5

- Recycle water rates mentioned in this table are levied as blanket rate for overall recycle water consumption
- Plot-holders are required to fulfil at least 25% of the total water demand with recycle water consumption
- For non-permanent water connections (during construction phase), recycle water are charged at 1.5 times the normal rate till the time the connection gets converted to permanent connection
- Recycle water rates will be escalated by 7.5% every year w.e.f. January 1st of every year

MAINTENANCE CHARGES

Break-up of maintenance charges for various categories of consumers are tabularized below:

Component	Unit of measurement	Industrial/ Residential	Commercial/ Public/ Semi-Public use
Service Charges	INR\ SQM\ Year	Pre-Occupancy: 6	Pre-Occupancy: 12
		Post-Occupancy: 8	Post-Occupancy: 16
Fire Cess	INR\ SQM\ Year	3	3
Drainage Cess	INR\ CUM of water consumption	6	12
**EPSC charges	INR\ SQM\ Year	2	4
***ICT charges	INR\ SQM\ Year	3	6

**Environment Protection Service Charges (EPSC)
***Information & communication technology (ICT) charges

Calculation of maintenance charges: Approach and methodology

- Maintenance charges are levied along with the monthly utility bill from the date of execution of sub-lease deed or date of handing over the possession of plot to plot holder, whichever is earlier
- Before issuance of occupancy certificate, service charges are levied at pre-occupancy rates on total plot area. Post issuance of occupancy certificate with minimum required FSI utilization as AITL policy, service charges are levied at post-occupancy rates on total gross built-up area of the development on the plot
- Before issuance of occupancy certificate, fire cess, EPSC charges and ICT charges are levied on total plot area. Post issuance of occupancy certificate with minimum required FSI utilization as AITL policy, these charges are levied on total gross built-up area of the development on the plot
- Drainage cess is calculated on the water consumption considered for the calculation of water charges
- AITL may revise the structure and rates of maintenance charges from time to time
- Purpose of collection of various components of maintenance charges is-

Component	Purpose of collection
Service Charges	Maintenance of roads and ancillary infrastructure
Fire Cess	Maintenance of firefighting systems and ancillary infrastructure
Drainage Cess/ EPSC charges	Maintenance of sewerage network and ancillary infrastructure
ICT charges	Maintenance of ICT network and ancillary infrastructure

DELAYED PAYMENT CHARGES

- AITL issues utility bills to all consumers on the 1st day of every month which consist of all above mentioned charges. Due date for the payment of bill is set at the 15 days from the date of issuance of bill
- If consumer fails to pay the bill amount within the specified timeframe of 15 days, delayed payment charges are levied @ 2% per month on total outstanding amount for a month's period
- If consumer is still unable to make the payment before the due date for subsequent month's utility bill payment, water connection on the respective plot will be disconnected by AITL without any prior notice. In effect, a consumer has total 45 days to make the bill payment from the date of issuance, before the water connection is disconnected
- Partial bill payment will not be accepted by AITL
- AITL may revise the structure or rates of delayed payment charges from time to time
- All the above rates are applicable with effect from 2nd Feb 2019

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Cc :

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5. To all Stakeholders