

KARNATAKA ACT NO. 32 OF 2010

THE BANGALORE WATER SUPPLY AND SEWERAGE (AMENDMENT) ACT, 2010

Arrangement of Sections

Sections:

1. Short title and commencement
2. Insertion of new section 89A
3. Validation of assessment and collection of capital contribution

STATEMENT OF OBJECTS AND REASONS

Amending Act 32 of 2010.- In Government Order No.UDD 27 MNI 2000, dated:26-12-2003, Water Supply and Sewerage Project was sanctioned for implementation in seven city municipal councils of Bommanahalli, Byatarayanapura, K.R.Puram, Mahadevapura, Rajarajeshwari Nagara, Dasarahalli, Yelahanka and one town municipal council of Kengeri of the Bangalore Metropolitan Area, at a total cost of Rs.658.65 crores.

In Govt. order No.UDD 36 MNI 2004, dated:13-02-2004 the structure for the collection of beneficiary capital contribution from different categories of properties in the 7 CMC's and one TMC under reference has been approved. It has also been ordered that the Beneficiary capital contribution collected by the Urban Local Bodies should be kept in greater Bangalore water supply and sanitation policy, beneficiary capital account to be held jointly by the concerned Urban Local Bodies and Karnataka Urban infrastructure Development Finance Corporation for further transfer to the Bangalore Water Supply and Sewerage Board.

But, this Government order was challenged by a petitioner in writ petition No. 322/2008 in the High Court of Karnataka, on the ground that the said Government order to collect beneficiary capital contribution are not supported by Law. Therefore, the Bangalore Water Supply and Sewerage Board was not able to defend the impugned Government orders in the above writ petition.

Therefore, it is considered necessary to amend the Bangalore Water Supply and Sewerage Act, 1964 to provide for empowering the Government to issue directions to the Bangalore Water Supply and Sewerage Board to levy and collect the beneficiary capital contribution through Local bodies towards the water supply and sanitation projects. And also to validate the beneficiary capital contribution collected with effect from 1st January 2003, by the Local authority in accordance with Government order referred above.

Hence the Bill,

[L.A. Bill No. 16 of 2010, File No. DPAL 54 Shasana 2009]

[Entries 17 and 32 of List II of the Seventh Schedule to the Constitution of India.]

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KARNATAKA ACT NO. 32 OF 2010

(First published in the Karnataka Gazette Extra-ordinary on the Twenty seventh day of July, 2010)

THE BANGALORE WATER SUPPLY AND SEWERAGE (AMENDMENT) ACT, 2010

(Received the assent of the Governor on the Twenty fourth day of July, 2010)

An Act further to amend the Bangalore Water Supply and Sewerage Act, 1964.

Whereas, it is expedient further to amend the Bangalore Water Supply and Sewerage Act, 1964 (Karnataka Act 36 of 1964), for the purposes hereinafter appearing;

Be it enacted by the Karnataka State Legislature in the sixty First year of the Republic of India as follows:-

1. Short title and commencement: (1) This Act may be called the Bangalore Water Supply and Sewerage (Amendment) Act, 2010.

(2) It shall come into force at once.

2. Insertion of new section 89A.- In the Bangalore Water Supply and Sewerage Act, 1964 (Karnataka Act 36 of 1964) (hereinafter referred to as the principal Act), after section 89, the following shall be deemed to have been inserted, with effect from 1st day of January 2003, namely:-

“89A. Collection of capital contribution from the beneficiary or borrowing loan etc., in respect of any project.- In furtherance of implementation of any water supply and sanitation projects, the State Government may issue directions to the Board for making funding arrangements, to collect capital contribution from the beneficiaries of the project or through any Local Authority or to borrow loans from funding agencies or to borrow from the market as per requirements of the projects.”

3. Validation of assessment and collection of capital contribution.- Notwithstanding anything contained in any judgment, decree or order of any Court, Tribunal or other authority to the contrary any direction through an order issued by the State Government to the Board for making funding arrangements, to collect capital contribution from the beneficiaries of any project (hereinafter referred to as capital contribution) or through a Local Authority as per requirements of the project and assessment or collection of any capital contribution from the beneficiaries of the project in accordance with such direction or order of the State Government made or purporting to have been made and any action or thing taken or done (including any notices or orders issued) or assessment made and all proceedings held and any collection of capital contribution or amount purported to have been collected by way of capital contribution in relation to such assessment or collection in respect of such project with effect from 1st January 2003 shall be and shall be deemed to be valid and effective, as if such assessment or collection or action or thing, had been made, taken or done under the principal Act, as amended by this Act and accordingly,-

(a) all acts, proceedings or things done or any action taken by any Local Authority or as the case may be, the Board or any of its officer in connection with the assessment or collection of such

capital contribution in respect of such project for all purposes be deemed to be, and to have always been done or taken in accordance with law;

- (b) no suit or other proceedings shall be maintained or continued in any Court or Tribunal or before any authority for the refund of any such capital contribution; and
- (c) no court shall enforce any decree or order directing the refund of any such capital contribution.

By Order and in the name of the Governor of Karnataka

G.K. BOREGOWDA
Secretary to Government
Department of Parliamentary Affairs and Legislation