

**PROVINCIAL ASSEMBLY OF SINDH
NOTIFICATION
KARACHI, THE 27TH SEPTEMBER, 2023**

NO.PAS/LEGIS-B-34/2023-The Larkana Water and Sewerage Corporation Bill, 2023 having been passed by the Provincial Assembly of Sindh on 07th August, 2023 and assented to by the Governor of Sindh on 15th September, 2023 is hereby published as an Act of the Legislature of Sindh.

THE LARKANA WATER AND SEWERAGE CORPORATION ACT, 2023

SINDH ACT NO. L OF 2023

**AN
ACT**

to provide for the establishment of Corporation known as the Larkana Water and Sewerage Corporation.

WHEREAS it is expedient to provide for the establishment of Corporation known as the Larkana Water and Sewerage Corporation for the purposes of supplying potable water and disposing of sewage within the territorial limits of Larkana Municipal Corporation and to provide for the matters ancillary thereto;

Preamble

It is hereby enacted as follows: -

**CHAPTER-I
PRELIMINARY**

1. (1) This Act may be called the Larkana Water and Sewerage Corporation Act, 2023.

**Short title, application,
and commencement.**

(2) It shall apply to the concerned municipal limits of Larkana Municipal Corporation and such additional areas as may be notified by Government.

(3) It shall come into force at once.

2. In this Act, unless there is anything repugnant in the subject or context, the following expressions shall have the meanings hereby respectively assigned to them, that is to say:-

Definitions.

- (i) "autonomous or constituent body" means an industrial area or zone, the Cantonment Board, Armed Forces of Pakistan, Pakistan Railways, Civil Aviation Authority, National Logistic Cell, National Highways Authority, Pakistan Customs, Directorate of Fisheries, Export Processing Zone, Trading Zone, and any other Federal or Provincial organizations established by law or notified by the respective Governments from time to time;
- (ii) "Board" means the Board of Directors of the Corporation constituted under section 5;
- (iii) "bulk water" means the water provided by the Corporation to its bulk consumers on a volumetric consumption basis;

- (iv) “Chief Executive Officer” means the Chief Executive Officer of the Corporation;
- (v) “CBO” means a community-based organization within the service delivery area;
- (vi) “Corporation” means the Larkana Water and Sewerage Corporation established under section 3;
- (vii) “consumer” means any user of water supplied by the Corporation;
- (viii) “CPI” means the consumer price index of Pakistan established by the Pakistan Bureau of Statistics of the Government of Pakistan;
- (ix) “Department” means the Local Government and Housing Town Planning Department, Government of Sindh, which shall be the administrative Department of the Corporation;
- (x) “employee” means an employee of the Corporation;
- (xi) “Government” means the Government of Sindh;
- (xii) “groundwater” means the water extracted from the subsoil within the limits of Larkana Municipal Corporation or any other area as may be notified by Government;
- (xiii) “industrial wastewater” means the effluent discharged by any industry;
- (xiv) “infrastructure schemes” means water and sewerage network, filtration plant, waste water treatment plant, pumping station, reservoir, chlorination plants or facility, water channel, well, water mains, trunk sewers and any allied infrastructure for provision of water and sewerage services;
- (xv) “Katchi Abadi” shall have the same meaning as assigned to it under the Sindh Katchi Abadis Act, 1987 (**Act No. II of 1987**);
- (xvi) “LMC” means the Larkana Municipal Corporation constituted under the Sindh Local Government Act, 2013 (**Sindh Act No.XLII of 2013**);
- (xvii) “local body” means a Council as defined under clause (xvii) of the Sindh Local Government Act, 2013 (**Sindh Act No.XLII of 2013**);
- (xviii) “Member” means a Member of the Board;
- (xix) “meter” means any apparatus approved by the Corporation for measuring or displaying the volume of water supplied by it to any premises or to any of its bulk water and retail customers;
- (xx) “Municipal Corporation” means Municipal Corporation constituted under Sindh Local Government Act, 2013(Sindh Act No.XLII of 2013);

- (xxi) “NGO” means a Non-Government Organization registered with the relevant Department of the Government engaged in water supply and sewerage services in cooperation with the Corporation under this Act;
- (xxii) “person” means a person, company, association, partnership, society, group, corporation, authority, autonomous or constituent body, co-operative society, Government Agency, NGO, CBO or local body;
- (xxiii) “PPP Node” means the Public-Private Partnership Node of the Corporation established under section 26;
- (xxiv) “regulations” means the regulations made under this Act;
- (xxv) “revenue limits” means the limits of Revenue division or such areas outside these limits as notified by Government from time to time;
- (xxvi) “rules” means the rules made under this Act;
- (xxvii) “scheme” means any project, plan of action or activity proposed or undertaken by the Corporation or through any other person including through a public private partnership for the purposes of this Act;
- (xxviii) “Secretary” means the Secretary of the Board to be appointed by the Board.
- (xxix) “sewage” means the human waste and any water contaminated by human or animal use and trade waste within the service delivery area;
- (xxx) “services” means the provision of water and sewerage facility to the consumers including its maintenance by the Corporation;
- (xxxi) “service delivery area” means the area where services are provided by the Corporation;
- (xxxii) “sewerage” means a system of sewers for the collection, treatment and the disposal of sewage within the service delivery area;
- (xxxiii) “sewer” means any pipe for carrying or disposal of sewage within the service delivery area;
- (xxxiv) “sewerage works” includes any sewer, duct, collection or treatment or disposal units, pumping station, engines, mobile collecting unit and other machinery including any adjacent land not being private property and any land, building or equipment for the collection or treatment or disposal of sewage which may or may not be within the service delivery area;
- (xxxv) “TMC” means a Town Municipal Corporation as defined in the Sindh Local Government Act 2013 (**Sindh Act No. XLII of 2013**), within the service delivery area;

- (xxxvi) “trade waste” means and includes any wastewater discharged as defined under section 30;
- (xxxvii) “water supply” means the system for producing, transmitting and distributing treated or purified water to meet the requirements of consumers within the service delivery area;
- (xxxviii) “water supply network main” means a network of pipes laid by the Corporation, municipal authorities, and/or a local body for the purpose of providing the general supply of water within the service delivery area as distinct from the supply of water to any individual consumer and includes any apparatus used in connection with any pipe in such network;
- (xxxix) “waterworks” includes all regulators, canals, tanks, water regulating structures pumps, wells, reservoirs, dams, water tankers, valves, meters, mains, clusters, pipes, stand pipes, hydrants and all land, buildings, filtration plants, equipment and machinery, bridges, fixtures and chattels used for or intended for the purposes of water supply; and
- (xl) “Water and Sanitation Wing of Municipal Corporation” means the Section, Wing, Directorate and / or department dealing with the matters of water supply and sanitation within the jurisdiction of such LMC.

CHAPTER II ESTABLISHMENT OF CORPORATION

3. (1) Government shall, by notification in the official Gazette, establish a Corporation to be known as the Larkana Water and Sewerage Corporation, for carrying out the purposes of this Act. **Incorporation.**

(2) The Corporation shall be a body corporate, having perpetual succession and a common seal, with power, subject to the provisions of this Act, rules and regulations, to acquire and hold property, both movable and immovable and shall by its name sue and be sued.

(3) The territorial jurisdiction of the Corporation shall extend to the revenue limits within the jurisdiction of LMC and to such areas outside its limits as may be notified by Government.

4. (1) The Corporation shall perform such functions and exercise such powers as may be necessary for carrying out the purposes of this Act. **Powers and Functions of the Corporation.**

(2) Without prejudice to the generality of the powers and powers mentioned in sub-section (1), the Corporation shall have the following powers and functions:-

- (i) to operate on sound commercial practice and aim to ensure that its revenues are sufficient to provide for all operations and maintenance costs including a reasonable return on investment;
- (ii) develop plans, including strategic plans for effective and sustainable delivery of potable water and sewage disposal services in a manner and on payment of fees as may be

prescribed, and to grant consent for –

- (a) water connections to consumers;
 - (b) sewerage connections to trunk sewers;
 - (c) sewerage services by suction and jetting trucks;
 - (d) tanker services receiving water from hydrants;
 - (e) water recycling or reuse policy; and
 - (f) climate change resilience, flood control and water conservations strategy;
- (iii) to propose surface water, ground water and sewerage tariffs, rates, charges and fees by way of consumption and discharge, which, at a maximum, are adjusted annually as per CPI to the Board for its approval;
 - (iv) to recommend to Government for its approval such water and sewerage tariffs to be charged by the Corporation greater than those approved pursuant to clause (iii) based on a professional and independent tariff study carried out for the Corporation which involves public consultations and considers affordability for low-income consumers;
 - (v) to collect and/or recover tariffs rates, charges and fees, indulging betterment fees for water supply, ground water extraction and sewage services including arrears thereof and otherwise ensure its financial sustainability;
 - (vi) to incur expenditure and recover infrastructure development charges from the bulk water customers, including consumer;
 - (vii) to develop and ensure implementation of strategies for reduction of non-revenue water by the management;
 - (viii) to outsource supply of water and maintenance of sewerage or any ancillary service including communications, complaint management and the recovery of water user fees and charges including arrears from all consumers and from the consumers in rural or katchi abadis / village areas of such additional areas as may be notified by Government;
 - (ix) to consider, review and recommend Public-Private Partnership proposals conceived or presented by the PPP Node or PPP unit to the PPP Policy Board;
 - (x) to seek grants and loan guarantees for the Corporation from the Government;
 - (xi) to borrow as may be required for the purpose of meeting any capital expenditure and discharging its functions under this Act, from sources within or outside of Pakistan subject to law, rules or regulations;

- (xii) to establish its own procedures;
- (xiii) to review, amend and revise the Corporation's schedule of establishment;
- (xiv) to grant licences, including licences related to land along with right of way, and permits for specified period to bulk water customers, public-private partnership concessioners, and to persons or any other service provider acting on behalf of the Corporation and to check the water quality of the licensee and issue certificates thereof, in a manner prescribed;
- (xv) to enter into agreements for providing water and sewerage services to bulk water customers, industrial areas, commercial zones, and with public-private partnership concessioners, and to any person or any other service provider acting on behalf of the Corporation;
- (xvi) to take measures for appropriate water supply and sewerage services to bulk water customers based on the principle of payment for consumption;
- (xvii) to provide strategic guidance to its management and monitor management's performance;
- (xviii) to oversee and carry out annual self-evaluation to appraise its own performance and efficiency;
- (xix) to incentivize the recovery of payables from the bulk water customers and from its customers receiving water supply and sewerage services;
- (xx) to institute water loss reduction programme;
- (xxi) to set and monitor the implementation of broad mandates and objectives for the Corporation, including its financial targets, capital structure objectives and risk tolerance levels;
- (xxii) to levy water supply and sewerage charges on the bulk customers based on their types of usage (residential, industrial, commercial, tanker) and downstream distribution systems, where the responsibility of distribution rest with the bulk water consumers;
- (xxiii) to disconnect or restrict water supply to any consumer in the event of non-payment of tariffs after due process as may be prescribed;
- (xxiv) to delegate powers and functions to the Chief Executive Officer of the Corporation, subject to the limitations prescribed under one or more Rules;

PART-III CONSTITUTION OF THE BOARD

5. (1) The general directions and administration of the Corporation and its affairs shall vest in a Board, which may exercise all powers, perform all functions and do all acts and things which may be exercised, performed or done by the Corporation.

Management and administration of the Corporation by the Board.

(2) The Board shall consist of a Chairperson and such number of Ex-officio members as well as non-official members, as follows:-

A- Chairperson

The elected Mayor of LMC shall be the Chairperson of the Board and in his absence, the Administrator of the concerned Municipal Corporation shall be the Chairperson.

B- Ex-officio Members

- (i) Elected Mayor of LMC or Administrator, as the case may be;
- (ii) Secretary Local Government Department or his nominee not below the rank of an Additional Secretary (BPS-19);
- (iii) Secretary Finance Department or his nominee not below the rank of an Additional Secretary (BPS-19);
- (iv) Secretary Planning and Development Department or his nominee not below the rank of an Additional Secretary (BPS-19);
- (v) Commissioner of Larkana or his nominee not below the rank of Additional Commissioner-I;
- (vi) Director General Sindh Katchi Abadis Authority or his nominee not below the rank of Director (BPS-19);
- (vii) Deputy Commissioner Larkana or his nominee not below the rank of Additional Deputy Commissioner;
- (viii) Chief Executive Officer of the Corporation who shall be a non-voting member of the Board;
- (ix) Municipal Commissioner of LMC.

C- Non-official Members

- (x) A member having technical expertise in the fields of water supply distribution, sewerage networks, sewage treatment and reuse;
- (xi) A member having expertise in finance and investment;
- (xii) A member having expertise in information technology;
- (xiii) A member having expertise in relevant legal affairs and public administration;
- (xiv) Two members from the civil society preferably from academia and consumer advocacy;
- (xv) A member having expertise in human resources;

Provided that not less than two of the Non-official members shall be women.

(4) The Board may co-opt any person as a member for any particular purpose, but such person shall not have right of vote.

(5) An official member appointed by virtue of his office shall cease to be the member on vacating such office.

(6) A non-official member shall be appointed by Government and shall hold office for a period of three years unless he resigns or is removed earlier and shall be eligible for re-appointment for further one more term of three years only.

(7) A non-official member may, at any time, resign from his office by addressing a letter to Chairperson and his resignation shall take effect from the date on which it is accepted by Government.

(8) Government may remove a member, other than ex-officio member at any time if he has incurred any of the disqualification mentioned in section 6, and appoint another person as the member for the remaining term of the outgoing member.

(9) No act or proceedings of the Corporation shall be invalid merely by reason of any vacancy or defect in the constitution of the Board.

(10) The Secretary shall be appointed by the Board on such terms and conditions as it may determine. He shall perform the following functions:-

- (i) to conduct the official correspondence of the Board, for implementation of all the decisions and other business of the Board;
- (ii) to issue notices of meeting of the Board and its committees in consultation with the Chairperson; and to prepare and maintain minutes and record and proceedings of the meeting;
- (iii) to issue notices of meeting of the Board and its committees in consultation with the Chairperson; and to propose agenda for such meeting through Secretary of the Board and prepare and maintain minutes and record and proceedings of the meeting; and
- (iv) to take steps for the implementation of decisions of the Board.

6. No person shall be appointed or continue as a member who –

- (a) is not a citizen of Pakistan;
- (b) is found a lunatic or becomes of un-sound mind;
- (c) is or at any time has been convicted of an offence involving moral turpitude;
- (d) is or has at any time been adjudicated insolvent;
- (e) is or has at any time been disqualified for employment in or dismissed from Government service;
- (f) is acting in contravention of the provisions of this Act;
- (g) has without permission of Board directly or indirectly any financial interest in any project or scheme or property of the Corporation.

Disqualifications of members.

7. The powers and functions of the Board shall be –

- (i) to provide over all directions in respect of supplying potable water and disposing of sewage and for the purpose approve plans, programs and projects; and overall management and organogram of the Corporation structure;
- (ii) to constitute committees such as Advisory, Technical and Financial Committees for carrying out the objectives of this Act, rules or regulations and the Committee so constituted

Powers and functions of the Board.

shall have the representation of the Chairperson of a Town Municipal Corporation on such committees;

- (iii) to provide for policy framework for creating institutional linkages with Government, Federal Government or other organizations in public and private sector with respect to water and sewerage schemes and programs;
- (iv) to acquire land, buildings and other assets through donation or transfer of rights and to sell, exchange or otherwise dispose of any property vested in the Corporation in accordance with the laws, with the approval of Government; provided that the Board may execute a short term lease upto three years;
- (v) to create and abolish the posts, appoint the staff to the Corporation and define their duties and conditions of services by rules or regulations with the approval of Government;
- (vi) to enter into contracts and agreements or other instruments as the Board may consider necessary;
- (vii) to approve proposals relating to financial management and fiscal resources of the Corporation including proposals for grants, budgets and transfers to various institutions;
- (viii) to oversee the implementation of programs and undertake their evaluation for effectiveness through in-house and outsourcing;
- (ix) to review and approve the Corporation's annual budget, statement of audited accounts;
- (x) to review the Corporation's internal unaudited financial reports on a quarterly basis;
- (xi) to review and approve the annual report of the Corporation and ensure that this report, as approved, is published and made available to the public on a yearly basis;
- (xii) to review periodic reports presented to it as generated through the established information systems approved by it and established by management;
- (xiii) to undertake a competitive process for the appointment of the Chief Executive Officer and select the most highly qualified candidate for the position;
- (xiv) to make appointments for the positions of Chief Operating Officer, Chief Financial Officer, Chief Internal Auditor and Chief Information and Technology Officer and such other officers of the Corporation;
- (xv) to appoint an independent firm of chartered accountants accredited by the Institute of Chartered Accountants of Pakistan and having an "A" rating provided by the State Bank of Pakistan to serve a fixed term of four years for the purpose of preparing an annual audit of the Corporation's financial

statements, as well as a corresponding annual audit management letter;

(xvi) to take cognizance of every case of fraud, embezzlement, theft, or loss of money or property involving any Board member, officer, manager or employee of the Corporation and take such action against them in a prescribed manner; and

(xvii) to do all other acts and things which are incidental or are required to further the objectives of the Board.

8. The Board shall, in discharging its functions, act on sound principles shall be guided by such directions as Government may give, from time to time.

Board to act on guidelines of Government on question of policy.

PART-IV MEETINGS OF THE BOARD AND ROLE AND RESPONSIBILITIES OF GOVERNMENT

9. (1) The meetings of the Board shall be regulated by regulations but until such regulations are framed, the meetings shall be held as directed by the Chairperson; provided that atleast ten meetings shall be held in a year.

Meetings of the Board.

(2) The meetings of the Board shall normally be presided over by the Chairperson and in his absence, the members present shall elect from amongst themselves, a member to preside the meeting.

(3) Half of the total membership shall constitute a quorum for a meeting of the Corporation, a fraction being counted as one; provided that a Member may participate in a meeting through any video-link or digital mode and such participation shall be deemed to have formed the quorum.

(4) The members shall have reasonable notice of the time and place of the meeting and matters on which a decision by the Board shall be taken in such meeting.

(5) The decision of the Board shall be taken by the majority of its members present and, in case of a tie, the Chair of such meeting shall have a casting vote.

(6) All orders, determination and decision of the Board shall be taken in writing and shall be signed by the Secretary of the Board.

10. Government shall, for the purpose of achieving the objectives of this Act, have the following role and responsibilities :-

Government's role and responsibilities.

(a) to sanction, with or without modification, within a period of sixty days, the schedule of water and sewerage tariffs, rates, charges or fees recommended by the Corporation on the basis of a tariff study, to be levied by it, for the supply of water and the provision of sewerage services:

Provided that the recommendation of the Corporation shall be deemed to have been approved by Government following the lapse of sixty days from its receipt, with or without modification;

- (b) to approve any scheme included in the annual development program of Corporation including the schemes funded by Government;
- (c) to raise and guarantee long or short-term loans or other financial instruments for the Corporation in national and/or foreign denominations;
- (d) to make recurring or development grants to the Corporation;
- (e) to make grants for projects undertaken through public-private partnership agreements; and
- (f) to establish a remuneration policy for the non-official members of the Board members that fosters the medium and long-term interest of the Corporation and attracts and motivates qualified professionals to serve as diligent members of the Board.

PART-V MANAGEMENT OF THE CORPORATION

11.(1) There shall be a Chief Executive Officer of the Corporation to be appointed by the Board for a period of four years following a competitive and transparent recruitment process from either public or private sector, on the terms and conditions as may be determined by the Board.

Appointment of Chief Executive Officer.

(2) The Chief Executive Officer shall be an eminent professional of known integrity and competence, below sixty five years of age, with dynamic leadership qualities by setting up the vision, developing its strategies and having ability to manage the affairs of the Corporation.

(3) The age limit for the post of Chief Executive Officer shall be sixty five years; provided that the Chief Executive Officer who has attained the age of sixty five years, shall cease to hold office.

(4) The Chief Executive Officer shall be the Head of the Corporation and, subject to the general supervision, control and direction of the Board, shall exercise such administrative and financial powers as the Board may delegate to him or as may be prescribed.

(5) The Chief Executive Officer may resign from his office by serving thirty days' prior notice to the Chairperson or on payment of thirty days' pay in lieu of the notice.

(6) The Board may remove the Chief Executive Officer based on performance evidence as part of the terms and conditions of CEO by reasons to be recorded in writing.

12. (1) The Chief Executive Officer shall manage the affairs of the Corporation in accordance with the provisions of this Act, rules and regulations and shall have the following powers and functions:-

Duties and responsibilities Chief Executive Officer.

- (a) to be the Principal Accounting Officer of the Corporation;
- (b) to exercise administrative control over the day to day functioning of the Corporation including management, financial management, human resource management and

management of water and sewerage related issues;

- (c) to run the affairs of the Corporation for attaining its objectives through the executive tier;
- (d) to ensure digitalization of record and reporting through management portals, in relation to operation and maintenance of all movable and immovable assets, outsourcing contracts, hydrant operations, contingency and employee related expenditures, infrastructure and development schemes, customer care and financial reporting, and in such other fields so as to bring efficiency and transparency in the Corporation;
- (e) to create and abolish the posts and appoint the staff of the Corporation and define their duties and conditions of services in accordance with rules or regulations approved by the Board and the Government, as the case may be;
- (f) to keep in custody the record and seal of the Corporation;
- (g) to undertake and authorize payment of monthly salaries and allowances to the employees or the persons working in the Corporation;
- (h) to sanction or re-appropriate an amount during the fiscal year for an unseen item not provided in the budget and submit report to the Board in its next meeting for ratification;
- (i) to prepare budget estimates and supplementary budget estimates and place the same before the Board for approval;
- (j) to report to the Board every case of fraud, embezzlement, theft, or loss of money or property that is brought to his attention or of which he has knowledge;
- (k) to transfer and post the employees of the Corporation;
- (l) to institute internal system to ensure transparency in all operations of the Corporation and thereby mitigate the chance of fraud;
- (m) to carry on all the correspondence of the Corporation;
- (n) to execute deeds and documents on behalf of the Corporation; and
- (o) to exercise such other power and perform such other function as may be prescribed or assigned to him by the Board.

(2) The Chief Executive Officer shall not except with the previous approval of the Board in each case or unless already approved in the budget, allow expenditure on items of civil works, capital expenditures equipment or automobiles.

13. There shall be established a full-fledged organizational tier of the Corporation under the Chief Executive Officer in such manner and with such functions as may be determined by the Board.

**Organizational
Tier.**

14. (1) The Corporation may, for efficient performance of its functions, appoint such officers, advisers, consultants, experts and other staff possessing requisite professional, technical, ministerial or secretarial qualifications and experience on such terms and conditions as may be prescribed by rules; provided that until so prescribed, as may be determined by the Board.

Appointment of Chief Human Resource Management Officer and other employees of the Corporation.

(2) The officers, advisers, consultants and other staff shall be liable to such disciplinary action and in a prescribed manner and/or until so prescribed as may be determined by the Board.

(3) For achieving the purposes under sub-section (1) and (2), the Board may appoint a dedicated Chief Human Resources Management Officer through a competitive process from public or private sector, on such terms and conditions as determined by the Board. The Chief HRM Officer shall oversee the recruitment and other service matters of the employees of the Corporation.

15. (1) The Corporation shall have a Chief Operating Officer with proven technical qualifications and relevant experience and shall be appointed by the Board through a competitive process on such terms and conditions as determined by the Board. He shall oversee the technical operations of the Corporation.

Chief Operating Officer.

(2) The Chief Operating Officer shall also ensure effective planning, maintenance and improvement of infrastructure services and drive sustainable growth while focusing on business process optimization and efficiency.

(3) The Chief Operating Officer shall further identify the problems within the Corporation, establish a theory of probable cause, test the theory, establish a plan including any effects of the plan, implement the plan, verify system functionality and document all steps, as well as conduct field operations as and when required in the course of duty.

(4) The Chief Operating Officer shall perform such other functions and duties as may be advised by the Board and assigned on day to day basis by the CEO.

16. (1) The Corporation shall have a Chief Financial Officer and shall be appointed by the Board through a competitive process on such terms and conditions as determined by the Board.

Chief Financial Officer.

(2) The Chief Financial Officer shall be responsible for developing the financial strategies and growth plans of the Corporation for the purpose of increasing its revenues from all possible sources.

(3) The Chief Financial Officer shall be responsible for the exercise of control over the capital of the Corporation as well as its operation and maintenance expenditures.

(4) The Chief Financial Officer shall ensure proper management and maintenance of the accounts of the Corporation and shall represent the Corporation at all relevant forums, including the office of Auditor General of Pakistan, the Public Account Committee, and the offices of the Corporation's external auditors, as and when required.

(5) The Chief Financial Officer shall maintain and oversee the investments of the Corporation and explore opportunities for public investment in the Corporation.

(6) The Chief Financial Officer shall perform such other functions and duties as may be advised by the Board and assigned on day to day basis by the CEO.

17. (1) The Corporation shall have a certified Auditor to be appointed as Chief Internal Auditor by the Board through a competitive process on such terms and conditions as determined by the Board. The Chief Internal Auditor shall be responsible to administrative as well as audit matters.

Chief Internal Auditor.

(2) The Chief Internal Auditor shall submit internal audit reports to the Board through the Chief Executive Officer to the Board and shall facilitate the Corporation's external audit.

(3) The Chief Internal Auditor shall perform such other functions and duties as may be advised by the CEO.

18. (1) The Corporation shall have a professional information technology specialist to be appointed as Chief Information Technology Officer by the Board through a competitive process on such terms and conditions as may be determined by the Board. The Chief Information Technology Officer shall be responsible on all matters pertaining to information technology.

Chief Information Technology Officer.

(2) The Chief Information Technology Officer shall develop and maintain the assets and liabilities and all other Management Information Systems of the Corporation and shall develop the information technology infrastructure of the Corporation consistent with the vision of the Board.

(3) The Chief Information Technology Officer shall perform such other functions and duties as may be advised by the Board and assigned on day to day basis by the CEO.

PART-VI FUND OF THE CORPORATION

19. (1) There shall be established a Fund to be known as the Larkana Water and Sewerage Corporation Fund, which shall vest in the Board.

Water and Sewerage Corporation Fund.

(2) The Fund shall consist of –

- (a) the grants received from Government, Federal Government or Provincial or Local Governments or any other authority or agency;
- (b) voluntary contributions from private, corporate, multinational organizations and other persons;
- (c) the receipts from water and sewerage tariffs, charges, rates and fees, including betterment fees, payable to the Corporation;
- (d) fees generated from the issuance of operating licences, certificates and permits;
- (e) fines imposed because of contraventions of this Act, including penalties;

- (f) loans raised or obtained by or for the Corporation;
- (g) infrastructure development funds, fees and rates collected from the persons, autonomous or constituent bodies and offices of the Registrar and the Sub-Registrars;
- (h) all other sums that may be received by the Corporation.

(3) The Fund shall be maintained in such manner as may be prescribed.

(4) The sums credited to the Fund shall be deposited in a Scheduled Bank as may be approved by the Board.

(5) The Fund shall be utilized to meet the expenses of the Corporation in connection with the discharge of its functions under this Act.

(6) The Corporation, while performing its functions and exercising its powers under this Act or rules or regulations, shall exercise highest sense of prudence as far as expenditures are concerned.

(7) The Board may invest its funds in investment schemes including Government securities for raising funds.

(8) The Fund shall be managed and operated in the manner as may be prescribed by rules or until such rules are framed as may be determined by the Board or the guidelines of Government issued in this behalf.

(9) Without prejudice to the foregoing powers, the Fund shall be expended for the purpose of –

- (a) paying any expenditure lawfully incurred by the Corporation, relating to remuneration of its non-official members, employees, advisors, and consultants of the Corporation, including provident fund contributes superannuating allowances or gratuities, legal fees and costs as well as other fees and costs;
- (b) paying any other expenses, costs or expenditure properly incurred or accepted by the Corporation in the performance of its functions or the exercise of its powers under this Act, rules or regulations;
- (c) purchasing or hiring equipment, machinery and any other work and undertakings in the performance of its functions or the exercise of its powers under this Act, rules or regulations;
- (d) repaying any financial receipts; and
- (e) generally paying any expenses for carrying into effect the provisions of this Act, rules or regulations.

20. (1) The Chief Executive Officer shall, before the commencement of each financial year, prepare a statement of the estimated receipts and expenditure for the next financial year and submit it to the Board for approval.

Budget and accounts.

(2) The Corporation shall maintain proper accounts and other records

relating to its financial affairs including its income and expenditure and its assets and liabilities in such form and manner as may be prescribed.

(3) As soon as may be, after the end of each financial year, the Corporation shall, for that financial year, prepare and approve in the manner prescribed, statements of account of the Corporation which shall include a balance-sheet and an account of income and expenditure.

21. (1) The pre-audit of income and expenditure of the Corporation shall be done by the Auditors of Local Fund Audit Department under Municipal Fund (Audit Rules), 1964. **Audit.**

(2) The Auditor General of Pakistan or any officer of the Accountant General of Sindh shall conduct annual audit of the accounts of the Corporation.

(3) The Corporation may, in addition to the audit under sub-section (1), cause the annual accounts of the Corporation be audited, in the prescribed manner by a Chartered Accountant or a firm of Chartered Accountants with A Rating as maintained by the State Bank of Pakistan.

22. (1) The Chief Executive Officer shall, by 30th September each year, submit annual performance report to the Board enumerating all the activities, developmental initiatives undertaken and targets achieved during the previous financial year for the betterment of the water and sewerage services. **Annual report.**

(2) The Corporation shall submit the report under sub-section (1) to Government which shall lay the same in Provincial Assembly of Sindh within ninety days of its receipt.

CHAPTER-VII WATER AND SEWERAGE SERVICES, PUBLIC PRIVATE PARTNERSHIP NODE AND LICENSES

23. (1) The Corporation shall be responsible for planning and execution of bulk production, supply and distribution of potable water schemes in accordance with the provisions of this Act and shall ensure that the water supplied is duly filtered, treated, tested and is fit for human consumption. **Supply of water.**

(2) The Corporation shall provide retail distribution of water within the service delivery area, excluding the areas receiving water supply through a Public-Private Partnership, a CBO, NGO or an autonomous or constituent body.

(3) The Corporation shall supply bulk water to each autonomous or constituent body at such rates and subject to such terms and conditions as contained in the relevant memorandum of understanding or water supply agreement.

(4) The Corporation, with the approval of the Board, shall allocate the quantity of water which it determines to be supplied to each autonomous or constituent body; provided that until the quantity of water is so determined by the Corporation, the Corporation shall continue bulk water supply to an autonomous or constituent body or person(s) in accordance with the relevant Memorandum of Understanding or water supply agreement.

(5) The Corporation shall have the right to place and maintain aqueducts, conduits, and lines of mains, over, under, along or across any immovable property without being required to acquire any such property whether owned by Government or any person.

24. (1) Except as expressly otherwise provided under this Act, the Corporation shall – **Sewerage services.**

- (a) provide, improve, rehabilitate, extend, clean and maintain sewerage within the service delivery area and ensure that the service delivery area is effectively drained;
- (b) make provision for the effective emptying of sewerage within the service delivery area by means of appropriate sewage disposal works; and
- (c) increasingly divert existing sewage being discharged into storm water drains towards trunk sewers.

(2) In performing the responsibilities under sub-section (1), the Corporation shall ensure that -

- (a) no untreated trade waste shall be discharged into its sewers in the service delivery area unless it meets National Environmental Quality Standards for pre-treatment;
- (b) the treated trade waste so discharged shall be disposed of in accordance with National Environmental Quality Standards;
- (c) provision is made for tertiary treatment or reuse, recycle of sewage, if required, for agricultural and industrial use in a manner prescribed; and
- (d) all person(s), including the persons under Public-Private Partnerships shall apply to the Corporation for connection to a public sewer within the service delivery area.

25. (1) Subject to availability of water, the Corporation shall develop schemes in relation to water and sewerage services for low-income areas, and informal settlements, including rural area and katchi abadis within the jurisdiction of LMC and such additional areas as may be notified by Government, within the service delivery area that are feasible in terms of revenue generation and recovery, and which permit connection to the water supply and sewerage networks of the Corporation as may be determined by the Board. **Water services in low-income areas.**

(2) The Corporation shall cause management to maintain a Katchi Abadi (Rural) Cell within the Corporation with such composition and hierarchy as determined by the Board.

(3) The Katchi Abadi(Rural) Cell, through the Chief Executive Officer shall advise the Board on the feasibility and revenue model of any proposed scheme under sub-section (1).

(4) The execution of any scheme referred to in sub-section (1) shall be made by the Katchi Abadi(Rural) Cell through an agreement approved by the Board with one or more NGOs and/or CBOs.

(5) No NGO or CBO shall be engaged in a Public-Private Partnership

with the Corporation unless such NGO or CBO obtains license in a prescribed manner.

(6) The Corporation shall keep control of all such schemes and issue such directions and recommendations to any relevant NGO or CBO as it deems fit.

26. (1) The Corporation shall, with the approval of the Board, establish a PPP-Node in accordance with the Sindh Public-Private Partnership Act, 2010, to facilitate public-private partnership with any person or persons for any scheme to be brought to or developed by the Board to be executed or maintained by any such partnership. **Public Private Partnership Node.**

(2) The Public-Private Partnership Node shall -

- (a) identify suitable water supply and sewerage projects under the jurisdiction of the Corporation and within the service delivery area that are to be undertaken using the form of a public-private partnership;
- (b) supervise, prepare and/or employ such external advisers and/or other personnel required to undertake feasibility studies regarding every such project;
- (c) based on such studies, make recommendations to the Board whether to proceed with the procurement of any scheme based on its suitability, considering the future financial well-being of the Corporation;
- (d) together with the relevant Government counterparties and external advisers as may be required, conduct a competitive bidding process to procure the private sector entity in accordance with the Sindh Public-Private Partnership Act, 2010, and rules made thereunder; and
- (e) make recommendations to the Board whether to enter into a public-private partnership agreement consistent with the objective of ensuring the Corporation's medium and long-term standing.

(2) The Corporation may employ such officers to manage the PPP Node as determined by the Board.

27. (1) No person shall, including person under a public-private partnership agreement, engage or continue to be engaged in supplying potable water or providing sewerage services in the service delivery area, except such person possesses valid licence issued by the Corporation under the prescribed conditions. **Licenses.**

(2) The license issued under sub-section (1), shall be for the purposes of -

- (a) storing or supplying potable surface water and groundwater;
- (b) supplying potable water by means of a water tanker or other vehicle;
- (c) providing sewerage services; and/or

(d) providing sewage suction and jetting services in the service delivery area or beyond as per prescribed procedure.

(3) The licensee shall -

(a) ensure that the water supplied to its end consumers is safe for human consumption;

(b) abide by all applicable national environmental and quality standards;

(c) meet delivery and quality standards set by the Corporation; and

(d) pay the Corporation the applicable tariff or fee as set out by the Corporation.

(4) The licence under sub-section (1) shall be subject to terms and conditions as may be prescribed and shall be valid for a specified period and be issued in a manner and on a fee as may be prescribed.

CHAPTER-VIII INFRASTRUCTURE SCHEMES AND THEIR MAINTENANCE

28. (1) The Corporation shall prepare and update a comprehensive Water and Sewerage Master Plan and execute such infrastructure schemes with specified time limits as emanate from the Master Plan.

**Water & Sewerage
Master Plan and
infrastructure
schemes.**

(2) The infrastructure schemes under sub-section (1) shall facilitate the schemes within the jurisdiction of Local Council and in the jurisdiction of any autonomous or constituent body and/or licensee under this Act.

(3) The Corporation shall charge for development of such infrastructure schemes apportions to the beneficiary person(s) to the extent and in the manner as may be determined by the Board.

(4) The Sindh Master Plan Authority and/or every autonomous and constituent body and any other person responsible or authorized for development control shall apply to the Corporation and obtain from it, a No Objection Certificate before approving the proposed layout plan of all schemes and deposit the requisite fee to the Corporation as prescribed by the Board.

(5) The Sindh Building Control Authority and/or any other body notified by the Government or any authorized person for the purpose of building control, shall not approve any building plan unless it obtains No Objection Certificate from the Corporation and has paid to the Corporation all fees, dues and contributions related to the pertinent infrastructure scheme as may be determined by the Board.

(6) The Corporation shall require any person to submit monthly reconciliation statements of the amounts received on account of development charges.

(7) The Offices of the Registrar and Sub-Registrars in the concerned Division and adjoining notified areas established under the Registration Act, 1908, shall contribute to the Corporation 0.1% of the property

valuation as fee received by them from the registration of sale deed, general or specific power of attorney defined under the Registration Act, 1908.

(8) A reconciliation statement of all fees collected under sub-section (7) shall be issued monthly by the Registrar to the Corporation.

(9) Any person who fails to comply with the provisions of sub-sections (4), (5), (6) and (7), the Administrative Department shall issue directions to such person or agency for transfer of amounts required to be paid to the Corporation, and in case of non-compliance of the directions, the amounts shall be recovered through arrears under the Sindh Land Revenue Act, 1967.

29. (1) The Corporation shall have power to supply bulk water to any person; provided that a written agreement containing the terms and conditions of the supply, storage and distribution of the water and the extent of the reimbursable cost of the infrastructure, if any, laid for the purpose may be made.

Bulk water agreements with the Corporation.

(2) If the Corporation and a person are unable to agree on the terms and conditions of bulk water supply, the matter shall be referred to the Board on the receipt of such written objections for the decision.

(3) The decision of the Board under sub-section (2) shall be appealed to in the Water and Sewerage Tribunal established under this Act.

30. (1) The Corporation shall be responsible for disposing of Trade Waste which may also be referred to as the Industrial Wastewater and may include -

Trade Waste Permits.

- (a) liquid or waterborne waste with or without particles that arises from the conduct of a trade, commercial enterprise or industry;
- (b) liquid or waterborne waste that arises from the conduct of any hospital, school or other institution, but does not include sewage; and
- (c) pre-treated industrial wastewater discharged in the sewerage system in accordance with National Environment Quality Standards.

(2) The Corporation shall ensure that no person shall dispose of trade waste directly or indirectly into a sewer without the permits issued by the Corporation and with proper pre-treatment as per the National Environmental Quality Standards.

(3) If a disposal of trade waste contravenes the provisions of sub-section (2), the Corporation shall disconnect such disposal after taking reasonable measures in the prescribed manner.

(4) In case the default under sub-section (3) continues, such contravention shall be deemed to be an offence mentioned in Schedule-I or II or as may be determined by the Corporation.

31. Except as authorised by a permit issued by the Corporation, no person shall, directly or indirectly, discharge or cause or allow to discharge any of the following substances into the sewerage system and/or any associated treatment facility of the Corporation:

Prohibition on discharge of certain matters.

- (i) a hazardous substance which could cause an explosion or fire;
- (ii) discrete oil;
- (iii) an infectious substance (other than human waste) that has not been disinfected to a level and standard agreed by the Corporation and which is duly documented as such;
- (iv) a toxic substance;
- (v) trade waste which has a temperature greater than 38 degrees Celsius;
- (vi) any substance which could adversely affect the operation of a grease arrester or other device or equipment used for the treatment of waste;
- (vii) a substance which is carcinogenic or mutagenic and could adversely affect the environment;
- (viii) animal matter, wool, hair, fleshing, feathers, dust, ashes, soil, rubbish, grease, garbage, all or any part of a dead animal, vegetable or fruit parings, wood, rags, synthetic plastics and any solid matter; and
- (ix) any matter which, in the opinion of the Board -
 - (a) is injurious to, or liable to form compounds injurious to, any part of the sewerage service or treatment work of the Corporation or to employees of the Corporation engaged in the operation or maintenance of that service; or
 - (b) will impair or be liable to impair the operations or functions of the Corporation, and for which the Corporation has served notice requiring the person to refrain from discharging of any of the substance mentioned in this section.

**CHAPTER-IX
CUSTOMER SERVICES, ASSET MANAGEMENT, ENTRY ONTO
LAND AND ACQUISITION OF LAND**

32. (1) The Board shall establish and maintain a system, including technology-enabled platforms, to register consumers' complaints as well as mechanism to deal equitably and efficiently with consumer complaints and emergencies based on global best practices.

Consumer Customer Service.

(2) The Corporation shall establish Customer Services Centres in Larkana at such designated places as notified by it to meet the ends referred to in sub-section (1).

33. (1) The Corporation shall develop and maintain an asset management information system and digital reporting, based on global best practices in water utilities, which shall include but not be limited to its entire land holdings, alongwith geographical coordinates, land use, pumping stations and installed machinery, filter plants and associated equipment, waste water treatment plants, conveyance systems, district meter areas, bulk and retail meters, customer service centres, administration and district offices along with machinery, equipment and furniture, suction and jetting trucks, generators and all of its service and staff vehicles.

Assets management.

(2)The Corporation shall be responsible for safety and protection of the land which it owns within the service delivery area and shall take measures for the removal of any encroachments on such land, and to this end -

- (a) any allotment, lease, possession, or right granted immediately before the commencement of this Act to any person in respect

of land owned by Water and Sanitation Wing of the LMC and TMC within the jurisdiction of LMC shall stand transferred to the Corporation;

- (b) all immoveable property transferred from concerned Water and Sanitation Wing of the LMC and TMC within the jurisdiction of LMC, immediately before the commencement of this Act, shall stand transferred to the Corporation and such entries shall be made in the record of rights.

34. (1) The Corporation may enter and execute work on any land or building within the vicinity in and around any water and sewerage conveyance system relating to the Corporation within the relevant vicinity - **Entry onto land.**

- (a) to operate, repair, replace, maintain, remove, extend, expand, connect, disconnect, or improve any of its infrastructure, machinery and equipment, as well as any meter whether owned by the Corporation or a third party, or for any other purpose which the Corporation considers necessary;
- (b) to read a meter that measures water supplied by the Corporation or effluent discharged into a sewer of the Corporation;
- (c) to make a valuation assessment of water supply and sewerage services to any building or land;
- (d) to find the source of pollution of water supplied by the Corporation and, for this purpose, to excavate and remove material from the relevant land; and
- (e) to ascertain whether a contract, license or agreement for the provision of any services by the Corporation is being breached.

(2) The Corporation, if it has reasons to believe that an offence under this section has been committed and if the circumstances warrant, shall take cognizance in accordance with section 38.

35. The Corporation may acquire any land for the purposes of this Act either by agreement or in accordance with the Land Acquisition Act, 1894. **Acquisition of land.**

CHAPTER-X RESEARCH AND INNOVATION

36. The Corporation shall, for the purpose of achieving the objectives of this Act, establish a Reform, Research and Innovation Centre which shall - **Reform, Research and Innovation Centre.**

- (a) conduct, organize, coordinate and promote research and training on all aspects of water resources, including drainage, reclamation, drinking water, Industrial Wastewater, and sewerage management;
- (b) design, develop and evaluate water conservation technologies for horticulture, drinking and industrial wastewater;
- (c) submit policy recommendations to the Board through Chief Executive Officer regarding water quality, development, management, conservation and the utilization of water resources;

- (d) liaise with other water-related national and international research and development organizations, water and sewerage service utilities, universities and non-government organizations;
- (e) provide consultancy services for a fee and collaborate with other organizations in the public and private sectors;
- (f) provide financial and technical support to universities and research institutions for collaborative research, trainings, projects and fellowships;
- (g) design and develop water-related technologies and in terms of utility for various users according to market demand and undertake design and development projects on contract; and
- (h) commercialize its research and development results from the sale of products, patents and services, as well as its collaboration with other organizations.

CHAPTER-XI TRIBUNAL AND APPEALS

37. (1) As soon as after the commencement of this Act, Government shall establish a Water and Sewerage Tribunal consisting of the following:- **Water and Sewerage Tribunal.**

- (i) A serving District & Session Judge to be appointed by Government from a panel of three Judges nominated by the High Court of Sindh. **Chairperson**
- (ii) A Technical Member Water having expertise in water related matters/ issues to be appointed by Government. **Member**
- (iii) A Technical Member Sewerage having expertise in sewerage related matters/issues to be appointed by Government. **Member**

(2) The Chairperson and Members appointed under sub-section (1) shall hold office for a period of three years and shall be eligible for reappointment for further one more term of three years only on the terms and conditions as may be determined by Government.

(3) The Tribunal shall decide the case within a period of thirty days following the termination of the hearing it affords the parties as prescribed.

(4) The Tribunal shall exercise the summoning powers of the party and the procedures adopted in its hearings shall be guided by the Code of Civil Procedure (CPC), 1908, and by the Code of Criminal Procedure (Cr.PC) 1898.

(5) Government shall make and approve the Schedule of expenditure and budget of the Tribunal.

(6) An appeal shall lie to -

- (a) the Board, from a decision of the Chief Executive Officer on any matter related to the recovery of dues or tariffs, or the granting of a license or permit, including respecting Trade Waste or action taken by the Corporation in its interest;

- (b) the Water and Sewerage Tribunal from a decision of the Board; and
- (c) the High Court from a decision of the Water and Sewerage Tribunal.

CHAPTER-XII OFFENCES AND SANCTIONS

38. No court other than the Tribunal established under this Act, shall take cognizance of the offences mentioned in Schedule-I & II, upon a written complaint made by an officer authorized by the Corporation. **Cognizance of offence.**
39. (1) The Corporation, Tribunal or Appellate Court may extend the sanctions in accordance with Schedule-I & II. **Sanctions.**
- (2) The Board may alter, amend or modify the Schedules with the approval of Government as it may deem necessary for the purposes of this Act.

CHAPTER-XIII MISCELLANEOUS PROVISIONS

40. Any sum due to the Corporation from any person on account of any tariff, cess, fees, rates, rent or any other charges or receivables on any other account under this Act or rules or regulations may, without prejudice to any other mode of recovery, be recovered by the Corporation as an arrears of land revenue under the Sindh Land Revenue Act, 1967. **Recovery of Sums due.**
41. Government may, by notification, designate one or more Police Stations for the assistance of the Corporation. **Police assistance.**
42. Government or Board may, by general or special order, delegate all or any of its powers, functions and duties, to the Chairperson, member or any officer of the Corporation. **Delegation of powers.**
43. Every employee of the Corporation including officers, advisors, consultants and every person acting or purporting to act under this Act, rules and regulations shall be deemed to be a public servant within the meaning of section 21 of the Pakistan Penal Code, 1860. **Public Servants.**
44. No suit, prosecution or any other legal proceedings shall lie against the Government, Corporation, the Chairperson, members, Chief Executive Officer and any employee of the Corporation, in respect of anything done or intended to be done in good faith under this Act. **Immunity.**
45. The provisions of this Act shall have overriding effect notwithstanding anything contrary contained in any other law for the time being in force. **Over-riding effect.**
46. (1) Government may make rules for carrying out the purposes of this Act. **Power to make rules.**
- (2) Without prejudice to the generality of the foregoing powers, such rules may provide for all or any of the following matters:-
- (a) the procedure(s) for applying for water and sewerage connections, including the payment of fees for making application in either or both respects;
 - (b) the regulation, control and inspection of private sewers, water connections, and service lines, including internal fittings;
 - (c) the procedure for levying and collecting tariffs, rates, fees, ownership of the meter or charges for water supply and

sewerage service and imposing surcharges in case of any default made in payment thereof; and

(d) the grant of licences, permits and permissions under this Act.

47. Subject to this Act and the rules, the Corporation may frame regulations in respect of the matters not provided for in this Act or the rules. **Power to frame regulations.**

48. If any difficulty arises in implementation of the provision of this Act, Chief Minister may on the recommendation of the Board or otherwise, give appropriate direction to remove such difficulties. **Removal of difficulties.**

49. (1) Notwithstanding the provisions of any other law, for the time being in force - **Transfer of assets, liabilities and employees.**

- (a) all receivables of Water and Sanitation Wing of LMC and TMC, prior to the coming into force of this Act shall be paid to the Corporation and recoverable by the such concerned agency;
- (b) all debts and liabilities incurred by Water and Sanitation Wing of LMC and TMC, prior to the coming into force of this Act shall be debts and liabilities of the Corporation;
- (c) all employees Water and Sanitation Wing of LMC, in any capacity, immediately before the commencement of this Act, shall be deemed to be employees of the Corporation with the same terms and conditions of service;
- (d) the pension, gratuity and other service benefits admissible to the employees referred to in clause (c) who retired or died before the commencement of this Act, shall continue to be paid by the Corporation under the relevant rules or regulations.
- (e) all contracts including the contracts relating to development schemes signed and rights acquired by Water and Sanitation Wing of LMC and TMC, prior to the coming into force of this Act, shall be deemed to have been signed and acquired by the Corporation;
- (f) all orders issued, powers delegated, approval accorded, persons appointed, water charges and surcharge levied, actions taken by Water and Sanitation Wing of LMC and TMC, prior to the coming into force of this Act shall, if not inconsistent with the provisions of this Act, continue to be in force and be deemed to have been executed, issued, delegated, accorded, appointed, levied, taken, conferred, or made under this Act; and
- (g) all suits and other legal proceedings instituted by or against the Water and Sanitation Wing of Larkana Municipal Corporation and/or PHED, prior to the coming into force of this Act shall continue by or against the respective Corporation.

**BY ORDER OF THE SPEAKER
PROVINCIAL ASSEMBLY OF SINDH**

**G.M.UMAR FAROOQ
SECRETARY
PROVINCIAL ASSEMBLY OF SINDH**

SCHEDULE- I
(See section 39)
OFFENCES COGNIZABLE BY THE CORPORATION

S. No.	Offence Description	Penalty	
		Fine	Action
1.	Obstructs any officer or servant of the Corporation in the discharge of his or her duties under this Act or refuses or wilfully neglects to furnish him or her, upon request, necessary access for making any entry, inspection, examination, or inquiry in relation to any Waterworks or Sewerage works.	An amount of rupees fifty thousand	By the Corporation
2.	Wilfully obstructs the flow of drains and diverts or takes water from any Waterworks belonging to the Corporation or any sources of water which feeds such Waterworks.	An amount of rupees two lacs	-do
3.	Wilfully runs the business without obtaining license or water quality certificate from the Corporation.	An amount of rupees two lacs	-do
4.	Unlawfully breaks or damages an electrical transmission line for any Waterworks or Sewerage works maintained by the Corporation.	An amount of rupees three lacs	-do
5.	Discharge of Trade Waste without permits issued by the Corporation or continuation of offence or contravention under section 30(3) of the Act.	An amount of rupees four lacs.	-do
6.	Wilfully or knowingly obstructs the setting out of any pipeline or any works of the Corporation or pulls up or removes any pillar, post or stake of the Corporation fixed in the ground for the purpose of setting out the pipeline of such works or defaces or destroys any works made for that purpose.	An amount of rupees five lacs	-do
7.	Wilfully throws or causes to enter therein any animals or parts of animals or throw any rubbish or other offensive matter into any Waterworks or washes or cleans therein any cloth, wool, leather or skin, or any animal, or causes the water of any sink, sewer or drain or any stream engine, boiler or any other dirty water or trade waste to return or be brought into any Waterworks or does any other act whereby the water quality in any Waterworks is affected.	An amount of rupees five lacs	-do
8.	Wilfully or knowingly breaks or tempers, injures or opens any lock, dock valve or water meter of any type, pipe or other Waterworks or Sewerage works belonging to the Corporation.	An amount of rupees one million	-do

SCHEDULE- II
(See section 39)
OFFENCES TO BE TRIED BY THE TRIBUNAL

S. No.	Offence	Punishment	
		Fine	Sentence
	Description		
1.	Encroaches upon the land of the Corporation.	Upto two (02) million rupees	Imprisonment for a term which may extend up-to two (02) years.
2.	Intentionally punctures or otherwise damages a water trunk main having a diameter of eighteen inches or above, a hydrant, a canal, pumping station, conduit, siphon, reservoir, filtration plant, or chamber of the Corporation for any purpose, including the illegal selling of water or the making of an illegal connection.	Upto three (03) million rupees	Imprisonment for a term which may extend up-to three (03) years.
3.	Establishes an illegal hydrant for the supply of water for industrial, commercial or residential use.	Upto five (05) million rupees	Imprisonment for a term which may extend up-to five (05) years.