

**Karnataka Ceiling On Government Guarantees
(Amendment) Act, 2002**

15 of 2002

[27 August 2002]

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An Act to amend the Karnataka Ceiling on Government Guarantees Act, 1999. Whereas it is expedient to amend the Karnataka Ceiling on Government Guarantees Act, 1999 (Karnataka Act 11 of 1999) for the purposes herein after appearing; Be it enacted by the Karnataka State Legislature in the Fifty-third year of the Republic of India, as follows:-

1. Short Title And Commencement :-

- (1) This Act may be called the Karnataka Ceiling on Government Guarantees (Amendment) Act, 2002.
- (2) It shall be deemed to have come into force with effect from the first day of April, 2001.

2. Amendment Of Section 5 :-

In section 5 of the Karnataka Ceiling on Government Guarantees Act, 1999 (Karnataka Act 11 of 1999), after sub-section (1), the following provisos shall be inserted, namely:-

"Provided that no Guarantee Commission shall be charged in respect of the Government Guarantees extended during the period from the first day of April, 2001 to the thirty-first day of March, 2002 for the loans granted by the Karnataka State Co-operative

Apex Bank Limited and the Karnataka State Co-operative Agriculture and Rural Land Development Bank Limited for the purpose of agriculture:

Provided further that the Karnataka State Co-operative Apex Bank Limited and the Karnataka State Co-operative Agriculture and Rural Development Bank Limited shall reduce one percent interest in their lending rates for all agricultural loans which have been disbursed by them during the period from the first day of April, 2001 to the thirty-first day of March, 2002."