The Manipur Lokayukta Act, 2014

Act No. 11 of 2014
NOTIFICATION

Imphal, the 3rd October, 2014

No. 2/30/2011-Leg/L (Pt) : The following Act of the Legislature, Manipur which received assent of the President of India on 23-9-2014 is hereby published in the Official Gazette:

THE MANIPUR LOKAYUKTA ACT, 2014
(MANIPUR ACT NO. 11 OF 2014)

AN ACT
to provide for the establishment of a body of Lokayukta for the State of Manipur to inquire into allegations of corruption against certain public functionaries and for matters connected therewith or incidental thereto.

BE it enacted by the Legislative Assembly of Manipur in the Sixty-fifth Year of the Republic of India as follows:—

PART I
PRELIMINARY

1. (1) This Act may be called the Manipur Lokayukta Act, 2014.

(2) It extends to the whole of the State of Manipur.

(3) It shall come into force on such date as the State Government may, by notification in the Official Gazette, appoint.
PART II
LOKAYUKTA FOR THE STATE OF MANIPUR
CHAPTER I
DEFINITIONS

Definitions. 2. (1) In this Act, unless the context otherwise requires,—

(a) "Bench" means a Bench of the Lokayukta;

(b) "Chairperson" means the Chairperson of the Lokayukta;

(c) "competent authority", in relation to—

(i) the Chief Minister, means the Manipur Legislative Assembly;

(ii) a member of the Council of Ministers, means the Chief Minister;

(iii) a member of the Manipur Legislative Assembly other than a Minister means the Speaker of the Manipur Legislative Assembly;

(iv) an officer in the Department of the State Government means the Minister in charge of the Department under which such officer is serving;

(v) a chairperson or members of any body, or Board or corporation or authority or company or society or autonomous body (by whatever name called) established or constituted under an Act of the State Legislature or wholly or partly financed by the State Government or controlled by it, means the Minister in charge of such body, or Board or corporation or authority or company or society or autonomous body;

(vi) an officer of any body or Board or corporation or authority or company or society or autonomous body (by whatever name called) established or constituted under an Act of the State Legislature or wholly or partly financed by the State Government or controlled by it, means the head of such body or Board or corporation or authority or company or society or autonomous body;
(vii) in any other case not falling under sub-
clauses (i) to (vi) above, means such
department or authority as the State
Government may, by notification,
specify:

Provided that if any person referred to in
sub-clause (v) or sub-clause (vi) is also a Member
of the Manipur Legislative Assembly, then the
competent authority shall be the Speaker of
Manipur Legislative Assembly;

(d) "complaint" means a complaint, made in such
form as may be prescribed, alleging that a
public servant has committed an offence
punishable under the Prevention of Corruption
Act, 1988;

(e) "investigation" means an investigation defined
under clause (h) of section 2 of the Code of
Criminal Procedure, 1973;

(f) "Judicial Member" means a Judicial Member
of the Lokayukta;

(g) "Lokayukta" means the body established
under section 3;

(h) "Member" means a Member of the Lokayukta;

(i) "Minister" means a Minister of the State
Government of Manipur but does not include
the Chief Minister;

(j) "notification" means a notification published in
the official Gazette and the expression "notify"
shall be construed accordingly;

(k) "preliminary inquiry" means an inquiry
conducted under this Act;

(l) "prescribed" means prescribed by rules made
under this Act;

(m) "public servant" means a person referred to in
clauses (a) to (g) of sub-section(1) of section
14 but does not include a public servant in
respect of whom the jurisdiction is exercisable
by any court or other authority under the Army
Act, 1950, the Air Force Act, 1950, the Navy
Act, 1957 and the Coast Guard Act, 1978 or
the procedure is applicable to such public
servant under those Acts;

(n) "regulations" means the regulations made
under this Act.
(o) "rules" means rules made under this Act;
(p) "Special Court" means the court of a Special Judge appointed under sub-section (1) of section 3 of the Prevention of Corruption Act, 1988.

(2) The words and expressions used herein and not defined in this Act but defined in the Prevention of Corruption Act, 1988, shall have the meanings respectively assigned to them in that Act.

CHAPTER II

ESTABLISHMENT OF LOKAYUKTA

Establishment of Lokayukta.

3. (1) On and from the commencement of this Act, there shall be established for the State of Manipur, for the purpose of this Act, a body to be called the "Manipur Lokayukta".

(2) The Lokayukta shall consist of—

(a) a Chairperson, who is or has been a Chief Justice of a High Court or a Judge of a High Court or an eminent person who fulfils the eligibility specified in clause (b) of sub-section (3); and

(b) two Members of whom one shall be Judicial Member:

(3) A person shall be eligible to be appointed,—

(a) as a Judicial Member if he is or has been a Judge of a High Court;

(b) as a Member other than a Judicial Member, if he is a person of impeccable integrity, outstanding ability having special knowledge and expertise of not less than twenty-five years in the matters relating to anti-corruption policy, public administration, vigilance, finance, including insurance and banking, law, and management and not less than fifty years of age;

(4) The Chairperson or a Member shall not be—

(i) a member of Parliament or a member of the Legislature of any State or Union territory;

(ii) a person convicted of any offence involving moral turpitude;

(iii) a member of any Panchayat or Municipality or District Council;
(iv) a person who has been removed or dismissed from service of the Union or a State, and shall not hold any office of trust or profit (other than his office as the Chairperson or a Member) or be affiliated with any political party or carry on any business or practice any profession and accordingly, before he enters upon his office, a person appointed as the Chairperson or a Member, as the case may be, shall, if —

(a) he holds any office of trust or profit, resign from such office; or

(b) he is carrying on any business, sever his connection with the conduct and management of such business; or

(c) he is practicing any profession, cease to practise such profession.

4. (1) The Chairperson and Members shall be appointed by the Governor after obtaining the recommendations of a Selection Committee consisting of—

(a) the Chief Minister — Chairperson;

(b) the Speaker of the Manipur Legislative Assembly — Member;

(c) the Leader of Opposition in the Manipur Legislative Assembly — Member;

(d) the Chief Justice of the High Court of Manipur or a Judge of the High Court nominated by him — Member;

(e) an eminent jurist, as recommended by the Chairperson and Members referred to in clauses (a) to (d) above, to be nominated by the Governor — Member;

(2) No appointment of a Chairperson or a Member shall be invalid merely by reason of any vacancy in the Selection Committee.

(3) The Selection Committee shall for the purposes of selecting the Chairperson and Members of the Lokayukta and for preparing a panel of persons to be considered for appointment as such, constitute a Search Committee consisting of at least seven persons of standing and having special knowledge and expertise in the matters relating to anti-corruption policy, public administration, vigilance, policy making, finance including insurance and banking, law, and management, or in any other matter which, in the opinion of the Selection Committee, may be useful in making selection of the
Chairperson and Members of the Lokayukta:

Provided that not less than fifty per cent of the Members of the Search Committee shall be from amongst the persons belonging to the Scheduled Castes, the Scheduled Tribes, Other Backward Classes, Minorities and women:

Provided further that the Selection Committee may also consider any person other than the persons recommended by the Search Committee.

(4) The Selection Committee shall regulate its own procedure in a transparent manner for selecting the Chairperson and Members of the Lokayukta.

(5) The term of the Search Committee referred to in sub-section (3), the fees and allowances payable to its members and the manner of selection of panel of names shall be such as may be prescribed.

5. The Governor shall take or cause to be taken all necessary steps for the appointment of a new Chairperson and Members at least three months before the expiry of the term of such Chairperson or Member, as the case may be, in accordance with the procedure laid down in this Act.

6. The Chairperson and every Member shall, on the recommendations of the Selection Committee, be appointed by the Governor by warrant under his hand and seal and hold office as such for a term of five years from the date on which he enters upon his office or until he attains the age of seventy years, whichever is earlier:

Provided that he may—

(a) by writing under his hand addressed to the Governor, resign his office; or

(b) be removed from his office in the manner provided in this Act.

7. The salary, allowances and other conditions of service of-

(i) the Chairperson shall be the same as those of the Chief Justice of the High Court;

(ii) other Members shall be the same as those of a Judge of the High Court;

Provided that if the Chairperson or a Member is, at the time of his appointment, in receipt of pension (other than disability pension) in respect of any previous service under the Government of India or under the Government of a State, his salary in respect of service as the Chairperson or, as the case may be,
as a Member, be reduced—
(a) by the amount of that pension; and
(b) if he has, before such appointment, received, in lieu of a portion of the pension due to him in respect of such previous service, the commuted value thereof, by the amount of that portion of the pension:

Provided further that the salary and allowances payable to, and other conditions of service of, the Chairperson or a Member shall not be varied to his disadvantage after his appointment.

8. (1) On ceasing to hold office, the Chairperson and every Member shall be ineligible for—

(i) re-appointment as the Chairperson or a Member of the Lokayukta;

(ii) any diplomatic assignment, appointment as administrator of a Union territory and such other assignment or appointment which is required by law to be made by the Governor by warrant under his hand and seal;

(iii) further employment to any other office of profit under the Government of India or the Government of a State;

(iv) contesting any election of President or Vice-President or Member of either House of Parliament or Member of either House of a State Legislature or Municipality or Panchayat within a period of five years from the date of relinquishing the post.

(2) Notwithstanding anything contained in sub-section (1), a Member shall be eligible to be appointed as a Chairperson, if his total tenure as Member and Chairperson does not exceed five years.

Explanatory Note:—For the purposes of this section, it is hereby clarified that where the Member is appointed as the Chairperson, his term of office shall not be more than five years in aggregate as the Member and the Chairperson.

9. (1) In the event of occurrence of any vacancy in the office of the Chairperson by reason of his death, resignation or otherwise, the Governor may, by notification, authorize the senior-most Member to act as the Chairperson until the appointment of a new Chairperson to fill such vacancy.
Secretary, other officers and staff of Lokayukta.

10. (1) There shall be a Secretary to the Lokayukta in the rank of Secretary to the State Government, who shall be appointed by the Chairperson from a panel of names sent by the State Government.

(2) There shall be a Director of Inquiry and a Director of Prosecution not below the rank of the Additional Secretary to the State Government or equivalent, who shall be appointed by the Chairperson from a panel of names sent by the State Government.

(3) The appointment of Secretary and other officers and staff of the Lokayukta shall be made by the Chairperson or such Member or officer of Lokayukta as the Chairperson may direct:

Provided that the Governor may, by rule require that the appointment in respect of any post or posts as may be specified in the rule, be made after consultation with the Manipur Public Service Commission.

(4) Subject to the provisions of any law made by the State Legislature, the conditions of service of Secretary and other officers and staff of the Lokayukta shall be such as may be specified by regulations made by the Lokayukta for the purpose:

Provided that the regulations made under this subsection shall, so far as they relate to salaries, allowances, leave or pensions, require the approval of the Governor.

CHAPTER III
INQUIRY WING

11. (1) Notwithstanding anything contained in any law for the time being in force, the Lokayukta shall constitute an Inquiry Wing headed by the Director of Inquiry for the purpose of conducting preliminary inquiry into any offence alleged to have been committed by a public servant punishable under the Prevention of Corruption Act, 1988:

Provided that till such time the Inquiry Wing is constituted by the Lokayukta, the State Government shall make available such number of officers and other staff from such of its Departments, as may be required by the Lokayukta, for conducting preliminary inquiry under this Act.
(2) For the purposes of assisting the Lokayukta in conducting a preliminary inquiry under this Act, the officers of the Inquiry Wing not below the rank of Under Secretary to Government of Manipur, shall have the same powers as are conferred upon the Inquiry Wing of the Lokayukta under this Act.

CHAPTER IV
PROSECUTION WING

12. (1) The Lokayukta shall, by notification, constitute a Prosecution Wing headed by the Director of Prosecution for the purpose of prosecution of public servants in relation to any complaint by the Lokayukta under this Act:

Provided that till such time the Prosecution Wing is constituted by the Lokayukta, the State Government shall make available such number of officers and other staff from its Departments, as may be required by the Lokayukta, for conducting prosecution under this Act.

(2) The Director of Prosecution shall, after having been so directed by the Lokayukta, file a case in accordance with the investigation report, before the Special Court, and take all necessary steps in respect of the prosecution of public servants in relation to any offence punishable under the Prevention of Corruption Act, 1988.

(3) The case under sub-section (2) shall be deemed to be a report, filed on completion of investigation, referred to in section 173 of the Code of Criminal Procedure, 1973.

CHAPTER V
EXPENSES OF LOKAYUKTA TO BE CHARGED ON CONSOLIDATED FUND OF STATE

13. The administrative expenses of the Lokayukta, including all salaries, allowances payable to or in respect of the Chairperson, Members or Secretary or other officers or staff of the Lokayukta, shall be charged upon the Consolidated Fund of State and any fees or other moneys taken by the Lokayukta shall form part of that Fund.
14. (1) Subject to the other provisions of this Act, the Lokayukta shall inquire or cause an inquiry to be conducted into any matter involved in, or arising from, or connected with, any allegation of corruption made in a complaint in respect of the following, namely:—

(a) any person who is or has been a Chief Minister;

Provided that the Lokayukta shall not inquire into any allegation of corruption against the Chief Minister unless a full bench of the Lokayukta consisting of the Chairperson and all Members considers the initiation of inquiry and at least two-thirds of its Members approve of such inquiry:

Provided further that any such inquiry shall be held in camera and if the Lokayukta comes to the conclusion the complaint deserves to be dismissed, the record of the inquiry shall not be published or made available to anyone;

(b) any person who is or has been a Minister of the State;

(c) any person who is or has been a Member of the Manipur Legislative Assembly;

(d) all officers and employees of the State, from amongst the public servants defined in sub-clause (i) and (ii) of clause (c) of section 2 of the Prevention of Corruption Act, 1988 when serving or who has served, in connection with the affairs of the State;

(e) all officers and employees referred to in clause (d) or equivalent in any body or Board or corporation or authority or company or society or trust or autonomous body (by whatever name called) established by an Act of the State Legislature or wholly or partly financed by the State Government or controlled by it;

(f) any person who is or has been a director, manager, secretary or other officer of every other society or association of persons or trust (whether registered under any law for the time being in force or not), by whatever name called, wholly or partly financed or aided by the State Government and the annual income of which exceeds such amount as the State Government may by notification specify;
(9) any person who is or has been a director, manager, secretary or other officer of every other society or association of persons or trust (whether registered under any law for the time being in force or not) in receipt of any donation from the public and the annual income of which exceeds such amount as the State Government may by notification specify or from any foreign source under the Foreign Contribution (Regulation) Act, 2010 in excess of ten lakh rupees in a year or such higher amount as the Central Government may by notification specify.

Explanation.—For the purpose of clauses (f) and (g), it is hereby clarified that any entity or institution, by whatever name called, corporate, society, trust, association of persons, partnership, sole proprietorship, limited liability partnership (whether registered under any law for the time being in force or not), shall be the entities covered in those clauses:

Provided that any person referred to in this clause shall be deemed to be a public servant under clause (c) of section 2 of the Prevention of Corruption Act, 1988 and the provisions of that Act shall apply accordingly:

Provided further that nothing in clauses (a) and (f) and this clause shall apply to any society or association of persons or trust constituted for religious purpose.

(2) Notwithstanding anything contained in subsection (1), the Lokayukta shall not inquire into any matter involved in, or arising from, or connected with, any such allegation of corruption against any Member of the Manipur Legislative Assembly in respect of anything said or a vote given by him in the State Legislature or any committee thereof covered under the provisions contained in clause (2) of article 194 of the Constitution.

(3) The Lokayukta may inquire into any act or conduct of any person other than those referred to in subsection (1) if such person is involved in the act of abetting, bribing giving or bribe taking or conspiracy relating to any allegation of corruption under the Prevention of Corruption Act, 1988 against a person referred to in subsection (1):

Provided that no action under this section shall be taken in case of a person serving in connection with the affairs of the Union without the consent of the Central Government.

(4) Notwithstanding anything contained in the Commissions of Inquiry Act, 1952, no matter in respect of
which a complaint has been made to the Lokayukta under this Act, shall be referred for inquiry under the Commissions of Inquiry Act, 1952.

Explanation.—For the removal of doubts, it is hereby declared that a complaint under this Act shall only relate to a period during which the public servant was holding or serving in that capacity.

15. In case any matter or proceeding related to allegation of corruption under the Prevention of Corruption Act, 1988 has been pending before any court or committee of the State Legislature or before any other authority prior to commencement of this Act or prior to commencement of any inquiry after the commencement of this Act, such matter or proceeding shall be continued before such court, committee or authority.

16. (1) Subject to the provisions of this Act,—

(a) a bench may be constituted by the Chairperson as he may deem fit;

(b) every bench shall ordinarily consist of at least one Judicial Member and

(c) the benches of the Lokayukta shall ordinarily sit at Imphal and at such other places as the Lokayukta may, by regulations, specify.

(2) If at any stage of the hearing of any case or matter it appears to the bench that the case or matter is of such nature that it ought to be heard by a larger bench, the case or matter may be transferred by the Chairperson or, as the case may be, referred to him for transfer, to such bench as the Chairperson may deem fit.

17. Where benches are constituted, the Chairperson may, from time to time, by notification, make provisions as to the distribution of the business of the Lokayukta amongst the benches and also provide for the matters which may be dealt with by each bench.

18. On an application for transfer made by the complainant or the public servant, the Chairperson, after giving an opportunity of being heard to the complainant or the public servant, as the case may be, may transfer any case pending before one bench for disposal to any other bench.

19. If the Members of a bench consisting of an even number of Members differ in opinion on any point, they shall state the point or points on which they differ, and make a reference to the Chairperson who shall either hear the point or points himself or refer the case for hearing on
such point or points by one or more of the other Members of the Lokayukta and such point or points shall be decided according to the opinion of the majority of the Members of the Lokayukta who have heard the case, including those who first heard it.

CHAPTER VII

PROCEDURE IN RESPECT OF PRELIMINARY INQUIRY AND INVESTIGATION

20. (1) The Lokayukta on receipt of a complaint, if it decides to proceed further, may order—

(a) preliminary inquiry against any public servant by its Inquiry Wing or any agency to ascertain whether there exists a *prima facie* case for proceeding in the matter; or

(b) investigation by any agency where there exists a *prima facie* case:

Provided that before ordering an investigation under clause (b), the Lokayukta shall call for an explanation of the public servant so as to determine whether there exists a *prima facie* case for investigation:

Provided further that the seeking of explanation from the public servant before an investigation shall not interfere with the search and seizure, if any, required to be undertaken by any agency under this Act.

(2) During the preliminary inquiry referred to in sub-section (1), the Inquiry Wing or any agency shall conduct a preliminary inquiry and on the basis of material, information and documents collected seek the comments on the allegations made in the complaint from the public servant and competent authority and after obtaining the comments of the concerned public servant and competent authority, submit, within sixty days from the date of receipt of the reference, a report to the Lokayukta.

(3) The Lokayukta shall consider every report received under sub-section (2) from the Inquiry Wing or any agency and after giving an opportunity of being heard to the public servant, decide whether there exists a *prima facie* case, and proceed with one or more of the following actions, namely:

(a) investigation by any agency;

(b) initiation of the departmental proceedings or any other appropriate action against the concerned
public servants by the competent authority;
(c) closure of the proceedings against the public servant and to proceed against the complainant under section 47.

(4) Every preliminary inquiry referred to in subsection (1) shall ordinarily be completed within a period of ninety days and for reasons to be recorded in writing, within a further period of ninety days from the date of receipt of the complaint.

(5) In case the Lokayukta decides to proceed to investigate into the complaint, it shall either direct any investigation agency to carry out the investigation as expeditiously as possible and complete the investigation within a period of six months from the date of its order:
Provided that the Lokayukta may extend the said period by a further period of six months for the reasons to be recorded in writing.

(6) Notwithstanding anything contained in section 173 of the Code of Criminal Procedure, 1973, any agency shall, in respect of cases referred to it by the Lokayukta, submit the investigation report under that section to the court having jurisdiction and forward a copy thereof to the Lokayukta.

(7) The Lokayukta shall consider every report received by it under sub-section (6) from the investigating agency and after obtaining the comments of the competent authority and the public servant may —

(a) grant sanction to its Prosecution Wing or investigating agency to file charge sheet or direct closure of report before the Special Court against the public servant;

(b) direct the competent authority to initiate the departmental proceedings or any other appropriate action against the concerned public servants.

(8) The Lokayukta may, after taking a decision under sub-section (7) on the filing of the charge-sheet, direct its Prosecution Wing or any investigating agency to initiate prosecution in the Special Court in respect of the cases investigated by the agency.

(9) The Lokayukta may, during the preliminary inquiry or the investigation, as the case may be, pass appropriate orders for the safe custody of the documents relevant to the preliminary inquiry or, as the case may be, investigation as it deems fit.
(10) The website of the Lokayukta shall, from time to time and in such manner as may be specified by regulations, display to the public, the status of number of complaints pending before it or disposed of by it.

(11) The Lokayukta may retain the original records and evidences which are likely to be required in the process of preliminary inquiry or investigation or conduct of a case by it or by the Special Court.

(12) Save as otherwise provided, the manner and procedure of conducting a preliminary inquiry or investigation (including such material and documents to be made available to the public servant) under this Act, shall be such as may be specified by regulations.

21. If, at any stage of the proceeding, the Lokayukta—

(a) considers it necessary to inquire into the conduct of any person other than the accused; or

(b) is of opinion that the reputation of any person other than an accused is likely to be prejudicially affected by the preliminary inquiry,

the Lokayukta shall give to that person a reasonable opportunity of being heard in the preliminary inquiry and to produce evidence in his defence, consistent with the principles of natural justice.

22. Subject to the provisions of this Act, for the purpose of any preliminary inquiry or investigation, the Lokayukta or the investigating agency, as the case may be, may require any public servant or any other person who, in its opinion, is able to furnish information or produce documents relevant to such preliminary inquiry or investigation, to furnish any such information or produce any such document.

23. (1) Notwithstanding anything contained in section 197 of the Code of the Criminal Procedure, 1973 or section 19 of the Prevention of Corruption Act, 1988, the Lokayukta shall have the power to grant sanction for prosecution under clause (a) of sub-section (7) of section 20.

(2) No prosecution under sub-section (1) shall be initiated against any public servant accused of any offence committed by him while acting or purporting to act in the discharge of his official duty, and no court shall take cognizance of such offence except with the previous sanction of the Lokayukta.

(3) Nothing contained in sub-sections (1) and (2) shall apply in respect of the persons holding office in...
pursuance of the provisions of the Constitution of India and in respect of which a procedure for removal of such person has been specified therein.

(4) The provisions contained in sub-sections (1), (2) and (3) shall be without prejudice to the generality of the provisions contained in article 311 and sub-clause (c) of clause (3) of article 320 of the Constitution of India.

24. Where, after the conclusion of the investigation, the findings of the Lokayukta disclose the commission of an offence under the Prevention of Corruption Act, 1988 by a public servant referred to in clause (a) or clause (b) or clause (c) of sub-section (1) of section 14, the Lokayukta may file a case in the Special Court and shall send a copy of the report together with its findings to the competent authority.

CHAPTER VIII

POWERS OF LOKAYUKTA

25. The Lokayukta shall, notwithstanding anything contained in any other law for the time being in force, have the powers of superintendence and direction, over the investigation agency in respect of the matters in so far as they relate to the investigation by such agency under this Act:

Provided that while exercising powers of superintendence or giving direction under this sub-section, the Lokayukta shall not exercise such powers in such a manner so as to require the agency to which the investigation has been given, to investigate and dispose of any case in a particular manner.

26. (1) If the Lokayukta has reason to believe that any document which, in its opinion, shall be useful for, or relevant to, any investigation under this Act, are secreted in any place, it may authorise any agency to whom the investigation has been given to search for and to seize such documents.

(2) If the Lokayukta is satisfied that any document seized under sub-section (1) may be used as evidence for the purpose of any investigation under this Act and that it shall be necessary to retain the document in its custody or in the custody of such officer as may be authorised, it may so retain or direct such authorised officer to retain such document till the completion of such preliminary inquiry or investigation:
Provided that where any document is required to be returned, the Lokayukta or the authorised officer may return the same after retaining copies of such document duly authenticated.

27. (1) Subject to the provisions of this section, for the purpose of any preliminary inquiry, the Inquiry Wing of the Lokayukta shall have all the powers of a civil court, under the Code of Civil Procedure, 1908, while trying a suit in respect of the following matters, namely:

(i) summoning and enforcing the attendance of any person and examining him on oath;
(ii) requiring the discovery and production of any document;
(iii) receiving evidence on affidavits;
(iv) requisitioning any public record or copy thereof from any court or office;
(v) issuing commissions for the examination of witnesses or documents:

Provided that such commission, in case of a witness, shall be issued only where the witness, in the opinion of the Lokayukta, is not in a position to attend the proceeding before the Lokayukta; and

(vi) such other matters as may be prescribed.

(2) Any proceeding before the Lokayukta shall be deemed to be a judicial proceeding within the meaning of section 193 of the Indian Penal Code.

28. (1) The Lokayukta may, for the purpose of conducting any preliminary inquiry or investigation, utilise the services of any officer or organisation or investigation agency of the State Government.

(2) For the purpose of preliminary inquiry or investigating into any matter pertaining to such inquiry or investigation, any officer or organisation or agency whose services are utilised under sub-section (1) may, subject to the direction and control of the Lokayukta:

(a) summon and enforce the attendance of any person and examine him;
(b) require the discovery and production of any document; and
(c) requisition any public record or copy thereof from any office.
(3) The officer or organisation or agency whose services are utilised under sub-section (2) shall inquire or, as the case may be, investigate into any matter pertaining to the preliminary inquiry or investigation and submit a report thereon to the Lokayukta within such period as may be specified by it in this behalf.

29. (1) Where the Lokayukta or any officer authorised by it in this behalf, has reason to believe, the reason for such belief to be recorded in writing, on the basis of material in his possession, that—

(a) any person is in possession of any proceeds of corruption;

(b) such person is accused of having committed an offence relating to corruption; and

(c) such proceeds of offence are likely to be concealed, transferred or dealt with in any manner which may result in frustrating any proceedings relating to confiscation of such proceeds of offence,

the Lokayukta or the authorized officer may, by order in writing, provisionally attach such property for a period not exceeding ninety days from the date of the order, in the manner provided in the Second Schedule to the Income-tax Act, 1961 and the Lokayukta and the officer shall be deemed to be an officer under sub-rule (e) of rule 1 of that Schedule.

(2) The Lokayukta or the officer authorised in this behalf shall, immediately after attachment under sub-section (1), forward a copy of the order, along with the material in his possession, referred to in that sub-section, to the Special Court, in a sealed envelope, in the manner as may be prescribed and such Court may extend the order of attachment and keep such material for such period as the Court may deem fit.

(3) Every order of attachment made under sub-section (1) shall cease to have effect after the expiry of the period specified in that sub-section or after the expiry of the period as directed by the Special Court under sub-section (2).

(4) Nothing in this section shall prevent the person interested in the enjoyment of the immovable property attached under sub-section (1) or sub-section (2), from such enjoyment.

Explanation.—For the purposes of this sub-section, "person interested", in relation to any immovable property,
includes all persons claiming or entitled to claim any interest in the property.

30. (1) The Lokayukta, when it provisionally attaches any property under sub-section (1) of section 29 shall, within a period of thirty days of such attachment, direct its Prosecution Wing to file an application stating the facts of such attachment before the Special Court and make a prayer for confirmation of attachment of the property till completion of the proceedings against the public servant in the Special Court.

(2) The Special Court may; if it is of the opinion that the property provisionally attached had been acquired through corrupt means, make an order for confirmation of attachment of such property till the completion of the proceedings against the public servant in the Special Court.

(3) If the public servant is subsequently acquitted of the charges framed against him, the property, subject to the orders of the Special Court, shall be restored to the concerned public servant along with benefits from such property as might have accrued during the period of attachment.

(4) If the public servant is subsequently convicted of the charges of corruption, the proceeds relatable to the offence under the Prevention of Corruption Act, 1988 shall be confiscated and vest in the State Government free from any encumbrance or leasehold interest excluding any debt due to any bank or financial institution.

Explanation:—For the purposes of this sub-section, the expressions "bank", "debt" and "financial institution" shall have the meanings respectively assigned to them in clauses (d), (g) and (h) of section 2 of the Recovery of Debts due to Banks and Financial Institutions Act, 1993.

31. (1) Without prejudice to the provisions of sections 29 and 30, where the Special Court, on the basis of *prima facie* evidence, has reason to believe or is satisfied that the assets, proceeds, receipts and benefits, by whatever name called, have arisen or procured by means of corruption by the public servant, it may authorise the confiscation of such assets, proceeds, receipts and benefits till his acquittal.

(2) Where an order of confiscation made under sub-section (1) is modified or annulled by the High Court or where the public servant is acquitted by the Special Court, the assets, proceeds, receipts and benefits—
Power of Lokayukta to recommend transfer or suspension of public servant connected with allegation of corruption.

32. (1) Where the Lokayukta, while making a preliminary inquiry into allegations of corruption, is prima facie satisfied, on the basis of evidence available,—

(a) that the continuance of the public servant referred to in clause (d) or clause (e) of sub-section (1) of section 14 in his post while conducting the preliminary inquiry is likely to affect such preliminary inquiry adversely; or

(b) such public servant is likely to destroy or in any way tamper with the evidence or influence witnesses,

then, the Lokayukta may recommend to the State Government for transfer or suspension of such public servant from the post held by him till such period as may be specified in the order.

(2) The State Government shall ordinarily accept the recommendation of the Lokayukta made under sub-section (1), except for the reasons to be recorded in writing in a case where it is not feasible for administrative reasons.

33. The Lokayukta may, in the discharge of its functions under this Act, issue appropriate directions to a public servant entrusted with the preparation or custody of any document or record—

(a) to protect such document or record from destruction or damage; or

(b) to prevent the public servant from altering or secreting such document or record; or

(c) to prevent the public servant from transferring or alienating any assets allegedly acquired by him through corrupt means.

34. The Lokayukta may, by general or special order in writing and subject to such conditions and limitations as may be specified therein, direct that any administrative or financial power conferred on it may also be exercised or discharged by such of its Members or officers or employees as may be specified in the order.
CHAPTER IX
SPECIAL COURTS

35. (1) The State Government shall constitute such number of Special Courts, as recommended by the Lokayukta, to hear and decide the cases arising out of the Prevention of Corruption Act, 1988 or under this Act.

(2) The Special Courts constituted under subsection (1) shall ensure completion of each trial within a period of one year from the date of filing of the case in the Court:

Provided that in case the trial cannot be completed within a period of one year, the Special Court shall record reasons therefor and complete the trial within a further period of not more than three months or such further periods not exceeding three months each, for reasons to be recorded in writing before the end of each such three month period, but not exceeding a total period of two years.

36. (1) Notwithstanding anything contained in this Act or the Code of Criminal Procedure, 1973 if, in the course of a preliminary inquiry or investigation into an offence or other proceeding under this Act, an application is made to a Special Court by an officer of the Lokayukta authorised in this behalf that any evidence is required in connection with the preliminary inquiry or investigation into an offence or proceeding under this Act and he is of the opinion that such evidence may be available in any place in a contracting State, and the Special Court, on being satisfied that such evidence is required in connection with the preliminary inquiry or investigation into an offence or proceeding under this Act, may issue a letter of request to a court or an authority in the contracting State competent to deal with such request to—

(i) examine the facts and circumstances of the case;

(ii) take such steps as the Special Court may specify in such letter of request; and

(iii) forward all the evidence so taken or collected to the Special Court issuing such letter of request.

(2) The letter of request shall be transmitted in such manner as the State Government may prescribe in this behalf.
(3) Every statement recorded or document or thing received under sub-section (1) shall be deemed to be evidence collected during the course of the preliminary inquiry or investigation.

CHAPTER X

COMPLAINTS AGAINST CHAIRPERSON, MEMBERS
AND OFFICIALS OF LOKAYUKTA

37. (1) The Lokayukta shall not inquire into any complaint made against the Chairperson or any Member.

(2) The Chairperson or a Member of the Lokayukta shall not be removed from his office except by an order of the Governor, passed after an address by the Manipur Legislative Assembly supported by a majority of the total membership of the House and by a majority of not less than two-thirds of the members of that House present and voting, has been presented to the Governor in the same session for such removal on the ground of proved misconduct including corrupt practice or incapacity:

(3) The procedure for the presentation of an address and for the investigation and proof of the misconduct including corrupt practice or incapacity of the Chairperson or a Member of the Lokayukta shall be as provided in the Judges (inquiry) Act, 1968, in relation to the removal of a Judge and, accordingly, the provisions of that Act shall apply, mutatis mutandis, in relation to the removal of the Chairperson or a Member as they apply in relation to the removal of a Judge.

(4) Notwithstanding anything contained in sub-section (2), the Governor may, by order, remove from the office the Chairperson or any Member if the Chairperson or such Member, as the case may be,—

(a) is adjudged an insolvent; or

(b) engages, during his term of office, in any paid employment outside the duties of his office; or

(c) is, in the opinion of the Governor, unfit to continue in office by reason of infirmity of mind or body.

38. (1) Every complaint of allegation or wrongdoing made against any officer or employee or agency under or associated with the Lokayukta for an offence punishable under the Prevention of Corruption Act, 1988 shall be dealt with in accordance with the provisions of this section.
(2) The Lokayukta shall complete the inquiry into the complaint or allegation made, within a period of thirty days from the date of its receipt.

(3) While making an inquiry into the complaint against any officer or employee of the Lokayukta or agency engaged or associated with the Lokayukta, if it is prima facie satisfied on the basis of evidence available, that—

(a) continuance of such officer or employee of the Lokayukta or agency engaged or associated in his post while conducting the inquiry is likely to affect such inquiry adversely; or

(b) an officer or employee of the Lokayukta or agency engaged or associated is likely to destroy or in any way tamper with the evidence or influence witnesses, then, the Lokayukta may, by order, suspend such officer or employee of the Lokayukta or divest such agency engaged or associated with the Lokayukta of all powers and responsibilities hereto before exercised by it.

(4) On the completion of the inquiry, if the Lokayukta is satisfied that there is prima facie evidence of the commission of an offence under the Prevention of Corruption Act, 1988 or of any wrongdoing, it shall within a period of fifteen days of the completion of such inquiry, an order to prosecute such officer or employee of the Lokayukta or such officer, employee, agency engaged or associated with the Lokayukta and initiate disciplinary proceedings against the official concerned:

Provided that no such order shall be passed without giving such officer or employee of the Lokayukta, such officer, employee, agency engaged or associated, a reasonable opportunity of being heard.

CHAPTER XI
ASSESSMENT OF LOSS AND RECOVERY THEREOF BY SPECIAL COURT

39. If any public servant is convicted of an offence under the Prevention of Corruption Act, 1988 by the Special Court, notwithstanding and without prejudice to any law for the time being in force, it may make an assessment of loss, if any, caused to the public exchequer on account of...
the actions or decisions of such public servant not taken in good faith and for which he stands convicted, and may order recovery of such loss, if possible or quantifiable, from such public servant so convicted:

Provided that if the Special Court, for reasons to be recorded in writing, comes to the conclusion that the loss caused was pursuant to a conspiracy with the beneficiary or beneficiaries of actions or decisions of the public servant so convicted, then such loss may, if assessed and quantifiable under this section, also be recovered from such beneficiary or beneficiaries proportionately.

CHAPTER XII
FINANCE, ACCOUNTS AND AUDIT

40. The Lokayukta shall prepare, in such form and at such time in each financial year as may be prescribed, its budget for the next financial year, showing the estimated receipts and expenditure of the Lokayukta and forward the same to the State Government for information.

41. The State Government may, after due appropriation made by Manipur Legislative Assembly by law in this behalf, make to the Lokayukta grants of such sums of money as are required to be paid for the salaries and allowances payable to the Chairperson and Members and the administrative expenses, including the salaries and allowances and pension payable to or in respect of officers and other employees of the Lokayukta.

42. (1) The Lokayukta shall maintain proper accounts and other relevant records and prepare an annual statement of accounts in such form as may be prescribed by the State Government in consultation with the Accountant General of Manipur.

(2) The accounts of the Lokayukta shall be audited by the Accountant General of Manipur at such intervals as may be specified by him.

(3) The Accountant General of Manipur or any person appointed by him in connection with the audit of the accounts of the Lokayukta under this Act shall have the same rights, privileges and authority in connection with such audit, as the Accountant General of Manipur generally has, in connection with the audit of the Government accounts and, in particular, shall have the right to demand the production of books, accounts, connected vouchers and other documents and papers and to inspect any of the offices of the Lokayukta.
(4) The accounts of the Lokayukta, as certified by
the Accountant General of Manipur or any other person
appointed by him in this behalf, together with the audit
report thereon, shall be forwarded annually to the State
Government and the State Government shall cause the
same to be laid before the Manipur Legislative Assembly.

43. The Lokayukta shall furnish to the State Government,
at such time and in such form and manner as may be
prescribed or as the State Government may request, such
returns and statements and such particulars in regard to
any matter under the jurisdiction of the Lokayukta, as the
State Government may, from time to time, require.

CHAPTER XIII
DECLARATION OF ASSETS

44. (1) Every public servant shall make a declaration of his
assets and liabilities in the manner as provided by or under
this Act.

(2) A public servant shall, within a period of thirty
days from the date on which he makes and subscribes an
oath or affirmation to enter upon his office, furnish to the
competent authority the information relating to—

(a) the assets of which he, his spouse and his
dependent children are jointly or severally, owners or beneficiaries;

(b) his liabilities and that of his spouse and
his dependent children.

(3) A public servant holding his office as such, at
the time of the commencement of this Act, shall furnish
information relating to such assets and liabilities, as
referred to in sub-section (2) to the competent authority
within thirty days of the coming into force of this Act.

(4) Every public servant shall file with the competent
authority, on or before the 31st July of every year, an annual
return of such assets and liabilities, as referred to in sub-
section (2), as on the 31st March of that year.

(5) The information under sub-section (2) or sub-
section (3) and annual return under sub-section (4) shall
be furnished to the competent authority in such form and in
such manner as may be prescribed.

(5) The competent authority in respect of each
office or Department shall ensure that all such statements
are published on the website of such officer or Department
by 31st August of that year.
45. If any public servant willfully or for reasons which are not justifiable, fails to—

(a) to declare his assets; or

(b) gives misleading information in respect of such assets and is found to be in possession of assets not disclosed or in respect of which misleading information was furnished, then, such assets shall, unless otherwise proved, be presumed to belong to the public servant and shall be presumed to be assets acquired by corrupt means:

Provided that the competent authority may condone or exempt the public servant from furnishing information in respect of assets not exceeding such minimum value as may be prescribed.

CHAPTER XIV
OFFENCES AND PENALTIES

46. (1) Notwithstanding anything contained in this Act, whoever makes any false and frivolous or vexatious complaint under this Act shall, on conviction, be punished with imprisonment for a term which may extend to one year and with fine which may extend to one lakh rupees.

(2) No Court, except a Special Court, shall take cognizance of an offence under sub-section (1).

(3) No Special Court shall take cognizance of an offence under sub-section (1) except on a complaint made by a person against whom the false, frivolous or vexatious complaint was made or by an officer authorised by the Lokayukta.

(4) The prosecution in relation to an offence under sub-section (1) shall be conducted by the public prosecutor and all expenses connected with such prosecution shall be borne by the State Government.

(5) In case of conviction of a person [being an individual or society or association of persons or trust (whether registered or not)], for having made a false complaint under this Act, such person shall be liable to pay compensation to the public servant against whom he made
the false complaint in addition to the legal expenses for contesting the case by such public servant, as the Special Court may determine.

(6) Nothing contained in this section shall apply in case of complaints made in good faith.

Explanation.—For the purpose of this sub-section, the expression "good faith" means any act believed or done by a person in good faith with due care, caution and sense of responsibility or by mistake of fact believing himself justified by law under section 79 of the Indian Penal Code.

47. (1) Where any offence under sub-section (1) of section 46 has been committed by any society or association of persons or trust (whether registered or not), every person who, at the time the offence was committed, was directly in charge of, and was responsible to, the society or association of persons or trust, for the conduct of the business or affairs or activities of the society or association of persons or trust as well as such society or association of persons or trust shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render any such person liable to any punishment provided in this Act, if he proves that the offence was committed without his knowledge or that he had exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where an offence under this Act has been committed by a society or association of persons or trust (whether registered or not) and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such society or association of persons or trust, such director, manager, secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

CHAPTER XV
MISCELLANEOUS

48. It shall be the duty of the Lokayukta to present annually to the Governor a report on the work done by the Lokayukta and on receipt of such report the Governor shall cause a copy thereof together with a memorandum
49. The Lokayukta shall function as the final appellate authority in respect of appeals arising out of any other law for the time being in force providing for delivery of public services and redressal of public grievances by any public authority in cases where the decision contains findings of corruption under the Prevention of Corruption Act, 1988.

50. No suit, prosecution or other legal proceedings under this Act shall lie against any public servant, in respect of anything which is done in good faith or intended to be done in the discharge of his official functions or in exercise of his powers.

51. No suit, prosecution or other legal proceedings shall lie against the Lokayukta or against any officer, employee, agency or any person, in respect of anything which is done in good faith or intended to be done under this Act or the rules or the regulations made thereunder.

52. The Chairperson, Members, officers and other employees of the Lokayukta shall be deemed, when acting or purporting to act in pursuance of any of the provisions of this Act, to be public servants within the meaning of section 21 of the Indian Penal Code.

53. The Lokayukta shall not inquire or investigate into any complaint, if the complaint is made after the expiry of a period of seven years from the date on which the offence mentioned in such complaint is alleged to have been committed.

54. No civil court shall have jurisdiction in respect of any matter which the Lokayukta is empowered by or under this Act to determine.

55. The Lokayukta shall provide to every person against whom a complaint has been made, before it, under this Act, legal assistance to defend his case before the Lokayukta, if such assistance is requested for.

56. The provisions of this Act, shall have effect notwithstanding anything inconsistent therewith contained in any enactment other than this Act or in any instrument having effect by virtue of any enactment other than this Act.
57. The provisions of this Act shall be in addition to, and not in derogation of, any other law for the time being in force.

58. (1) The State Government may, by notification in the Official Gazette, make rules to carry out the provisions of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:

(a) the form of complaint referred to in clause (a) of sub-section (1) of section 2;

(b) the term of the Search Committee, the fee and allowances payable to its members and the manner of selection of panel of names under sub-section (5) of section 4;

(c) the post or posts in respect of which the appointment shall be made after consultation with the Manipur Public Service Commission under the proviso to sub-section (3) of section 10;

(d) other matters for which the Lokayukta shall have the powers of a civil court under clause (vii) of sub-section (1) of section 27;

(e) the manner of sending the order of attachment along with the material to the Special Court under sub-section (2) of section 29;

(f) the manner of transmitting the letter of request under sub-section (2) of section 36;

(g) the form and the time for preparing in each financial year the budget for the next financial year, showing the estimated receipts and expenditure of the Lokayukta under section 40;

(h) the form for maintaining the accounts and other relevant records and the form of annual statement of accounts under sub-section (1) of section 42;

(i) the form and manner and the time for preparing the returns and statements along with particulars under section 43;

(j) the form and the time for preparing an annual report giving a summary of its activities during the previous year under sub-section (5) of section 44;

(k) the form of annual return to be filed by a public servant under sub-section (5) of section 44;
59. (1) Subject to the provisions of this Act and the rules made thereunder, the Lokayukta may, by notification in the Official Gazette, make regulations to carry out the provisions of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such regulations may provide for all or any of the following matters, namely:

(a) the conditions of service of the secretary and other officers and staff of the Lokayukta and the matters which in so far as they relate to salaries, allowances, leave or pensions, require the approval of the Governor under sub-section (4) of section 10;

(b) the place of sittings of benches of the Lokayukta under clause (c) of sub-section (1) of section 16;

(c) the manner for displaying on the website of the Lokayukta, the status of all complaints pending or disposed of along with records and evidence with reference thereto under sub-section (10) of section 20;

(d) the manner and procedure of conducting preliminary inquiry or investigation under sub-section (12) of section 20;

(e) any other matter which is required to be, or may be, specified under this Act.

60. Every rule and regulation made under this Act shall be laid, as soon as may be after it is made, before the Manipur Legislative Assembly, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, the House agree in making any modification in the rule or regulation or the House agrees that the rule or regulation should not be made, the rule or regulation shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or
annulment shall be without prejudice to the validity of anything previously done under that rule or regulation.

61. (1) If any difficulty arises in giving effect to the provisions of this Act, the State Government may, by order, published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act, as may appear to be necessary for removing the difficulty:

Provided that no such order shall be made under this section after the expiry of a period of two years from the commencement of this Act.

(2) Every order made under this section shall be laid, as soon as may be after it is made, before the Manipur Legislative Assembly.

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