

L. A. Bill No. XXXVI of 2022

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The Maharashtra Lokayukta Bill, 2022

REPORT OF THE JOINT COMMITTEE



**Maharashtra Legislature Secretariat
Vidhan Bhavan, Nagpur.**

L. A. Bill No. XXXVI of 2022

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**REPORT OF THE JOINT
COMMITTEE**

**CONSTITUTION OF THE JOINT COMMITTEE OF BOTH THE
HOUSES**
**ON L. A. BILL NO. XXXVI OF 2022 - THE MAHARASHTRA
LOKAYUKTA BILL, 2022**

**Shri Radhakrishna Vikhe-Patil, Minister for Revenue, Animal
Husbandry, Dairy Development - Chairman of the Committee**

Member :

- (1) Shri Diliprao Walse-Patil, Minister for Co-operation
- (2) Shri Haribhau Bagde, M.L.A.
- (3) Shri Ashokrao Chavan, M.L.A.
- (4) Shri Prithviraj Chavan, M.L.A.
- (5) Shri Chhagan Bhujbal, Minister for Food, Civil Supplies & Consumers Protection
- (6) Shri Sambhaji Nilangekar Patil, M.L.A.
- (7) Adv. Ashish Shelar, M.L.A.
- (8) Shri Anil Babar, M.L.A.
- (9) Dr. Sanjay Kute, M.L.A.
- (10) Smt. Madhuri Misal, M.L.A.
- (11) Shri Sanjay Shirsat, M.L.A.
- (12) Shri Ramesh Bornare, M.L.A.
- (13) Shri Eknathrao Khadse, M.L.C.
- (14) Shri Pravin Darekar, M.L.C.
- (15) Shri Viplove Bajoria, M.L.C.
- (16) Shri Pravin Datke, M.L.C.
- (17) Shri Abhijeet Wanjari, M.L.C.
- (18) Shri Satyajit Tambe, M.L.C.

Invitee Member :

- (1) Shri Ambadas Danve, Leader of Opposition, Maharashtra Legislative Council.
- (2) Adv. Anil Parab, M.L.C.
- (3) Shri Jayant Patil, M.L.C.
- (4) Shri Kapil Patil, M.L.C.

The Maharashtra Legislature Secretariat :

- (1) Shri Jitendra Bhole, Secretary (1) (I/C)
- (2) Shri Vilas Athawale, Secretary (2) (I/C)
- (3) Shri Ruturaj J. Kudtarkar, Deputy Secretary
- (4) Smt. Pushpa Dalvi, Under Secretary
- (5) Shri Mandar Shemankar, Section Officer

Officers from Mantralaya:

- (1) Shri Nitin Gadre, Additional Chief Secretary (Services), General Administration Department.
- (2) Shri Satish Waghore, Secretary (Legislation), Law and Judiciary Department.
- (3) Shri Prashant Sajanikar, Joint Secretary, General Administration Department.
- (4) Smt. Mugdha Sawant, Deputy Secretary, Law and Judiciary Department.
- (5) Smt. Aparna Warkade, Law and Judiciary Department.
- (6) Smt. S. S. Rane, Under Secretary, General Administration Department.
- (7) Shri D. C. Jadhav, Junior Draftsman, Law and Judiciary Department.

REPORT OF THE JOINT COMMITTEE ON L.A. BILL NO. XXXVI OF 2022
MAHARASHTRA LOK AYUKTA BILL, 2022

LA Bill No 36- The Maharashtra Lokayukta Bill, 2022 was referred to this Joint Committee for its consideration. As a Chairman of this Joint Committee, I have been authorised to present this report on its behalf. So, I am hereby presenting this report along with the aforesaid Bill.

The said bill was passed by the Legislative Assembly on 28th December, 2022. The motion to refer the said the bill for consideration to a Joint Committee of both the Houses was adopted by the Legislative Council on 25th March, 2023 after getting the consent of the Legislative Assembly.

The Committee held total 7 meetings. The first meeting of the Committee was held on 23rd May, 2023 to pinpoint certain initial matters. During this meeting a decision was taken to provide the members of the Committee copies of (a) "The Lokpal and Lokayukta Act, 2013" enacted by the Central Government (b) "The Maharashtra Lokayukta and Up-Lokayukta Act, 1971" enacted by the State Government and (c) "L. A. Bill No. 36- The Maharashtra Lokayukta Bill, 2022" along with copies of the report of the Committee which has prepared a draft of this bill. A decision was also taken to show a Power Point presentation to the members of the Committee explaining the comparative study of provisions made in the aforesaid legislations.

During a meeting organised on 27th June, 2023, the aforesaid Power Point presentation was shown by General Administration Department. During the said meeting a decision was taken that points raised during the said presentation be referred to Law and Judiciary Department for examination and the General Administration Department shall furnish detail information on possible legal solution on the points raised during the meeting.

The meetings called on 21st November, 2023 and 29th November, 2023 were cancelled for want of quorum.

The Committee held a meeting on 7th December 2023 wherein it acquired information regarding the points raised during its previous meeting held on 27th June, 2023 from the officials of the concerned department and discussed the same. During a meeting held on 12th December, 2023 a decision was taken by the Committee that the members who wish to submit their suggestions and amendments to the said bill may submit the same to the Committee at the earliest. After having considered the suggestions and amendments so received, a draft report regarding this bill was prepared.

The said draft report was subjected to deliberations in a meeting of the Committee held on 14th December, 2023 and the same was adopted.

REPORT

The remarks of the Committee regarding the said bill are detailed in the following paragraphs.

As per the prevailing practice, the preamble of the Bill mentions the numerical years during which a Bill is to be enacted. This numerical year is counted from the day our country was declared as a republic by the Constitution of India *i.e.* from 26th January, 1950. The present Bill was introduced in year 2022 and accordingly, the preamble of this Bill mentions the enacting year as "Seventy Third". However, the current year is 2023 and hence in the committee's opinion it is necessary to mention the enacting year as "Seventy Fourth". The Preamble of the Bill has been amended accordingly.

Clause 1: This clause provides for short title, year, extent and commencement of the bill.

In sub-clause (1), the expression "Maharashtra Lokayukta Act, 2022" have been provided.

The said bill was introduced in the Legislative Assembly in year 2022 and thereafter it was referred to the Joint Committee of both the Houses on 25th March, 2023 for presenting a report thereon. However, since the Committee has submitted its report in the current year, it was expedient to make an incidental amendment to the aforementioned expression so as to reflect the current year as 2023. This sub-clause has been amended accordingly.

The General Administration Department has furnished the following explanation regarding the suggestions submitted in context of the Bill, by Shri Satyajeet Tambe, MLC on 13th December, 2023-

Suggestion - No specific time period is provided for adjudicating the cases of corruption.

Explanation - Section 43 of the proposed bill provides that. "*The Special Courts 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 months period, but not exceeding total period of two years.*"

Suggestion - The Bill must have a provision to avert political interference in the composition of Selection Committee comprising of Lok Ayukta as its Chairman and its members.

Explanation - Section 4 of the proposed Bill provides for composition of a Selection Committee comprising Lokayukta as its Chairman and its Members on the lines of Lokpal and Lokayukta Act, 2013 enacted by the Union Government.

Considering the observations made the Department with regard to the suggestions made by Shri. Satyajeet Tambe, MLC, no amendment is warranted in the relevant provisions at all.

The draft of the bill as adopted by the Committee after subjecting it to consideration is enclosed herewith.

Vidhan Bhavan:
Nagpur
Date 14th December, 2023.

RADHAKRISHNA VIKHE-PATIL
Chairman of the Committee.

[Note :—Deletion made by the Joint committee are shown in square brackets and additions are either under lined or side-lined.]

L. A. Bill No. XXXVI OF 2022.

A BILL

to provide for establishment of a body of Lokayukta for inquiry of administrative actions taken by or on behalf of the Government of Maharashtra or certain public authorities in the State of Maharashtra, in certain cases and to inquire into and investigate allegations of corruption against them and for matters connected therewith or incidental thereto.

(As Passed by the Legislative Council on the 28th December, 2022)

10

(As approved by the Joint committee)

1 of
2014.

WHEREAS section 63 of the Lokpal and Lokayuktas Act, 2013 provides that every State shall establish a body to be known as the Lokayukta for

the State, to deal with complaints relating to corruption against certain public functionaries;

AND WHEREAS it is necessary to enact a new law on the lines of the Lokpal and Lokayuktas Act, 2013 for the State of Maharashtra and to enlarge the scope of the existing Maharashtra Lokayukta and Upa-Lokayuktas Act, 1971 and to entrust more powers to Lokayukta;

1 of
2014.

5 Mah. XLVI
of 1971.

AND WHEREAS it is expedient to provide for establishment of a body of Lokayukta for inquiry of administrative actions taken by or on behalf of the Government of Maharashtra or certain public authorities in the State of Maharashtra, in certain cases and to inquire into and to investigate 10 allegations of corruption against them and for matters connected therewith or incidental thereto; it is hereby enacted in the [Seventy-third] Seventy-fourth Year of the Republic of India as follows:-

CHAPTER I

PRELIMINARY.

15

Short title,
extent and
commencement. 1. (1) This Act may be called the Maharashtra Lokayukta Act, [2022] 2023.

(2) It extends to the whole of the State of Maharashtra.
(3) It shall come into force on such date as the State Government may, by notification in the *Official Gazette*, appoint.

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CHAPTER II

DEFINITIONS.

Definitions.

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

(a) “action” means action taken by way of decision, recommendation or finding or in any other manner and includes failure to act; and all 25 other expressions connoting action shall be construed accordingly;

(b) “administrative department” means the department specified under the Maharashtra Government Rules of Business;

(c) “allegation” in relation to a public servant, means any affirmation that such public servant, —

30

(i) has abused his position as such to obtain any gain or favour to himself or to any other person or to cause undue harm or hardship to any other person;

(ii) was actuated in the discharge of his functions as such public servant by personal interest or improper or corrupt motives; or

(iii) is guilty of corruption or lack of integrity in his capacity as such public servant;

(d) “bench” means a bench of the Lokayukta;

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

(f) "competent authority", in relation to,-

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

5 (ii) Ministers referred to in clause (o), means the Governor ;

(iii) a Member of the Maharashtra State Legislature other than a Minister means,—

(a) in the case of a Member of the Maharashtra Legislative Council, the Chairman of the Council; and

10 (b) in the case of a Member of the Maharashtra Legislative Assembly, the Speaker of the Assembly;

(iv) persons referred to in clause (d) of sub-section (1) of section 12, the Minister of the concerned administrative department;

15 (v) All India Services Officers (including Indian Administrative Service, Indian Police Service, Indian Forest Services, etc.), means the Chief Minister;

(vi) an officer in the department of the State Government means the Minister in-charge of the department under which such officer is serving:

20 Provided that, if such officer is head of the department declared by the State Government then, competent authority shall be the Chief Minister;

25 (vii) a Chairperson or Member of any body or board or corporation or authority or company or society or autonomous body (by whatever name called) established or constituted under the Act of the Parliament or of the State Legislature or wholly or partly financed by the State Government or controlled by it, means the Minister in-charge of the administrative department of such body or board or corporation or authority or company or society or autonomous body:

30 Provided that, if such Chairperson or Member is All India Services Officer then, the competent authority shall be the Chief Minister;

35 (viii) 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 the Act of the Parliament or 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;

(ix) in any other case not falling under sub-clauses (i) to (viii) above, means such department or authority as the State Government may, by notification in the *Official Gazette*, specify:

Provided that, if any person referred to in sub-clause (vii) or sub-clause (viii) is also a Member of the Maharashtra State 5 Legislature but not being the Chief Minister or the Member of the Council of Ministers, then the competent authority shall be—

(a) in case such Member is a Member of the Maharashtra Legislative Council, the Chairman of the Council; and

(b) in case such Member is a Member of the Maharashtra 10 Legislative Assembly, the Speaker of the Assembly:

Provided further that, for the purposes of this clause, in cases, where the complaint is made against any person specified in this clause, in respect of corruption by such person, the competent authority specified in this Act for the said person at the time of 15 alleged act of corruption, shall be the competent authority for taking action under this Act:

Provided also that, if the person against whom the complaint is made is the same person acting as the competent authority for such complaint, in such a case, the Governor shall be the competent 20 authority for such person under this Act;

(g) “complaint” means a complaint made under this Act;

(h) “full bench” means bench of Lokayukta consisting of the Chairperson and all appointed Members which shall not be less than three including Chairperson; 25

(i) “grievance” means a claim by a person that he sustained injustice or undue hardship in consequence of maladministration;

(j) “investigation” means an investigation defined under clause (h) of section 2 of the Code of Criminal Procedure, 1973 ; 2 of 1974.

(k) “Judicial Member” means a Judicial Member of the Lokayukta 30 appointed under the Act;

(l) “Lokayukta” means the body established under section 3;

(m) “maladministration” means action taken or purporting to have been taken in the exercise of administrative functions in any case,—

(i) where such action or the administrative procedure or 35 practice governing such action is unreasonable, unjust, oppressive or improperly discriminatory, or

(ii) where there has been negligence or undue delay, with malafide intention, in taking such action, or the administrative procedure or practice governing such action involves undue delay; 40

(n) “Member” means a Member of the Lokayukta;

(o) “Minister” means and includes,-

(i) a member of the Council of Ministers, but does not include the Chief Minister;

(ii) Minister for State;

(iii) any other person upon whom the status of a Minister or Minister for State has been conferred by the Government;

5 (p) "officer" means a person appointed to a public service or post in connection with the affairs of the State of Maharashtra;

(q) "preliminary inquiry" means an inquiry conducted under this Act by the Lokayukta;

(r) "prescribed" means prescribed by rules and regulations made under this Act;

10 (s) "public servant" means a person referred to in sub-section (1) of section 12 but does not include,-

46 of 1950. (i) 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 ; or

45 of 1950. 15 (ii) a person who is or has been working on the Group 'D' post in the State Government, or its equivalent posts in the Government company, Government corporation, Government society or Government association;

62 of 1957. (t) "regulations" means regulations made by the Lokayukta under this Act;

30 of 1978. (u) "rules" means the rules made under this Act ;

20 (v) "Schedule" means a Schedule appended to this Act ;

25 (w) "Secretary" means a Secretary to the Government of Maharashtra and includes Chief Secretary, Additional Chief Secretary and Principal Secretary ;

30 (x) "Special Court" means the court of a special judge appointed under sub-section (1) of section 3 of the Prevention of Corruption Act, 1988.

49 of 1988. (y) "State Agency" means an authority of the State Government competent to make inquiry or investigation of any offence.

35 (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 same meanings as respectively assigned to them in the said Act.

49 of 1988.

CHAPTER III

ESTABLISHMENT OF LOKAYUKTA.

Establishment
of Lokayukta.

3. (1) As and from the commencement of this Act, there shall be established by notification in the *Official Gazette*, a body to be called the 40 "Lokayukta, Maharashtra State".

(2) The Lokayukta shall consist of—

(a) a Chairperson, who is or has been the Chief Justice of High Court or a Judge of Supreme Court or a Judge of Bombay High Court; and

(b) such number of Members, not exceeding four out of whom two 5 shall be Judicial Members.

(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:

Provided that, a person who is or who has been a Judge not below 10 the rank of Principal District Judge may be appointed as Judicial Member, if a person who is or has been Judge of High Court is not available;

(b) as a Member other than a Judicial Member, if he is a person of impeccable integrity and outstanding ability having special knowledge 15 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, financial management.

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

(i) a member of the Parliament or a Member of the Legislature of 20 any State or Union territory;

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

(iii) a person of less than forty-five years of age, on the date of assuming office as Chairperson or Member, as the case may be;

(iv) a member of any *Panchayat, Zilla Parishad, Nagar Panchayat, 25 Municipal Council or Municipal Corporation;*

(v) a member of a body, corporation or society, substantially financed by the State Government;

(vi) 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 connected 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 practice such profession.

(5) Every person appointed as the Chairperson or Member shall, before entering upon his office, make and subscribe, before the Governor, or some 5 person appointed in that behalf by him, an oath or affirmation in the form set out for the purpose in the First Schedule.

(6) Notwithstanding anything contained in sub-section (1) or (2), every person who on the date of commencement of this Act is serving as Lokayukta or Upa-Lokayuktas under the Maharashtra Lokayukta and Upa-Lokayuktas

Mah. XLVI of 1971. 10 Act, 1971 shall, on and from such commencement, be the Chairperson or, as the case may be, the Member of the Lokayukta established under sub-section (1) and they shall continue to hold the office on the same terms and conditions on which they were appointed prior to the commencement to this Act, till completion of their term of office.

15 4. (1) The Chairperson and Members shall be appointed by the Governor after obtaining the recommendations of a Selection Committee consisting of— Appointment of Chairperson and Members.

- (a) the Chief Minister - Chairperson;
- (b) the Deputy Chief Minister - Vice-Chairperson;
- 20 (c) the Chairman of the Maharashtra Legislative Council - Member;
- (d) the Speaker of the Maharashtra Legislative Assembly - Member;
- (e) the Leader of Opposition in the Maharashtra Legislative Council - Member;
- (f) the Leader of Opposition in the Maharashtra Legislative Assembly - Member;
- 25 (g) the Chief Justice of the Bombay High Court or a Judge of the Bombay High Court nominated by him - Member.

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

30 (3) The Selection Committee shall regulate its own procedure for selecting the Chairperson and Members of the Lokayukta which shall be transparent.

35 5. The Government 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: Filling of vacancies of Chairperson or Members.

Provided that, when the office of the Chairperson or Member becomes vacant, the vacancy shall be filled within a period of three months from the date of occurrence of vacancy.

Term of office
of Chairperson
and Members.

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 : 5

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,— 10

(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 15 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 20

(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, allowances and pension 25 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,— 30

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

(ii) further employment to any other office of profit under the State Government.

(2) Notwithstanding anything contained in sub-section (1), a Member 35 shall be eligible to be appointed as the Chairperson, if his total tenure as Member and Chairperson does not exceed five years.

Salary,
allowances and
other conditions
of service of
Chairperson
and Members.

Restriction on
employment of
Chairperson
and Members
after ceasing to
hold office.

Explanation.—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.

5 **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.

10 (2) When the Chairperson is unable to discharge his functions owing to absence on leave or otherwise, the senior-most Member available, as the Governor may, by notification, authorise in this behalf, shall discharge the functions of the Chairperson until the date on which the Chairperson resumes his duties.

15 **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) The appointment of officers and staff of the Lokayukta shall be made by the Lokayukta :

20 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, shall be made after consultation with the Maharashtra Public Service Commission.

 (3) Subject to the provisions of any law made by the State Legislature, the conditions of service of officers and staff of the Lokayukta shall be such 25 as may be prescribed by the Lokayukta for the purpose.

 (4) Notwithstanding anything contained in this section, every person who on the date of commencement of this Act is serving as an officer or staff for assisting the Lokayukta and Upa-Lokayuktas, shall, on and from such commencement, be the officer and staff for assisting the Lokayukta 30 under this Act and they shall continue to hold the office on the same terms and conditions on which they were appointed prior to the commencement to this Act.

11. The administrative expenses of the Lokayukta, including all salaries, allowances and pensions payable to or in respect of the 35 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 received by the Lokayukta shall form part of the Consolidated Fund of the State.

CHAPTER IV

JURISDICTION OF LOKAYUKTA.

Jurisdiction of
Lokayukta.

12. (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 under the Prevention of Corruption Act, 1988, made in a complaint in respect of the following, namely :—

49 of
1988.

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

Provided that, before initiating any inquiry against Chief Minister the prior approval of the Maharashtra Legislative Assembly shall be obtained. The motion thereof shall be placed before the next immediate Session of the Maharashtra Legislative Assembly :

Provided further that, such motion shall be passed by not less than two-third of the total Members of the Maharashtra Legislative Assembly :

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Provided also that, the Lokayukta shall not inquire into any matter involved in, or arising from, or connected with, any such allegation of corruption against the Chief Minister, in so far as it relates to internal security or public order in the State :

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

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

(c) any person who is or has been a Member of the State Legislature ;

(d) any Member or Councillor of the Municipal Corporation, Municipal Council, *Nagar Panchayat*, *Industrial Township*, *Zilla Parishad*, *Panchayat Samiti*, or *Village Panchayat* including Mayor, Deputy Mayor, President, Vice-President, Chairman, Deputy Chairman, *Sarpanch* and *Upa-Sarpanch* and Chairman of any Committee of said local authorities ;

(e) All India Services Officers (including Indian Administrative Services, Indian Police Services, Indian Forest Services, etc.), in connection with the affairs of the State Government ;

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(f) all officers and employees of the State Government and the public servants defined in sub-clauses (i) and (ii) of clause (c) of section 2 of the Prevention of Corruption Act, 1988, when serving or who have served, in connection with the affairs of the State excluding a person who is or has been working on Group 'D' post ;

49 of
1988.

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5 (g) all officers and employees, of 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 Parliament or of the State Legislature or wholly or partly financed by the State Government or controlled by it, equivalent to the officers and employees specified in clause (f) ;

10 (h) 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 or any local authority or Government company, corporation, association or trust.

Explanation.—For the purposes of clauses (g) and (h), it is hereby clarified that,—

15 (i) any entity or institution, by whatever name called, corporation, 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 ;

20 (ii) a society, association of persons or trust shall be deemed to be wholly or partly aided by the State Government or local authority, if such entity has received any assistance from the State Government or local authority, in the form of land, grant-in-aid, loan, share capital, Government guarantee or any of them :

25 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.

49 of 30 (2) The Lokayukta may inquire into any act or conduct of any person other than those referred to in sub-section (1), if such person is involved in the act of abetting, bribe giving or bribe taking or conspiracy relating to any 1988. allegation of corruption under the Prevention of Corruption Act, 1988 against a person referred to in sub-section (1).

49 of 35 **13.** (1) Notwithstanding anything contained in any Act, in the following cases, the Lokayukta shall not make an inquiry or investigation on complaint under this Act,—

(i) where same or similar issues of complaint are pending before any court ;

40 (ii) any matter involved in, or arising from, or connected with, any such allegation of corruption against any Member of the State Legislature in respect of anything said or a vote given by him in the State Legislature or any committee thereof covered under the

Bar of inquiry or investigation.

provisions contained in clause (2) of article 194 of the Constitution of India ;

(iii) in respect of a matter which has been referred to for inquiry under the Commissions of Inquiry Act, 1952 :

60 of 1952.

Provided that, the Lokayukta may investigate the matters if the State Government has not taken any action against corruption as held by the inquiry Commission within a period of two years from the date of submission of the report to the State Government ;

(iv) in the case of a complaint involving a grievance in respect of any action,—

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(a) if such action relates to any matter specified in the Second Schedule; or

(b) if the complainant has or had any remedy by way of proceedings before any tribunal or court :

Provided that, the Lokayukta may conduct an investigation notwithstanding that the complainant had or has such a remedy if the Lokayukta is satisfied that such person could not or cannot, for sufficient cause, have recourse to such remedy ;

(v) any complaint involving a grievance, if the complaint is made after the expiry of twelve months from the date on which the action complained against becomes known to the complainant :

Provided that, the Lokayukta may entertain a complaint if the complainant satisfies him that he had sufficient cause for not making the complaint within the period specified in that clause ;

(vi) any complaint involving an allegation, if the complaint is made after the expiry of three years from the date on which the action complained against is alleged to have taken place.

(2) Notwithstanding anything contained in any Act, any court or any State Agency shall not make an inquiry or investigation under any Act on complaint of corruption, where the complaint is made by any person on same or similar issues to Lokayukta and an inquiry or investigation is being conducted on such complaint, by any State Agency or an inquiry or investigation has been completed by such Agency, on the directions of the Lokayukta :

Provided that, in cases where charge-sheet has been filed in court under this Act, on the directions of the Lokayukta, the court can make an inquiry or investigation, if necessary, in such cases.

(3) The matters of which a complaint has been made to the Lokayukta under this Act shall not be referred to for inquiry under the Commissions of Inquiry Act, 1952.

60 of 40 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 office or post in public service or serving in that capacity.

5 **14.** (1) Subject to the provisions of this Act, a complaint may be made under this Act to the Lokayukta,—

Procedure of
making
complaint
under Act.

(a) in the case of corruption, by any person ;

(b) in the case of a grievance, by the person aggrieved ;

10 (c) in the case of an allegation, by any person other than a public servant :

Provided that, where the person aggrieved is dead or is for any reason unable to act for himself, the complaint may be made by any person who in law represents his estate or, as the case may be, by any person who is authorized by him in this behalf.

15 (2) Every complaint shall be made in such form and shall be accompanied by such affidavits as may be prescribed.

20 (3) Notwithstanding anything contained in any Act, any letter written to the Lokayukta by a person in police custody, or in a gaol or in any asylum or other place for insane persons, shall be forwarded to the addressee unopened and without delay by the police officer or other person in charge of such gaol, asylum or other place and the Lokayukta, may, if satisfied that it is necessary so to do, treat such letter as a complaint made in accordance with the provisions of sub-section (2).

25 (4) In the case of any complaint involving a grievance, nothing in this Act shall be construed as empowering the Lokayukta to question any administrative action involving the exercise of a discretion except where he is satisfied that the elements involved in the exercise of the discretion are absent to such an extent that the discretion can *prima facie* be regarded as having been improperly exercised.

30 **15.** (1) The Governor may, by notification published in the *Official Gazette*, on the recommendation of the State Government and after consultation with the Lokayukta, confer on the Lokayukta such additional functions in relation to the redress of grievances and eradication of corruption as may be specified in the notification.

Conferment of
additional
functions on
Lokayukta.

35 (2) The Governor may, by order in writing and on recommendation of the State Government, confer on the Lokayukta such powers of a supervisory nature over agencies, authorities or officers set up, constituted or appointed by the State Government for the redress of grievances and eradication of corruption.

(3) When any additional functions are conferred on the Lokayukta under sub-section (1), the Lokayukta shall exercise the same powers and discharge the same functions as he would in the case of any inquiry or investigation made on a complaint involving a grievance or an allegation, as the case may be, and the provisions of this Act shall apply accordingly. 5

Matters pending before any court or committee or statutory authority for inquiry not to be affected.

16. 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 statutory authority prior to commencement of this Act or prior to commencement of any inquiry after the commencement of this Act, such matter or proceeding 10 shall be continued before such court, committee or statutory authority and the Lokayukta shall not deal with such cases.

49 of 1988.

Constitution of benches of Lokayukta.

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

(a) the jurisdiction of the Lokayukta may be exercised by benches thereof ;

(b) a bench may be constituted by the Chairperson with two or more Members as the Chairperson may deem fit ;

(c) every bench shall ordinarily consist of at least one Judicial Member ;

(d) where a bench consists of the Chairperson, such bench shall be 20 presided over by the Chairperson ;

(e) where a bench consists of a Judicial Member and a non-Judicial Members not being the Chairperson, such bench shall be presided over by the Judicial Member ;

(f) the benches of the Lokayukta shall ordinarily sit at Mumbai and 25 at such other places as the State Government shall specify.

(2) The Lokayukta shall notify the areas in relation to which each bench of the Lokayukta may exercise jurisdiction.

(3) Notwithstanding anything contained in sub-section (2), the Chairperson shall have the power to constitute or re-constitute benches, 30 from time to time.

(4) If at any stage of the hearing of any case or matter, it appears to the Chairperson or a Member that the case or matter is of such nature that it ought to be heard by a bench consisting of two or more Members, the case or matter may be transferred by the Chairperson or, as the case may be, 35 referred to him for transfer, to such bench as the Chairperson may deem fit.

Distribution of business amongst benches.

18. 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.

40

19. 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.

5 **20.** 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.

Decision to be by majority.

CHAPTER V

PRELIMINARY INQUIRY AND INVESTIGATION BY LOKAYUKTA.

49 of 15 **21.** (1) The Lokayukta shall, on receipt of a complaint under the Prevention of Corruption Act, 1988, as defined under clause (g) of section 2, first decide whether to proceed in the matter or close the same and if the Lokayukta decides to proceed further, it shall, to ascertain whether there exists a *prima facie* case for proceeding in the matter, order 20 preliminary inquiry against any public servant, in the manner as provided in sub-section (3).

Provisions relating to complaints under Prevention of Corruption Act, 1988.

(2) The Lokayukta may, in his discretion, refuse to make an inquiry of any complaint specified in sub-section (1), if in his opinion,—

25 (a) the complaint is frivolous or vexatious or is not made in good faith;

 (b) there are no sufficient grounds for inquiry or investigation ; or

 (c) other remedies are available to the complainant and in the circumstances of the case it would be more proper for the complainant to avail of such remedies.

30 (3) Before initiating any preliminary inquiry under sub-section (1) in respect of public servants referred to,—

 (a) in clause (a) of sub-section (1) of section 12, the Lokayukta shall obtain the prior approval of the Maharashtra Legislative Assembly;

 (b) in clause (b) of sub-section (1) of section 12, the Lokayukta shall 35 obtain the prior approval of the Governor and the views of such Group of Ministers as may be appointed by the Governor. The Group of Ministers shall submit its views within a period of three month. Such period may be extended by the Lokayukta for the reasons to be recorded in writing, by one month; however, the total period shall not be more than four months in aggregate.

Explanation.—For the purposes of this clause, the Group of Ministers shall be assisted by the Chief Secretary or the Additional Chief Secretary nominated by the Chief Secretary, who shall act as the Secretary of such Group of Ministers;

(c) in clause (c) of sub-section (1) of section 12, the Lokayukta shall 5 obtain the prior approval of the Chairman of the Maharashtra Legislative Council, in case of Member of Maharashtra Legislative Council and Speaker of the Maharashtra Legislative Assembly, in case of Member of Maharashtra Legislative Assembly, and the views of the Committee (if any) appointed by the Chairman or Speaker, as the case 10 may be. Such approval shall be conveyed within a period of three months. Such period may be extended by the Lokayukta for the reasons to be recorded in writing, by one month; however, the total period shall not be more than four months in aggregate;

(d) in clause (d) of sub-section (1) of section 12, the Lokayukta shall 15 obtain prior approval of the concerned Minister and the views of the Secretary of the concerned Mantralaya department, who shall submit its views within a period of three months. Such period may be extended by the Lokayukta for the reasons to be recorded in writing, by one month; however, the total period shall not be more than four months 20 in aggregate;

(e) in case of clause (e) of sub-section (1) of section 12, prior approval of the Chief Minister and the views of the Chief Secretary or the Committee appointed by the Chief Secretary, who shall submit its views within a period of three months. Such period may be extended 25 by the Lokayukta for the reasons to be recorded in writing, by one month; however, the total period shall not be more than four months in aggregate;

(f) in clauses (f), (g) and (h) of sub-section (1) of section 12, the Lokayukta shall obtain the prior approval of the competent authority 30 and the views of the Secretary of the concerned department, as he deems fit, who shall submit its views through the Chief Secretary or the Additional Chief Secretary nominated by the Chief Secretary, within a period of three months. Such period may be extended by the Lokayukta for the reasons to be recorded in writing, by one month; however, the 35 total period shall not be more than four months in aggregate.

(4) The competent authority shall convey its approval within the period specified in sub-section (3):

Provided that, if the competent authority fails to convey its approval within the specified time, the Lokayukta may take action as 40 he deems fit:

Provided further that, the provisions of this sub-section shall not be applicable in case of complaint against the Chief Minister.

22. (1) The views received under section 21 of the Act,—

Consideration
of views.

5 (a) relating to the Chief Minister and any Minister shall be considered by full bench of Lokayukta; and

(b) relating to other public servants shall be considered by not less than two members of Lokayukta.

10 (2) If there is no *prima facie* case according to the views received under sub-section (1), the bench may, after recording the reasons therefor, close the matter and communicate the same to the complainant and the public servant concerned; or if there exists a *prima facie* case to proceed in the matter, the bench may make recommendations to proceed with one or more of the following actions, namely:—

15 (a) in case of closure of the proceedings, may take action to proceed against the complainant under section 51; or

(b) may direct for preliminary inquiry under the provisions of this Act:

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

23. (1) Every preliminary inquiry referred to in clause (b) of sub-section (2) of section 22 shall ordinarily be completed within a period of ninety days from the date of order of preliminary inquiry and for reasons to be recorded in writing, within a further period of ninety days. The 25 preliminary inquiry report shall be submitted to the Lokayukta.

(2) Notwithstanding anything contained in any law for the time being in force, the Lokayukta shall take the assistance of the concerned Secretary to the State Government for the purpose of conducting preliminary inquiry.

30 (3) For the purposes of assisting the Lokayukta in conducting preliminary inquiry under this Act, as provided in clause (b) of sub-section (2) of section 22, the concerned Secretary to the State Government shall have the same powers as are conferred upon the Lokayukta under section 35.

(4) A preliminary report received under sub-section (1) shall be considered by the benches specified in section 22.

35 (5) If there is no *prima facie* case according to the report received under sub-section (1), after recording the reasons therefor, close the matter and communicate the same to the complainant and the public servant concerned; or if there exists a *prima facie* case to proceed in the matter or investigation,

the bench shall make recommendations to proceed with one or more of the following actions, namely:—

(a) may direct for investigation by any State Agency of the State Government; or

(b) in case of closure of the proceedings, the bench may take action 5 to proceed against the complainant under section 51.

(6) Before ordering preliminary inquiry under clause (b) of sub-section (2) of section 22 or an investigation under clause (a) of sub-section (5) of this section, the Lokayukta shall call for the explanation of the public servant:

Provided that, the seeking of an explanation from the public servant 10 before an inquiry or an investigation shall not interfere with the search and seizure, if any, required to be undertaken by any State Agency under this Act.

Investigation. 24. (1) In case the Lokayukta decides to proceed to investigate into the complaint, it shall direct any State Agency to carry out the investigation 15 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 not exceeding six months at a time, however the total period shall not be more than twenty-four months in aggregate, for the reasons to be recorded in writing. 20

(2) Every such investigation shall be conducted in private and in particular, the identity of the complainant and of the public servant affected by the investigation shall not be disclosed to the public or the press whether before or during the investigation.

(3) Notwithstanding anything contained in section 173 of the Code of 25 2 of Criminal Procedure, 1973, the State Agency shall, in respect of cases referred 1974. to it by the Lokayukta, submit the investigation report to the Lokayukta.

(4) The report under sub-section (3) shall be deemed to be a report filed on completion of investigation, referred to in section 173 of the Code of 2 of Criminal Procedure, 1973. 30 1974.

(5) The benches specified in sub-section (1) of section 22 shall consider every report received by it under sub-section (1) from any State Agency and may, decide as to-

(a) file charge-sheet or closure report, before the Special Court against the public servant subject to the provisions of section 30; 35

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

(6) The Lokayukta may, after taking a decision under sub-section (5) on filing of the charge-sheet, direct,-

(a) the concerned investigating authority to file charge-sheet in a Special Court in respect of cases investigated by any State Agency; and

5 (b) the concerned to forward a copy of charge-sheet so filed, to the Lokayukta for the purposes of superintendence.

(7) 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 10 may be, investigation, as it deems fit.

(8) 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.

(9) The Lokayukta may retain the original records and evidences, which 15 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.

(10) 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, 20 shall be such as may be specified by regulations.

25. 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

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

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

26. Subject to the provisions of this Act, for the purposes of any preliminary inquiry or investigation, the Lokayukta or the investigating authority, 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 35 documents relevant to such preliminary inquiry or investigation, to furnish any such information or produce any such document.

27. (1) Any information, obtained by the Lokayukta or members of their staff in the course of, or for the purposes of any inquiry or investigation under this Act, and any evidence recorded or collected in connection with such 40 information, shall, subject to the provisions of sub-section (2) of section 24,

Persons likely to be prejudicially affected to be heard.

Lokayukta may require any public servant or any other person to furnish information, etc.

Secrecy of information.

be treated as confidential and notwithstanding anything contained in the Indian Evidence Act, 1872, no court shall be entitled to compel the Lokayukta or any public servant to give evidence relating to such information or produce the evidence so recorded or collected.

1 of
1872.

(2) Nothing in sub-section (1) shall apply to the disclosure of any 5 information or particulars,—

(a) for purposes of the investigation or in any report to be made thereon or for any action or proceedings to be taken on such report; or

(b) for purposes of any proceedings for an offence under the Official Secrets Act, 1923, or an offence of giving or fabricating false evidence 10 under the Indian Penal Code or for purposes of any proceedings under section 51 of this Act; or

19 of 1923.

10

45 of 1860.

(c) for such other purposes as may be prescribed.

Where previous approval is obtained, no other approval necessary.

49 of 1988.

28. Notwithstanding anything contained in the Prevention of Corruption Act, 1988 or any other law for the time being in force, but subject 15 to the provisions of this Act, where the approval of the competent authority of the public servant is obtained, no approval of any other authority shall be required by the Lokayukta for the purpose of,—

(a) making inquiry or for conducting investigation by any State Agency in respect of the cases investigated by such Agency on the 20 direction of the Lokayukta, against such public servant; or

(b) for granting sanction for prosecution or for filling charge sheet in the Special Court, against such public servant.

Bar of sanction for prosecution.

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29. Notwithstanding anything contained in any Act, in same or similar issues of complaint against any person,—

(a) where sanctioning authority has either accorded sanction for prosecution or refused such sanction under any Act then, the Lokayukta under this Act shall be barred from taking a decision in this regard; or

(b) where the competent authority or the Lokayukta has either accorded sanction for prosecution or refused such sanction under this 30 Act then, any other authority under any Act shall be barred from taking a decision in this regard.

Action on inquiry against public servant.

49 of 1988.

30. (1) 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 sub-section (1) of 35 section 12, the Lokayukta may, after obtaining sanction for prosecution of the competent authority, instruct the concerned investigating authority to file a case in the Special Court and shall send a copy of the report together with its findings to the competent authority :

Provided that, the competent authority shall convey its decision under 40 this sub-section within a period of three months to the Lokayukta, which may, for reasons to be recorded in writing by such authority, be extended by a period of one month :

Provided further that, if the competent authority fails to convey its decision within the said time limit, the Lokayukta may take action as he deems fit:

Provided also that, the provisions of first and second provisos shall not be applicable in case of complaint against Chief Minister.

5 (2) A Special Court may, notwithstanding anything contained in section 2 of 1974. 197 of the Code of Criminal Procedure, 1973 or section 19 of the Prevention 49 of 1988. of Corruption Act, 1988, on filing of a charge sheet on completion of investigation, by the Lokayukta or any officer authorized by it in this behalf, take cognizance of offence committed by any public servant.

10 (3) Nothing contained in sub-sections (1) and (2) shall apply in respect of the persons holding the 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 15 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.

CHAPTER VI

COMPLAINTS OF GRIEVANCE.

31. (1) The Lokayukta shall, on receipt of a complaint against any 20 public servant regarding grievance, first decide whether to proceed in the matter or close the same. Complaints of grievance.

(2) The Lokayukta may, in his discretion, refuse to make an inquiry into any complaint specified in sub-section (1) on the grounds specified in sub-section (2) of section 21.

25 (3) If the Lokayukta decides to proceed further, it shall, ascertain whether there exists a *prima facie* case for proceeding in the matter. The Lokayukta shall forward the complaint to the concerned public servant for his say; and to the Secretary of the department or the head of the office or competent authority, as the case may be, of the public servant, to call for 30 report on complaint.

(4) The public servant shall send his say and the Secretary of the department or the head of the office or competent authority shall send his report, within ninety days to the Lokayukta from the date of receipt of the reference.

35 (5) Upon receipt of the say of the public servant and the report of the Secretary of the department or the head of the office or competent authority, as the case may be, if there is no *prima facie* case according to the report received under sub-section (4), the Lokayukta may, after recording the reasons therefor, close the matter and communicate the same to the

complainant and to the public servant concerned; or if there exists a *prima facie* case to proceed in the matter, the Lokayukta may make recommendations to proceed with one or more of the following actions, namely :—

(a) to recommend to initiate departmental inquiry or any other 5 appropriate action against the concerned public servant by the concerned authority as per the relevant service rules applicable to public servant; or

(b) to decide to make further inquiry under the provisions of this Act. 10

Report of Lokayukta. **32.** (1) If, after inquiry of any action in respect of which a complaint involving a grievance has been or can be or could have been made, the Lokayukta is satisfied that such action has resulted in injustice or undue hardship to the complainant or any other person, the Lokayukta shall, by a report in writing, recommend to the public servant and the authority 15 concerned that such injustice, or undue hardship shall be remedied or redressed in such manner and within such time as may be specified in the report.

(2) The authority to whom a report is sent under sub-section (1), shall within one month of the expiry of the term specified in the report, intimate 20 or cause to be intimated to the Lokayukta, the action taken for compliance with the report.

(3) If the Lokayukta is satisfied with the action taken or proposed to be taken on his recommendations or findings referred to in sub-sections (1) and (2), he shall close the case under information to the complainant, the 25 public servant and the authority concerned, but where he is not so satisfied and if he considers that the case so deserves, he may make a special report upon the case to the Governor and also inform the complainant concerned.

(4) The Lokayukta may, if necessary, give personal hearing to the concerned parties. 30

CHAPTER VII

POWERS OF LOKAYUKTA.

Supervisory powers of Lokayukta. **33.** The Lokayukta shall, notwithstanding anything contained in any other law for the time being in force, have the powers of superintendence and to give directions to the State Agency in respect of the matter in so far 35 as they relates to the investigation by such Agency under this Act.

Search and seizure. **34.** (1) If the Lokayukta has reason to believe that any document which, in its opinion, shall be useful for, or relevant to, any preliminary inquiry or investigation under this Act, are secreted in any place, it may authorize State Agency to whom the preliminary inquiry or investigation 40 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 preliminary inquiry or 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 authorized, it may so retain or direct such authorized 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 authorized officer may return the same after retaining copies of such document duly authenticated.

10 **35.** (1) Subject to the provisions of this section, the Lokayukta for the purpose of conducting any inquiry or investigation under this Act shall have 5 of 1908. 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 :—

15 (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;

20 (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

25 (vi) such other matters as may be prescribed.

45 of 1860. (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.

36. (1) The Lokayukta may, for the purpose of conducting any preliminary inquiry or investigation, utilize the services of any officer or 30 organization or State 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 organization or State Agency whose services are utilized under sub-section (1) may, subject to the direction and control of the Lokayukta,—

35 (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.

Lokayukta to have powers of civil court in certain cases.

Powers of Lokayukta to utilise services of officers of State Government.

(3) The officer or organization or State Agency whose services are utilized under sub-section (2) shall inquire into or, as the case may be, investigate 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.

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Procedure for
prohibition for
alienation of
assets.

37. (1) Where the Lokayukta has reason to believe and the reason for such belief is 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 may direct to file an application, stating the facts for prohibiting the alienation of assets, before the Special Court and make a prayer for prohibiting the alienation of such assets 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 mentioned in the application had been acquired through corrupt means, make an order prohibiting the alienation 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 Special Court shall rescind the order prohibiting the alienation of the property.

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(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.

49 of 1988.

Confiscation of
assets, proceeds,
receipts and
benefits arisen or
procured by
means of
corruption in
special
circumstances.

38. (1) Without prejudice to the provisions of section 37 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 authorize 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, confiscated under sub-section (1) shall be returned to such public servant,

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and in case it is not possible for any reason to return the assets, proceeds, receipts and benefits, such public servant shall be paid the price thereof including the money so confiscated with the interest at such rate as may be decided by the Special Court calculated, from the date of confiscation.

5 **39.** (1) Where the Lokayukta, while making a preliminary inquiry into allegations of corruption, is *prima facie* satisfied, on the basis of evidence available, that-

10 (a) the continuance of the public servant referred to in clause (e) or (f) or (g) of sub-section (1) of section 12 in his post while conducting the preliminary inquiry is likely to affect such preliminary inquiry adversely; or

15 (b) the public servant referred to in clause (a) 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.

20 (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.

40. The Lokayukta may, in 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 so as,—

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

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

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

30 **41.** 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 powers 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.

35 **42.** The Lokayukta may, *suo moto* or on an application made by the aggrieved party, review any order passed by it under this Act, so as to correct the patent error of law or fact, or gross error occurred in the order, or discovery of new evidence which has resulted in failure of justice:

Powers of Lokayukta to recommend transfer or suspension of public servant connected with allegation of corruption.

Powers of Lokayukta to give directions to prevent destruction of records during preliminary inquiry.

Power to delegate.

Power to review.

Provided that, such power shall be exercised within ninety days from the date of such order or receipt of such application and subject to the condition that no appeal or other remedy has been preferred against such order:

Provided further that, no such order shall be passed without giving an 5 opportunity of being heard to the concerned person.

CHAPTER VIII

SPECIAL COURTS.

Special Courts. **43.** The Special Courts shall ensure completion of each trial within a period of one year from the date of filing of the case in the court: 10

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 months period, but not exceeding 15 a total period of two years.

Assessment of loss and recovery thereof by Special Court. **44.** 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 20 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 25 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 IX

REMOVAL OF CHAIRPERSON AND MEMBERS.

Removal and suspension of Chairperson and Members. **45.** (1) The Lokayukta shall not inquire into any complaint made against the Chairperson or any Member.

(2) Subject to the provisions of sub-section (4), the Chairperson or any Member shall be removed from his office by order of the Governor on 35 grounds of misbehaviour after the High Court, on a reference being made to it, by the Governor on a petition being signed by at least seventy-five members of the Maharashtra State Legislature has, on an inquiry held in accordance with the procedure prescribed in that behalf, reported that the

49 of 1988.

Chairperson or such Member, as the case may be, ought to be removed on such ground.

(3) The Governor may suspend from office the Chairperson or any Member in respect of whom a reference has been made to the High Court 5 under sub-section (2), on receipt of the recommendation or interim order made by the High Court in this regard until the Governor has passed orders on receipt of the final report of the High Court on such reference.

(4) Notwithstanding anything contained in sub-section (2), the Governor may, by order, remove from the office, the Chairperson or any Member if 10 the Chairperson or such Member, as the case may be,—

- (a) is adjudged an insolvent; or
- (b) if in the opinion of the Governor, is guilty of an offence involving moral turpitude;
- (c) engages, during his term of office, in any paid employment 15 outside the duties of his office; or
- (d) is, in the opinion of the Governor, unfit to continue in office by reason of infirmity of mind or body.

(5) If the Chairperson or any Member is, or becomes, in any way concerned or interested in any contract or agreement made by or on behalf 20 of the State Government or participates in any way in the profit thereof or in any benefit or emolument arising therefrom otherwise than as a member and in common with the other members of an incorporated company, he shall, for the purposes of sub-section (2), be deemed to be guilty of misbehavior.

25 **46.** (1) Every complaint of allegation or wrong doing made against any officer or employee or State Agency under or associated with the Lokayukta 49 of 1988. for an offence punishable under the Prevention of Corruption Act, 1988 shall Complaints against officials of Lokayukta. be dealt with in accordance with the provisions of this section.

(2) The Lokayukta shall complete the inquiry into the complaint or 30 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 State Agency engaged or associated with the Lokayukta, if it is *prima facie* satisfied on the basis of evidence available, that,—

- 35 (a) continuance of such officer or employee of the Lokayukta or State Agency engaged or associated in his post while conducting the inquiry is likely to affect such inquiry adversely; or
- 40 (b) an officer or employee of the Lokayukta or State Agency engaged or associated with Lokayukta 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 State 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 5 there is *prima facie* evidence of the commission of an offence under the Prevention of Corruption Act, 1988 or of any wrong doing, it shall, within a period of fifteen days of the completion of such inquiry, order to prosecute such officer or employee of the Lokayukta or such officer or employee of State Agency engaged or associated with the Lokayukta and initiate 10 disciplinary proceedings against the official concerned:

49 of 1988.

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

15

CHAPTER X

FINANCE, ACCOUNTS AND BUDGET.

Budget.

47. 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 20 forward the same to the State Government for information and necessary action.

Grants by
State
Government.

48. The State Government may, after due appropriation made by State Legislature 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 25 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.

Annual
statement of
accounts.

49. (1) The Lokayukta shall maintain proper accounts and other relevant records and prepare an annual statement of accounts in such form 30 as may be prescribed by the State Government in consultation with the Accountant General of the State.

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

(3) The Accountant General of the State or any person appointed by 35 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 the State 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 40 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 the State 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 5 before each House of the State Legislature.

CHAPTER XI

OFFENCES AND PENALTIES.

50. (1) Whoever intentionally offers any insult, or causes any interruption to the Chairperson or Member of the Lokayukta, while he is 10 conducting any inquiry or investigation under this Act, shall, on conviction, be punished with simple imprisonment for a term which may extend to six months, or with fine, or with both.

(2) Whoever, by words spoken or intended to be read, makes or publishes any statement or does any other act, which is calculated to bring 15 the Chairperson or Member of the Lokayukta into disrepute, shall, on conviction, be punished with simple imprisonment for a term which may extend to six months or with fine, or with both.

(3) The provisions of sub-sections (2) to (5) of section 199 of the Code of 2 of 1974. Criminal Procedure, 1973 shall apply in relation to an offence under sub- 20 section (1) or sub-section (2) as they apply in relation to an offence referred to in sub-section (1) of the said section 199, subject to the modification that no complaint in respect of such offence shall be made by the public prosecutor except with the previous sanction of the Governor in the case of an offence against the Chairperson or Member of Lokayukta.

51. (1) Notwithstanding anything contained in this Act, whoever 25 makes any false, frivolous or vexatious complaint under this Act,—
(a) the Lokayukta may impose penalty upto two lakh rupees:

Provided that, before passing any order under this section the Lokayukta shall give an opportunity of being heard to the 30 concerned person; or

(b) the Lokayukta may direct to prosecute the complainant and he shall on conviction, be punished with imprisonment for a term which may extend to one year and with fine which may extend to two lakh rupees.

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

(3) No Special Court shall take cognizance of an offence under clause (b) of 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 40 authorised by the Lokayukta.

Intentional
insult or
interruption to,
or bringing
into disrepute,
Lokayukta.

Prosecution for
false complaint
and payment of
compensation,
etc., to public
servant.

(4) The prosecution in relation to an offence under clause (b) of 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 5 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 10 made in good faith.

Explanation.—For the purpose of this sub-section, the expression “good faith” shall have the same meaning as assigned to it in section 52 of the Indian Penal Code.

45 of 1860.

False complaint
made by society
or association of
persons or trust.

52. (1) Where any offence under sub-section (1) of section 51 has been 15 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 20 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 25 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 30 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 XII

35

MISCELLNEOUS.

Furnishing of
returns, etc.,
to State
Government.

53. 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 40 Government may, from time to time, require.

54. (1) The Lokayukta shall present annually a report including Annual report of Lokayukta. matters relating to systemic and legal reform as may be necessary, on the performance of their functions under this Act to the Governor.

(2) On receipt of the annual report under sub-section (1), the Governor shall cause a copy thereof together with an explanatory memorandum to be laid before each House of the State Legislature.

(3) Subject to the provisions of sub-section (2) of section 24, the Lokayukta may at his discretion make available, from time to time, the substance of cases closed or otherwise disposed of by him or its benches, which may appear to him to be of public, academic or professional interest, in such manner and to such persons as he may deem appropriate.

55. No suit, prosecution, or other legal proceeding shall lie against the Lokayukta or against any officer, employee, State Agency or person referred to in section 10 in respect of anything which is in good faith done or intended to be done under this Act or the rules or the regulations made thereunder.

56. 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.

Chairperson, Members, officers and employees of Lokayukta to be public servants.

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

Bar of jurisdiction.

58. The Lokayukta may provide for legal assistance to complainant or person against whom a complaint has been made who is eligible for legal aid as per the provisions of the Legal Services Authorities Act, 1987, and rules or regulations made thereunder.

Legal assistance.

59. 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.

Act to have overriding effect.

60. The provisions of this Act shall be in addition to, and not in derogation of, any other law for the time being in force.

Provisions of this Act to be in addition of other laws.

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

Power to make rules.

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

(a) the form for making complaint and affidavit thereof under sub-section (2) of section 14 ;

(b) other matters for which the Lokayukta shall have the powers of a civil court under clause (vi) of sub-section (1) of section 35 ;

(c) 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 47 ; 5

(d) the form for maintaining the accounts and other relevant records and the form of annual statement of accounts under sub-section (1) of section 49 ;

(e) the form and manner and the time for preparing the returns and statements alongwith particulars under of section 53 ; and 10

(f) any other matter which is to be or may be prescribed.

62. (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 15 powers, such regulations may provide for all or any of the following matters, namely:—

(a) 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 (8) of section 24 ; 20

(b) the manner and procedure of conducting preliminary inquiry or investigation under sub-section (10) of section 24 ;

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

63. Every rule and regulation made under this Act shall be laid, as 25 soon as may be after it is made, before each House of State Legislature, 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, both Houses agree in making any modification in the rule or 30 regulation, or both Houses agree 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. 35

64. (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 appear to it to be necessary for removing the difficulty:

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

(2) Every order made under sub-section (1) shall be laid, as soon as may be after it is made, before each House of the State Legislature.

65. For the removal of doubts, it is hereby declared that nothing in this Act shall be construed to authorize the Lokayukta to investigate any action which is taken by or with the approval of,—

45 of 1860. (a) any judge as defined in section 19 of the Indian Penal Code;

(b) any officer or servant of any court;

(c) the Accountant General, Maharashtra;

15 (d) the Chairman or a Member of the Maharashtra State Public Service Commission;

(e) the Chief Election Commissioner, the Election Commissioners and the Regional Commissioners referred to in article 324 of the Constitution of India and the Chief Electoral Officer, Maharashtra State;

20 (f) the Speaker of the Maharashtra Legislative Assembly or the Chairman of the Maharashtra Legislative Council;

(g) any member of the Secretarial staff of either House of the State Legislature.

66. (1) On the commencement of this Act, the Maharashtra Lokayukta Mah. XLVI 25 and Upa-Lokayuktas Act, 1971, shall, from such commencement, stand of 1971. repealed.

(2) Notwithstanding such repeal,—

30 (a) all applications, suits and other proceedings under the said Act, pending on the date of commencement of this Act before any court, competent authority or other office or authority, shall be continued and disposed of, in accordance with the provisions of the Act so repealed, as if the said Act had continued in force and this Act had not been passed;

35 (b) any appointment made or rules, notifications or orders issued under the repealed Act and in force on the date of commencement of this Act shall, in so far as they are not inconsistent with the provisions of this Act, be deemed to have been made or issued under this Act and shall continue to be in force until the same are superseded or modified by any appointment made or rule, notification or order issued under this Act;

40 (c) all prosecutions instituted under the provisions of the repealed Act shall be effective and disposed of in accordance with the law.

FIRST SCHEDULE

[See section 3 (5)]

I,....., having been appointed as Chairperson/ Member of Lokayukta, do swear in the name of God solemnly affirm that, I will bear faith and allegiance to the Constitution of India as 5 by law established, and I will duly and faithfully and to the best of my ability, knowledge and judgment perform the duties of my office without fear or favour, affection or, ill will.

SECOND SCHEDULE

[See section 13 (1)(iv)(a)]

(a) Action taken for the purpose of investigating crime or protecting the security of the State.

5 (b) Action taken in the exercise of powers in relation to determining whether a matter shall go to a court or not.

(c) Action taken in matters which arise out of the terms of contract governing purely commercial relations of the administration with customers or suppliers, except where the complainant alleges harassment or gross 10 delay in meeting contractual obligations.

(d) Action taken in respect of appointments, removals, pay, discipline, superannuation or other matters relating to conditions of service of public servants but not including action relating to claims for pension, gratuity, provident fund or to any claims which arise on retirement, removal or 15 termination of service.

(e) Grant of honours and awards.