MANIPUR GAZETTE

EXTRAORDINARY

PUBLISHED BY AUTHORITY

No. 264(A) Imphal, Thursday, August 6, 1992 (Sravana 15, 1914)

GOVERNMENT OF MANIPUR

SECRETARIAT : LAW & LEGISLATIVE AFFAIRS DEPARTMENT

NOTIFICATION

Imphal, the 6th August, 1992

No. 2/73/87-Leg/L.—The following Act of the Legislature, Manipur which received assent of the President of India on 23-7-92 is hereby published in the Manipur Gazette.

Sd/- I. BIJOY SINGH,
Legal Remembrancer-cum-Secretary,
Law & Legislative Affairs Department,
Government of Manipur.

THE MANIPUR LOTTERIES CONTROL ACT, 1988

(Manipur Act No. 2 of 1992)

An

ACT

to control and to tax lotteries in the State of Manipur.

Be it enacted by the Legislature of Manipur in the Thirtyninth Year of the Republic of India as follows :—

1. Short title, extent and commencement :— (1) This Act may be called the Manipur Lotteries Control Act, 1988.

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

(3) It shall come into force on the date of its publication in the official Gazette.

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

(a) " authority" means an authority to be appointed as such by the State Government whether generally or for a particular purpose or for a particular provision of this Act;

(b) "licence" means a licence granted under this Act;

(c) "money'includes a cheque or any other negotiable instrument, a postal order or money order;

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

(e) "quarter" means a period of three months from the 1st January to 31st March, from 1st April to 30th June, from 1st July to 30th September and from 1st October to 31st December in each year;

(f) "State Government" means the State Government of Manipur;

(g) "ticket" includes, in relation to any lottery or proposed lottery, any document evidencing the claim of a person to participate in the chances of the lottery.

(2) For the purposes of this Act—

(a) reference to printing shall be construed as including references to writing and other modes of representing or reproducing words in a visible form; and

(b) documents or other matters shall be deemed to be distributed if they are distributed to persons or in places within or outside the State and the expression 'distribution' shall be construed accordingly.

3. All lotteries unlawful :—Subject to the provisions of this Act, all lotteries are unlawful.

4. Offences in connection with lotteries—(1) Subject to the provisions of this section, every person who in connection with any lottery promoted or proposed to be promoted, either in the State or elsewhere—

(a) Publishes any proposal to pay any sum, or to deliver any goods, or to do or forbear from doing anything for the benefit of any person, on any event or contingency relative or applicable to the drawing of any ticket, lot, number, colour, or figure in the lottery ; or

(b) prints any tickets for use in the lottery ; or

(c) sells or distributes, or offers or advertises for sale or distribution, or has in his possession for the purpose of sale or distribution, any ticket or chance in the lottery ; or

(d) prints, publishes or distributes, or has in his possession for the purpose of publication or distribution —

(i) any advertisement of the lottery ; or

(ii) any list (whether complete or not) of prize winners or winning tickets in the lottery; or

(iii) any such matter descriptive of the drawing or intended drawing of the lottery, or otherwise relating to the lottery, as is calculated to act as an inducement to persons to participate in that lottery or in other lotteries ; or

(e) brings, or invites any person to send into the State, for the purpose of sale or distribution any ticket in, or advertisement of, the lottery ; or

(f) sends or attempts to send out of the State,

(i) any money or valuable thing received in respect of the sale or distribution of any ticket or chance in the lottery ; or

(ii) any document recording the sale or distribution or any ticket or chance in the lottery ; or

(iii) any document recording the identity of the holder of any ticket or chance in the lottery ; or

(g) uses any premises, or permits any premises to be used, for purposes connected with the promotion or conduct of the lottery ; or

(h) causes or attempts to cause any person to do any of the above mentioned acts,

shall, on conviction, be punishable—

(i) for the first offences with fine which may extend to two thousand rupees;

(ii) for the second offence with fine which may extend to three thousand rupees ; and

(iii) for any subsequent offence with imprisonment for a term which may extend to three months or with fine which may extend to five thousand rupees or with both.

(2) In any proceedings instituted under sub-section (1), an accused person shall not be deemed to be guilty if he proves that the lottery to which the proceedings relate was such a lottery as is not deemed to be an unlawful lottery under section 5, section 6 or section 7, as the case may be, and that at the date of the alleged offence the accused believed and had reasonable grounds for believing that there was no contravention of any of the conditions required by section 5 or section 6 or section 7 to be observed in connection with the promotion and conduct of the lottery.

5. Licensed entertainment lotteries not unlawful— (1) A lottery promoted as an incident of an entertainment shall not be deemed to be an unlawful lottery, if the promoter thereof has obtained a licence in respect of such lottery.

(2) The following conditions shall be observed by the promoter in connection with the promotion and conduct of such lottery, namely :—

(a) the whole proceeds of the entertainment (including the proceeds of the lottery) after deducting—

(i) the expenses of the entertainment, excluding expenses incurred in connection with the lottery ;

(ii) the expenses incurred in printing tickets of the lottery ; and

(iii) such sum (if any) not exceeding five hundred rupees, as may be specified in the licence as expenses which may be incurred by the promoters in purchasing prizes in the lottery,

shall be devoted to purposes other than private gain ;

(b) none of the prizes in the lottery shall be money prizes];

(c) tickets or chances in the lottery shall not be sold or issued, nor shall the result of the lottery be declared, except on the premises on which the entertainment takes place and during the progress of the entertainment; and

(d) the facilities afforded for participating in lotteries shall be the only, or the only substantial, inducement to any person to attend the entertainment.

(3) If any of the conditions specified in sub-section (2) is contravened, every person concerned in the promotion or conduct of the lottery shall, on conviction, be punishable—

(a) for the first offence with fine which may extend to two thousand rupees; and

(b) for the second offence with fine which may extend to three thousand rupees; and

(c) for any subsequent offence with imprisonment for a term which may extend to three months or with fine which may extend to five thousand rupees or with both:

Provided that in any proceeding under this section, it shall be a defence for a person charged to prove that the offence was committed without his knowledge.

EXPLANATION:—The entertainments to which this section applies are, bazars, exhibitions, exhibition of feats and other entertainments of a similar character, whether limited to one day or extending over two or more days.

6. Licensed private lotteries not unlawful :—(1) A private lottery shall not be deemed to be an unlawful lottery, if the promoter thereof has obtained a licence in respect of such lottery.

(2) The following conditions shall be observed by the promoter in connection with the promotion and conduct of such lottery, namely :—

(a) the whole proceeds, after deducting only expenses incurred for printing and stationery, shall be devoted to the provision of prizes for purchasers of winning tickets or chances, or, in the case of a lottery promoted for the members of a society, shall be devoted either to the provision of prizes as aforesaid or to the purposes of the society or, as to a part of the proceeds, to the provision of prizes as aforesaid and, as to the remainder, to such purposes as aforesaid;

(b) there shall not be exhibited, published or distributed any written notice or advertisement of the lottery other than :—

(i) a notice thereof exhibited on the premises of the society for whose members it is promoted or, as the case may be, on the premises on which the persons for whom it is promoted work or reside; and

(ii) such announcement or advertisement thereof as is contained in the tickets, if any;

(c) the prize of every ticket or chance shall be the same and shall be stated on the tickets;

(d) every ticket shall bear upon the face of it the name and address of the promoters and a statement of the persons to whom the sale of tickets or chances by the promoters is restricted, and a statement that no prize won in the lottery shall be paid or delivered by the promoters to any person other than the person to whom the winning ticket or chance was sold by them, and no prizes shall be paid or delivered except in accordance with that statement;

(e) no ticket or chance shall be issued or allotted by the promoters except by way of sale and upon receipt of the full price thereof, and no money or valuable thing so received by a promoter shall in any circumstance be returned ; and

(f) no tickets in the lottery shall be sent through the post.

(3) If any of the conditions specified in sub-section (2) is contravened, each of the promoters of the lottery, and where the person by whom the condition is contravened, is not one of the promoters, that person also, shall, on conviction, be punishable—

(a) for the first offence with fine which may extend to two thousand rupees ;

(b) for the second offence with fine which may extend to three thousand rupees ; and

(c) for any subsequent offence with imprisonment for a term which may extend to three months or with fine which may extend to five thousand rupees or with both :

Provided that in any proceeding under this section, it shall be a defence for a person charged only by reason of his being a promoter of the lottery to prove that the offence was committed without his knowledge.

EXPLANATION:— For the purpose of this section—

(a) the expression "private lottery" means a lottery in the State which is promoted for, and in which the sales of tickets or chances by the promoters is confined to, either—

(i) members of one society established and conducted for purposes not connected with gaming, wagering or lotteries ; or

(ii) each and every person to whom under the foregoing provisions tickets or chances may be sold by the promoters and, in the case of a lottery promoted for the members of a society, is a person authorised in writing by the governing body of the society to promote the lottery ; and

(b) the expression "society" includes a club, institution, organisation or other association of persons by whatever name called, and each local or affiliated branch or section of a society shall be regarded as separate and distinct society.

7. **Licensed charitable lotteries not unlawful:**—Notwithstanding anything to the contrary contained in this Act, the State Government may, in respect of a lottery promoted for the benefit of a charitable, religious or educational institution or organisation, grant a licence, subject to such conditions and on the payment of such fees or taxes as may be specified in the said licence, and such lottery shall not be deemed to be an unlawful lottery :

Provided that the rate of tax shall not be, in any case, higher than the rates set out in sub-section (1) and sub-section (2) of section 10.

(2) If any of the conditions specified in any licence granted under sub-section (1) is contravened, each of the promoters of the lottery and where the person by whom the condition is contravened, is not of one the promoters, that person also, shall, on conviction, be punishable—

(a) for the first offence with fine which may extend to two thousand rupees;

(b) for the second offence with fine which may extend to three thousand rupees; and

(c) for any subsequent offence with imprisonment for a term which may extend to three months or with fine which may extend to five thousand rupees or with both :

Provided that in any proceeding under this section, it shall be a defence for a person charged only by reason of his being a promoter of the lottery to prove that the offence was committed without his knowledge.

8. Licences.—Every licence granted under this Act shall be granted by the State Government on payment of such fees and subject to such conditions and shall be in such form as may be prescribed.

9. Suspension or cancellation of licence:—The State Government may suspend or cancel a licence granted under this Act—

(i) if there is any breach of any of the conditions subject to which the licence is granted; or

(ii) if the holder of such licence contravenes any of the conditions specified in section 5 or section 6 or in a licence referred to in section 7 ; or

(iii) if any tax payable under section 10 is not duly paid by the promoter ; or

(iv) if the holder of such licence contravenes any of the provisions of section 13; or

(v) for any other reason for which the suspension or cancellation of the licence is, in the opinion of the State Government, necessary in the public interest.

10. Levy of tax on lotteries :- (1) There shall be levied in respect of every lottery for which a licence has been obtained under section 5, section 6 or section 7, a tax at such rate not exceeding twelve and a half per cent of the total sum received or due in respect of such lottery as may be specified by the State Government, by notification in the official Gazette and the tax shall be collected from the promoter of such lottery, as the case may be.

(2) Notwithstanding anything contained in sub-section (1), the State Governmant may, by notification in the official Gazette, direct that the tax to be levied in respect of a lottery shall be at such rate not exceeding fifty per cent of the total sum received or due in respect of such lottery as may be specified in the notification.

(3) The authority may, after making such inquiry as he deems fit, determine the person who shall be deemed to be the promoter for the purposes of this section.

11. Calculation and recovery of tax levied under section 10:—(1) The amount of tax to be levied in respect of a lottery under section 10, shall de calculated by the authority on the total sum received or due in respert of the lottery as disclosed in the accounts maintained by the promoter and statements submitted to the authority under section 13.

(2) In cases where no such accounts are maintained or where no such statements are submitted or where such accounts or statements are in the opinion of the authority, false or incorrect, the authority shall make the calculation to the best of his judgement.

(3) If any tax payable under section 10 is in arrear, the authority may, in lieu thereof, recover any sum not exceeding double the amount of the tax so unpaid or any smaller sum above the amount of the tax which the authority may think it reasonable to recover.

12. Recovery of licence fee and other dues:—All sums payable as fees or taxes under this Act may be recovered in the manner prescribed in the Code of Criminal Procedure 1973 (No. 2 of 1974) (hereinafter referred to as the Code).

13. Promoters of lotteries to keep and maintain accounts:—Every person promoting a lottery of any kind shall keep and maintained proper and correct accounts relating to such lottery and shall submit the statements to the authority in such form and at such period as may be prescribed.

14. Penalty for failure to keep accounts:—If any promoter of a lottery liable under section 13, to keep accounts or to submit statements, fails to keep the accounts or to submit the statements in the manner and in the period prescribed, he shall, on conviction, be punishable with fine which may extend to one thousand rupees.

15. Power of authority to require production of accounts or to inspect accounts:—The authority or any person authorised in this behalf may, for the purposes of this Act, at all reasonable times—

(i) require any promoter of a lottery to produce before him accounts or other documents or to furnish any other information; or

(ii) inspect the accounts of any such promoter.

16. Power of entry and search:—Notwithstanding anything contained in the Code, any police officer not below the rank of Sub-Inspector or any officer authorises by the State Government in this behalf may—

(a) enter, with the assistance of such persons as he found necessary, by night or by day, and by force, if necessary, any house, room, or place which he has reason to suspect is used for purposes connected with the promotion or conduct of any lottery;

(b) search all parts of the house, room or place which he shall have so entered, the persons whom he shall find therein and also such persons as may be specified by name in the warrant;

(c) take into custody and bring before a Magistrate all such persons;

(d) seize all things which are reasonably suspected to have been used or intended to be used in connection with a lottery and which are found therein.

17. **Searches how made** :—All searches, made under section 16, shall be made in accordance with the provisions of the Code.

18. **Power to arrest without warrant** :—Notwithstanding anything contained in the Code, any Police Officer not below the rank of Assistant Sub-Inspector may apprehend without warrant any person found or reasonably suspected of committing an offence under this Act, in any public street or thoroughfare or in any place to which the public have or are permitted to have access.

19. **Power of investigation**:—Notwithstanding anything contained in the Code, every Police Officer not below the rank of Sub-Inspector shall have power to investigate all offences punishable under this Act.

20. **Offences to be non-bailable** :—Notwithstanding anything contained in the Code, every offence under this Act shall be non-bailable.

21. **Jurisdiction to try offences** :—Notwithstanding anything contained in the Code, every offence under this Act shall be tried by a Magistrate of the First Class.

22. **Authorisation of certain officers to perform the functions of the authority**:—The State Government may, by general or special order, authorise any officer to perform the functions of the authority under any of the provisions of this Act.

23. **Offences by corporation, etc.** :—Where a person committing an offence under this Act is a company or other body corporate or an association of persons (whether incorporated or not), every person who at the time of the commission of the offence was a director, manager, secretary, agent or other officer or person concerned with the management thereof shall, unless he proves that the offence was committed without his knowledge, be deemed to be guilty of such offence.

24. **The Authority to act subject to orders of State Government**:—The Authority and all officers duly authorised under section 22 shall exercise such powers and perform such duties conferred and imposed on them by or under this Act, in accordance with such orders as the State Government may, from time to time, make.

25. **Officers to be deemed public servants:**—All officers acting under this Act shall be deemed to be public servants within the meaning of section 21 of the Indian Panal Code, 1860 (Act No. 45 of 1860).

26. **Protection of persons acting in good faith:**—No suit, prosecution or other legal proceeding shall be instituted against any officer of the State Government for anything which is in good faith done or intended to be done under this Act or the rules made thereunder.

27. **Appeal and revision** :—(1) Any person aggrieved by any order passed under this Act by the authority or any officer authorised under section 22, may appeal against such order to the State Government.

(2) The State Government may, at any time call for and examine the record of any order or the proceedings of any officer or person for the purpose of satisfying itself as to the legality or propriety of such order passed by, or as to the regularity of such proceedings of, such officer or any person may pass such order in reference thereto as it thinks fit.

(3) Every order passed in appeal under this section shall, subject to the powers of revision conferred by sub-section (2) above, be final and shall not be liable to be called in question in any court of law whether in a suit or other proceeding or by way of appeal or revision.

28. **Exemption:**—The State Government may exempt from all or any of the provisions of this Act any lottery the net proceeds of which are to be devoted to a charitable purpose.

29. **Power to make rules:**—(1) The State Government may, by notification in the official Gazette, make rules for carrying out all or any of the purposes of this Act.

(2) Without prejudice to the generality of the foregoing powers, such rules may provide for the following matters :—

(i) the procedure for the grant of licences, the form of licence and the fees on payment of which and the conditions subject to which a licence shall be granted under section 8;

(ii) the manner in which the accounts shall be kept and maintained and the form in which and the period at which, the statements of accounts are to be submitted under section 13.

(3) Every rule made under this Act shall be laid, as soon as may be, before the House of the State Legislature while it is in session, for a total period of twenty days which may be comprised in one session or in two or more successive sessions, and if, before expiry or the session immediately following or successive sessions aforesaid, the House agree in making modification in the rule or that the rule should not be made, the rule 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 amendment shall be without prejudice to the validity of anything previously done under that rule.

30. Repeal and saving :— (1) The provisions of section 294-A of the Indian Penal Code, 1860 (XIV of 1860) in its application to the State of Manipur, are hereby repealed.

(2) Nothing in this Act shall apply to lotteries organised by the Government of India or the Government of a State within the meaning of entry 40 of List I in the Seventh Schedule to the Constitution of India.

(3) Notwithstanding such repeal, anything done or any action taken under the provisions of the section so repeal, in so far as such thing or action is not inconsistent with the provisions of this Act, be deemed to have been done or taken under the provisions of this Act, as if, the said provisions were in force when such thing was done or such action was taken and shall continue in force accordingly until superseded by anything done or any action taken under this Act.

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Printed at the Directoraete of Printed & Stationery, Manipur/320-C/6-8-1992.