

AS INTRODUCED IN THE RAJYA SABHA  
ON THE 4TH FEBRUARY, 2022

**Bill No. XI of 2021**

THE LOKPAL AND LOKAYUKTAS (AMENDMENT) BILL, 2021

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BILL

*A Bill further to amend the Lokpal and Lokayuktas Act, 2013.*

BE it enacted by Parliament in the Seventy-second year of the Republic of India as follows:—

1. (1) This Act may be called the Lokpal and Lokayuktas (Amendment) Act, 2021.

Short title and  
commencement.

(2) It shall come into force on such date as the Central Government may, by notification  
5 in the Official Gazette, appoint.

Substitution of section 44. **2.** In the Lokpal and Lokayuktas Act, 2013. (hereinafter referred to as the principal Act) 1 of 2014.  
for section 44, the following section shall be substituted, namely:—

Declaration of assets.

"44. (1) A public servant shall furnish to the Lokpal, the information relating to—

(a) the assets of which he, his spouse and his dependent children are, jointly or severally, owners or beneficiaries; 5

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

(2) Every public servant shall file with the Lokpal, on or before the 31st July of every year, an annual return of such assets and liabilities, as referred to in sub-section (1), as on the 31st March of that year.

(3) The information under sub-section (1) shall be furnished to the Lokpal in such form and in such manner as may be prescribed. 10

(4) The Lokpal shall ensure that all such statements are published on the website of respective Ministry or Department by 31st August of that year.

(5) The Lokpal shall by draw of lots, select ten percent of the total cases filed in a year for detailed examination or scrutiny: 15

Provided that cases covered in a year shall not be taken up for the next three years.

*Explanation.*—For the purposes of this section, "dependant children" means sons and daughters who have no separate means of earning and are wholly dependant on the public servant for their livelihood." 20

Amendment of section 45.

**3.** In section 45 of the principal Act, in proviso, for the words 'competent authority', the words 'Lokpal' shall be substituted.

## STATEMENT OF OBJECTS AND REASONS

Corruption is a threat to good governance and many countries around the world have introduced systems of asset declaration for public officials. It serves three purposes namely, increases transparency and trust of citizens in public administration, prevents conflict of interest and lastly, monitors wealth variations of individual politicians and public servants.

2. In India, section 44 of the Lokpal and Lokayuktas Act, 2013 contains a provision for the declaration of assets by public servants. However, an amendment to the Act was brought in 2016 that scrapped the original section 44 and substituted it with a vague clause thereby diluting the very purpose of the provision.

3. According to the report of Global Civil Society of Transparency International, India has ranked 1 with 39% corruption rate in Asia for bribery and use of personal links in order to avail public services like healthcare, education, etc. Similarly, according to the Transparency International's Corruption Perception Index, 2019, India stood at 80th position out of 198 countries in corruption.

4. A study conducted by Organisation of Economic Co-operation and Development (OECD) titled 'Asset Declarations for Public Officials' observed that countries having asset declaration systems, open for public scrutiny, increased the amount of transparency and confidence in the general public. Such countries perform far better on the corruption index. For instance, Spain ranks 30 and Lithuania ranks 35, almost 50 places better than India.

5. For achieving clean and responsive governance, it is crucial that spouse and dependent children of public servants also disclose their assets and liabilities. The Supreme Court in **People's Union for Civil Liberties vs. Union of India (2003)** observed that by following such a practice, "the fundamental right to information of a voter/citizen is promoted". The right to know about the candidate who intends to become a public figure and a representative of the people would not be effective and real, if, truncated information of the assets and liabilities is given. It cannot be denied that the family relationship and social order in our country is such that the husband and wife look to the properties held by them as belonging to the family for all practical purposes, though, in the eye of the law, the properties may distinctly belong to each of them. Thus there is a need to provide for declaration of assets by public servants and its scrutiny by Lokpal.

Hence this Bill.

DR. AMAR PATNAIK

ANNEXURE

EXTRACTS FROM THE LOKPAL AND LOKAYUKTAS ACT, 2013

(1 OF 2014)

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**44.** On and from the date of commencement of this Act, every public servant shall make a declaration of his assets and liabilities in such form and manner as may be prescribed.

**45.** Presumption as to acquisition of assets by corrupt means in certain cases.—

If any public servant wilfully or for reasons which are not justifiable, fails to—

(a) to declare his assets; or

(b) gives misleading information in respect of such assets and is found to be in possession of assets not disclosed or in respect of which misleading information was furnished,

then, such assets shall, unless otherwise proved, be presumed to belong to the public servant and shall be presumed to be assets acquired by corrupt means:

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

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RAJYA SABHA

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further to amend the Lokpal and Lokayuktas Act, 2013.

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*(Dr. Amar Patnaik, M.P.)*