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GOVERNMENT OF ARUNACHAL PRADESH
DEPARTMENT OF STATE LOTTERIES
ITANAGAR

NOTIFICATION

The 12th April, 2013

No. LOT-07/98.— In exercise of the powers conferred by Sub-section (1) of section 12 of the Lotteries (Regulation) Act, 1998 (Act No. 17 of 1998) and in supersession of the Arunachal Pradesh State Lottery Rules, 2001 and Arunachal Pradesh State Online Lottery Rules, 2002 as notified by Government Notification No. LOT-07/98 dated 13th August, 2001; Notification No. LOT-03/2005 dated 24th November, 2005 and Notification No. LOT-24/2000(Pt.) dated 2nd September, 2002 respectively and except as respects things done or omitted to be done before such supersession, the Governor of Arunachal Pradesh is hereby pleased to make the following Rules for the purpose of conducting Arunachal Pradesh State Lotteries, namely:-

PART-I

1. **Short title and commencement :**— (i) These Rules may be called the Arunachal Pradesh Lotteries (Regulation) Rules, 2013.
(ii) They shall come into force with immediate effect.
2. **Definition :** In these rules, unless the context otherwise requires:-
 - (i) "Act" means the Lotteries (Regulation) Act, 1998.
 - (ii) "Central Rules" means the Lotteries (Regulation) Rules, 2010.
 - (iii) "Agreement" means an agreement in writing laying down the rights/obligations of each parties and such terms as agreed between the Government of Arunachal Pradesh and the Distributor(s) or Printing Press or any such person or persons etc., for Selling, Marketing or Printing of the Lottery tickets of Arunachal Pradesh State Lottery.
 - (iv) "Government" means the Government of Arunachal Pradesh.
 - (v) "Governor" means the Governor of Arunachal Pradesh.
 - (vi) "Secretary" means the Secretary to the Department of State Lottery, Government of Arunachal Pradesh.
 - (vii) "Judge" means such official appointed by the Government to conduct the lottery draws on a scheduled time.
 - (viii) "Lottery" means a scheme in whatever form and by whatever name called, for distribution of prize by lot or chance to those persons participating in the chances of a prize by purchasing tickets.
 - (ix) "Sale Proceeds" means the wholesale price at which the total printed tickets for a particular draw of lottery is sold to Distributor(s).
 - (x) "Security" means any lump sum amount prescribed by the Government required to be furnished by the Distributor/Selling Agent in the form of collaterals payable to it for due fulfillment of contract in shape of Fixed Deposits/Deposit on Call or in the form of Bank Guarantee and with whom an agreement for undertaking works of printing/Sale of lottery tickets in respect of Arunachal Pradesh State Lottery tickets has been executed.
 - (xi) "State" means the State of Arunachal Pradesh.
 - (xii) "Price" of a tickets means the maximum retail price (MRP) of the tickets as fixed by the Government from time to time.
 - (xiii) "Printer" means such Printing Press engaged for the purpose of printing the Arunachal Pradesh State Lottery tickets under definite term and conditions incorporated in an agreement.
 - (xiv) "Prize Money" means the prize amount, payable to prize winning tickets holder excluding income-tax, if any, deductible at source as per the provision of the income Tax Act, 1961 as amended up to date and also any other amount as per terms and conditions of lottery to be notified on the back side of the lottery tickets.

(xv) "Scheme" means Arunachal Pradesh State Lottery Scheme (both Paper & on-line) indicating the following:-

- (a) Name of the Lottery draw;
 - (b) Category of the lottery (Daily/Weekly or Bumper);
 - (c) Total number of tickets printed;
 - (d) Series, if any;
 - (e) Serial number of the first and last ticket in each series;
 - (f) Cost of each tickets for sale among public;
 - (g) Details of prizes;
 - (h) Any other matter as may be approved by the Government ;
- (xvi) "Tickets" means Arunachal Pradesh State Lottery Ticket (both paper & on-line) bearing the imprint and logo of the State of Arunachal Pradesh having the facsimile signature of the Secretary to the Government of Arunachal Pradesh (State Lotteries) on it and are released for sale in receipt of any particulars, draw to be held on specific date and time with all necessary information for the convenience of the subscribers, intending to enter in the draw for winning prize money of a particular draw on purchasing its tickets.
- (xvii) "Distributors or Selling Agent" means an individual or a firm or a body corporate of other legal entity under law so appointed by the Government of Arunachal Pradesh through an agreement to market and sell lotteries on behalf of it.
- (xviii) "Draw" means method by which the prize winning numbers are drawn for each lottery or lotteries by operating the draw machine or any other mechanical method based on random technology, which is also visibly transparent to the viewers.
- (xix) "Online lottery" means a system created to permit players to purchase lottery tickets generated by the computer or online machine at the lottery terminals where the information about the sale of a ticket and the players choice of any particular number or combination of number is simultaneously registered with the central computer server.
- (xx) "Organising State" means the State of Arunachal Pradesh.
- (xxi) "Central computer Server" means a system of multiple computers installed at a central location under the direct control of the Government of Arunachal Pradesh, that accepts, processes, stores and validates the online lottery transactions or otherwise manages, monitors and control the system of online lottery.
- (xxii) "Central Rules" means the lotteries (Regulation) Rules 2010 as notified by the Ministry of Home Affairs, Government of India, New Delhi under the GSR 278 (E) dated 1st April, 2010 and published in the Gazette of India, Extraordinary, Part II, Section 3(i) dated 1st April, 2010 pages 1-12 :
- (xxiii) "Prize" means the amount payable against a ticket bearing the winning number of any specified prize denomination :
- (xxiv) "Sale Proceeds" means the amount payable by the Distributor to the Organising State in respect of sale of tickets calculated at the face value printed on each ticket in respect of lotteries of a particular draw or scheme or both :
- (xxv) "Security Deposit" means a deposit of specified amount paid or banks guarantee pledged to the Government of Arunachal Pradesh by the Distributor or Selling Agent in any form for due fulfillment of the contract of financial commitment.
- (xxvi) Words and expressions used but not defined herein but defined in the Act shall have the meaning respectively assigned to them in the Act.

3. **Administration of Lottery :** (i) The State Government of Arunachal Pradesh may organize paper lottery or online lottery or both, subject to the conditions specified in the Lotteries (Regulation) Act, 1998 (Act No. 17 of 1998) Act, the Central Rules and Arunachal Pradesh State Lottery Rules.

- (ii) The Government may organize a lottery or lotteries, if it so decides, by issuing an official notification in Arunachal Pradesh Gazette in this regard, outlining each lottery-wise the purposes, scopes, limitations and methods thereof for conduct and draw of such lottery.
- (iii) The Government shall announce in advance by way of an official notification in Arunachal Pradesh Gazette, the following information about every lottery proposed to be organized by it namely :-
 - (a) the names of the lottery or lottery scheme.
 - (b) maximum retail price of the lottery ticket.
 - (c) total numbers of tickets printed in case paper lottery.
 - (d) gross value of the tickets printed.
 - (e) name or names of the distributors or selling agents with their addresses and contact information.
 - (f) prize structure.
 - (g) the amount offered as prize money.
 - (h) periodicity of the draw.
 - (i) the place where the draw shall be conducted; and
 - (j) the procedure for payment of the prize winning tickets of prize-winners.

- (iv) In case, the Government decides to organize more than one lottery, the procedure as provided in sub-rule (iii) shall be followed for each lottery.
- (v) The State Lotteries shall be organized, conducted or promoted by the State Government through various terminals connected with the Central Server, or shall authorize the Distributor/Sellers for sale of tickets after entering into written agreement, with the said Distributor(s)/Selling Agent(s).
- (vi) A Parallel Server shall be invariably installed to monitor entire activities in the office of the Directorate of State Lottery by the Secretary or his authorized officer.
- (vii) The State Lottery shall be named as the "Arunachal Pradesh State Lotteries" with such other sub-name as may be decided by the Government from time to time as per market conditions.
- (viii) The Authorized officer shall arrange to deliver the tickets on behalf of the State Government to the Distributor as the case may be at the place mutually agreed upon.
- (ix) All the paper lottery tickets and the stationary on which online lottery tickets shall be preferably printed by the Government at its Government Press or at such high security press as may be deemed expedient by the Government and for which an agreement to this effect have been entered between the parties.
- (x) The form, size design of tickets for the paper lottery and the online lottery shall be decided by the Government and duly communicated to the Distributors.
- (xi) The printed tickets for a particular draw shall bear the imprint and logo of the Government, distinctive number, the date/time of draw and the sale price of the tickets/minimum retail prize (MRP) and facsimile signature of Secretary, State Lottery. On the reversed side of the tickets, there shall be printed information in English showing prize structure and such other essential details and conditions as the State Government may consider necessary as per the Lotteries (Regulation) Act., 1998 (Act No. 17 of 1998) Act, the Central Rules and Arunachal Pradesh State Lottery Rules.
- (xii) The printing of the online lottery tickets shall be as per the approved schemes of the Government and shall be done by the Terminal(s)/Retailers and shall have the imprint logo and facsimile signature of the Secretary. Such tickets shall be sold after printing of the players selected numbers.
- (xiii) The schemes are liable to be changed or modified by the Government from time to time, keeping in view the requirement of market conditions.
- (xiv) No instrument of any kind used in transmission of alpha-numeric message or any instrument of audio visual display/recording shall be allowed to the person(s) present at the draw place.
- (xv) The number of lottery draws except bumper draw organized by the Government from all the lottery schemes put together, shall not be more than twenty four per day.
- (xvi) No draws of a lottery shall be conducted on any National Holiday and after 5.00 pm. in any other day.
- (xvii) The minimum sale price of a lottery ticket shall not be less than two rupees.
- (xviii) The first prize in any lottery scheme shall not be less than ten thousand rupees.
- (xix) The Government shall charge a minimum amount of five lakh rupees per draw for every bumper draw of lottery and for all other forms of lottery, a minimum amount of ten thousand rupees per draw.
- (xx) The Government shall be required to pay to the other State Governments under whose jurisdiction, the Arunachal Pradesh State Lottery tickets are being sold, such charges at a minimum amount of two thousand rupees per draw, but the maximum amount chargeable shall not be more than what is being charged by such other State Government from its own lotteries.
- (xxi) The Secretary of the department or its authorized officer shall cause to be published all the result of the lottery draws in the Arunachal Pradesh Gazette and in one national and two local newspapers through the Director, IPR Government of Arunachal Pradesh out of which one shall be in English.
- (xxii) The Finance Commissioner, Government of Arunachal Pradesh or any such other officers at the level of Secretary to the Government shall be the designated authority in case of any difference or disputes between the Government and the Distributor in respect of the State Lottery.
- (xxiii) No price shall be offered on a lottery ticket or in an online lottery on the basis of single, double or triple digit in any form or combination.
- (xxiv) All the Distributors or selling agent appointed or authorized by the State Government of Arunachal Pradesh shall act in conformity with the provisions of the Act, Central Rules and these rules.
- (xxv) A certified copy of the results shall be supplied to the representative of the Distributor by the authorized officer(s) of the Department after the last draw conducted during the day.
- (xxvi) The State Government may authorize the Distributor to make the payment of prizes on its behalf, up to the value of ₹ 5,000 (Rupees five thousand) only to the prize winners within a period of 90 (ninety) days from the date of draw. The expenses incurred by the Distributor on account of payment of such prizes may be adjusted/set-off against the sale proceeds of lottery tickets payable by the Distributor to State Government.

(xxvii) One ticket will enable the holder thereof to claim one prize only, whichever is higher. The prize winner for amount above ₹ 5,000/- shall be required to submit the prize winning tickets (PWT) in original along with 3 (three) copies of passport size photograph supported by documentary proof and a Court Affidavit duly attested and signed by the 1st Class Magistrate/from the date of draw through authorized distributor or selling agents.

(xxviii) Prizes that are not claimed by the prize winners within a period of 90 (ninety) days from the date of draw shall not be disbursed and shall stand forfeited to the State Government as unclaimed prize money.

Provided that the Secretary may, in exceptional circumstances, disburse the prize amount to the prizewinners on his/her application even after expiry of the said period of 90 (ninety) days but not exceeding 180 (one hundred eighty) days if he is satisfied that the reasons for not claiming the prize amount within the said period of 90 (ninety) days are cogent and genuine. Moreover in order to determine the unclaimed or undistributed prize money, the Distributor shall, within a period of one month from the expiry of the period of 90 (ninety) days referred to above, submit the details audited account thereof, to the Department of State Lottery. The Distributor shall notify Audit firms appointed for this purpose.

(xxix) No forged, torn, mutilated or tampered ticket shall be entertained for prize claim payment.

(xxx) The prize claims on taxable amount shall be paid after due Verification of prize winning ticket (PWT) from the concerned Printing Press or central server/parallel server as the case may be.

(xxxi) The entire prize ranks shall be paid only in Indian currency.

(xxxii) There shall be 2(two) judges for conduct of Arunachal Pradesh State Lotteries with a time table shift-wise in the day to day operation of the lottery draws. The panel of judges so appointed shall be paid a lump sum remuneration as may be decided by the Government from time to time.

(xxxiii) All draws of Arunachal Pradesh State Lottery (both paper and online) shall be held and conducted within the territory of Arunachal Pradesh and shall be held and conducted under the direct supervision of the Secretary or authorized representatives and in the presence of at least two draw judges duly appointed by the Department of State Lottery.

(xxxiv) The Distributor shall lift the lottery tickets within such reasonable period so as to ensure the conduct of first draw within a period of sixty days from the date of execution of agreement or any other date fixed by the State Government in public interest. If the first draw is not held within the stipulated period due to the failure of the Distributor in lifting the tickets, then his performance security/Bank Guarantee shall stand forfeited to the Government of Arunachal Pradesh and that the Government of Arunachal Pradesh shall be competent to terminate the agreement with such distributor and for which no compensation shall be payable.

(xxxv) The Distributor shall lift all the printed lottery tickets, at a wholesale/discounted prize to be mutually agreed and decided upon by the Government of Arunachal Pradesh and the Distributor, keeping in view the market condition, in such advance period as may be laid down in the agreement. The Secretary or his authorized representative also may allow the Distributor to lift the tickets of each lottery draw on credit against cash security kept in the shape of Fixed Deposit Receipt duly pledged in favour of Secretary to the Department.

(xxxvi) In case the Distributors fails to lift the tickets already printed in full they shall be required to pay damages equal to the amount of the invoice value of the uplifted tickets before the next date of draw or as may be directed by the State Government in this regard.

(xxxvii) Any defect or deficiency noticed in the printed lottery tickets should be immediately brought to the notice of the Department. Under no circumstances such defective ticket should be sold. The purchaser(s) or Distributor, as the case may be, may get rectified tickets in exchanged for the defective tickets without extra payment. The exchange will be done by the Government/ Distributor immediately on production of the defective/mutilated tickets by the Distributor/ purchaser, as the case may be.

(xxxviii) In case of loss of tickets in transit, the same shall immediately be brought to the notice of the Department for publication in the newspapers. However, in case of loss of tickets after its delivery to the Distributor, no compensation of any kind shall be payable to the Distributor by the State Government.

(xxxix) The Distributor shall lift the printed ticket in full by raising invoice and the delivery challans by the Government as per terms and conditions of agreement.

(xxxx) In case the Distributor desires to stop the marketing of tickets it shall be required to give prior notice of 30 (thirty) days to the State Government, failing which the Distributor shall have to compensate the State Government for the revenue that it would have otherwise earned during the period of 30 (thirty) days as the case may be. In addition to the compensation amount described above, the State Government may also recover such damages as per the terms of the agreement entered in this behalf.

(xxxxi) In the event of any losses or damages caused to the State Government by way of on account of such commission/omission or negligence's by the Distributor, Printers or Advertising Agencies in respect of any suits both civil and criminal courts, writ jurisdiction or in tribunals etc as the case may be in respect of the conduct of lotteries, the Government of Arunachal Pradesh shall take steps to recover the same from the Distributor by a demand note payable within such period as may be specified and on the failure to do so, the same would be recoverable from the Bank Guarantee of the defaulters.

(xxxxii) The State Government may appoint a locally based renowned firm/company of Chartered Accountants and technical experts for the purpose of conducting annual financial and System audit.

(xxxxiii) The record relating to those draws which are no longer required, shall be kept in the custody of the Secretary or authorized officer for a maximum period of three years from the date of publication of the result, after which it shall be destroyed with the approval of the State Government and the decision in this regard will be communicated to the Accountant General concerned one month before the date of such destruction.

4. Appointment of Distributors and Selling Agents.—(i) The Government shall appoint such number of distributors/selling agents for the purpose of marketing of the lottery-tickets and shall also be competent to prescribe such qualifications, experience and other terms and conditions for the appointment of such distributors/selling agents by inviting Expressions of Interest (E.O.I.)/Request For Proposal (R.F.P.) or by such other methods as may be decided by the Government in the public interest.

Provided that those Distributors/selling Agents against whom Government has initiated recovery money suits both criminal and or civil shall not be allowed to participate in the process of appointment of distributor or selling agent till such time all their dues are recovered as per award of the Hon'ble Court or are cleared by the then defaulting distributors.

(ii) The distributor(s) or selling agent(s) on appointment through an agreement in each case, shall furnish a security deposit in the form of Demand Draft or a Bank Guarantee of such amount as may be specified by the Government of Arunachal Pradesh at the time of invitation of the EOI/RFP.

(iii) The Distributor(s) or Selling Agent(s) of Arunachal Pradesh State Lotteries shall pay to the Distributors/Selling Agents a commission at such rates as may be agreed for the lawful, responsible and commercial marketing of the lottery tickets and on the prize amounts disbursed by them to the winners in connection with the State Lotteries organized by the State Government of Arunachal Pradesh in consonance with the provisions of the Act, the Central Rules and these Rules.

5. Disposal of unsold lottery-tickets and unused counterfoils.—(i) The distributors/selling agents immediately after each draw is held, shall return all the unsold tickets of such lotteries to the Secretary, Government of Arunachal Pradesh with full accounts along with the challans of the money deposited in the Public Ledger Account or in the Consolidated Fund of the State Government, as the case may be with a copy of such return or detailed accounts to the designated authority.

(ii) The unsold tickets and unused counterfoils of lottery tickets, if any, shall be disposed off in the manner specified by the Government of Arunachal Pradesh from time to time.

6. Procedure to prohibit the sale of lottery tickets by the Central Government/Government of Arunachal Pradesh-

(i) The provisions of Rule 5 of the Central Rules shall apply, mutatis mutandis.

7. Claim of Prizes—Subject to the provisions of rule 3, all claims of taxable prizes shall be submitted to the Secretary, State Lottery, Government of Arunachal Pradesh through the distributor/ selling agent, as the case may be, or directly from the prize winner along with :-

- a) claim-form, as may be specified by the Department from time to time, duly filled in :
- b) original prize winning ticket with one photo copy of the prize winning ticket, duly attested by a Gazetted Officer:
- c) three copies of passport-size photograph of the holder of the winning ticket, duly attested by a Gazetted Officer:
- d) an affidavit of ownership of the prize winning ticket from any Magistrate/Notary.
- e) Copy of PAN card issued by the Department of Income Tax or a declaration in specified Form. In absence of PAN card or declaration additional amount will be deducted as decided by Income Tax Department from time to time.

8. Examination of Prize Winning Tickets—The prize winning tickets received by the Department through the distributor of the selling agent, as the case may be, or directly from the prize winner will be examined carefully in consonance with following procedure :-

- a) A ticket which is prima-facie found not genuine may be sent to the Printer of the ticket for verification of its genuineness, and for report.
- b) A ticket, even if found mutilated but the series and ticket number remaining intact, may be accepted after careful examination of its genuineness;
- c) A ticket which is found tampered with shall not be accepted for the purpose of disbursement of prize-money due on it.

9. Mode of payment to and by the State Government of Arunachal Pradesh—(i) All payment due from a distributor or a selling agent to the Government of shall be made by such distributor or selling agent by Demand Draft only drawn in favour of the Secretary, State Lottery, Itanagar on any Nationalized Public Sector Banks located at Itanagar.

- (ii) The Department shall credit all the amounts so received in the Public Ledger Account or in the Consolidated Fund of the State as the case may be.
- (iii) The transactions relating to the payment of Prize money, and other miscellaneous expenses shall be done through the Bank Account jointly operated by the Deputy Secretary and Finance & Account Officer, State Lottery, Government of Arunachal Pradesh.
- (iv) The Directorate shall submit weekly returns of all transactions relating to the drawal of lotteries of the Government of Arunachal Pradesh to the Designated Authority.

10. Arbitration— (i) In cases of any difference or disputes between the Government and the sole distributor/selling agents in respect of the State Lottery, the same shall be referred to an arbitrator appointed by the Government and whose decision shall be final and binding on both the parties.

- (ii) The Arbitration proceedings shall be conducted in accordance with the Arbitration and Conciliation Act, 1996.
- (iii) The venue of Arbitration shall be in Itanagar and the courts of Itanagar shall have jurisdiction over any disputes between the parties.

11. Inherent Powers: - The Government reserves the right to alter/modify these rules and such terms and conditions at any point of time.

12. Interpretation :— If any question arises as to the interpretation of these rules or in regard to any matter not expressly provided for in these rules, the matter shall be referred to the chief Secretary to the Government of Arunachal Pradesh and interpretation made thereon shall be binding on all the parties.

Provided that no such interpretation shall be inconsistent with any of the provisions of the Act or the Central Rules framed there under.

Kapa Kholie, IAS
Secretary (State Lotteries),
Government of Arunachal Pradesh,
Itanagar.