

Hon'ble Supreme Court of India has, from time to time, provided certain guidelines in their various orders to check the misuse of Public Interest Litigation (PIL) by unscrupulous elements.

(b) Does not arise.

Monitoring of elections expenditure

1171. SHRI KANWAR DEEP SINGH: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the Election Commission of India has issued new directions requiring all candidates to open separate bank accounts for elections and have their expenses monitored by expenditure registers; and

(b) if so, the details thereof?

THE MINISTER OF LAW AND JUSTICE (SHRI M. VEERAPPA MOILY): (a) and (b) Yes, Sir. The Election commission of India had issued new instructions for monitoring of election expenditure of the candidates in the recently held General Election to the Legislative Assembly of Bihar, 2010, the by-election to 27 - Banka Lok Sabha Constituency in Bihar and other by-elections to the Legislative Assemblies held thereafter. The Commission has also issued similar instructions on monitoring of election expenditure for the forthcoming General Elections to Legislative Assemblies of Assam, West Bengal, Kerala, Tamil Nadu and Puducherry.

As per these instructions, the candidates are required to open a separate Bank Account for election expenditure, at least one day before the date on which he files his nomination paper. The candidates are required to incur all their election expenses through crossed account payee cheques through the said bank account, except minor expenses, where it is not possible to issue cheques. All money to be spent on electioneering are to be deposited in this bank account irrespective of its funding from any source including candidate's own fund. The bank account can be opened either in the name of the candidate or in the joint name with his election agent only, in any of the banks including the co-operative banks or in the post office.

Besides the above, as per section 77 of the Representation of People Act, 1951, every candidate shall either by himself or by his selection agent, keep a separate and correct account of all expenditure in connection with the election, incurred or authorized by him or by his election agent between the date on which he has been nominated and the date of declaration of the result thereof, both dates inclusive. Section 78 of the Representation of People Act, 1951 provides that every candidate has to lodge a true account of his elections expenses maintained under Section 77 of the Representation of People Act, 1951 with the District Election Officer within 30 days from the date of declaration of result of the election.

Under Rule 89 of the conduct of Elections Rules, 1961 the District Election Officer has to report to the Commission whether the candidate has lodged his account of elections expenses, and whether in his opinion such account has been lodged within time and in the manner required by the Act and the Rules. The Commission has revised the format of the Register for maintenance of the day to day accounts of election expenditure to include therein the Cash Register and Bank Register to be maintained by the contesting candidates.

The candidates have to enter their entire election expenses in this register and the details of deposits, withdrawals and daily balance in the respective columns of Cash Register and bank Register. All the amounts received in cash or cheque from any source has also to be entered date wise in the respective columns of Cash Register or the Bank Register from the date of nomination till the date of declaration of results. The copy of the bank statement as certified by the candidate is to be lodged with the District Election Officer along with this register, after 30 days of the declaration of results of the election.

Audit of political parties

1172. MS. SUSHILA TIRIYA: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether it is a fact that Government proposes to audit the funds of political parties; and

(b) if so, the details thereof?

THE MINISTER OF LAW AND JUSTICE (SHRI M. VEERAPPA MOILY): (a) and (b) The Election Commission has recommended to the Government of India that auditors from panel approved by Comptroller and Auditor-General of India (CAG) or Election Commission should audit the accounts of political parties and such audited accounts should be published annually. The proposals of the Election Commission are as follows:-

- (I) The political parties must be required to publish their accounts (at least an abridged version) annually for information and scrutiny of general public and all concerned, for which purpose, the maintenance of such accounts and their auditing by the auditors from the panel approved by the CAG are the requisite conditions.
- (II) For transparency in the funding of political parties, the Commission has also proposed the following measures:-
 - (i) any receipt by a political party either directly or through the executives or the party functionaries should be deposited in the Bank Accounts of such parties,