

**GOVERNMENT OF INDIA**  
**MINISTRY OF LAW & JUSTICE**  
**RAJYA SABHA**  
**QUESTION NO07.03.2011**  
**ANSWERED ON**  
**AUDIT OF POLITICAL PARTIES**

1172

MS. SUSHILA TIRIYA

Will the Minister of COALLAW & 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?

**ANSWER**

MINISTER OF LAW AND JUSTICE

(DR. M. VEERAPPA MOILY)

(a) and (b): A Statement is laid on the Table of the House.

Statement referred to in replies to parts (a) and (b) of the Rajya Sabha Unstarred Question No.1172 for answer on the 7th March, 2011

(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,

(ii) all payments by the political party exceeding Rs.20,000/- to a person should be made by crossed account payee cheque; and

(iii) all contributions and donations or gifts by any person to a party functionary other than those by his/her relative(s) shall be deemed as receipts of the political party and it will be accounted for by the political party.

No specific decision in the matter has been taken so far.