

**GOVERNMENT OF INDIA
LAW AND JUSTICE
LOK SABHA**

UNSTARRED QUESTION NO:968
ANSWERED ON:11.12.2013
DONATIONS RECEIVED BY POLITICAL PARTIES
Meghwal Shri Arjun Ram

Will the Minister of LAW AND JUSTICE be pleased to state:

- (a) whether the Government proposes mandatory audit of the donations received by political parties;
- (b) if so, the details thereof;
- (c) whether any mechanism has been developed to get the details of donations received by political parties;
- (d) if so, the details thereof;
- (e) whether the Government has devised/proposes to devise a system for political parties to contest election on public expenditure; and
- (f) if so, the details in this regard?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF LAW AND JUSTICE AND COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI KAPIL SIBAL)

(a) to (d) Under section 29B of the Representation of the People Act, 1951, every political party may accept any amount of contribution from individuals and companies (other than Government companies) which are voluntarily offered to it. Under section 29C of the said Act, the parties are required to submit a Report with the Election Commission containing the details of the contributors who have contributed a sum of more than rupees twenty thousand in a financial year. There are suggestions for making audit of the accounts of the political parties by the auditor, approved by the Comptroller and Auditor General of India and publication of the same. The political parties file their income-tax returns as per law and there is no decision, as of now for mandatory audit of the donations received by the political parties.

(e) and (f) The Government is committed to bring forward a purposive agenda for electoral reforms which, inter alia, include funding of election. In the past, the Indrajit Gupta Committee recommended for introducing partial state funding of elections. However, due to diverse opinion among the political parties on this issue, the recommendations could not be implemented. The issue of electoral reforms in its entirety has been referred to the Law Commission of India with a request to consider the issue after taking into consideration the reports of various committees in the past, views of the Election Commission and other stake holders and suggest comprehensive measures for changes in the law. The Law Commission has been requested to give concrete suggestions at the earliest. On receipt of the recommendations of the Law Commission, matter will be further examined in consultation with the stake holders.