ELECTION COMMISSION OF INDIA
Nirvachan Sadan, Ashoka Road, New Delhi-110001
No.76/Instructions/2015/EEPS/Vol. XIV

Dated: 2nd June, 2016

To

The Chief Electoral Officer of
all States and UTs.

Sub:- Modified format of DEO’s scrutiny report (Annexure-21) - Regarding.

Sir/Madam,

I am directed to refer to Annexure-21 of “Compendium of Instructions on Election Expenditure Monitoring (April - 2016)” regarding candidate wise scrutiny report of DEO on election expenditure account and to state that after implementation of Account Reconciliation Meeting Scheme, modified format is being forwarded herewith with the request to bring it to the notice of all District Election Officers etc. for compliance. This new format will be applicable prospectively and shall come into force with effect from the date of issue of this letter.

Yours faithfully,

(AVINASH KUMAR)
SECRETARY

Copy to:

1. Sr. PPS/PSO to the Hon’ble CEC/EC(I)/EC(R).
2. PPS to DECs/DG.
3. PA to all St. Principal Secretaries, Principal Secretaries and Secretaries.
4. All Under Secretaries.
5. All Zonal Sections/Communication Section/CEMS-I & II/Computer Section/ PPEMS/SDR.
## DEO's Scrutiny Report on Election Expenses of the Candidate under Rule 89 of C.E. Rules, 1961

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Description</th>
<th>To be filled up by the DEO</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Name &amp; address of the candidate</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Political Party affiliation, if any</td>
<td></td>
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<tr>
<td>3.</td>
<td>No. and name of Assembly/Parliamentary Constituency</td>
<td></td>
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<tr>
<td>4.</td>
<td>Name of the elected candidate</td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Date of declaration of result</td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>Date of Account Reconciliation Meeting</td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>(i) Whether the candidate or his agent had been informed about the date of Account Reconciliation Meeting in writing</td>
<td>(i) Yes/No</td>
</tr>
<tr>
<td></td>
<td>(ii) Whether he or his agent has attended the meeting</td>
<td>(ii) Yes/No</td>
</tr>
</tbody>
</table>
| 8.     | Whether all the defects reconciled by the candidate after Account Reconciliation Meeting (Yes or No).  
(If not, defects that could not be reconciled be shown in Column No.19) | Yes/No                     |
| 9.     | Last date prescribed for lodging Account                                     |                            |
| 10.    | Whether the candidate has lodged the account                                 | Yes/No                     |
| 11.    | If the candidate has lodged the account, date of lodging of account by the candidate:  
(i) original account:  
(ii) revised account after the Account Reconciliation Meeting: |                            |
<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>12.</td>
<td>Whether account lodged in time</td>
<td>Yes/No</td>
</tr>
<tr>
<td>12A.</td>
<td>If not lodged in time, period of delay</td>
<td>...........days</td>
</tr>
<tr>
<td>13.</td>
<td>If account not lodged or not lodged in time, whether DEO called for explanation from the candidate. If not, reason thereof.</td>
<td>Yes/No</td>
</tr>
<tr>
<td>14.</td>
<td>Explanation, if any, given by the candidate</td>
<td></td>
</tr>
<tr>
<td>14A.</td>
<td>Comments of the DEO on the explanation if any, of the candidate</td>
<td></td>
</tr>
<tr>
<td>15.</td>
<td>Grand Total of all election expenses reported by the candidate in Part-II of the Abstract Statement</td>
<td>Rs. .............</td>
</tr>
<tr>
<td>16.</td>
<td>Whether in the DEO's opinion, the account of election expenses of the candidate has been lodged in the manner required by the R.P. Act, 1951 and C.E. Rules, 1961.</td>
<td>Yes/No</td>
</tr>
<tr>
<td>17.</td>
<td>If No, then please mention the following defects with details</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(i) Whether Election Expenditure Register comprising of Day to Day Account Register, Cash Register, Bank Register, Abstract Statement has been lodged</td>
<td>Yes/No</td>
</tr>
<tr>
<td></td>
<td>(ii) Whether duly sworn in affidavit has been submitted by candidate</td>
<td>Yes/No</td>
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<tr>
<td></td>
<td>(iii) Whether requisite vouchers in respect of items of election expenditure submitted</td>
<td>Yes/No</td>
</tr>
<tr>
<td></td>
<td>(iv) Whether separate Bank Account opened for election</td>
<td>Yes/No</td>
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<tr>
<td></td>
<td>(v) Whether all expenditure (except petty expenditure) routed through bank account</td>
<td>Yes/No</td>
</tr>
</tbody>
</table>
18. (i) Whether the DEO had issued a notice to the candidate for rectifying the defect
   (ii) Whether the candidate rectified the defect
   (iii) Comments of the DEO on the above, i.e. whether the defect was rectified or not.

19. Whether the items of election expenses reported by the candidate correspond with the expenses shown in the Shadow Observation Register and Folder of Evidence.
   If No, then mention the following:

<table>
<thead>
<tr>
<th>Items of expenditure</th>
<th>Date</th>
<th>Page No. of Shadow Observation register</th>
<th>Mention amount as per the Shadow Observation Register/folder of evidence</th>
<th>Amount as per the account submitted by the candidate</th>
<th>Amount understated by the Candidate</th>
</tr>
</thead>
<tbody>
<tr>
<td>i</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>ii, iii, ....</td>
<td></td>
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<td></td>
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<tr>
<td>TOTAL</td>
<td></td>
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</table>

20. Did the candidate produce his Register of Accounting Election Expenditure for inspection by the Observer/RO/Authorized persons 3 times during campaign period.

21. If DEO does not agree with the facts mentioned against Row No. 19 referred to above, give the following details:
   (i) Were the defects noticed by DEO brought to the notice of the candidate during campaign period or during the Account Reconciliation Meeting
   (ii) If yes, then annexe copies of all the notices issued relating to discrepancies with English translation (if it is in regional language) and mention the date of notice.
<table>
<thead>
<tr>
<th>(iii) Did the candidate give any reply to the notice?</th>
<th>Yes/No</th>
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<tr>
<td>(iv) If yes, please Annex copies of such explanation received, (with English translation of the same, if it is in regional language) and mention date of reply</td>
<td></td>
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<td>(v) DEO’s comments/observations on the candidate’s explanation</td>
<td></td>
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<tr>
<td>22. Whether the DEO agrees that the expenses are correctly reported by the candidate. <em>(Should be similar to Column no. 8 of Summary Report of DEO)</em></td>
<td>Yes/No</td>
</tr>
<tr>
<td>Date:</td>
<td>Signature <em>(Name of the DEO)</em></td>
</tr>
</tbody>
</table>

23. Comments, if any, by the Expenditure Observer*-

Date: Signature of the Expenditure Observer

* If the Expenditure Observer has some more facts that have not been covered in the DEO’s report, he may annex separate note to that effect.

** The DEO scrutiny report is to be compiled by the CEO and forwarded to the Commission. If the CEO feels like giving additional comments, he or she may forward the comments separately.
<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name of the candidate and Party Affiliation</th>
<th>Date of lodging of account</th>
<th>Date of lodging of accounts by the candidate</th>
<th>Whetheer lodged in the prescribed format (Yes or No)</th>
<th>Whether lodged in the manner required by law (Yes or No)</th>
<th>Grand Total of the expenses incurred/authorized by the candidate/agent (as mentioned in Part-II of Abstract Statement)</th>
<th>Total expenses incurred by the Party (As reported in Part-III of Abstract Statement)</th>
<th>Total expenses incurred by others/entities as reported in Part-III of Abstract Statement</th>
<th>Remarks of the Expenditure Observer</th>
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</table>

Signature of the DEO
Comments of the Expenditure Observer, if any.

Date:

Signature of the Expenditure Observer
By Speed Post/E-mail

ELECTION COMMISSION OF INDIA

Nirvachan Sadan, Ashoka Road, New Delhi-110001

No.76/Instructions/2015/EEPS/Vol.XIV

Dated: 2nd June, 2016

To

The Chief Electoral Officers of

all States and UTs.


Sir/Madam:-

In partial modification of the Commission’s letter No.76/Instructions/2013/EEPS/Vol.IV, dated 24th December, 2013, I am directed to forward herewith the procedure to be adopted by the DEO in preparation of scrutiny report under rule 89 of the Conduct of Elections Rules, 1961 on the election expenses accounts lodged by the candidates.

The procedure referred to above may kindly be brought to the notice of all concerned for necessary action and compliance. The new procedure will be applicable prospectively and shall come into force with effect from the date of issue of this letter.

Yours faithfully,

[Signature]

(AVINASH KUMAR)
SECRETARY

Copy to:

1. Sr. PPS/PSO to the Hon’ble CEC/EC (J)/EC (R).
2. PPS to DECs/DG.
3. PA to all Sr. Principal Secretaries, Principal Secretaries and Secretaries.
4. All Under Secretaries.
5. All Zonal Sections/Communication Section/CEMS-I & II/Computer Section/PPEMS/SDR Section.
Procedure for preparation of DEO's scrutiny and summary report

1. Every contesting candidate is required to file his/her account of election expenditure with the DEO within the statutory time limit of 30 days from the date of declaration of result. As soon as the accounts are received by the DEO, the Abstract Statement of each account should be scanned and put in the website of CEO within 3 days of receipt by the DEO for wider dissemination among public.

2. **Account Reconciliation Meeting**:

2.1 The Account Reconciliation Meeting shall be convened by the DEO on the 26th day of the declaration of result in which the candidate shall be given another opportunity to reconcile the understated amount of his/her election expenditure, if any. The DEO shall ensure that each candidate is informed about this meeting in writing on or by the day of declaration of result, so that the candidates/their election agents can be present at the meeting and reconcile the disputed items of election expenditure in their accounts of election expenses with the evidence(s) gathered during election process and the notice(s) issued by the RO.

2.2 If no notice on understatement of items had been issued to the candidate during the election process, the DEO is to issue letter within 15 days of declaration of result to obtain reply of the candidate. Both letter/reply to be considered in Account Reconciliation Meeting first and subsequently shall be informed to the ECI with the recorded views of the District Expenditure Monitoring Committee (DEMC).

2.3 In the Account Reconciliation Meeting, the District Expenditure Monitoring Committee (DEMC) shall scrutinize the accounts and in cases where the differences could not be reconciled, shall pass an order in writing, giving detailed reasons, and serve it on the candidate/agent on the same day. If the candidate agrees with the DEMC order, he/she may incorporate the same in his/her final accounts. If the candidate does not agree with the DEMC order, he/she may lodge his/her final account with the DEO, with the reasons for the disagreement by way of a letter to the DEO.

2.4 If the candidate has already lodged his/her account prior to the Account Reconciliation meeting, he/she may revise the account, within the statutory period of 30 days of declaration of result of election, in order to incorporate the findings of the DEMC.

3. **Scrutiny of Accounts**:

3.1 After receipt of the final accounts from the candidates, the same shall be scrutinised by the DEMC.
3.2. Where the accounts submitted by the candidates involve procedural defects such as (i) vouchers not signed; (ii) duly sworn in affidavit not filed; (iii) register of day to day account along with bank register and cash register not duly signed; (iv) Abstract Statement (Part-I to Part IV and schedule 1 to 9) not filled up/not duly signed; (v) Cash Expenditure in excess of Rs. 20,000/ not incurred through cheque; (vi) Expenditure outside the bank account; (vii) self certified copies of the statement of bank account not submitted and (viii) if the bank account is not opened at all, within 3 days of receipt of the accounts the DEO shall issue a notice giving the candidate 3 days time to rectify the defect. The reply of the candidate will be examined by the DEO and he shall forward the copy of notice and reply of the candidate, if any, to the Commission, alongwith his/her comments.

3.3. In cases of delay in filing of accounts, not exceeding 15 days from the due date, the DEO shall suo-motu issue a notice to the candidate calling for explanation for the delay. The reply of the candidate will be examined by the DEO and he shall forward the copy of notice and reply of the candidate, if any, to the Commission, alongwith his comments.

4. The DEO shall finalize the candidate wise summary and scrutiny reports in the prescribed format (Annexure-21 of the Compendium) by the 37th day from the date of declaration of result and shall forward the same to the CEO office preferably by the 38th day (Para 11.5 of the Compendium of Instructions). The DEO reports, duly forwarded by the CEO should reach the Commission within 45 days of declaration of result.

5. In cases where disagreement persists even after the Account Reconciliation Meeting and the DEO does not agree that expenses have been correctly reported by the candidate, the DEO shall, alongwith the scrutiny report, enclose certified copies of the relevant documents viz. minutes of DEMC/Account Reconciliation Meetings, notices issued, reply from the candidate, rate chart, Shadow Observation Register (SOR), Election Expenditure Register of the candidate with the documents, duly serial numbered.

6. The DEO shall get the data entered into the EEMS software within 3 days of the finalisation of the candidate-wise scrutiny report.

7. The new procedure will be applicable prospectively from the date of issue of these guidelines, i.e. 2nd June, 2016.
ELECTION COMMISSION OF INDIA
Nirvachan Sadan, Ashoka Road, New Delhi-110001
No. 76/Instructions/EEPS/2015/Vol-II

To

The Chief Electoral Officers of
All States and UTs

Subject:- Account Reconciliation Meeting with the candidates/ election agents
with the District Expenditure Monitoring Committee (DEMC)- regarding

Sir/Madam,

In supersession of Commission’s Order No.76/Instructions/EEPS/2013/ Vol-I,
dated 14th March, 2013 regarding under-stated amount of election expenditure and
the decision of the District Expenditure Monitoring Committee (DEMC), I am directed
to forward herewith revised order of the Commission to be followed by the DEMC in
disposing of the cases of under-statement of account of election expenses of the
candidates (Changes in italics).

2. I am further directed to request you to bring it to the notice of all the DEOs,
Expenditure Observers, officials concerned, candidates and political parties.

3. Kindly acknowledge the receipt of this letter.

Yours faithfully,

(S. K. Rudola)
Secretary
Order

Whereas, the Superintendence, direction and control of all elections to Parliament and the Legislature of every State is vested in the Election Commission under Article 324 of the Constitution; and

Whereas, reports are received that the candidates at elections to Lok Sabha and State Legislative Assembly are spending excessive amount in their election campaigns, which disturbs the level playing field, and are often not showing correct expenses in the day-to-day accounts of their election expenses;

Now, therefore, the Election Commission of India hereby issues the following order for maintaining the purity of election process:

(i) If the Returning Officer or any officer authorized, by the District Election Officer/ Returning Officer, is in receipt of information during election process that any candidate has incurred or authorized certain expenditure and has not shown either a part or whole of it in his day to day accounts of election expenditure, maintained by him under section 77(1) of the Representation of People Act, 1951, or has not produced the said accounts for inspection on the scheduled date before the authorized officer or Expenditure Observer, then the Returning Officer shall issue a notice along with the evidence thereof to the candidate preferably within 24 hours of the date of receipt of information or inspection of accounts mentioning the details of expenses, which are not shown truly or correctly in day-to-day account or informing him that he failed to produce his account, as the case may be. However, in case of suspected Paid News items, where notice is issued or is being issued by the Returning Officer as per the recommendation of the Media Certifying and Monitoring Committee (MCMC), such items shall not be covered in this notice.

(ii) Such candidate may reply to the notice within 48 hours, explaining the reasons for omission or default which is brought to his notice. In cases
where the candidate accepts the fact of suppressed expense mentioned in the notice, the same shall be added to his election expenses.

(iii) Where candidate fails to produce his day to day account for inspection and in spite of the notice, the failure continues, then FIR is to filed under section 171 (l) of Indian Penal Code. after 48 hours of service of such notice and the permission for use of vehicles etc. by the candidate for election campaign shall be withdrawn.

(iv) Where no reply is submitted by the candidate or his election agent within 48 hours of receipt of the notice, then the candidate shall be deemed to have accepted the suppressed amount mentioned in the notice and the same shall be added to the election expenses of such candidate.

(v) If the candidate or his election agent disputes the suppressed expenditure, mentioned in the notice, he shall submit the reply mentioning the reasons for disagreement and the same shall be forwarded to the District Expenditure Monitoring Committee (DEMC) consisting of the following:

1. Expenditure Observer in charge of the Constituency
2. DEO
3. Dy. DEO/Officer in charge of Expenditure Monitoring of the District.

(vi) The DEMC shall decide the case after examining the evidence mentioned in the notice and reply of the candidate thereto, preferably within 72 hours from the date of receipt of the reply from the candidate, whether such suppressed expenditure shall be added or not to the election expenses account of the candidate.

(vii) Training:

a. The DEO shall organize one day facilitation training programme for all the candidates/ election agents and the personnel engaged for receiving the accounts within one week before the last date of submission of the account of election expenses.

b. The Nodal Officer of the Expenditure Monitoring Cell and Assistant Expenditure Observer should be associated in the training programme to explain the procedure of e-filing of accounts, the forms and affidavits to be filed and frequently noticed defects. Consequence of not filing or filing
incomplete forms or not filing in the manner prescribed or not showing correct accounts shall also be explained to the candidates/agents.

c. In this training programme they will also be apprised about the Account Reconciliation meeting, in which they should come prepared with all final accounts and registers.

d. The DEO shall notify the date and venue of training on procedure of lodging the final accounts and also about the date of Account Reconciliation meeting, positively on or by the date of declaration of result.

(viii) Account Reconciliation meeting:

(a) The candidates shall be given another opportunity to reconcile the under-stated amount of election expenditure, if any, in the Account Reconciliation Meeting, to be convened by the DEO, on the 26th day of the declaration of result. The DEO shall ensure that each candidate is informed in writing on or by the day of declaration of result about this meeting, so that they/their election agents can reconcile the disputed items of election expenditure in their accounts of election expenses with the evidence gathered during election process and the notices issued by the RO.

(b) The DEMC, after scrutinizing the accounts, shall pass the order in writing giving detailed reasons in cases, where the differences could not be reconciled and serve it on the candidate/agent on the same day. If the candidate agrees with the DEMC order, he/she may incorporate the same in his final accounts. If the candidate does not agree with the DEMC order, he/she may lodge his final accounts with the DEO, with the reasons for the disagreement by way of a letter to DEO.

(c) If the candidate has already lodged his accounts prior to Account Reconciliation meeting, he/she may revise the accounts, within the statutory period of 30 days of completion of election, in order to incorporate the findings of DEMC.

(ix) If the candidate does not file his statements of election expenses without any valid reasons within the stipulated period of 30 days from the day of declaration of result, then the DEO shall call for the explanation of the candidate suo motu and send the report to the Commission along with the reply of the candidate and his recommendation.
(x) In spite of the Account Reconciliation meeting, if there is disagreement with the accounts lodged by the candidates, the DEO shall forward the Scrutiny report to the Commission, with his recommendations, DEMC Order, certified copies of registers, bills and vouchers and other pieces of evidence.

(xi) The DEO’s scrutiny report has to be entered in EEMS software within seven days of its finalization.

(xii) The above procedure shall be followed with immediate effect.

2. The Commission further directs the CEOs to bring it to the notice of all political parties, candidates, members of DEMC and all concerned in the State.

By order,

(S.K. Rudola)
Secretary