IN THE SUPREME COURT OF INDIA

CIVIL APPELLATE JURISDICTION SPECIAL LEAVE PETITION (C) NO.29882 OF 2011

IN THE MATTER OF:

Ashok Shankarrao Chavan

Petitioner

Versus

Madavrao Kinhalkar & Others

Respondents

AFFIDAVIT IN REPLY ON BEHALF OF RESPONDENT NO.___ ELECTION COMMISSION OF INDIA

MOST RESPECTFULLY SHEWETH:

I Ashish Chakraborty, son of Sh. A. C. Chakraborty aged 58 years and presently working as Secretary to the Election Commission of India, Nirvachan Sadan, Ashoka Road, New Delhi, do hereby solemnly affirm and state as under:

1. I am the Secretary to the Election Commission of India and as such I am conversant with the facts and circumstances of the present case and competent to affirm this Affidavit on behalf of the Election Commission of India. I have read and understood the contents of the Special Leave Petition.

- 2. That the deponent respectfully submits that the Election Commission of India is a proforma party in this case and the issue involved is purely a question of law.
- 3. It is respectfully submitted, that before the Hon'ble High Court, the Election Commission had earlier maintained that since the order of the Commission passed in its quasi judicial capacity is under challenge, hence it would not be taking a position thereon. However, in view of the undated affidavit filed by Shri Jose Thomas, Deputy Secretary, Ministry of Law & Justice on behalf of Union of India, the Commission feels it necessary to place on record the provisions of Section 10A of the Representation of People Act, 1951 read with the Judgment of this Hon'ble Court in the case of L.R. Shivaramagowda, Etc. versus T.M. Chandrasekhar, Etc., (1999) 1 SCC 666, as to the legal position that Election Commission of India under Section 10A of the Representation of the People Act, 1951 has the jurisdiction, power and responsibility to conduct an enquiry and look into the correctness or falsity of the return of election expenses filed by a candidate in an election and can disqualify the candidate under the said section.
- 4. The Election Commission of India is a proforma party in the subject case and the issue involved is a pure question of Law. The Petitioner had challenged the Order dated

02.04.2011 passed by the Election Commission, in its quasi judicial capacity before the Hon'ble High Court of Delhi. Given that the Order of the Election Commission passed in its quasi judicial capacity was under challenge, the Election Commission deemed it inappropriate for it to defend its own orders passed in its quasi judicial capacity.

- 5. It would also be significant here to state that the Union of India was also a party before the High Court and represented through the Additional Solicitor General. The Union of India also did not file any written reply before the High Court nor did it take a position contrary to the view expressed by the Election Commission in its Order dated 2.4.2011. As will be noticed from paragraph 5 (quoted below) of the Judgement and Order dated 30.9.2011 of the Delhi High Court, the view of Election Commission in its Order dated 02.04.2011 was supported by Union of India:
 - "5. Mr. Venugopal, learned senior counsel, Mr. Saurabh Shyam Shamshery, Mr. Chopra and Mr. Chandhiok, the Additional Solicitor General, learned counsel for the respondents have submitted that there has been a change in the provision when the decision in **Sucheta Kriplani** (supra) was delivered by the Constitution Bench and hence, the ratio laid down therein would not be applicable. The learned counsel

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appearing for the respondents would further submit that the decision in **L.R. Shivaramgowda** (supra) lays down the law clearly and the same being binding precedent, the Commission has correctly appreciated the ratio laid down therein and held that it has jurisdiction to conduct an enquiry."

However, it now transpires that Union of India has filed an undated affidavit sworn by Shri Jose Thomas and taken an entirely different stand before this Hon'ble Court than the one propounded before the Hon'ble High Court. The Union of India in its affidavit has now stated as under:

"4. That I am advised to say that a plain reading of section 10A of the Representation of People Act, 1951 and Rule 89 of the Conduct of Election Rules, 1961 indicates that power of the Election Commission to disqualify a person arises only in the event of failure to lodge an account of election expenses and not for any other reason including the correctness or otherwise of such accounts."

In view of the above said developments, the Election Commission of India seeks to place on record its understanding of the present legal position emanating from provisions the Representation of the People Act, 1951 and the

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decision of the Full Bench of this Hon'ble Court in the case of L.R. Shivaramagowda (supra).

6. The relevant provisions of the Representation of the People Act, 1951 and the Conduct of Elections Rules, 1961 are set out herein below:

The Representation of People Act, 1951:

"10A. Disqualification for failure to lodge account of election expenses. —If the Election Commission is satisfied that a person—

- (a) has failed to lodge an account of election expenses within the time and in the manner required by or under this Act; and
- (b) has no good reason or justification for the failure, the Election Commission shall, by order published in the Official Gazette, declare him to be disqualified and any such person shall be disqualified for a period of three years from the date of the order."
- "77. Account of election expenses and maximum thereof.—(1) Every candidate at an election shall, either by himself or by his election 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.

[Explanation 1.—For the removal of doubts, it is hereby declared that—

- (a) the expenditure incurred by leaders of a political party on account of travel by air or by any other means of transport for propagating programme of the political party shall not be deemed to be the expenditure in connection with the election incurred or authorised by a candidate of that political party or his election agent for the purposes of this sub-section.
- (b) any expenditure incurred in respect of any arrangements made, facilities provided or any other act or thing done by any person in the service of the Government and belonging to any of the classes mentioned in clause (7) of section 123 in the discharge or purported discharge of his official duty as mentioned in the proviso to that clause shall not be deemed to be expenditure in connection with the election incurred or authorised by a candidate or by his election agent for the purposes of this sub-section.

Explanation 2.—For the purposes of clause (a) of Explanation 1, the expression "leaders of a political party", in respect of any election, means,—

(i) where such political party is a recognised political party, such persons not exceeding forty in number, and

(ii) where such political party is other than a recognised political party, such persons not exceeding twenty in number, whose names have been communicated to the Election Commission and the Chief Electoral Officers of the States by the political party to be leaders for the purposes of such election, within a period of seven days from the date of the notification for such election published in the Gazette of India or Official Gazette of the State, as the case may be, under this Act:

Provided that a political party may, in the case where any of the persons referred to in clause (i) or, as the case may be, in clause (ii) dies or ceases to be a member of such political party, by further communication to the Election Commission and the Chief Electoral Officers of the States, substitute new name, during the period ending immediately before forty-eight hours ending with the hour fixed for the conclusion of the last poll for such election, for the name of such person died or ceased to be a member, for the purposes of designating the new leader in his place.]

(2) The account shall contain such particulars, as may be prescribed.

(3) The total of the said expenditure shall not exceed such amount as may be prescribed.

78. Lodging of account with the district election officer.—[(1)] Every contesting candidate at an election shall, within thirty days from the date of election of the returned candidate or, if there are more than one returned candidate at the election and the dates of their election are different, the later of those two dates, lodge with the [district election officer] an account of his election expenses which shall be a true copy of the account kept by him or by his election agent under section 77.]

123. Corrupt practices.—The following shall be deemed to be corrupt practices for the purposes of this Act:—

(6) The incurring or authorizing of expenditure in contravention of section 77."

The Conduct of Elections Rules, 1961:

86. Particulars of account of election expenses.-(1)

The account of election expenses to be kept by a candidate or his election agent under Section 77 shall

contain the following particulars in respect of each item of expenditure from day to day, namely:-

- (a) the date on which the expenditure was incurred or authorised;
- (b) the nature of the expenditure (as for example, travelling, postage or printing and the like);
- (c) the amount of the expenditure-
- (i) the amount paid;
- (ii) the amount outstanding;
- (d) the date of payment;
- (e) the name and address of the payee;
- (f) the serial number of vouchers, in case of amount paid;
- (g) the serial number of bills if any, in case of amount outstanding;
- (h) the name and address of the person to whom the amount outstanding is payable.
- (2) A voucher shall be obtained for every item of expenditure unless from the nature of the case, such as postage, travel by rail and the like, it is not practicable to obtain a voucher.

- (3) All voucher shall be lodged along with the account of election expenses, arranged according to the date of payment and serially numbered by the candidate or his election agent and such serial numbers shall be entered in the account under item (f) of sub-rule (1).
- (4) It shall not be necessary to give the particulars mentioned in item (e) of sub-rule (1) in regard to items of expenditure for which vouchers have not been obtained under sub-rule (2).
- 87. Notice by [district election officer] for inspection of accounts. The 1[district election officer] shall, within two days from the date on which the account of election expenses has been lodged by a candidate under section 78, cause a notice to be affixed to his notice board, specifying-
- (a) the date on which the account has been lodged;
- (b) the name of the candidate; and
- (c) the time and place at which such account can be inspected.
- 88. Inspection of account and the obtaining of copies thereof. Any person shall on payment of a fee of one rupee be entitled to inspect any such account

and on payment of such fee as may be fixed by the Election Commission in this behalf be entitled to obtain attested copies of such account or of any part thereof.

- 89. Report by the [district election officer] as to the lodging of the account of election expenses and the decision of the Election Commission thereon.-(1) As soon as may be after the expiration of the time specified in section 78 for the lodging of the accounts of election expenses at any election, the [district election officer] shall report to the Election Commission-
- (a) the name of each contesting candidate;
- (b) whether such candidate has lodged his account of election expenses and if so, the date on which such account has been lodged; and
- (c) whether in his opinion such account has been lodged within the time and in the manner required by the Act and these rules.
- (2) Where the [district election officer] is of the opinion that the account of election expenses of any candidate has not been lodged in the manner required by the Act and these rules, he shall with every such report forward to the Election Commission the account of election

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expenses of that candidate and the vouchers lodged along with it.

- (3) Immediately after the submission of the report referred to in sub-rule (1) the [district election officer] shall publish a copy thereof affixing the same to his notice board.
- (4) As soon as may be after the receipt of the report referred to in sub-rule (1) the Election Commission shall consider the same and

decide whether any contesting candidate has failed to lodge the account of election expenses within the time and in the manner required by the Act and these rules.

- [(5) Where the Election Commission decides that a contesting candidate has failed to lodge his account of election expenses within the time and in the manner required by the Act and these rules it shall by notice in writing call upon the candidate to show cause why he should not be disqualified under section 10A for the failure.
- (6) Any contesting candidate who has been called upon to show cause under sub-rule (5) may within twenty days of the receipt of such notice submit in respect of

the matter a representation in writing to the Election Commission, and shall at the same time send to district election officer a copy of his representation together with a complete account of his election expenses if he had not already furnished such

an account.

- (7) The district election officer shall, within five days of the receipt thereof, forward to the Election Commission the copy of the representation and the account (if any) with such comments as he wishes to make thereon.
- (8) If, after considering the representation submitted by the candidate and the comments made by the district election officer and after such inquiry as it thinks fit, the Election Commission is satisfied that the candidate has no good reason or justification for the failure to lodge his account,

it shall declare him to be disqualified under section 10A for a period of three years from the date of the order, and cause the order to be published in the Official Gazette.]

[90. Maximum election expenses.- The total of the expenditure of which account is to be kept under section 77 and which is incurred or

authorized in connection with an election
in a State or Union territory mentioned in column 1
of the Table below shall not exceed-

(a) in any one parliamentary constituency of that State or Union territory, the amount specified in the corresponding column 2 of the said Table; and

(b) in any one assembly constituency, if any, of the State or Union territory, the amount specified in the corresponding column 3 of the said Table-

[TABLE

Sl. Name of the State or Maximum limit of election

No. Union Territory expenses in any one

Parliamentary Assembly constituency

1 2 3 4

I. STATES

1.	Andhra Pradesh	40,00,000	16,00,000
2.	Arunachal Pradesh	27,00,000	10,00,000
3.	Assam	40,00,000	16,00,000
4.	Bihar	40,00,000	16,00,000
5.	Goa	22,00,000	8,00,000

6.	Gujarat	40,00,000	16,00,000
7.	Haryana	40,00,000	16,00,000
8.	Himachal Pradesh	40,00,000	11,00,000
9.	, Jammu & Kashmir	40,00,000	
10.	Karnataka	40,00,000	16,00,000
11:	Kerala	40.00,000	16,00,000
12.	Madhya Pradesh	40,00,000	16,00,000
13.	Maharashtra	40,00,000	16,00,000
14.	Manipur	35,00,000	8,00,000
15.	Meghalaya	35,00,000	8,00,000
16.	Mizoram	32,00,000	8,00,000
17.	Nagaland	40,00,000	8,00,000
18.	Orissa	40,00,000	16,00,000
19.	Punjab	40,00,000	16,00,000
20.	Rajasthan	40,00,000	16,00,000
21.	Sikkim	27,00,000	8,00,000
22.	Tamil Nadu	40,00,000	16,00,000
23.	Tripura	40,00,000	8,00,000
24.	Uttar Pradesh	40,00,000	16,00,000

25.	West Bengal	40,00,000	16,00,000
26.	Chhattisgarh	40,00,000	16,00,000
27.	Uttarakhand	40,00,000	11,00,000
28.	Jharkhand	40,00,000	16,00,000
II.	UNION TERRITORIES		
1.	Andaman and Nicobar Islands	27,00,000	
2.	Chandigarh	22,00,000	
.3 .	Dadra and Nagar Haveli	16,00,000	,
4.	Daman and Diu	16,00,000	
5.	Delhi	40,00,000	14,00,000
6.	Lakshadweep	16,00,000	: ************************************
7.	Pondicherry	32,00,000	8,00,000]"

[Note: The maximum limit of election expenses shown in the above Table have been revised w.e.f. 23.2.2011. Prior to the revision the limit was a maximum of Rs. 10,00,000/- for Assembly Constituency and Rs. 25 Lakhs for Parliamentary constituency.]

7. From a harmonious construction of the above Sections and the Conduct of Elections Rules, the following position emerges:-

- (a) Under Section 77 (1) of the Representation of People Act, 1951, every candidate at an election is required to keep a separate and **correct account** of expenditure in connection with elections incurred or authorized by him or his election agent;
- (b) Under Section 78 of the Representation of People Act, 1951, every contesting candidate is required to lodge a "true copy of the account" kept by him within 30 days from the date of declaration of the result;
- (c) Section 123 (6) of the Representation of People Act, 1951 renders the expenditure incurred in contravention of Section 77 as unauthorized and a corrupt practice;
- (d) Under Rule 86 of the Conduct of Elections Rules, 1961, a candidate is required to maintain the day-to-day account of election expenses containing information, as is set out thereunder;
- (e) Under Rule 89 of the Conduct of Election Rules, 1961, the District Election Officer is required to report to the Election Commission amongst other things whether in his opinion account has been lodged by a candidate within time and in the manner prescribed by the Act and the Rules;
- (f) Under Rule 89 (2) of the Conduct of Election Rules, 1961, if in the opinion of the District Election Officer,

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the account of election expenses of a candidate has not been lodged in the manner required by the Act and the Rules, he shall, with every report, forward to the Commission the account of election expenses of that candidate and the vouchers lodged alongwith it. Such a report is published by the District Election Officer by affixing it on his Notice Board.

- (g) Under sub-rule (4) of Rule 89 of the Conduct of Election Rules, 1961, the Election Commission is required to consider the report forwarded by the District Election Officer and decide whether any contesting candidate has failed to lodge the account of election expenses within the time and in the manner required by the Act and the Rules;
- (h) Rule 89(5) of the Conduct of Election Rules, 1961 requires that where the Election Commission decides that a contesting candidate has failed to lodge his account of election expenses within the time and in the manner required by the Act and the Rules, the Election Commission shall, by a notice in writing, call upon the candidate why he should not be disqualified under Section 10A of the Representation of the People Act, 1951 for such failure.

- (i) Under Section 10A, the Election Commission, if satisfied that a person has failed to lodge an account of election expenses within the time and in the manner required by or under this Act and has no good reason or justification for the failure, shall by order, published in Official Gazette, declare him to be disqualified and such disqualification shall be for a period of three years from the date of the Order.
- (j) Given that, under Section 10A, the power of the Election Commission is to disqualify a candidate, which is penal in nature, hence, its function under the said provision is quasi judicial in nature.
- It is now sought to be canvassed that the Election cannot Commission delve into the veracity maintenance of the " account of election expenses" maintained by the candidate and the phrase "the manner required by or under the Act" is to be construed to mean mere satisfaction of the proforma and prescription of Rule 86 of the Conduct of Elections Rules. Thus, the powers of the Commission are sought to be circumscribed and limited only to the ministerial function of determination of delay in lodging of the account or the proforma irregularity in filing of the account and any shortcomings in the procedural aspect of the filing of the proforma.

- 9. The above position, in the respectful submission of the Commission, would be an erroneous interpretation of Section 10A of the Act which is necessarily required to be harmoniously construed with Sections 77, 78 and 123(6) of the Representation of the People Act, 1951. Sections 77 and 78 mandate, that a candidate shall keep correct account and lodge a "true copy" of the same, within the prescribed time of 30 days from the date of the declaration of the result.
- 10. It is well settled in the case of *L.R. Shivaramagowda*, *Etc. versus T.M. Chandrasekhar, Etc.*, (1999) 1 SCC 666, that the High Court is concerned in an election petition with the incurring or authorizing of expenditure in contravention of Section 77 under section 123 (6); that is to say exceeding of expenditure limit, as prescribed under sub-section (3) of Section 77, of the Representation of the People Act, 1951, read with Rule 90 of the Conduct of Election Rules, 1961, and not with the correctness or falsity of accounts which is subject matter of enquiry by the Election Commission under section 10A.
- 11. That this Hon'ble Court in L.R. Shivaramagowda, Etc. versus T.M. Chandrasekhar, Etc., (1999) 1 SCC 666, while considering the above provisions of the Representation of the People Act, 1951, was pleased to hold as under:-

case affect, and much less materially, the result of the election.

It was argued by learned counsel for the first 22. respondent that the aforesaid view would enable-any successful candidate at an election to snap his Fingers at the law prescribing the maximum limit of expenditure and escape from the provisions of Section 77(3) by filing false accounts. According to him, if the aforesaid construction of Sections 77 and 123 (6) is to be adopted, there will be sanction against a candidate who incurs an expenditure exceeding the maximum prescribed limit. Referring to Section 10(A) of the Act, which enables the Election Commission to disqualify a person who had failed to lodge an account of election expenses within the time and in the manner required by or under the Act and had no good reason or justification for the failure, he contended that the said Section provides only for a situation arising out of failure to lodge an account and not a situation arising from a failure to maintain true and correct accounts. We are unable to accept this contention. In our opinion, sub-section (a) of Section 10 (A) takes care of the situation inasmuch as it provides for lodging of account of election expenses in the manner required by or under the Act. Section 77(2) provides that the accounts shall contain such particulars as may be prescribed. Rule

the Election Commission may disqualify the said person.

Hence, we do no find any substance in the argument of

learned counsel for the first respondent." (emphasis

supplied)

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10. Thus, the decision of the Full Bench of Hon'ble Supreme Court in the case of *Shivaramagowda (supra)* conclusively settles the issue that the question of incorrectness or untrue statements of election expenses lodged with the Election Commission by the candidate can be enquired into by the Election Commission under Section 10A of the Representation of the People Act, 1951.

11. In view of the above said legal position, as emanating from the relevant provisions of the Representation of the People Act and as authoritatively pronounced by this Hon'ble Court in the case of Shivaramagowda (supra), the Election Commission believes and understands that its powers under Section 10A are not merely ministerial so as to receive the report of a District Election Officer to deal only with the proforma of submission of account or the time limit within which the account has to be submitted. That in any case, the Election Commission also believes that the Legislature, in its wisdom, would not prescribe the power to impose a severe punishment of disqualification on a candidate for a period of three years for a mere ministerial violation of failure to comply with the requisite proforma with some mere procedural requirement of lodging of account in a prescribed proforma and not for a greater and more serious lapse of not maintaing the correct account. The phrase "the manner

required by or under this Act" used in Section 10A, has to be read with Section 77 (1) and Section 78, and it clearly mandates that the phrase "the manner required by or under this Act" includes within its ambit the lodging of correct account. If there is a failure on the part of a candidate to maintain correct account of his election expenses, the Election Commission is within its powers to take a decision within Rule 89(5) of the Conduct of Elections Rules, 1961 and order disqualification under Section 10A of the Representation of the People Act, 1951.

12. That the intention of the legislature with reference to power of the Election Commission of India under Section 10 A of the Representation of the People Act, 1951 can be seen in Rule 89 (5) of the Conduct of Elections Rules, 1961 which provides that "(5) Where the Election Commission decides that a contesting candidate has failed to lodge his account of election expenses within the time and in the manner required by the Act and these rules it shall by notice in writing call upon the candidate to show cause why he should not be disqualified under section 10A for the failure." This amply shows the intention of legislature. The intention of the legislature is clear that in the cases where the candidate(s) lodge their accounts of election expenses by merely filling up the columns in their return of election expenses with zeros

only, or with absurd figures, which are not correct, the Election Commission is empowered to look into the correctness of the accounts.

13. That the intention of legislature is also clear from the fact that section 82 etc. of the 'Representation of the People Act, 1951 provide that the Election Petition can be filed only against the returned candidate, but section 10A applies both in the case of returned candidate and the defeated candidates who failed to lodge their accounts of election expenses within the time and in the manner required by the Representation of the People Act, 1951 and Conduct of Elections Rules, 1961. If a candidate incurs election expenses far above the ceiling prescribed, but shows incorrect account of election expenses to the Election Commission, and there is no Election Petition filed against him, it will be preposterous to say that the Election Commission cannot take any action in such cases, although the Election Commission has evidence to the contrary that the election expense accounts so filed are untrue or incorrect and not based on facts. This will disturb the level playing field and impinge on conduct of free and fair elections.

ASHISH CHARRABORTY

Secretary

Election Commission of India

New Delhi

VERIFICATION:-

I, the above named deponent, do hereby verify that the contents of this affidavit are true and correct to my knowledge based on record and nothing material has been concealed there from.

Verified at New Delhi on this 10th day of May, 2013.

AS PREPONENT RTY

Secretary Election Commission of India New Delhi

Recd 17/18/13

Ms. Maenakshi Arrora confirmed that this has been filed a 10/5/13.

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