

**GOA STATE ELECTION COMMISSION  
ALTINHO, PANAJI-GOA.**

No. 1/199/ Standing orders /2020-SEC//1234

Dated: 30/10/2020

**ORDER**

**Sub: Duties & Responsibilities of the Expenditure Observer appointed by the Commission.**

Whereas the superintendence, direction and control of elections to the local bodies is vested in the State Election Commission as per Article 243K of the Constitution of India read with Section 237 of Goa Panchayat Raj Act, 1994;

And also Whereas, the Commission has been prescribing maximum limits of expenditure to be incurred by the candidates at any election from time to time and in order to not only hold elections in a free, fair and transparent manner but also to ensure the purity of elections, it is considered necessary to provide a proper system for monitoring the expenditure so incurred by the candidate or any political party on his behalf; for carrying out inspection and scrutiny of accounts and for lodging of an abstract statement of expenditure after the declaration of the election result;

And therefore, keeping the above objectives in view, the Commission appoints officers of the Govt. as Expenditure Observers to oversee the expenditure incurred by the contesting candidates during the election process from beginning till end and hereby issues the general guidelines for the conduct of business by the Expenditure Observers as below:

1. He shall take charge of his duties immediately after receipt of the appointment order and send the joining report to the Commission immediately thereafter.
2. A copy of passport size photograph, may be made available to the Commission for the purpose of issuing a badge to him.
3. The Commission has prescribed a system for maintenance of accounts by the candidates; its inspection and scrutiny by the RO and also by the Expenditure Observer; and for lodging of abstract account of expenditure by the candidates with the RO or the District Collector as mentioned below:

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### **Maintenance of accounts by the candidates**

- i. The candidate shall be required to open a separate account in any branch of a nationalized bank or post office anywhere in the state either in his name or in a joint name with his election agent for incurring all election related expenditure apart from depositing all the money received through different sources . under no circumstances, the existing bank accounts of the candidate should be used for election purpose.
- ii. The candidate shall make the payments relating to all the election expenses by a crossed account payee cheque, or draft or by ECS/RTGS through the same account opened for election purpose. However, if the amount payable on any item does not exceed Rs. 10,000 ( Rupees ten thousand only ) during the entire period of election, then such an expenditure can be incurred in cash by withdrawing it from the said bank account .
- iii. The Returning Officer shall provide a Register for maintenance of day to day account of election expenditure to the contesting candidate latest by the day on which the list of contesting candidates is finalized. All day-to-day expenditure shall be truly and correctly recorded in this register by the candidate or his election agent on his behalf. The Register so maintained shall be duly numbered and authenticated by the Returning officer of the concerned ward / constituency at the time of issue.
- iv. The expenditure incurred/authorized to be incurred on day-to-day basis shall be recorded in the said register as per Form E1. Secondly, all the amounts received by the contesting candidate from different sources either in cash or by cheque/ECS shall be recorded in the said register on day- to-day basis as per Form E2.
- v. The account of election expenses to be kept by a candidate or his election agent 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 authorized;
  - (b) The nature of expenditure (as for example: holding of public meetings/rallies, printing of campaign materials or publicity through media and the like);

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- (c) The amount of expenditure- (i) the amount paid; and (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 vouchers , in case of amount outstanding.
- vi. A voucher shall be obtained for every item of expenditure unless it is not practicable to obtain a voucher. All documents such as vouchers, receipts, bills, etc. in support of day-to-day expenditure incurred shall be maintained in a chronological manner , day-wise as per the aforesaid format.
- vii. The expenses incurred by the political party( wherever applicable) which can be related to the expenditure for promoting the prospects of a particular candidate or a group of candidates, shall be treated as expenditure authorized by the candidate concerned and such expenditure shall be counted for election expenses account of the candidate concerned. In those cases where the expenditure is incurred by the party for the benefit of a given group of candidates, the expenses are to be apportioned equally among all those candidates.

#### **Inspection and scrutiny of accounts**

- viii. The expenditure observer shall as and when required, call for the register of accounts along with all the supporting bills/vouchers and documents on a date duly communicated to all the contesting candidates and their election agents in advance during the course of election process.
- ix. After the inspection, the Expenditure observer shall communicate the discrepancies noticed if any ,during the course of inspection of accounts of the candidate to the RO. The RO shall issue a show cause notice to the candidate concerned for seeking clarification or for necessary compliance, as the case may be , directly to the Observer .

#### **Lodging of abstract account of expenditure by the candidates**

- x. The abstract statement shall reflect the break up of major expenditure incurred on items like rallies/meetings/ advertisements in the media/ vehicles/ materials used in campaign /refreshments etc. along with further



bifurcation of the expenditure, making it clear whether the expenditure has been incurred out of the candidates' own fund OR any other body or association (or a political party represented by the candidate in case of zilla panchayat election).

- xi. The abstract statement prepared by the candidates has to be scrutinized by the Expenditure Observer and his remarks furnished on the Form E3. Thereafter, Form E3 has to be submitted by the candidates positively within 30 days from the date of declaration of result; along with bills, vouchers, bank statement and such other supporting documents to the authority as specified in points (xii) below. For the purpose of scrutiny, he will rely on the approved rate list of items as notified by the district Collector and adopted by the Commission.
- xii. In case of elections to the village panchayat OR the municipal council, Form E3 shall be submitted to the Returning Officer. However, in case of elections to the zilla panchayat OR the CCP, Form E3 by the winning candidates shall be submitted directly to the District Collector under intimation to the RO while all other candidates shall be required to submit Form E3 to the RO concerned.

4. Broadly, the duties and responsibilities attached with the Observer appointed by the State Election Commission will include inter alia, the following:

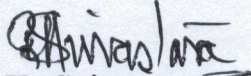
- i. He shall familiarize himself with the entire election process and shall keep a watch on the expenditure incurred by the candidates on various election related items/activities throughout the election process from beginning till end.
- ii. He shall be required to cover through videography all the election meetings/rallies/processions or campaigning events in general and maintain a shadow register of all such events covered by him either physically or through videography, which can be later used for cross checking the accounts of expenditure maintained by the candidates. All video recordings of the events during the campaigning process will have to be watched and scrutinized with a view to cross checking the statement of accounts and for ascertaining the facts.

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- iii. He shall look into the complaints relating to the violation of Model Code of Conduct which pertain to the aspects of expenditure only and after holding a preliminary enquiry into the facts, shall forward the complaint to the RO concerned for appropriate action.
- iv. The Observer shall have to submit following four reports to the Commission at different stages of the election process:
  - a) First report EO-01 – On the day of scrutiny of nomination papers.
  - b) Second report EO-02 – After 8 days of the scrutiny.
  - c) Third report EO-03 – Immediately after the end of counting.
  - d) Fourth report EO-04- After 30 days of counting.

It shall be the responsibility of the concerned Returning Officer to provide a vehicle , a place of work and stationery etc. to the Expenditure Observer.

  
**R. K. Srivastava**  
State Election Commissioner

To  
The Expenditure observers.

Copy to:

1. The Director of Accounts, Govt. of Goa.
2. The district Collectors.
3. The ROs / AROs for the local body elections.