

Power of ECI to Deregister Political Party

For Prelims: Election Commission of India (ECI), Model Code of Conduct (MCC), Star campaigners, Political parties, Indian Constitution, Representation of the People Act, 1951, National party, State party, Election Symbols (Reservation and Allotment) Order, 1968, Income Tax Act, 1961, Supreme Court

For Mains: <u>Money laundering</u>, <u>MCC violations</u>, <u>Electoral reforms</u>, <u>Law Commission</u>, Issues in Deregistration of Political Party

Source: TH

Why in News?

Recently, the <u>Election Commission of India (ECI)</u> reported on the enforcement of the <u>Model Code of Conduct (MCC)</u>, emphasising that <u>star campaigners</u> are expected to lead by example and not disrupt societal harmony.

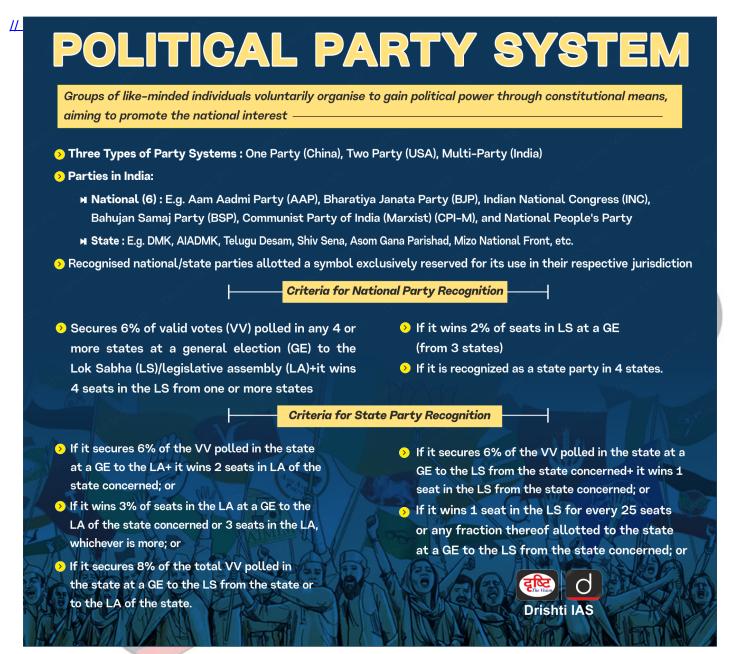
This statement has sparked a debate about the ECI's authority to address MCC violations including the ability to deregister parties.

What does the Derecognition of Political Parties Mean?

- About:
 - Derecognition refers to the withdrawal of recognition of a political party by the ECI.
 - Such parties are simply declared as registered-unrecognised parties.
 - These parties are eligible to contest the election but loses the privileges of the recognised party.
 - The ECI has the power to derecognise a political party if it violates the provisions of the Indian Constitution or the <u>Representation of the People Act</u>, 1951.
- Recognised Party:
 - A registered party is referred to as a Registered Unrecognised Political Party (RUPP).
 - Political parties are recognised as a 'national' or 'State' party under the provisions of The <u>Flection Symbols (Reservation and Allotment) Order, 1968 (Symbols Order)</u> by the ECI.
 - The criteria for recognition at the 'national' or 'State' level consists of winning a requisite
 number of seats and/or obtaining a required percentage of votes in a general election
 to Lok Sabha (LS) or State Assembly (SA).
 - At present, there are **six 'national' parties**, and **sixty-one 'State' parties** that have been recognised.
 - These **recognised parties enjoy** additional concessions of having a reserved symbol during elections and **forty 'star campaigners'**.
 - They are also allowed to freely use state-owned television and radio during polls since the 1998 Lok Sabha elections.
- Grounds for Derecognition of a Political Party as a National Party:
 - If the party fails to secure at least 6% of the total votes polled in the general election to

the LS or the legislative assembly of the state concerned, and if it fails to have at least 4 MPs elected in the last LS polls (also, it doesn't win 1 seat in the LS from the same state.); or

- If it has won at least 2% of the total seats in the LS from at least 3 states.
- If it fails to secure 8% of the total valid votes polled in the state at a General Election to the LS from the state or to the State LA.
- If the party fails to submit its audited accounts to the ECI on time.
- If the party fails to hold its organisational elections (Inner party election) on time.



Note

 Under Paragraph 16A of the Symbols order, 1968, the ECI has the power to suspend or withdraw recognition of a recognised political party for its failure to observe MCC or follow lawful directions of the Commission.

What does the Deregistration of the Political Party Mean?

About:

- Deregistration refers to the cancellation of the registration of a political party.
 - However, the ECI is not empowered to de-register parties.
- Once a political party is deregistered, it cannot contest elections.

Registered Parties:

- Section 29A of the <u>Representation of the People Act, 1951 (RP Act)</u> lays down the requirements for registration of a political party with the ECI.
- Any political party that seeks registration should submit a copy of its constitution.
 - Such document should declare that the party shall **bear true faith** and allegiance to the Constitution of India.
 - It should also bear allegiance to the **principles of socialism**, <u>secularism</u>, **and democracy**, and uphold the sovereignty, unity and integrity of India.
- Registered political parties enjoy the following legal benefits:
 - Tax exemption for donations received under Section 13A of the <u>Income Tax Act</u>, 1961.
 - Common symbol for contesting general elections to the Lok Sabha/State Assemblies
 - Twenty 'star campaigners' during the election campaign.
- As per the ECI, there are 2,790 active registered political parties in India.
- Grounds for Deregistration of a Political Party:
 - A party can only be de-registered if:
 - Its registration was obtained by fraud
 - It is declared illegal by the Central Government
 - A party revises its internal Constitution and refuses to comply with the Indian Constitution.
- Power of ECI: The RP Act does not give the ECI the authority to deregister a political party for not contesting elections, holding inner-party elections, or submitting required returns.
 - The <u>Supreme Court</u> in the <u>Indian National Congress</u> vs the Institute of Social Welfare, 2002, held that the ECI does not have the power to de-register any political party under the RP Act.

What is the Need of Deregistration of Political Parties?

- Less than one-third of Registered Unrecognized Political Parties (RUPPs) participate in elections.
 - It raises concerns over the **possible misuse of income tax exemption** and donations collected being used for money laundering.
- Recognized political parties often breach the MCC, but the ECI can only bar leaders from campaigning for a brief period.
 - The MCC prohibits exploiting caste and communal sentiments for votes, as well as voter bribery and intimidation.
- Deregistration mechanisms ensure electoral integrity and accountability by removing inactive entities, thus enhancing transparency and fairness.
- The proliferation of registered but inactive political parties undermines democracy by diluting the electoral process, lacking genuine participation.

Way Forward

- The ECI in its **memorandum for** <u>electoral reforms (2016)</u> has suggested an amendment to the law that **would empower the ECI to deregister a party.**
- The <u>Law Commission</u> in its 255th report (2015) on 'Electoral reforms' has also recommended amendments for de-registration of a political party if it fails to contest elections for 10 consecutive years.
- In 2016, the commission initiated an effort to identify registered, unrecognized political parties that hadn't fielded candidates from 2005 to 2015, aiming to discourage the formation of paper political parties solely for tax exemption benefits.
 - Similar excercise can be carried out on regular basis to weed out the inactive parties.
- Former chief election commissioner T.S. Krishnamurthy proposed the National Electoral Fund

as a **potential alternative to state funding**, allowing contributions from all donors and distributing **funds to parties based on election results to discourage inactive political parties.**

- The **170th Law Commission report** recommended introduction of **Section 78A in the RPA** and proposed penalties for political parties defaulting in the maintenance of accounts.
 - In continuance of the same and for greater transparency ECI must be given the power to audit the accounts of the political parties.

Drishti Mains Question:

Q. Critically analyse the challenges faced by the Election Commission in regulating political parties' conduct during elections and suggest reforms to enhance its efficacy in maintaining electoral integrity.

UPSC Civil Services Examination, Previous Year Question (PYQ)

Mains

Q. There is a need for simplification of procedure for disqualification of persons found guilty of corrupt practices under the Representation of Peoples Act". Comment **(2020)**

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