

Analysis of Funds Collected and Expenditure Incurred by Political Parties during Maharashtra & Haryana Assembly Elections, 2014

A Report by
Association for Democratic Reforms (ADR)

Association for Democratic Reforms,
T- 95, C.L. House, II Floor, Gautam Nagar,
Near Gulmohar Commercial Complex,
New Delhi – 110049
Email: adr@adrindia.org; Tel: 011-4165 4200

Table of Contents

Executive Summary.....	3
Observations of ADR.....	7
Recommendations of ADR	7
Detailed Report	8
State-wise total funds collected	8
Party-wise total funds collected	8
State-wise expenditure incurred	9
Party-wise expenditure incurred	10
State-wise expenditure under various heads.....	11
Party-wise expenditure under various heads.....	12
Disclaimer.....	13
Contact Details	13

Executive Summary

- Political parties are required to submit a statement of election expenditure to the Election Commission of India (ECI) within **75 days of completion of Assembly Elections**.
- The expenditure statement contains details of the **total amount received as funds in the form of cash, cheques and demand drafts and the total amount spent under various heads**.
- The expenditure statement **contains information on the amount spent on the following heads** at the **central and state levels** by the party:
 - Publicity
 - Travel expenses
 - Other expenses
 - Expenditure towards candidates
- Political parties submit these statements providing information of **funds collected and spent between announcement and completion of elections**. This period could be between **3 weeks to 3 months** based on the notification issued by the Election Commission.
- This report analyses the funds received and expenditure incurred by recognized political parties, **during the state Assembly elections to Maharashtra and Haryana**, held in the months of September (elections announced on 20-09-2014) and October (elections completed on 22-10-2014), 2014.
- 6 National Parties and 9 Regional Parties** have been considered for analysis in this report.
- Election expenditure statements of **JDS and RLD** for Maharashtra Assembly election are unavailable on the website of the ECI.
- AIMIM** had not submitted the election expenditure details in the prescribed format for Maharashtra Assembly Election to the ECI. Thus, the expenditure statement of **AIMIM is not considered for analysis** in this report.

Status of submission of expenditure statements by political parties during Maharashtra and Haryana Assembly Elections, 2014					
Party	Date of submission	Central Headquarter	Maharashtra State Unit	Haryana State Unit	No. of days by which submission delayed
SAD	23-Dec-14	Submitted	Did not contest	Submitted	0
BSP	26-Dec-14	Submitted	Submitted	Submitted	0
CPM	29-Dec-14	Submitted	Submitted	Submitted	0
SHS	3-Jan-15	Submitted	Submitted	Did not contest	0
NCP	10-Jan-15	Submitted	Submitted	Did not contest	5 days
SP	14-Jan-15	Submitted	Submitted	Submitted	9 days
INLD	17-Feb-15	Submitted	Did not contest	Submitted	42 days
IUML	3-Mar-15	Submitted	Submitted	Did not contest	56 days
MNS	9-Mar-15	Submitted	Submitted	Did not contest	62 days
HJC-BL	24-Mar-15	Submitted	Did not contest	Submitted	77 days
JDU	21-May-15	Submitted	Submitted	Submitted	135 days
AIFB	27-May-15	Submitted	Submitted	Submitted	141 days
INC	6-July-15	Submitted	Submitted	Submitted	181 days
CPI	22-July-15	Submitted	Submitted	Submitted	197 days
BJP*	23-July-15	Submitted	Submitted	Submitted	198 days
AIMIM	26-May-15	Expenditure statement is not as per the prescribed format		Did not contest	140 days
JDS	Expenditure statements for Maharashtra Assembly Election, 2014 unavailable on website of ECI			Did not contest	4 years 9 months 3 days
RLD				Did not contest	
Total no. of Parties			15	11	

*Submitted election expenditure statements of Maharashtra and Haryana separately, to the Election Commission of India.

Table: Submission details of election expenditure statements by parties, which contested in Maharashtra & Haryana Assembly Elections, 2014

Details provided in the Election Expenditure Statement

Funds Collected and Expenditure incurred by political parties

- Total funds collected by **15** political parties during Maharashtra & Haryana Assembly Elections held in 2014 was **Rs 464.55 cr** and total expenditure incurred was **Rs 357.21 cr**.
- Funds collected by the parties at the **Central Headquarters** was **Rs 233.76 cr** and expenditure was **Rs 204.10 cr**. **Maharashtra State Units** spent **Rs 136.69 cr** while the **Haryana state units** spent **Rs 16.42 cr**.
- **BSP, AIFB, IUML & JDU** are the only parties that declared **no funds collected** either at the central or at the state unit level despite contesting elections.
- **AIFB, IUML & JDU** are the only parties that have incurred **no expenditure** either at the central or at the state unit level despite contesting elections.

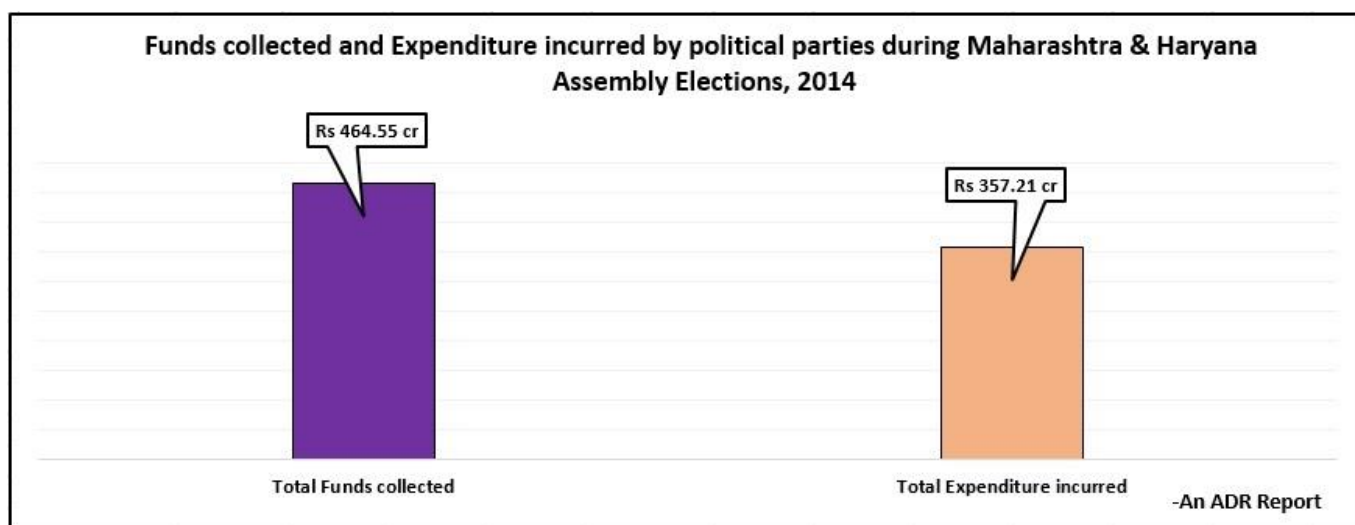


Chart: Total funds collected and expenditure incurred by political parties during Maharashtra & Haryana Assembly Elections, 2014

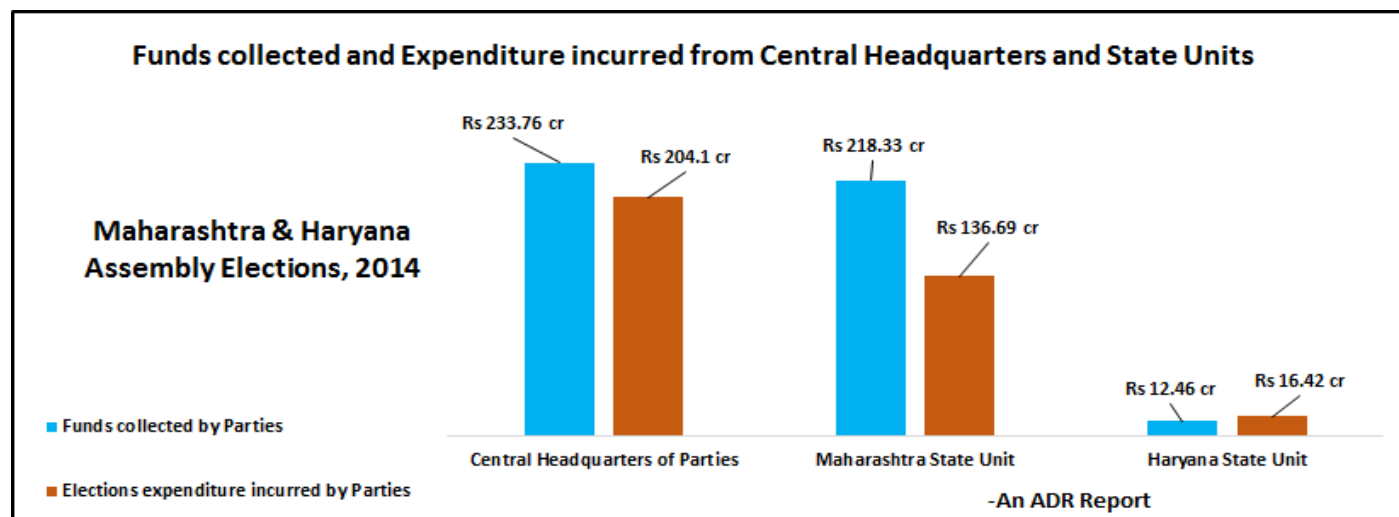


Chart: Funds collected and expenditure incurred by political parties during Maharashtra & Haryana Assembly Elections, 2014

Expenditure incurred by political parties under various heads

- Political parties declare their expenditure under the heads of **Publicity, Travel Expenses, Other/ Miscellaneous expenses** and **Lumpsum amount paid to their contesting candidates**.
- Political Parties that contested in Maharashtra & Haryana Assembly Elections, 2014, spent the highest, **Rs 280.72 cr** on **Publicity**, followed by **Rs 41.40 cr** on **travel expenses**, **Rs 22.59 cr** on **Other/Miscellaneous expenses** and **Rs 18.16 cr** on **Lumpsum amount paid to candidates**.

- Expenditure on publicity is **77.36%** of the overall expenditure declared under various heads.
- Expenditure on **other/miscellaneous** is **6.23%** of the overall expenditure declared under various heads.

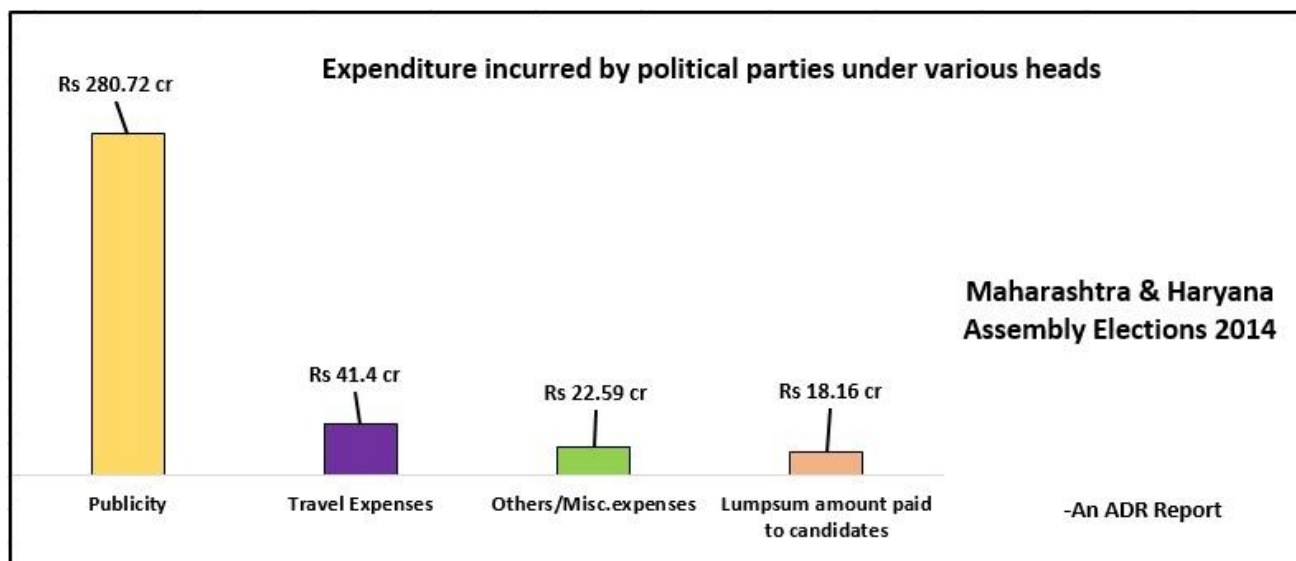


Chart: Expenditure incurred by political parties under various heads

Expenditure on Publicity by political parties

- Political Parties are required to segregate their publicity expenses under three heads: **Media Advertisement**, **Publicity Materials** and **Public Meetings**.
- During Maharashtra & Haryana Assembly elections, political parties spent the maximum on **Media Advertisement (Rs 245.22 cr)**, followed by expenditure on Publicity Materials (**Rs 19.10 cr**) and Public Meetings (**Rs 16.398 cr**).
- Publicity expenditure from Central Headquarters is the **highest, Rs 166.918 cr** or **59.46%** of the total expenditure on publicity, followed by **Rs 99.446 cr** or **35.43%** from **Maharashtra State Units** and **Rs 14.356 cr** or **5.11%** from **Haryana State Units**.

Total expenditure on Publicity	Expenses on Publicity during Maharashtra and Haryana Assembly Elections, 2014 (Rs in cr)			
	Central Headquarters	State Units		Total
		Maharashtra	Haryana	
Media Advertisement (Print & Electronic, Bulk sms, Cable, Website, TV channels, etc.)	150.618	81.17	13.434	Rs 245.222 cr
Publicity Materials (Poster, Banners, Badges, stickers, Arches, Gates, Cut outs, Hoardings, flags, etc.)	12.41	6.05	0.64	Rs 19.10 cr
Public Meetings	3.89	12.226	0.282	Rs 16.398 cr
Total	Rs 166.918 cr	Rs 99.446 cr	Rs 14.356 cr	Rs 280.72 cr

Table: Expenditure incurred by political parties on publicity during Maharashtra and Haryana Assembly Elections, 2014

Expenditure on Publicity during Maharashtra and Haryana Assembly Elections, 2014

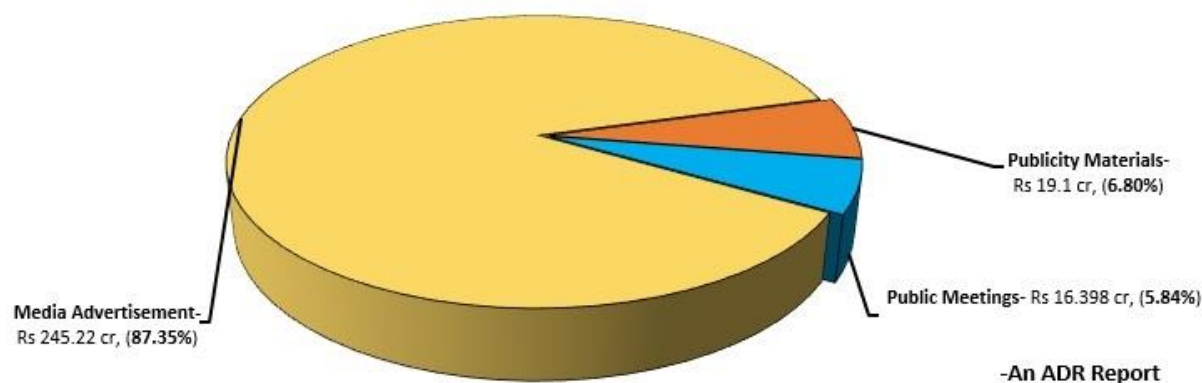


Chart: Expenditure incurred on Publicity by political parties during Maharashtra and Haryana Assembly Elections, 2014

Expenditure on Travel by political parties

- The 'Travel' head is segregated into **travel expenses incurred specifically on star campaigners** and that of the **party leaders**.
- Political parties spent **98.74%** of their total travel expenses or **Rs 40.877 cr** on their star campaigners and the remaining **1.26%** or **Rs 52.30 lakhs** on travel of their party leaders.
- Travel expenses from **Maharashtra State Unit** by itself was **Rs 21.877 cr** or **52.84%**, which was higher than **Rs 17.727 cr** or **42.82%** spent from **Central Headquarters**.

Total expenditure on Travel	Expenses on Travel (Maharashtra and Haryana Assembly Elections 2014)			
	Central Headquarters	State Units		Total
		Maharashtra	Haryana	
Travel expenses of Star campaigners	17.377	21.85	1.65	Rs 40.877 cr
Travel expenses of Leaders	0.35	0.027	0.146	Rs 0.523 cr
Total	Rs 17.727 cr	Rs 21.877 cr	Rs 1.796 cr	Rs 41.40 cr

Table: Expenditure incurred on Travel by political parties during Maharashtra and Haryana Assembly Elections, 2014

Expenditure on Travel during Maharashtra and Haryana Assembly Elections, 2014

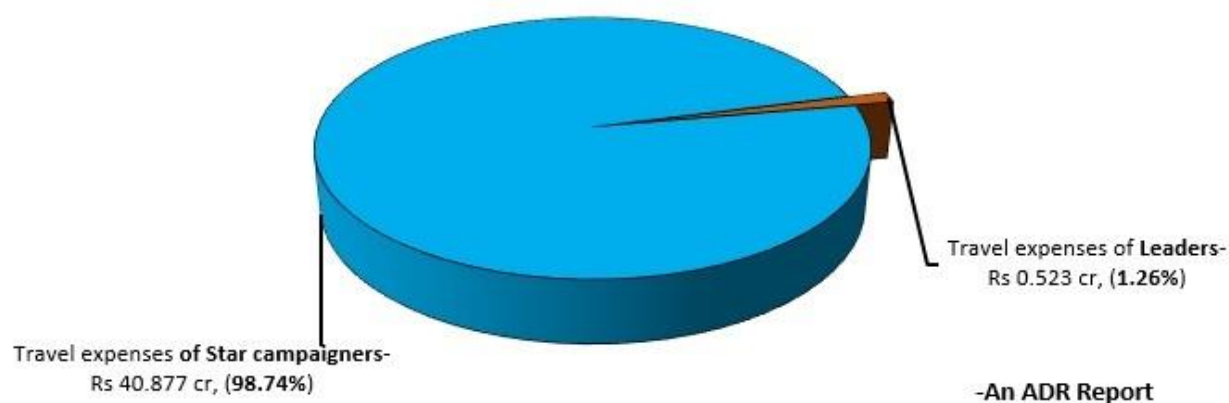


Chart: Expenditure incurred on Travel by political parties during Maharashtra and Haryana Assembly Elections, 2014

Observations of ADR

- The election expenditure statements of **JDS** and **RLD** are not available in the public domain despite contesting elections, with a total **delay of more than four years and six months**. This is in violation of the Supreme Court judgment dated 4th April, '96 (Common Cause vs. Union of India), directing the Election Commission to create a format for the recognised parties to submit their statements.
- The expenditure statement of **AIMIM** available on the website of ECI **fails to adhere to the prescribed format**. It does not furnish information on the funds collected and expenditure incurred from its Central Headquarters and state units in a systematic and structured manner, as directed in the aforesaid judgment, to enable scrutiny of the expenditure.
- 3 National Parties **INC**, **CPI** and **BJP** delayed the submission of their election expenditure statements for Maharashtra and Haryana State Assembly Elections, 2014 by **181 days**, **197 days** and **198 days** respectively. **BJP** formed the government in both Haryana and Maharashtra at the end of the assembly elections in 2014.

Recommendations of ADR

- It must be made mandatory for all political parties to submit their statements of expenditure in the format given by the ECI, within the prescribed time limit. Political parties not submitting on time or in the prescribed format should be heavily penalized.
- The **details of all donors** who contribute to national and regional parties exclusively for their election campaigns must be declared in the public domain irrespective of the amount donated.
- A **format similar to the donations report along with the date of donations**, submitted to the ECI on an annual basis, has to be prescribed for the expenditure statement so as to **bring in more transparency in the finances of the political parties especially during elections** when it is said that black money plays a major role.
- Where possible, **expenditure must be limited to transactions via cheque/DD/RTGS** so as to reduce use of black money in elections, as per the transparency guidelines issued by the ECI.
- Similar to the shadow observers of the ECI for monitoring expenditure of candidates, there must also be **observers for monitoring the expenditure of political parties**.

Detailed Report

State-wise total funds collected

- The election expenditure reports of political parties contain information on the funds collected at the Central Headquarter of the party as well as at its state unit.
- Political parties collected a total of **Rs 233.76 cr** at the **Central level**, through cash, cheque/DD and in kind/Bank Interest. This constituted **50.32%** of the total funds collected by political parties during Maharashtra & Haryana Assembly elections, 2014.
- Among the state units**, the political parties collected the maximum amount of **Rs 218.33 cr** from **Maharashtra**, which formed **47% of the total funds**, collected at the state levels.
- The most preferred mode of collection was by **cheque/DD** where the parties collected **Rs 323.66 cr**, which formed **69.67%** of the total funds collected both at the state and central levels.
- Rs 140.61 cr** is collected by **Cash** at the **Central Headquarters** and **states** by political parties.

Mode of funds collection	Funds collected by political parties during Maharashtra & Haryana Assembly Elections 2014 (Rs in cr)			Total funds
	Central Headquarter	State Units		
		Maharashtra	Haryana	
By cash	52.577	86.81	1.226	Rs 140.61 cr
By cheque/DD	180.907	131.52	11.23	Rs 323.66 cr
In kind/Bank Interest	0.276	0	0.0036	Rs 0.28 cr
Total	Rs 233.76 cr	Rs 218.33 cr	Rs 12.46 cr	Rs 464.55 cr

Table: State-wise total funds collected in cash, cheque and in kind by political parties during Maharashtra & Haryana Assembly Elections, 2014

Party-wise total funds collected

- Among political parties, **BJP** collected the maximum funds of **Rs 296.74 cr**, **58.69%** or Rs 174.159 cr of which was collected at the party's Central Headquarter level.
- INC** collected the second highest funds worth **Rs 84.37 cr**, **74.36%** or Rs 62.74 cr of which was collected by the Maharashtra State Unit.
- NCP** collected the third highest funds, a total of **Rs 38.10 cr**, **85.30%** or Rs 32.5 cr of which was collected by its Maharashtra State Unit.
- BSP, AIFB, IUML** and **JDU** are the regional parties that have declared no funds at their respective Central Headquarters and states.

Political Party	Funds collected by political parties during Maharashtra & Haryana Assembly Elections 2014 (Rs in cr)			Total funds
	Central Headquarter	State Units		
		Maharashtra	Haryana	
BJP	174.159	122.28	0.303	Rs 296.74 cr
INC	16.55	62.74	5.083	Rs 84.37 cr
NCP	5.6	32.5	-	Rs 38.10 cr
SHS	16.36	0	-	Rs 16.36 cr
SP	7.45	0	0	Rs 7.45 cr
MNS	6.76	0	-	Rs 6.76 cr
INLD	0	-	6.616	Rs 6.616 cr
CPM	2.59	0.65	0.446	Rs 3.69 cr
CPI	1.99	0.17	0.011	Rs 2.17 cr

Association for Democracy

Political Party	Funds collected by political parties during Maharashtra & Haryana Assembly Elections 2014 (Rs in cr)			Total funds
	Central Headquarter	State Units		
		Maharashtra	Haryana	
HJC-BL	1.78	-	0	Rs 1.78 cr
SAD	0.517	-	0	Rs 0.517 cr
BSP	0	0	0	Rs 0
AIFB	0	0	0	Rs 0
IUML	0	0	-	Rs 0
JDU	0	0	0	Rs 0
Total	Rs 233.76 cr	Rs 218.34 cr	Rs 12.46 cr	Rs 464.55 cr

Table: Funds collected by political parties during Maharashtra & Haryana Assembly Elections, 2014

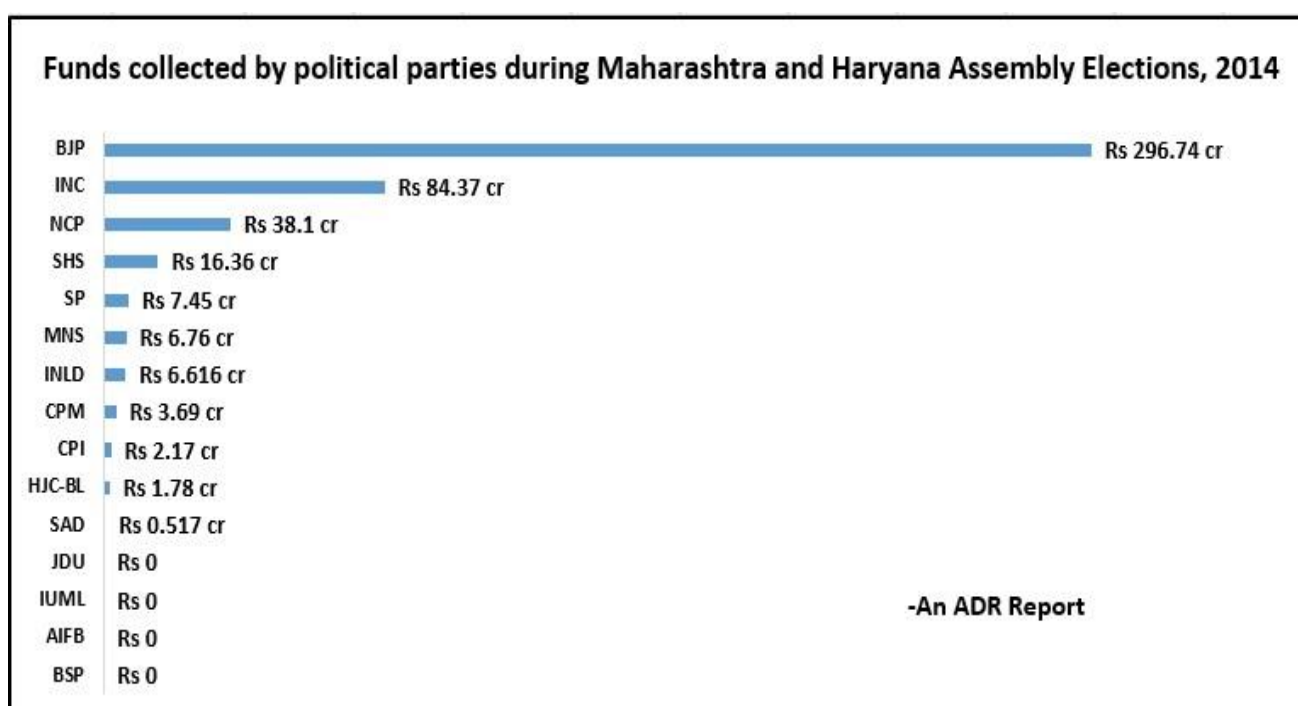



Chart: Funds collected at the Central level and the State units by political parties during Maharashtra & Haryana Assembly Elections, 2014

State-wise expenditure incurred

- The **Central Headquarters** of the political parties spent the maximum worth **Rs 204.10 cr**, followed by **Maharashtra State Units** which spent **Rs 136.69 cr**, and **Haryana State Unit**, which reported incurring an expenditure of **Rs 16.42 cr**.
- Out of total expenditure of **Rs 357.21 cr**, **51.11%** or **Rs 182.56 cr** was spent by cheque/DD by political parties, together.
- Rs 146.59 cr** is 'remaining unpaid' which formed **41.04%** of the total expenditure reported by political parties.
- Rs 135.057 cr** is 'remaining unpaid' at the **Central Headquarters** by political parties.
- Expenditure in cash was **least preferred** by the political parties, as only **7.86%** or **Rs 28.06 cr** of the total expenditure was incurred in this mode.


 Association for Democratic Reforms

Mode of expenditure incurred	Expenditure incurred by political parties during Maharashtra & Haryana Assembly Elections 2014 (Rs in cr)			Total expenses
	Central Headquarter	State Units		
		Maharashtra	Haryana	
By cash	2.3	25.006	0.757	Rs 28.06 cr
By cheque/DD	66.74	106.158	9.66	Rs 182.56 cr
Remaining unpaid	135.057	5.525	6.006	Rs 146.59 cr
Total	Rs 204.10 cr	Rs 136.69 cr	Rs 16.42 cr	Rs 357.21 cr

Table: State-wise expenditure incurred by political parties during Maharashtra & Haryana Assembly Elections, 2014

Party-wise expenditure incurred

- Out of total expenditure of **Rs 357.21 cr**, **BJP** incurred the maximum expenditure of **Rs 217.68 cr**, which forms **60.94%** of total expenditure.
- At the state level, **Maharashtra State Unit** (Rs 136.69 cr) incurred **732%** higher expenditure than **Haryana Pradesh state unit** (Rs 16.42 cr).
- AIFB, IUML & JDU** are the only parties that have incurred **no expenditure** either at the central or at the state unit level despite contesting elections.

Political Parties	Expenditure incurred by political parties during Maharashtra & Haryana Assembly Elections 2014 (Rs in cr)			Total expenses
	Central Headquarter	State Units		
		Maharashtra	Haryana	
BJP	151.37	65.1	1.21	Rs 217.68 cr
INC	8.27	35.97	11.03	Rs 55.27 cr
NCP	5.5	35.559	-	Rs 41.059 cr
SHS	17.94	0	-	Rs 17.94 cr
BSP	6.296	0	0	Rs 6.296 cr
SP	4.98	0	0	Rs 4.98 cr
MNS	4.959	0	-	Rs 4.959 cr
INLD	0	-	3.94	Rs 3.94 cr
HJC-BL	2.52	-	0	Rs 2.52 cr
CPI	2.247	0.014	0.0088	Rs 2.27 cr
CPM	0.013	0.052	0.234	Rs 0.299 cr
SAD	0.0046	-	0	Rs 0.0046 cr
AIFB	0	0	0	Rs 0
IUML	0	0	-	Rs 0
JDU	0	0	0	Rs 0
Total	Rs 204.10 cr	Rs 136.69 cr	Rs 16.42 cr	Rs 357.21 cr

Table: Expenditure incurred by political parties during Maharashtra & Haryana Assembly Elections, 2014

Expenditure incurred by political parties during Maharashtra and Haryana Assembly Elections 2014

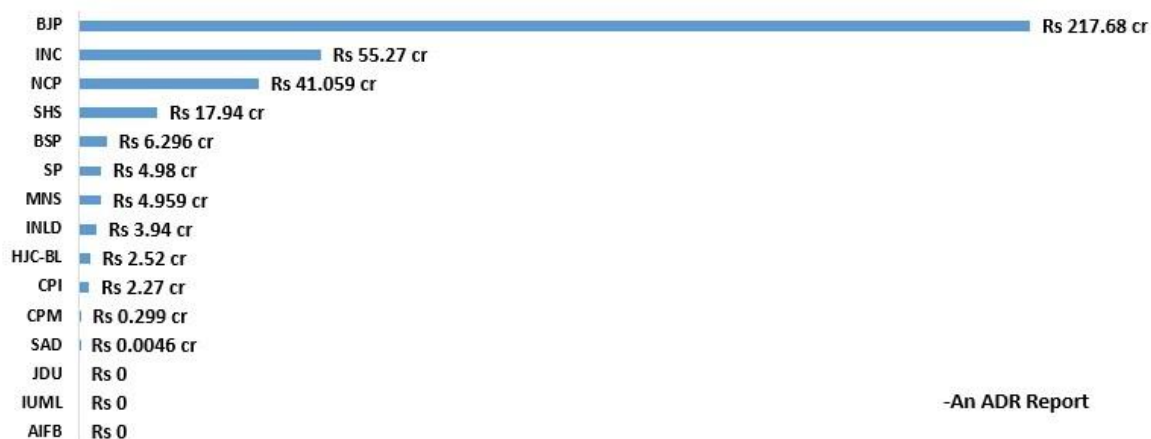


Chart: Election expenditure incurred by political parties during Maharashtra & Haryana Assembly elections, 2014

State-wise expenditure under various heads

- Political parties declare their expenditure under the heads of **Publicity, Travel Expenses, Other/ Miscellaneous expenses** and **Lumpsum amount** paid to their contesting candidates.
- Out of a total expenditure of **Rs 362.87 cr** under various heads, political parties spent the maximum amount of **Rs 280.72 cr** on **Publicity** followed by **Travel Expenses** worth **Rs 41.40 cr**.
- Central Headquarter, Maharashtra and Haryana** state units have **spent** the maximum amount of **Rs 166.92 cr, Rs 99.44 cr and Rs 14.35 cr** respectively on **Publicity**.
- Across all 4 heads, expenditure incurred from **Central Headquarter** has been the **maximum** at **Rs 191.37 cr**.

Election Expenditure of Political Parties under various heads during Maharashtra & Haryana Assembly Elections (Rs in cr)				
Expenditure under various heads	Central Headquarter	State Units		Total
		Maharashtra	Haryana	
Publicity	166.92	99.445	14.354	Rs 280.72 cr
Travel Expenses	17.725	21.876	1.797	Rs 41.4 cr
Others/Misc. expenses	6.726	15.456	0.409	Rs 22.59 cr
Lumpsum amount paid to candidates	0	15.47	2.69	Rs 18.16 cr
Total	Rs 191.37 cr	Rs 152.25 cr	Rs 19.25 cr	Rs 362.87 cr

Table: State-wise expenditure incurred under various heads by Political Parties during Maharashtra & Haryana Assembly Elections, 2014

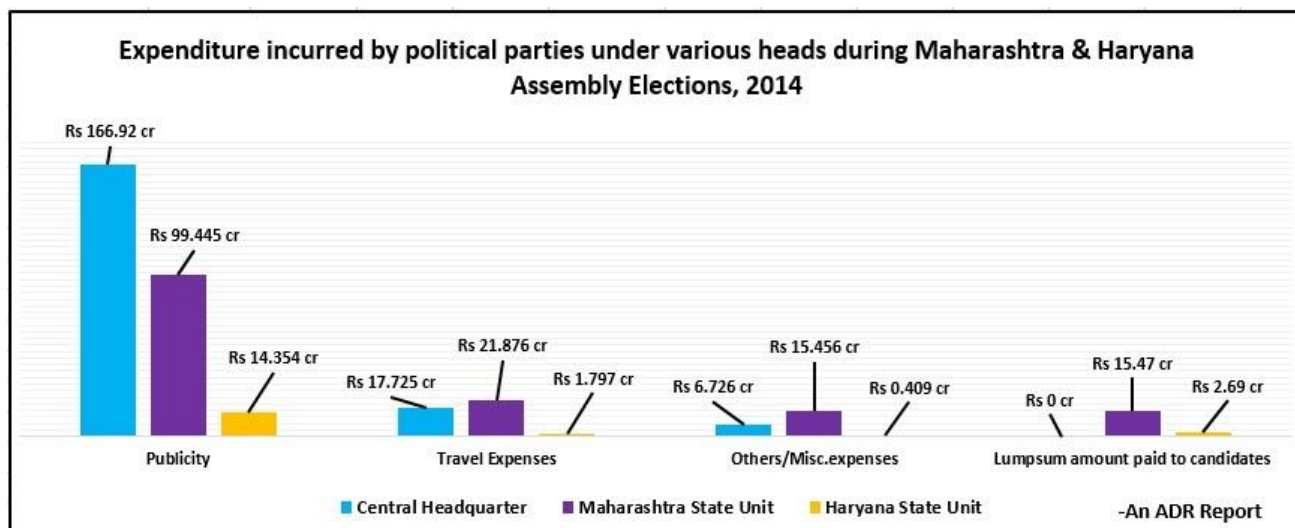


Chart: Expenditure incurred by political parties under various heads during Maharashtra & Haryana Assembly Elections, 2014

Party-wise expenditure under various heads

- The political parties spent a total of **Rs 362.87 cr** on publicity, travel, miscellaneous expenses and lumpsum amount to candidates.
- The parties spent the highest on **Publicity, Rs 280.72 cr** or 77.36% of the total followed by **Rs 41.40 cr** or 11.41% of total on **Travel expenses** and **Rs 22.59 cr** or 6.23% of total expenditure on **Other/Miscellaneous expenses**.
- The top 3 Parties which spent the highest are: **BJP** (Rs 226.82 cr) followed by **INC** (Rs 63.31 cr) and **SP** (Rs 35.56 cr).
- BJP** has incurred the maximum, **Rs 186.39 cr** under **Publicity**, which forms **66.40%** of the total expenditure incurred by all political parties on **Publicity**.

Party wise expenditure under various heads (Rs in cr): Maharashtra & Haryana Assembly Elections 2014					
Party	Publicity	Travel Expenses	Others/Misc. expenses	Lumpsum amount paid to candidates	Total
BJP	186.39	16.34	14.947	9.14	Rs 226.82 cr
INC	41.19	13.97	0.0999	8.05	Rs 63.31 cr
NCP	30.665	3.77	1.127	0	Rs 35.56 cr
SHS	14.47	2.185	1.283	0	Rs 17.94 cr
BSP	2.709	1.301	2.286	0	Rs 6.296 cr
MNS	1.957	0.313	2.687	0	Rs 4.957 cr
INLD	2.654	1.289	0	0	Rs 3.943 cr
HJC-BL	0.317	2.1859	0.017	0	Rs 2.52 cr
CPM	0.31	0.026	0.138	0.80	Rs 1.27 cr
CPI	0.059	0.0086	0.0033	0.173	Rs 0.244 cr
SP	0	0.005	0	0	Rs 0.005 cr
SAD	0	0.002	0.0026	0	Rs 0.0046 cr
AIFB	0	0	0	0	Rs 0
IUML	0	0	0	0	Rs 0
JDU	0	0	0	0	Rs 0
Total	Rs 280.72 cr	Rs 41.40 cr	Rs 22.59 cr	Rs 18.16 cr	Rs 362.87 cr

Table: Expenditure incurred under various heads by Political Parties during Maharashtra & Haryana Assembly Elections, 2014

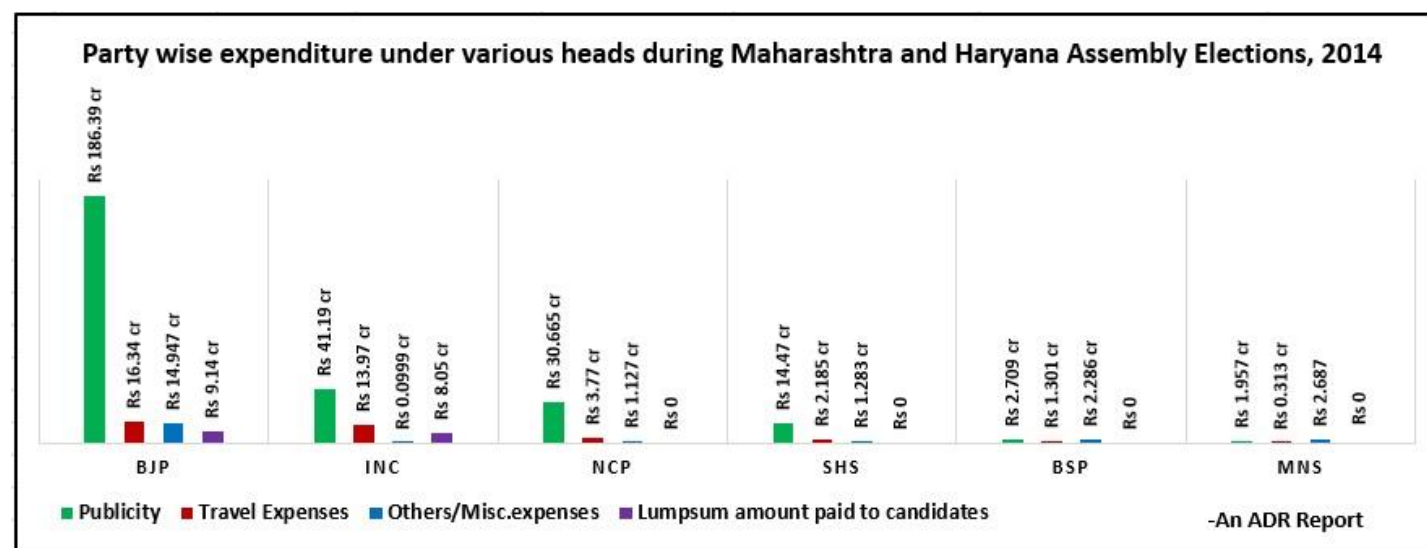


Chart: Expenditure incurred under various heads by political parties during Maharashtra & Haryana Assembly Elections, 2014

Disclaimer

Source for the data used in this report are the Election Expenditure Statements submitted by the political parties to the Election Commission of India.

These can be accessed from: <https://eci.gov.in/candidate-political-parties/expenditure-reports/expenditure-reports/>

While all effort has been made to ensure that the information is in keeping with what is mentioned in the statements submitted by the political parties, in case of discrepancy between information in this report and that given in their statements, the information reported by the political parties should be treated as correct. Association for Democratic Reforms and their volunteers are not responsible or liable for any damage arising directly or indirectly from the publication of this report.

Contact Details

State Coordinators

<p>Dr. Ajit Ranade Maharashtra Election Watch +91-97022-15312 ajit.ranade@adrindia.org</p> <p>Mr. Sharad Kumar Maharashtra Election Watch +91 9869 403721 sharadkumar40@gmail.com</p>	<p>Mr. Jaskirat Singh Haryana Election Watch +91-93160-84953 jaskirats@gmail.com</p>
--	--

Association for Democratic Reforms (ADR) & National Election Watch (NEW)

<p>Media and Journalist Helpline</p> <p>+91 80103 94248 Email: adr@adrindia.org</p>	<p>Maj Gen Anil Verma (Retd) Head – ADR & NEW</p> <p>+91 8826479910 anilverma@adrindia.org</p>	<p>Prof Jagdeep Chhokar IIM Ahmedabad (Retd)</p> <p>Founder Member – ADR & NEW</p> <p>+919999620944 jchhokar@gmail.com</p>	<p>Prof Trilochan Sastry IIM Bangalore</p> <p>Founder Member – ADR & NEW</p> <p>+919448353285, trilochans@iimb.ernet.in</p>
---	--	--	---