

Analysis of Funds Collected and Expenditure Incurred by Political Parties during Meghalaya, Nagaland and Tripura Assembly Elections, 2018

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
Tel: 011-4165 4200

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Executive Summary

- Political parties are required to submit a statement of election expenditure to the Election Commission 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, state, district and constituency 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 Meghalaya, Nagaland and Tripura** held in the month of February 2018.
- **6 National Parties and 9 Regional Parties** have been considered for analysis in this report.
- Election expenditure statements of **HSPDP** for Meghalaya Assembly election, of **RSP** for Tripura Assembly election and that of **NPP** and **AAP** for Meghalaya and Nagaland Assembly elections are unavailable on the website of the ECI.

Status of submission of expenditure statements incurred by political parties during Meghalaya, Nagaland and Tripura Assembly Elections, 2018						
Party	Date of submission	Central Headquarter	Meghalaya State Unit	Nagaland State Unit	Tripura State Unit	No. of days by which submission delayed
BJP	4-Dec-18	Submitted	Submitted	Submitted	Submitted	199 days
LJP	29-Aug-18	Submitted	Submitted	Submitted	Did not contest	102 days
CPI	6-Jul-18	Submitted	Did not contest	Did not contest	Submitted	48 days
INC	29-Jun-18	Submitted	Submitted	Submitted	Submitted	41 days
AIFB	19-Jun-18	Submitted	Did not contest	Did not contest	Submitted	31 days
UDP	12-Jun-18	Submitted	Submitted	Did not contest	Did not contest	24 days
JDU	4-Jun-18	Submitted (incomplete)	Did not contest	Submitted (NA)	Did not contest	16 days
CPM	23-May-18	Submitted	Did not contest	Did not contest	Submitted	4 days
AITC	10-May-18	Submitted	Submitted	Did not contest	Submitted	0 days
NPF	8-May-18	Submitted	Did not contest	Submitted	Did not contest	0 days
NCP	2-May-18	Submitted	Submitted	Submitted	Did not contest	0 days
AAP	Unavailable on website of ECI				Did not contest	301 days
HSPDP	Unavailable on website of ECI			Did not contest	Did not contest	301 days
NPP	Unavailable on website of ECI				Did not contest	301 days
RSP	Unavailable on website of ECI		Did not contest	Did not contest	Unavailable on website of ECI	301 days

Table: Details of submission of election expenditure statement by parties, which contested in Meghalaya, Nagaland and Tripura Assembly Elections, 2018

Observations of ADR

- The election **expenditure statements of NPP, HSPDP, AAP and RSP are not available in the public domain** despite contesting elections, with a total delay of up to ten months. **NPP** is part of the alliance that formed government in both Meghalaya and Nagaland while **HSPDP** is part of the government in Meghalaya.

- The **expenditure statement of JDU** available on the website of ECI is **incomplete**. The information on expenditure incurred from party's Central Headquarter in cash, through cheque/DD and the expenses authorized but remaining outstanding is unavailable. Party's expenditure statement fails to adhere to the prescribed format and **provides no information on the funds collected and expenditure incurred from its State Unit**, despite contesting elections and being part of the ruling alliance in Nagaland.

Details provided in the Election Expenditure Statement

Funds Collected and Expenditure incurred by political parties

- The National and Regional Political Parties considered in this report are: **BJP, INC, CPI, NCP, CPM, AITC, NPF, UDP, LJP, JDU and AIFB**.
- **LJP and AIFB had not declared any funds collected at the Central Headquarters and State Units** during Meghalaya, Nagaland and Tripura Assembly Elections, 2018.
- Total funds collected by **11** political parties during Meghalaya, Nagaland and Tripura Assembly Elections held in 2018 was **Rs 124.22 cr** and total expenditure incurred was **Rs 27.17 cr**.
- Funds collected by the parties at the **Central Headquarters** was **Rs 88.94 cr** and expenditure was **Rs 14.78 cr**. **Tripura State Unit** spent **Rs 5.10 cr**, **Meghalaya State Unit** spent **Rs 4.17 cr** while **Nagaland State Unit** spent **Rs 3.12 cr**.
- **AITC, LJP & AIFB** are the parties that have incurred **no expenditure** either at the central or at the state unit level despite contesting elections and the election expenditure statement of **JDU** available in the public domain is incomplete.

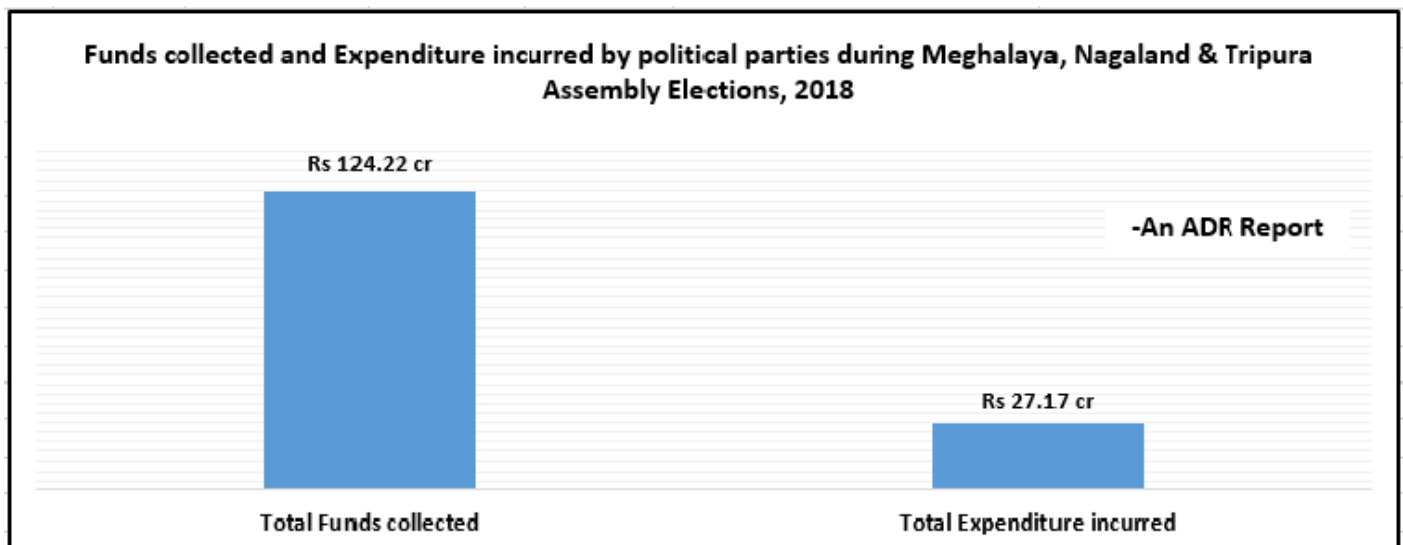


Chart: Total funds collected and expenditure incurred by political parties during Meghalaya, Nagaland & Tripura Assembly Elections, 2018

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 Meghalaya, Nagaland and Tripura Assembly Elections, 2018, spent the highest, **Rs 25.66 cr** on **Lumpsum amount paid to candidates**, followed by **Rs 11.49 cr** on **Travel expenses**, **Rs 11.01 cr** on **Publicity** and **Rs 2.15 cr** on **Other/Miscellaneous expenses**.
- Expenditure on Lumpsum amount paid to candidates is **51%** of the overall expenditure declared under various heads.
- Expenditure on **Other/Miscellaneous** is **4.28%** of the overall expenditure declared under various heads.

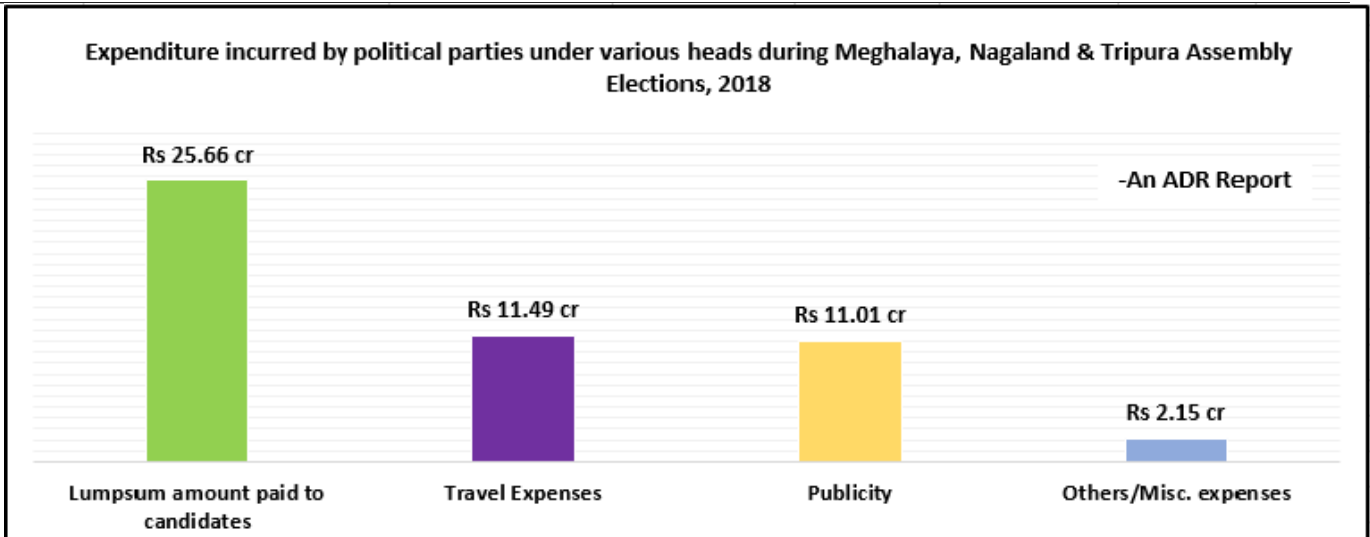


Chart: Expenditure incurred by political parties under various heads during Meghalaya, Nagaland & Tripura Assembly Elections, 2018

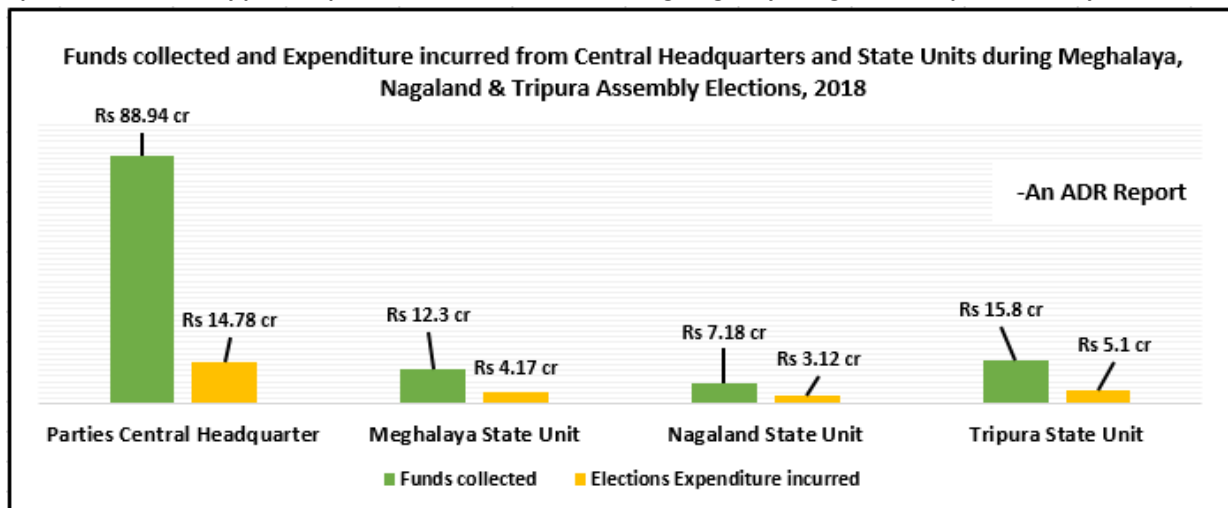


Chart: Funds collected and expenditure incurred by political parties during Meghalaya, Nagaland & Tripura Elections, 2018

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 Meghalaya, Nagaland and Tripura Assembly elections, political parties spent the maximum on **Publicity Materials (Rs 4.87 cr)**, followed by expenditure on Public Meetings (**Rs 4.34 cr**) and Media Advertisement (**Rs 1.80 cr**).
- Publicity expenditure from **Tripura State Units** is the **highest, Rs 3.80 cr** or **34.51%** of the total expenditure on publicity, followed by **Rs 3.684 cr** or **33.46%** from Central Headquarters, **Rs 1.964 cr** or **17.84%** from Nagaland State Units and **Rs 1.56 cr** or **14.17%** from Meghalaya State Units.

Expenses on Publicity during Assembly Elections, 2018 (Rs in crores)					Total
Total expenditure on Publicity	Central Headquarters	State Units			
		Meghalaya	Nagaland	Tripura	
Media Advertisement (Print & Electronic, Bulk sms, Cable, Website, TV channels, etc.)	0.324	0.7	0.52	0.254	Rs 1.80 cr
Publicity Materials (Poster, Banners, Badges, stickers, Arches, Gates, Cut outs, Hoardings, flags, etc.)	2.44	0.346	0.584	1.496	Rs 4.87 cr
Public Meetings	0.92	0.514	0.86	2.05	Rs 4.34 cr
Total	Rs 3.684 cr	Rs 1.56 cr	Rs 1.964 cr	Rs 3.80 cr	Rs 11.01 cr

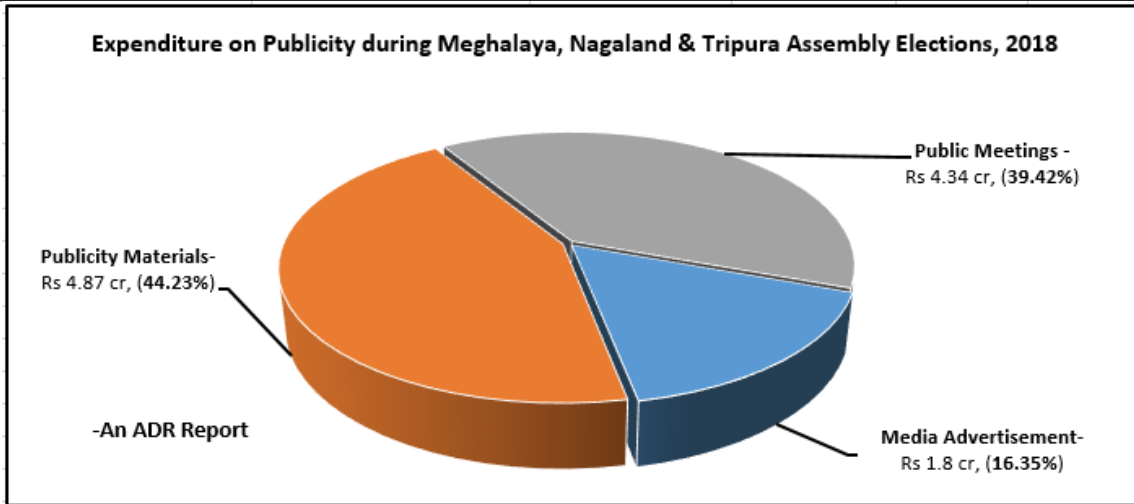


Chart: Expenditure incurred on Publicity by political parties during Meghalaya, Nagaland & Tripura Assembly Elections, 2018

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 **86.60%** of their total travel expenses or **Rs 9.95 cr** on their **star campaigners** and the remaining **13.40%** or **Rs 1.54 cr** on travel of their **party leaders**.
- Travel expenses from **Central Headquarters** by itself was **Rs 8.55 cr** or **74.41%**, which was higher than the total travel expenses incurred from state units.

Total expenditure on Travel	Assembly Elections 2018- Expenses on Travel (Rs in crores)				Total
	Central Headquarters	State Units			
		Meghalaya	Nagaland	Tripura	
Travel expenses of Star campaigners	8.49	0.011	0.40	1.054	Rs 9.95 cr
Travel expenses of Leaders	0.06	0.803	0.345	0.328	Rs 1.54 cr
Total	Rs 8.55 cr	Rs 0.814 cr	Rs 0.745 cr	Rs 1.38 cr	Rs 11.49 cr

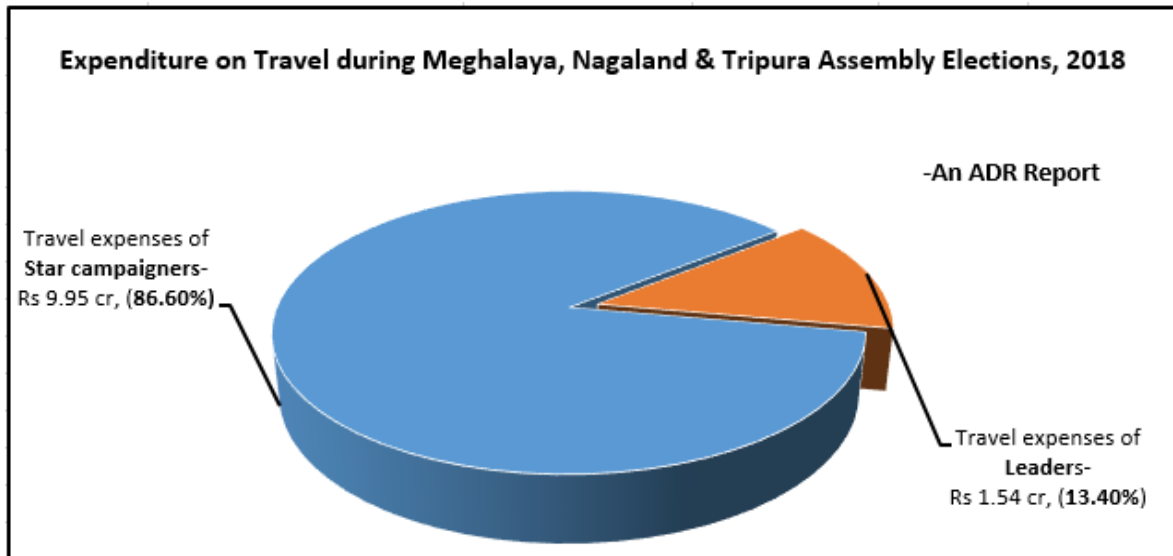


Chart: Expenditure incurred on Travel by political parties during Meghalaya, Nagaland & Tripura Assembly Elections, 2018

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 88.94 cr** at the **Central level**, through cash and cheque/DD. This constituted **71.60%** of the total funds collected by political parties during Meghalaya, Nagaland and Tripura Assembly elections, 2018.
- Among the state units**, the political parties collected the maximum amount of **Rs 15.80 cr** from **Tripura**, which formed **12.72%** of the total funds, collected at the state levels.
- The most preferred mode of collection was by **cheque/DD** where the parties collected **Rs 116.07 cr**, which formed **93.44%** of the total funds collected both at the state and central levels.
- Only **Meghalaya State Unit** of political parties collected funds in kind worth **Rs 0.009 cr**.

Medium of funds collection	Funds collected by political parties during Meghalaya, Nagaland & Tripura Assembly Elections 2018 (Rs in crores)				Total funds
	Central Headquarter	State Units			
		Meghalaya	Nagaland	Tripura	
By cash	3.72	0.013	0	4.411	Rs 8.14 cr
By cheque/DD	85.22	12.282	7.18	11.39	Rs 116.07 cr
In kind/Bank Interest	0	0.009	0	0	Rs 0.009 cr
Total	Rs 88.94 cr	Rs 12.30 cr	Rs 7.18 cr	Rs 15.80 cr	Rs 124.22 cr

Table: Funds collected in cash, cheque and in kind by political parties during Meghalaya, Nagaland & Tripura Assembly Elections, 2018

Party-wise total funds collected

- Among political parties, **BJP** collected the maximum funds of **Rs 97.63 cr**, **84.88%** or Rs 82.87 cr of which was collected at the party's Central Headquarter level.
- INC** collected the second highest funds worth **Rs 16.396 cr**, **38.42%** or Rs 6.30 cr of which was collected by the Meghalaya State Unit.
- CPM** collected the third highest funds, a total of **Rs 5.75 cr**, of which **90.49%** or Rs 5.203 cr was collected by the Tripura State Unit.
- UDP, LJP** and **AIFB** are the regional parties that have declared not receiving any funds at their respective Central Headquarters.
- AITC, NPF, LJP** and **AIFB** are the parties whose state units have not received any funds, inspite of contesting in the assembly elections.

Political Parties	Funds collected by political parties - Assembly Elections 2018 (Rs in crores)				Total Funds
	Central Headquarter	State Units			
		Meghalaya	Nagaland	Tripura	
BJP	82.87	4.99	2.75	7.02	Rs 97.63 cr
INC	2.146	6.30	4.40	3.55	Rs 16.396 cr
CPM	0.55	-	-	5.203	Rs 5.75 cr
NCP	1.15	1.00	0.03	-	Rs 2.18 cr
CPI	1.145	-	-	0.027	Rs 1.17 cr
AITC	0.52	0	-	0	Rs 0.52 cr
NPF	0.359	-	0	-	Rs 0.359 cr
JDU*	0.20	-	NA	-	Rs 0.20 cr
UDP	0	0.014	-	-	Rs 0.014 cr
LJP	0	0	0	-	Rs 0
AIFB	0	-	-	0	Rs 0
Total	Rs 88.94 cr	Rs 12.30 cr	Rs 7.18 cr	Rs 15.80 cr	Rs 124.22 cr

(-) Did not contest in the State Assembly election, *Party's complete election expenditure statement detail is not available in the public domain

Table: Party wise funds collected by political parties during Meghalaya, Nagaland and Tripura Assembly Elections, 2018

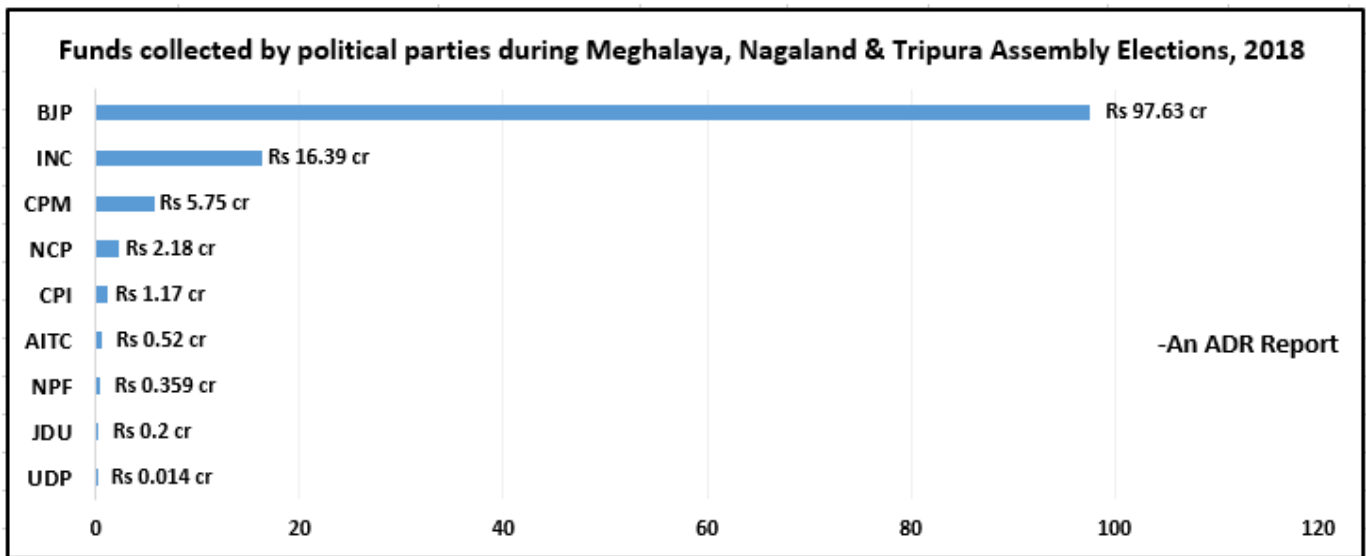


Chart: Funds collected at the Central level and the State units by political parties during Assembly Elections, 2018

State-wise expenditure incurred

- The **Central Headquarters** of the political parties spent the maximum worth **Rs 14.78 cr**, followed by **Tripura State Unit** which spent **Rs 5.10 cr**, **Meghalaya State Unit** which spent **Rs 4.17 cr**, and **Nagaland State Unit** which reported incurring an expenditure of **Rs 3.12 cr**.
- Out of the total expenditure of **Rs 27.17 cr**, **61.41%** or **Rs 16.684 cr** was spent by cheque/DD by political parties together.
- **Rs 5.67 cr** is **'remaining unpaid'** which formed **20.87%** of the total expenditure reported by political parties.
- **Rs 3.89 cr** is **'remaining unpaid'** at the Central Level by political parties.
- Expenditure in **cash was least preferred** by the political parties, as only **17.72%** or **Rs 4.815 cr** of the total expenditure was incurred in this mode.

Medium of expenditure incurred	Expenditure incurred by political parties - Assembly Elections 2018 (Rs in crores)				Total expenses
	Central Headquarter	State Units			
		Meghalaya	Nagaland	Tripura	
By cash	1.45	0.59	0.545	2.23	Rs 4.815 cr
By cheque/DD	9.44	1.80	2.574	2.87	Rs 16.684 cr
Remaining unpaid	3.89	1.78	0	0	Rs 5.67 cr
Total	Rs 14.78 cr	Rs 4.17 cr	Rs 3.12 cr	Rs 5.10 cr	Rs 27.17 cr

Table: Total expenditure incurred by political parties during Meghalaya, Nagaland and Tripura Assembly Elections, 2018

Party-wise expenditure incurred

- Out of the total expenditure of **Rs 27.17 cr**, **BJP** incurred the maximum expenditure of **Rs 14.18 cr**, which forms **52.19%** of total expenditure.
- At the state level, **Tripura State Unit** (Rs 5.10 cr) incurred **38.82%** higher expenditure than **Nagaland** (Rs 3.12 cr) and **18.24%** than **Meghalaya** (Rs 4.17 cr) **State Units**.
- **AITC, LJP** and **AIFB** are the parties that have incurred **no expenditure** either at central or at the state unit level despite contesting elections.

Political Parties	Election Expenditure incurred by political parties - Assembly Elections 2018 (Rs in crores)				Total expenses incurred
	Central Headquarter	State Units			
		Meghalaya	Nagaland	Tripura	
BJP	9.027	2.407	1.48	1.268	Rs 14.18 cr
INC	2.976	0.93	1.61	1.056	Rs 6.57 cr
CPM	0.017	-	-	2.755	Rs 2.77 cr
NCP	1.19	0.76	0.03	-	Rs 1.98 cr
CPI	1.21	-	-	0.02	Rs 1.23 cr
NPF	0.36	-	0	-	Rs 0.36 cr
UDP	0	0.075	-	-	Rs 0.075 cr
JDU*	NA	-	NA	-	-
AITC	0	0	-	0	Rs 0
LJP	0	0	0	-	Rs 0
AIFB	0	-	-	0	Rs 0
Total	Rs 14.78 cr	Rs 4.17 cr	Rs 3.12 cr	Rs 5.10 cr	Rs 27.17 cr

(-) Did not contest in the State Assembly election, *Party's complete election expenditure statement detail is not available in the public domain.

Table: Party-wise Expenditure incurred by political parties during Assembly Elections, 2018

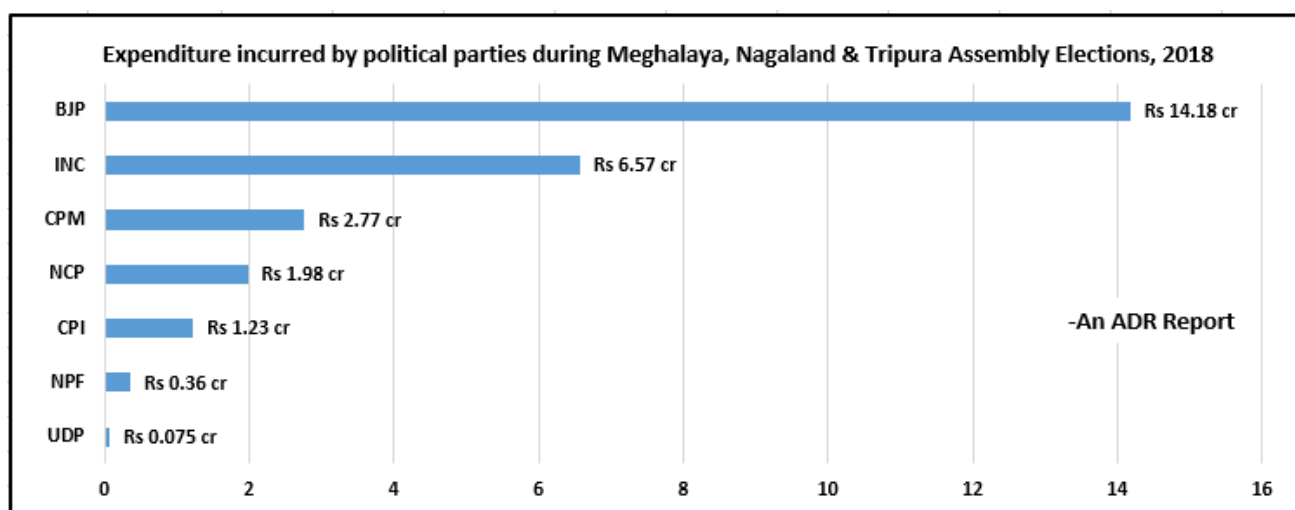


Chart: Election expenditure incurred by political parties during Assembly Elections, 2018

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 50.31 cr** under various heads, political parties spent the maximum amount of **Rs 25.66 cr** on **Lumpsum amount paid to candidates** followed by **Travel** worth **Rs 11.49 cr**.
- Tripura state unit** spent the maximum amount of **Rs 12.02 cr** on **Lumpsum amount paid to candidates**, followed by **Meghalaya state unit** which spent **Rs 9.18 cr** and **Nagaland state unit** which spent **Rs 4.30 cr**.

Election Expenditure of Political Parties under various heads during Assembly Elections, 2018 (Rs in crores)					
Expenditure under various heads	Central Headquarter	State Units			Total
		Meghalaya	Nagaland	Tripura	
Publicity	3.684	1.56	1.964	3.8	Rs 11.01 cr
Travel Expenses	8.55	0.814	0.745	1.38	Rs 11.49 cr

Election Expenditure of Political Parties under various heads during Assembly Elections, 2018 (Rs in crores)					
Expenditure under various heads	Central Headquarter	State Units			Total
		Meghalaya	Nagaland	Tripura	
Others/Misc. expenses	0.34	1.096	0.41	0.308	Rs 2.15 cr
Lumpsum amount paid to candidates	0.155	9.18	4.30	12.02	Rs 25.66 cr
Total	Rs 12.73 cr	Rs 12.65 cr	Rs 7.42 cr	Rs 17.51 cr	Rs 50.31 cr

Table: State-wise expenditure incurred under various heads by Political Parties during Assembly Elections, 2018

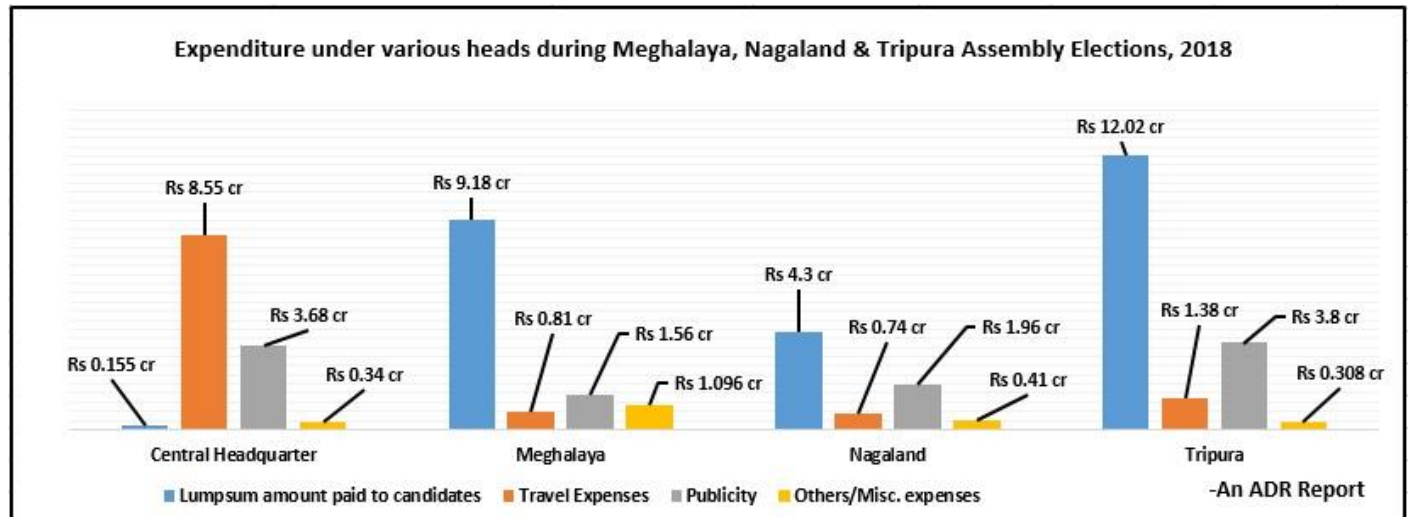


Chart: Expenditure incurred by political parties under various heads during Meghalaya, Nagaland & Tripura Assembly Elections, 2018

Party-wise expenditure under various heads

- The political parties spent a total of **Rs 50.31 cr** on publicity, travel, miscellaneous expenses and lumpsum amount to candidates.
- The parties spent the highest on **Lumpsum amount paid to candidates** (Rs 25.66 cr or 51% of total expenditure) followed by **Rs 11.49 cr** or 22.84% of total on **Travel** and **Rs 11.01 cr** on **Publicity** (21.88% of total expenditure).
- The top 3 Parties which spent the highest are: **BJP** (Rs 24.17 cr) followed by **INC** (Rs 17.85 cr) and **CPM** (Rs 6.67 cr).
- **BJP** has incurred the maximum, **Rs 1.214 cr** under **Other/Miscellaneous expenses**, which forms **56.47%** of the total expenditure incurred by all political parties on Other/Miscellaneous expenses.

Party-wise election expenditure under various heads (Rs in crores)					
Political Party	Publicity	Travel Expenses	Others/Misc. expenses	Lumpsum amounts paid to candidates	Total
BJP	5.11	7.85	1.214	10.00	Rs 24.17 cr
INC	2.83	2.92	0.814	11.286	Rs 17.85 cr
CPM	2.62	0.43	0.109	3.516	Rs 6.67 cr
NCP	0.16	0.087	0	0.70	Rs 0.947 cr
NPF	0.175	0.188	0	0	Rs 0.36 cr
JDU	0.025	0.0077	0.014	0.155	Rs 0.20 cr
UDP	0.075	0	0	0	Rs 0.075 cr
CPI	0.0145	0.003	0.0033	0	Rs 0.0208 cr
AITC	0	0	0	0	Rs 0
LJP	0	0	0	0	Rs 0
AIFB	0	0	0	0	Rs 0
Total	Rs 11.01 cr	Rs 11.49 cr	Rs 2.15 cr	Rs 25.66 cr	Rs 50.31 cr

Table: Expenditure incurred under various heads by Political Parties during Assembly Elections, 2018

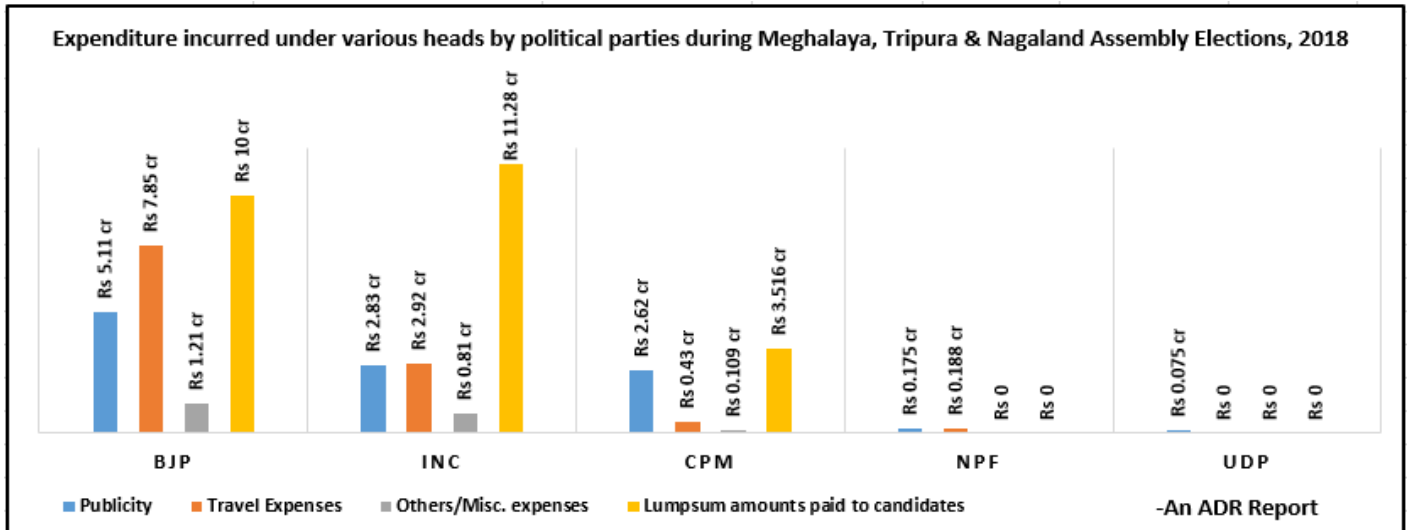


Chart: Expenditure incurred under various heads by political parties during Meghalaya, Nagaland & Tripura Assembly Elections, 2018

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, National Election Watch 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>Meghalaya Ms. Mayfereen Rynthiang +91-8575017983 mayfereenlyngdoh@gmail.com om</p>	<p>Nagaland Ms. Hekani Jakhalu +91-9856307033 hekanijakhalu@yahoo.com</p>	<p>Tripura Mr. Biswendu Bhattacharjee +91-9436125214 biswendu.tripura@gmail.com</p>
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National Election Watch (NEW) & Association for Democratic Reforms (ADR)

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