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ANALYSIS OF ELECTION EXPENDITURE OF MAJOR POLITICAL PARTIES OF WEST BENGAL – LOK SABHA 2014

A Report by
West Bengal Election Watch
&
Association for Democratic Reforms

West Bengal Election Watch
Mr. Biplab Halim
+91-033 2483-6491; 033 2472-5571
+91-98311-24736
bipimse@cal.vsnl.net.in , bipimse@hotmail.com

Association for Democratic Reforms
T-95A, I floor, C.L. House, Gautam Nagar
New Delhi – 110 049
Email: adr@adrindia.org; Phone: 011-4165
4200

Executive Summary

- Political parties are required to submit a statement of election expenditure to the Election Commission within 90 days of completion of General 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 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.
- The focus of this report is the expenditure of major political parties of West Bengal during Lok Sabha 2014 and analyses the funds received and expenditure incurred by the parties, **during the election period of 75 days (05-03-2014 to 16-05-2014).**

Details provided in the Election Expenditure Statement

- **13th August, 2014 was the last date of filing of election expenditure statements of National Parties** which was 90 days from 16th May on which the election results were declared.
- Based on the information available on the website of the Election Commission of India, the ECI received the expenditure statements of **INC on 22nd Dec,'14, BJP on 12th Jan,'15, BSP on 8th Aug,'14, NCP on 22nd Aug,'14, CPI on 27th Oct,'14 and CPM's expenditure statements on 25th Aug,'14.**
- Regional Parties of West Bengal, considered for this report are **AIFB, AITC, RSP and SP.** ECI received the expenditure statements of **AIFB on 26th May,'14, AITC on 19th Aug,'14, SP on 2nd Dec,'14 and RSP has not submitted its Lok Sabha expenditure details.**
- It is to be noted that while BJP, BSP, NCP, CPI and CPM submitted their expenditure statements with details of only **Lok Sabha elections, 2014**, the expenditure statement of **INC included details of elections to Andhra Pradesh, Arunachal Pradesh, Sikkim and Odisha Assemblies.** As the details were not segregated by INC, the information is **taken as is submitted by the party.**
- Similarly, for **Lok Sabha elections, 2004**, the expenditure statements of **BSP, CPI and CPM** contained details of expenditure incurred during Andhra Pradesh, Karnataka, Odisha and Sikkim Assembly Elections. The complete information as submitted by the National Parties have been taken into consideration during the preparation of this report.

Submission of Election Expenditure Statements by West Bengal Political Parties to ECI - Lok Sabha 2014

Political Party	Status of Submission of Expenditure Statement to the ECI	Central Headquarters Level	State Level (West Bengal)
INC	Submitted	Submitted	Submitted
BJP	Submitted	Submitted	Submitted
BSP	Submitted	Submitted	Submitted
NCP	Submitted	Submitted	Submitted
CPI	Submitted	Submitted	Submitted
CPM	Submitted	Submitted	Submitted
AITC	Submitted	Submitted	Submitted
AIFB	Submitted	Submitted	Submitted
SP	Submitted	Submitted	Submitted
RSP	Not Submitted		

Table: Details of submission of election expenditure statement by parties to ECI – Lok Sabha 2014

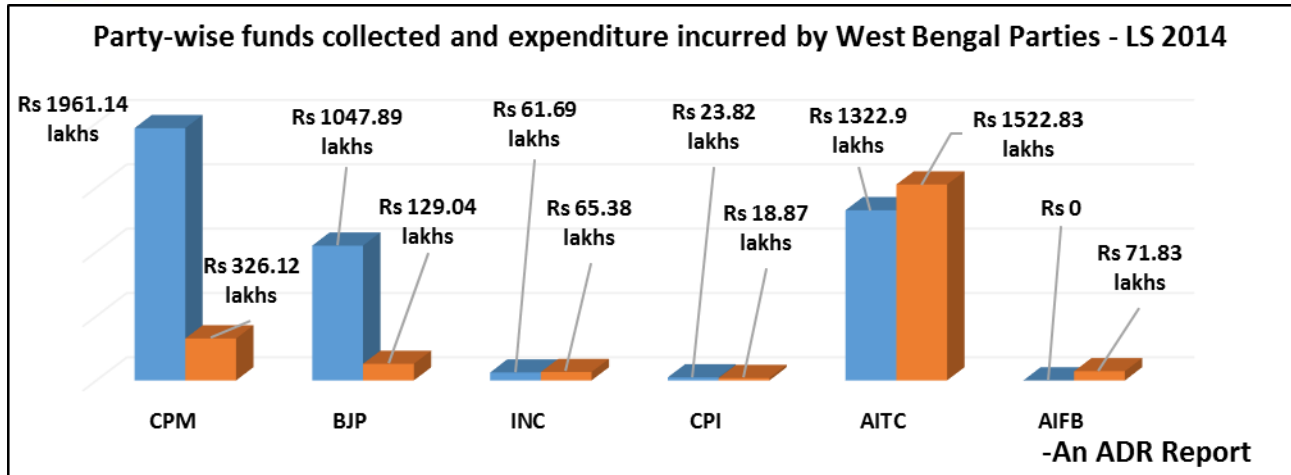
National Parties: Funds Collected and Expenditure Incurred

- The National parties considered for the report are BJP, INC, BSP, NCP, CPI, and CPM.
- The total funds collected by the National Parties during Lok Sabha 2014 **from all over India** were **Rs 1158.59 crores**.
- **West Bengal State Units** of the National Parties declared total funds collected to be **Rs 30.94 crores**.
- The total expenditure incurred by the National Parties during Lok Sabha 2014 **from all over India** were **Rs 1308.75 crores**.
- **West Bengal State Units** of the National Parties declared total expenditure to be **Rs 5.39 crores**.

Regional Parties: Funds Collected and Expenditure Incurred

- Regional Parties considered for the report: AIFB, AITC, RSP and SP.
- **Of the above 4 regional parties** which contested in the Lok Sabha elections, 2014, **RSP** is the only regional party yet to submit its election expenditure statements to the Election Commission.
- It is to be noted that **AIFB collected no funds** during **Lok Sabha elections** while **AITC** collected a total of **Rs 13.23 crores** during Lok Sabha elections, 2014
- **AIFB** and **AITC** together incurred an expenditure of **Rs 15.95 crores**.

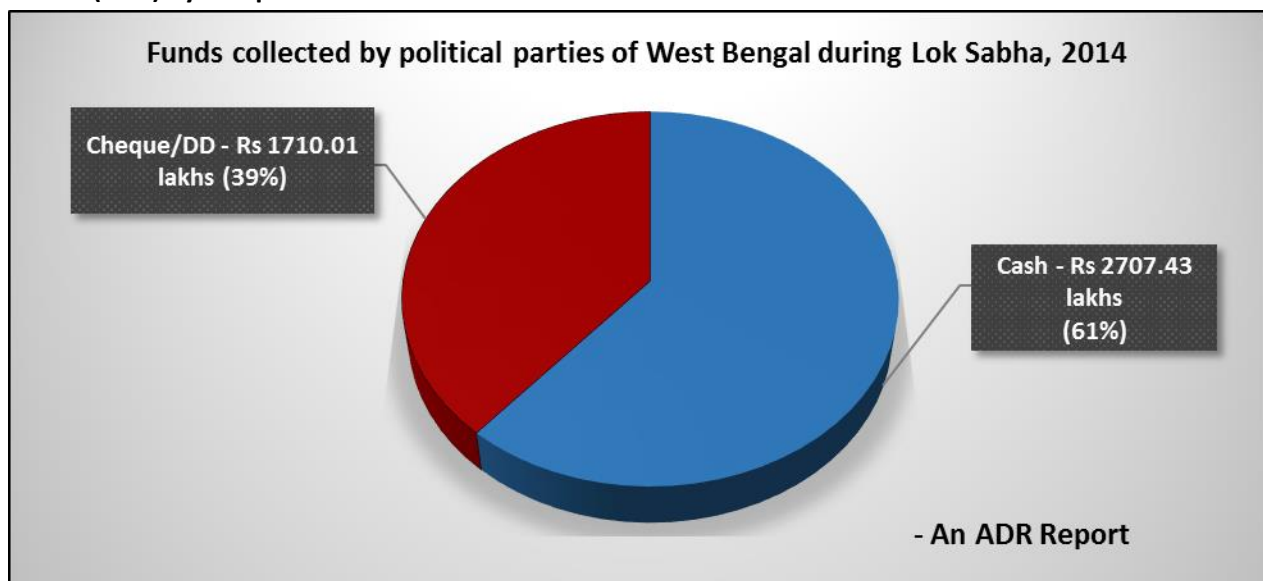
Party	Total funds collected	Total Expenditure Incurred
BJP	1,047.89	129.04
INC	61.69	65.38
CPI	23.82	18.87
CPM	1,961.14	326.12
AITC	1,322.90	1,522.83
AIFB	0	71.83
Grand Total (Rs)	Rs 4,417.44 lakhs	Rs 2,134.07 lakhs



Graph: Funds collected and expenditure incurred by political parties of West Bengal during Lok Sabha elections, 2014

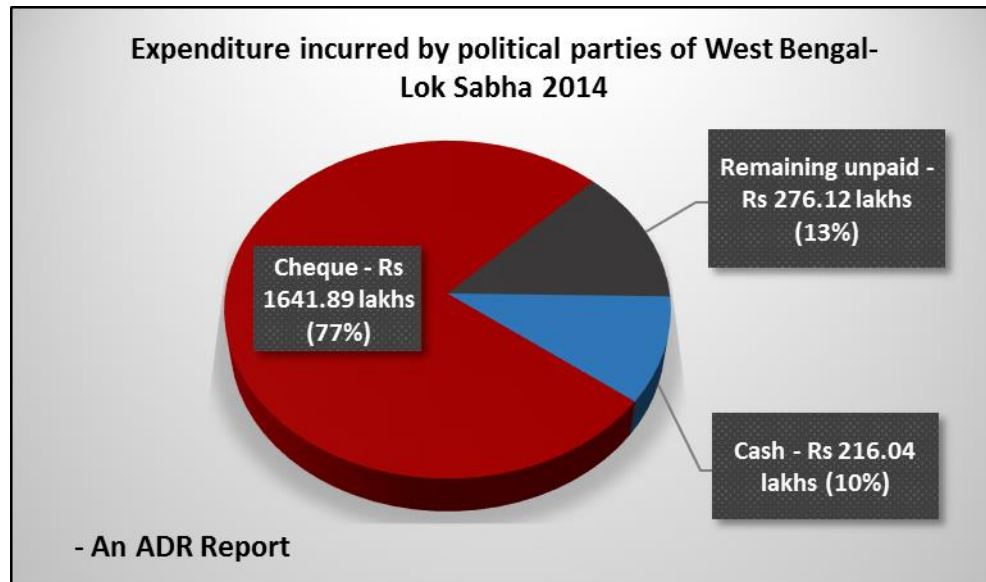
Funds Collected and Expenditure Incurred in Cash and Cheque

- Details of funds collected by National Parties analysed in this report were the **funds collected by the West Bengal State Units of the National Parties.**
- The **total funds collected** by National and regional parties amounted to **Rs 4417.44 lakhs**, of which 61% or **Rs 2,707.43 lakhs** was collected by cash, while 39% or **Rs 1,710.01 lakhs** was collected by cheque/DD.
- **96%** of the total funds collected by **BJP West Bengal state unit** during election period was by cash (Rs 1,005.80 lakhs) while **76%** (**Rs 46.69 lakhs**) of funds collected by **INC West Bengal state unit** was by cash.
- **CPM** collected **Rs 1442.52 lakhs in cash** (74% of its funds) and **Rs 518.62 lakhs (26%) by cheque** while **CPI** collected **Rs 12.17 lakhs in cash** (51% of the total funds of Rs 23.82 lakhs) and **Rs 11.65 lakhs (49%) by cheque.**



Graph: Funds collected by political parties during Lok Sabha elections, 2014

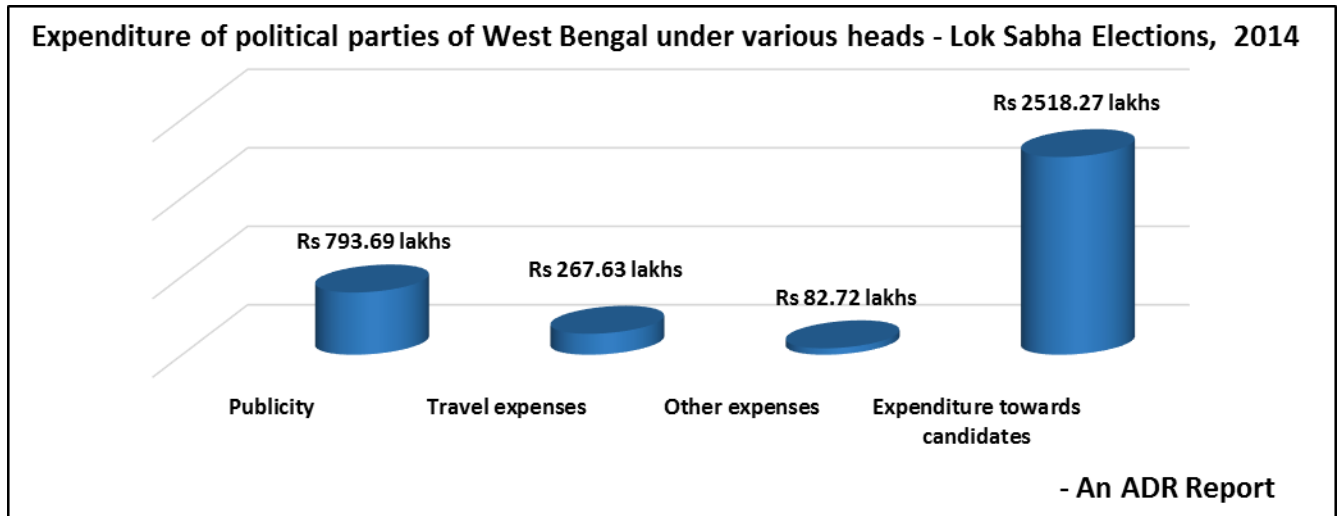
- Details of expenditure incurred by National Parties analysed in this report were the **expenses incurred by the West Bengal State Units of the National Parties**.
- The **parties' preferred mode of expenditure was by cheque/DD**, according to the statements submitted.
- Out of the total expenditure of **Rs 2134.07 lakhs** declared by National and regional parties, expense of **Rs 1641.89 lakhs (77%)** was incurred by cheque, while **Rs 216.04 lakhs (10%)** was spent in cash, and **Rs 276.12 lakhs (13%)** was remaining unpaid.
- **40% of the total expenditure of WB state unit of BJP** was by cheque/DD (**Rs 51.91 lakhs**) while **Rs 51.72 lakhs (40%)** was remaining unpaid by the party.
- **AITC** incurred a total expenditure of **Rs 1322.83 lakhs by cheque (87%)** and **Rs 200 lakhs** remaining unpaid (13%) while **AIFB** incurred an expenditure of **Rs 70.75 lakhs (98%) by cheque**.



Graph: Expenditure incurred by political parties during Lok Sabha Elections, 2014

Expenditure of political parties under various heads

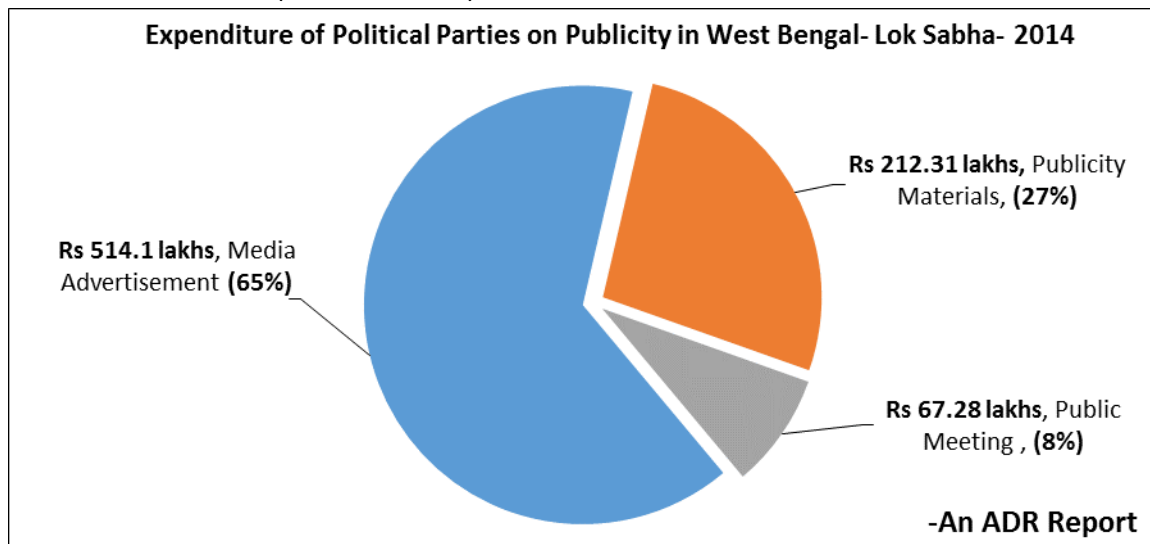
- The main heads under which political parties declare their expenses are **publicity, travel, other/miscellaneous expenses and expenditure on candidates**.
- Details of expenditure incurred under various heads by National Parties analysed in this report were the **expenses incurred by the West Bengal State Units of the National Parties**.
- Political parties of West Bengal spent **22%** of their total expenditure on **publicity**, **7%** on **travel expenses**, **2%** on **miscellaneous expenses** and **69%** on **candidates**.
- **CPI** spent **Rs 17.9 lakhs** out of a total expenditure of Rs 19.75 lakhs **on publicity** which constitutes **90.63%** of the total expenditure of the party followed by **Rs 1.68 lakhs on travel (8.51%)** and **Rs 0.17 lakhs on miscellaneous expenses (0.86%)**.
- **AIFB** spent **Rs 65.92 lakhs** out of a total expenditure of Rs 71.83 lakhs **on candidates (92%)** while **AITC** spent **Rs 825 lakhs** out of a total expenditure of Rs 1422.83 lakhs **on candidates (58%)**.



Graph: Expenditure of political parties of West Bengal under various heads during Lok Sabha Elections, 2014

Expenditure of Political Parties on Publicity

- There are three main items listed under publicity expenditure: **expense on media advertisement** (print & electronic, bulk sms, cable, website, TV channels) **publicity material** (hoardings, posters, banners etc.), **expenses on public meetings** (processions, rallies etc.).
- Political parties of West Bengal collectively spent **Rs 514.1 lakhs** (or **65%**) on **media advertisement**, **Rs 212.31 lakhs** (or **27%**) on **publicity materials** and **Rs 67.28 lakhs** (or **8%**) on **public meetings** during Lok Sabha Elections, 2014.
- WB State Unit of BJP spent the maximum amount of **Rs 70.35 lakhs** on publicity materials followed by **Rs 51.34 lakhs** on media advertisement, while AITC spent 100% of its publicity expenditure on **media advertisement** (Rs 397.83 lakhs).



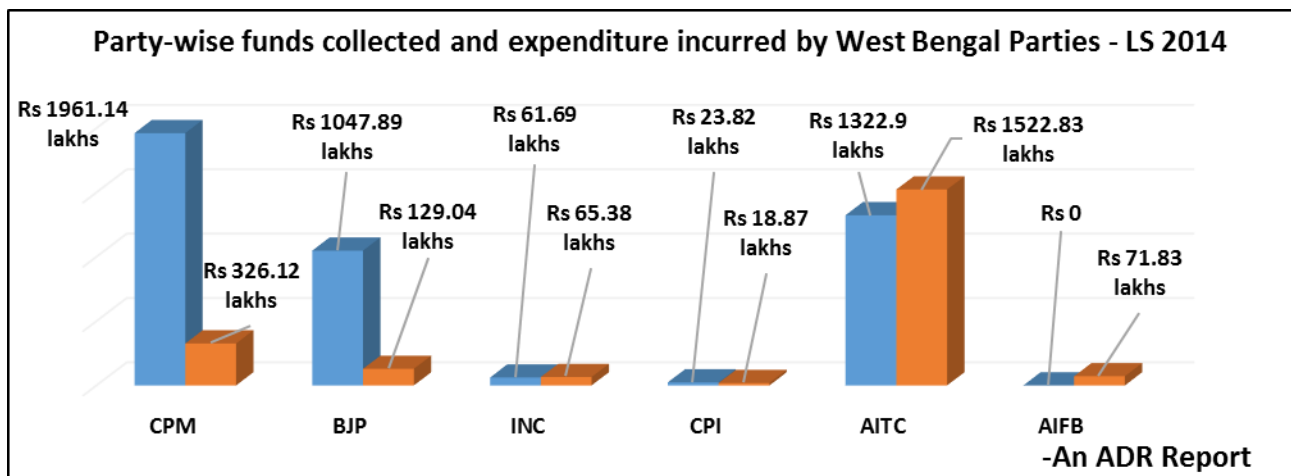
Graph: Expenditure of political parties on publicity during Lok Sabha Elections, 2014

Detailed Report

Funds collected and expenditure incurred by political parties during election period of 75 days

- The funds declared as collected by political parties were **collected between the date of announcement of Lok Sabha elections and the date of completion of the elections: 75 days (05-03-2014 to 16-05-2014).**
- The National parties considered for the report are BJP, INC, BSP, NCP, CPI, and CPM.
- The total funds collected by the National Parties during Lok Sabha 2014 **from all over India** were **Rs 1158.59 crores.**
- **West Bengal State Units** of the National Parties declared total funds collected to be **Rs 30.94 crores.**
- The total expenditure incurred by the National Parties during Lok Sabha 2014 **from all over India** were **Rs 1308.75 crores.**
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- Regional Parties considered for the report: AIFB, AITC, RSP and SP.
- **Of the above 4 regional parties** which contested in the Lok Sabha elections, 2014, **RSP** is the only regional party yet to submit its election expenditure statements to the Election Commission.
- It is to be noted that **AIFB collected no funds** during **Lok Sabha elections** while **AITC** collected a total of **Rs 13.23 crores** during Lok Sabha elections, 2014
- **AIFB and AITC** together incurred an expenditure of **Rs 15.95 crores.**

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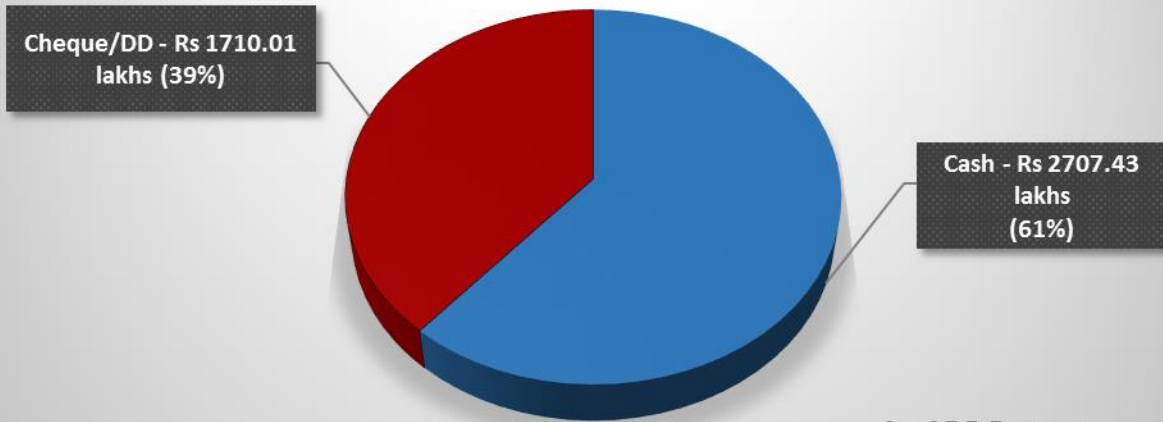


Modes of fund collection and expenditure by political parties during Lok Sabha Elections

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- **AITC** collected **Rs 200.25 lakhs in cash** and **Rs 1122.65 lakhs by cheque.**
- It is to be noted that **AIFB, BSP, NCP, SP** declared that the party collected no funds for the Lok Sabha elections during the election period of 75 days.

Party	Total funds collected	Description of funds received	Funds received (Rs. in lakhs)	% share in total donation	
BJP	Rs 1047.89 lakhs	Cash	1005.8	95.98%	
		Cheque/ DD	42.09	4.02%	
INC	Rs 61.69 lakhs	Cash	46.69	75.68%	
		Cheque/ DD	15.00	24.32%	
CPI	Rs 23.82 lakhs	Cash	12.17	51.09%	
		Cheque/ DD	11.65	48.91%	
CPM	Rs 1961.14 lakhs	Cash	1442.52	73.56%	
		Cheque/ DD	518.62	26.44%	
AITC	Rs 1322.9 lakhs	Cash	200.25	15.14%	
		Cheque/ DD	1122.65	84.86%	
AIFB	Rs 0	Cash	0	Not Applicable	
		Cheque/ DD	0		
BSP	Rs 0	Cash	0		
		Cheque/ DD	0		
NCP	Rs 0	Cash	0		
		Cheque/ DD	0		
SP	Rs 0	Cash	0		
		Cheque/ DD	0		
RSP	Not Submitted				

Funds collected by political parties of West Bengal during Lok Sabha, 2014

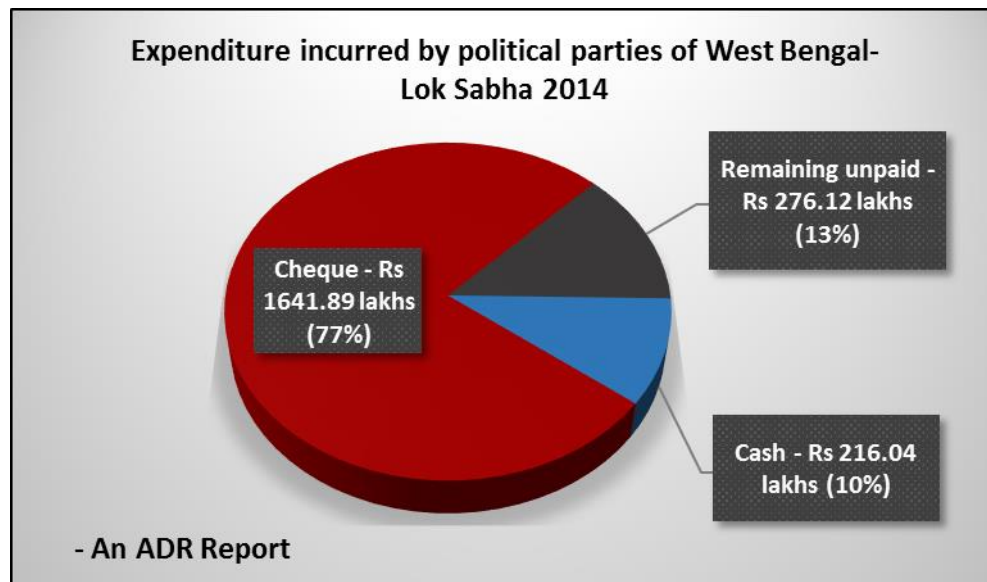


- An ADR Report

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- **AITC** incurred a total of **Rs 1322.83 lakhs by cheque (87%)** and **Rs 200 lakhs** remaining unpaid (13%) while **AIFB** incurred **Rs 70.75 lakhs (98%) by cheque.**
- **BSP, NCP and SP** have declared that the parties did not incur any expenditure in West Bengal during Lok Sabha elections, 2014.

Party	Total expenditure incurred	Mode of payment	Expenditure incurred (Rs in lakhs)	% share in total expenditure
BJP	Rs 129.04 lakhs	Cash	25.41	19.69%
		Cheque/ DD	51.91	40.23%
		Remaining unpaid	51.72	40.08%
INC	Rs 65.38 lakhs	Cash	54.22	82.93%
		Cheque/ DD	11.16	17.07%
		Remaining unpaid	0.00	0.00%
CPI	Rs 18.87 lakhs	Cash	1.01	5.35%
		Cheque/ DD	14.38	76.21%
		Remaining unpaid	3.47	18.39%

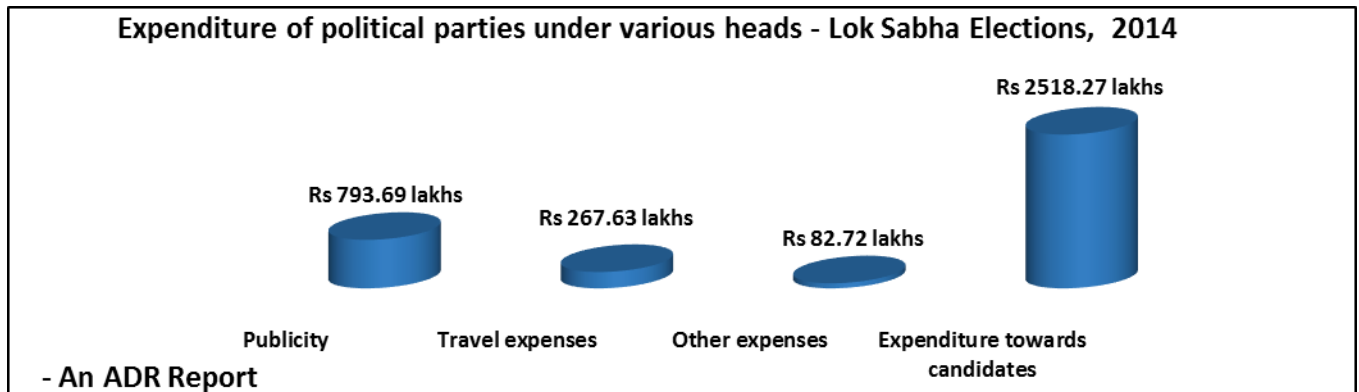
Party	Total expenditure incurred	Mode of payment	Expenditure incurred (Rs in lakhs)	% share in total expenditure
CPM	Rs 326.12 lakhs	Cash	134.32	41.19%
		Cheque/ DD	170.86	52.39%
		Remaining unpaid	20.93	6.42%
AITC	Rs 1522.83 lakhs	Cash	0	0%
		Cheque/ DD	1322.83	86.87%
		Remaining unpaid	200.00	13.13%
AIFB	Rs 71.83 lakhs	Cash	1.08	1.50%
		Cheque/ DD	70.75	98.50%
		Remaining unpaid	0.00	0%
BSP	Rs 0	Cash	0.00	Not Applicable
		Cheque/ DD	0.00	
		Remaining unpaid	0.00	
NCP	Rs 0	Cash	0.00	
		Cheque/ DD	0.00	
		Remaining unpaid	0.00	
SP	Rs 0	Cash	0.00	
		Cheque/ DD	0.00	
		Remaining unpaid	0.00	
RSP	Not submitted			



Expenditure of political parties under various heads

- The main heads under which political parties declare their expenses are **publicity, travel, other/ miscellaneous expenses and expenditure on candidates.**
- Details of expenditure incurred under various heads by National Parties analysed in this report were the **expenses incurred by the West Bengal State Units of the National Parties.**
- Political parties of West Bengal spent **22%** of their total expenditure on **publicity, 7% on travel expenses, 2% on miscellaneous expenses and 69% on candidates.**
- **CPI** spent **Rs 17.9 lakhs** out of a total expenditure of Rs 19.75 lakhs **on publicity** which constitutes **90.63%** of the total expenditure of the party followed by **Rs 1.68 lakhs on travel (8.51%)** and **Rs 0.17 lakhs on miscellaneous expenses (0.86%).**
- **AIFB** spent **Rs 65.92 lakhs** out of a total expenditure of Rs 71.83 lakhs **on candidates (91%)** while **AITC** spent **Rs 825 lakhs** out of a total expenditure of Rs 1422.83 lakhs **on candidates (58%).**
- While **BSP, NCP and SP** declared that the parties did not incur any expenditure under various heads at the West Bengal State level during Lok Sabha elections, WB state Units of **BJP** did not incur any expenditure on miscellaneous expenses and towards candidates.
- **WB state unit of INC and AITC** declared that the parties declared no expenditure under 'miscellaneous expenses' at the state level.

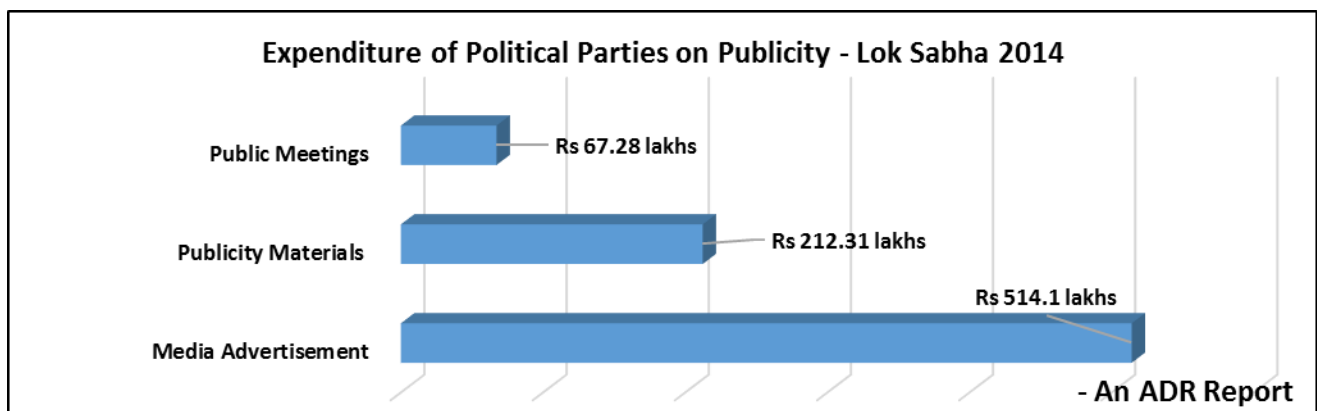
Party	Division of expenditure as provided in the statement submitted by the parties (Rs. in Lakhs)				Total (Rs. in lakhs)
	Publicity	Travel expenses	Other expenses	Expenditure towards candidates	
BJP	121.7	7.35	0	1081.82	1210.87
INC	56.465	8.92	0	0	65.385
CPI	17.9	1.68	0.17	0.00	19.75
CPM	194.374	49.233	82.51	545.53	871.65
Total	390.44	67.18	82.68	1627.35	2167.65
Regional Parties					
AITC	397.83	200	0	825	1422.83
AIFB	5.42	0.45	0.04	65.92	71.83
Total (Rs. in lakhs)	403.25	200.45	0.04	890.92	1494.66
Grand Total	Rs 793.69 lakhs	Rs 267.63 lakhs	Rs 82.72 lakhs	Rs 2518.27 lakhs	Rs 3662.31 lakhs



Expenditure of Political Parties on Publicity

- There are three main items listed under publicity expenditure: **expense on media advertisement** (print & electronic, bulk sms, cable, website, TV channels) **publicity material** (hoardings, posters, banners etc.), **expenses on public meetings** (processions, rallies etc.).
- Political parties of West Bengal collectively spent **Rs 514.1 lakhs** (or **65%**) on **media advertisement**, **Rs 212.31 lakhs** (or **27%**) on **publicity materials** and **Rs 67.28 lakhs** (or **8%**) on **public meetings** during Lok Sabha Elections, 2014.
- WB State Unit of BJP spent the maximum amount of **Rs 70.35 lakhs** on publicity materials followed by **Rs 51.34 lakhs** on media advertisement, while AITC spent 100% of its publicity expenditure on **media advertisement** (Rs 397.83 lakhs).

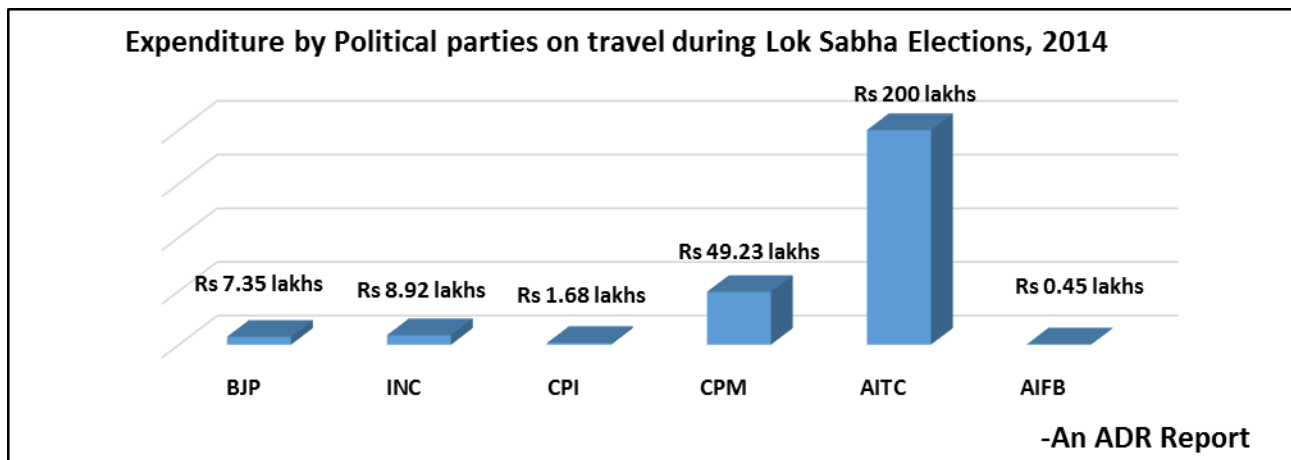
Political Party	Publicity (Rs in lakhs)			
	Media Advertisement	Publicity Materials	Public Meetings	Total
BJP	51.34	70.36	0	Rs 121.70 lakhs
INC	1.00	10.00	45.46	Rs 56.46 lakhs
CPI	0	17.90	0.00	Rs 17.90 lakhs
CPM	63.92	108.63	21.82	Rs 194.37 lakhs
AITC	397.83	0	0	Rs 397.83 lakhs
AIFB	0	5.42	0	Rs 5.42 lakhs
Total	Rs 514.10 lakhs	Rs 212.31 lakhs	Rs 67.28 lakhs	Rs 793.69 lakhs



Expenditure of Political Parties on Travel

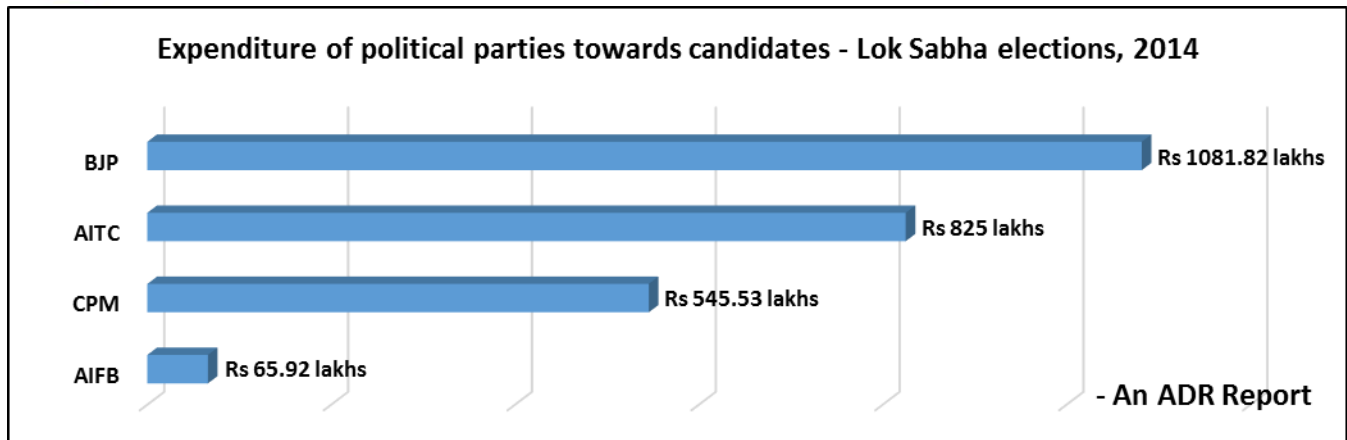
- Expenditure on travel is given under two heads: travel expenses incurred by ‘star campaigners’ and travel expenses of **leaders and workers**.
- **AITC** declared the **maximum expenditure under ‘travel’** among the political parties considered for this report. The party declared spending **Rs 200 lakhs on travel of star campaigners** but did not incur any expenditure on travel of leaders during Lok Sabha elections, 2014.
- **CPM** declared the second highest expenditure of **Rs 49.23 lakhs** under travel. The party spent **Rs 48.22 lakhs on travel expenditure of leaders** and **Rs 1.013 lakhs on travel of star campaigners**.

Expenditure by political parties on travel during West Bengal Lok Sabha Elections, 2014							
Travel	BJP	INC	CPI	CPM	AITC	AIFB	Total
Star campaigners	1.93	0.00	0.84	1.013	200.00	0.264	Rs 204.05 lakhs
Expenses of Leaders	5.416	8.92	0.84	48.22	0.00	0.19	Rs 63.59 lakhs
Total Travel Expenditure	Rs 7.35 lakhs	Rs 8.92 lakhs	Rs 1.68 lakhs	Rs 49.23 lakhs	Rs 200 lakhs	Rs 0.45 lakhs	Rs 267.63 lakhs



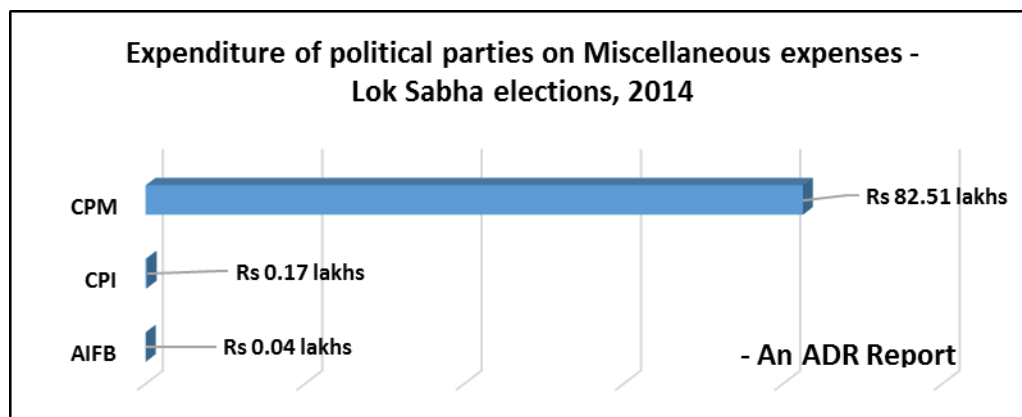
Expenditure of Political Parties towards candidates

- Political parties are required to declare the lumpsum given by the parties to their candidates.
- **BJP, CPM, AITC and AIFB** are the only parties who have declared that they had provided lumpsum amount to their candidates for contesting from West Bengal during Lok Sabha elections, 2014.
- BJP declared spending **Rs 1081.82 lakhs on its candidates from West Bengal** while **CPM** declared providing a lumpsum amount of **Rs 545.53 lakhs to its candidates**.
- **AITC and AIFB** declared spending **Rs 825 lakhs and Rs 65.92 lakhs respectively** on their party candidates.



Expenditure of Political Parties on 'Miscellaneous/ other expenses':

- CPM, CPI and AIFB are the only three political parties who have declared expenditure under 'miscellaneous expenses'.
- CPM declared spending **Rs 82.51 lakhs** followed by CPI with **Rs 0.17 lakhs** and AIFB with **Rs 0.04 lakhs**.



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.
- 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**.

Contacts

West Bengal Election Watch

Mr. Biplab Halim
+91-033 2483-6491; 033 2472-5571
+91-98311-24736
bipimse@cal.vsnl.net.in , bipimse@hotmail.com

Media and Journalist
Helpline

+91 80103 94248

Email:
adr@adrindia.org

Maj Gen Anil Verma
(Retd.)
Head

National Election Watch
and Association for
Democratic Reforms

+91 8826479910
anilverma@adrindia.org

Prof Jagdeep Chhokar
IIM Ahmedabad (Retd)
Founder Member National
Election Watch,
Association for Democratic
Reforms
+919999620944
jchhokar@gmail.com

Prof Trilochan Sastry
IIM Bangalore
Founder Member,
National Election Watch,
Association for Democratic
Reforms
+919448353285,
trilochans@iimb.ernet.in

Disclaimer

The information in this report was sourced from the election expenditure statements submitted by the Political Parties to the Election Commission, as available on the website of the ECI. The same can be accessed from http://eci.nic.in/eci_main1/PolPar/political_parties_Expenditure_report_GE2014.aspx.

ADR/ WBEW does not add or subtract any information, unless updated information is filed by the political parties themselves and uploaded on the ECI's website. While all efforts have been made to ensure that the information is in keeping with what is mentioned in the expenditure statements, in case of discrepancy between information in this report and that given in the expenditure statements, the information reported in the expenditure statements filed by the political parties should be treated as correct. Association for Democratic Reforms, West Bengal Election Watch and their volunteers are not responsible or liable for any damage arising directly or indirectly from the publication of this report.