

Press Release

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# **Analysis of Funds Collected and Expenditure Incurred by Jharkhand's Major Political Parties during Election Period**

## **Analysis of Jharkhand Assembly Elections held in 2009**

**A REPORT BY  
ASSOCIATION FOR DEMOCRATIC REFORMS  
&  
NATIONAL ELECTION WATCH**

Association for Democratic Reforms  
B-35, 'Kiwaniis Centre', 4<sup>th</sup> Floor  
Qutub Institutional Area  
New Delhi – 110016  
Tel: 011 4165 4200

## 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 various heads** at the state, district and constituency levels by the party
- Expenditure is **declared under the following heads**:
  - Publicity
  - Travel expenses
  - Other expenses
  - Travel expenses of leaders and workers
  - Miscellaneous expenses
- Political parties submit these statements providing information of **funds collected and spent from the date of announcement of elections to the date of completion of elections**, which could be between 3 weeks and 3 months based on the notification issued by the Election Commission.
- This report analyses the funds received by the Jharkhand's major political parties, **during the election period of 62 days (23-10-2009 to 23-12-2009)**

### Submission of Statement of Election Expenditure Incurred during Jharkhand Assembly Elections, 2009

National Parties	
Party	Status of submission of expenditure statement to the ECI
Indian National Congress ( <b>INC</b> )	Submitted to ECI
Bharatiya Janata Party ( <b>BJP</b> )	Submitted to ECI
Bahujan Samaj Party ( <b>BSP</b> )	Submitted to ECI
Communist Party of India – Marxist ( <b>CPM</b> )	Submitted to ECI
Communist Party of India ( <b>CPI</b> )	Submitted to ECI
Nationalist Congress Party ( <b>NCP</b> )	Submitted to ECI
Regional Parties	
Jharkhand Mukti Morcha ( <b>JMM</b> )	Submitted to ECI
Jharkhand Vikas Morcha (Prajatantrik) ( <b>JVM</b> )	Submitted to ECI
Rashtriya Janata Dal ( <b>RJD</b> )	Submitted to ECI
All India Forward Block ( <b>AIFB</b> )	<b>Not submitted to the ECI</b>
All India Trinamool Congress ( <b>AITC</b> )	<b>Not submitted to the ECI</b>
Janata Dal (Secular) ( <b>JD(S)</b> )	<b>Not submitted to the ECI</b>
Janata Dal (United) ( <b>JD(U)</b> )	<b>Not submitted to the ECI</b>
Lok Jan Shakti Party ( <b>LJP</b> )	<b>Not submitted to the ECI</b>
Muslim League Kerala State Committee ( <b>MUL</b> )	<b>Not submitted to the ECI</b>
Rashtriya Lok Dal ( <b>RLD</b> )	<b>Not submitted to the ECI</b>
Revolutionary Socialist Party ( <b>RSP</b> )	<b>Not submitted to the ECI</b>
Shiv Sena ( <b>SHS</b> )	<b>Not submitted to the ECI</b>
Samajwadi Party ( <b>SP</b> )	<b>Not submitted to the ECI</b>

Table: Details of submission of election expenditure statement by parties which contested in Jharkhand Assembly Elections, 2009

• **Details provided in the Election Expenditure Statement**

**National Parties: Funds Collected and Expenditure Incurred**

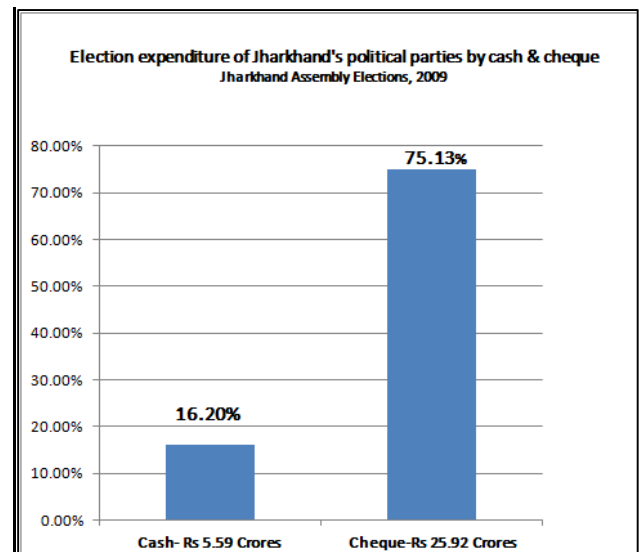
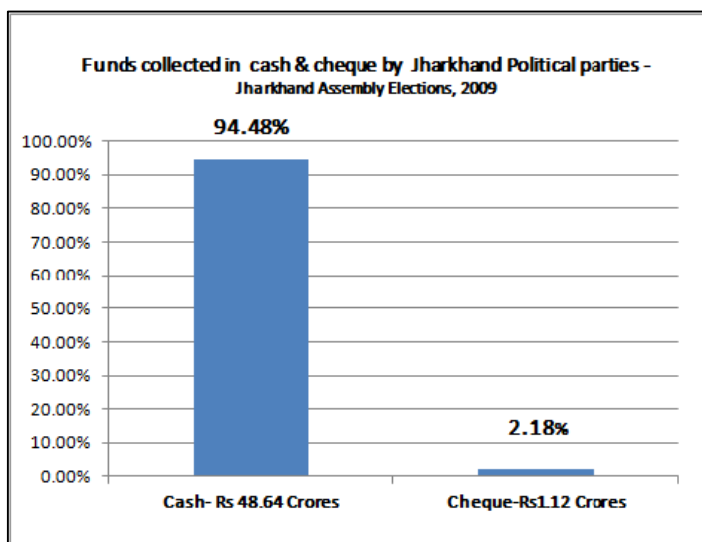
- National Parties considered for the report: INC, BJP, BSP, NCP, CPI, CPM
- Number of days within which the funds were collected and spent: **62 days (23-10-2009 to 23-12-2009)**
- Total funds collected by the national parties during the assembly elections: **Rs 50.72 crores**
- Total expenditure incurred by the national parties: **Rs 32.3 crores**

**Regional Parties: Funds Collected and Expenditure Incurred**

- Regional Parties considered for the report: JMM, JVM-P, RJD, AIFB, AITC, JD(S), JD(U), LJP, MUL, RLD, RSP, Shiv Sena and SP
- **Of the above 13 regional parties which contested in the Jharkhand assembly election, only JMM, JVM-P and RJD have submitted their election expenditure statements to the Election Commission**
- Total funds collected by the regional parties: **Rs 0.76 crores (Rs 76 lakhs)**
- Total Expenditure incurred by the regional parties: **Rs 2.2 crores**

**Funds Collected and Expenditure Incurred in Cash and Cheque**

- **99.49%** of the total funds received by INC during election period was **by cash** (Rs 43.31 crores) while 72.59% of the total funds received by BJP was **by cash (Rs 4.74 crores)**
- JMM collected **Rs 24 lakhs in cash** (60% of the total funds of Rs 40 lakhs) while JVM-P collected **Rs 14 lakhs in cash** (41.18% of the total funds of Rs 34 lakhs)
- **BSP's total funds of Rs 20 lakhs was obtained through sale of assets**
- Unlike the funds collected, the **parties' preferred mode of expenditure was by cheque/DD**, according to the statements submitted
- **70.68% of the total expenditure of INC** was by cheque/DD (Rs 15.48 crores) while **96.82% of the total expenditure of BJP** was by cheque or DD (Rs 8.53 crores); JMM spent Rs 35 lakhs in cheque/DD (44.30% of total expenditure of Rs 79 lakhs)



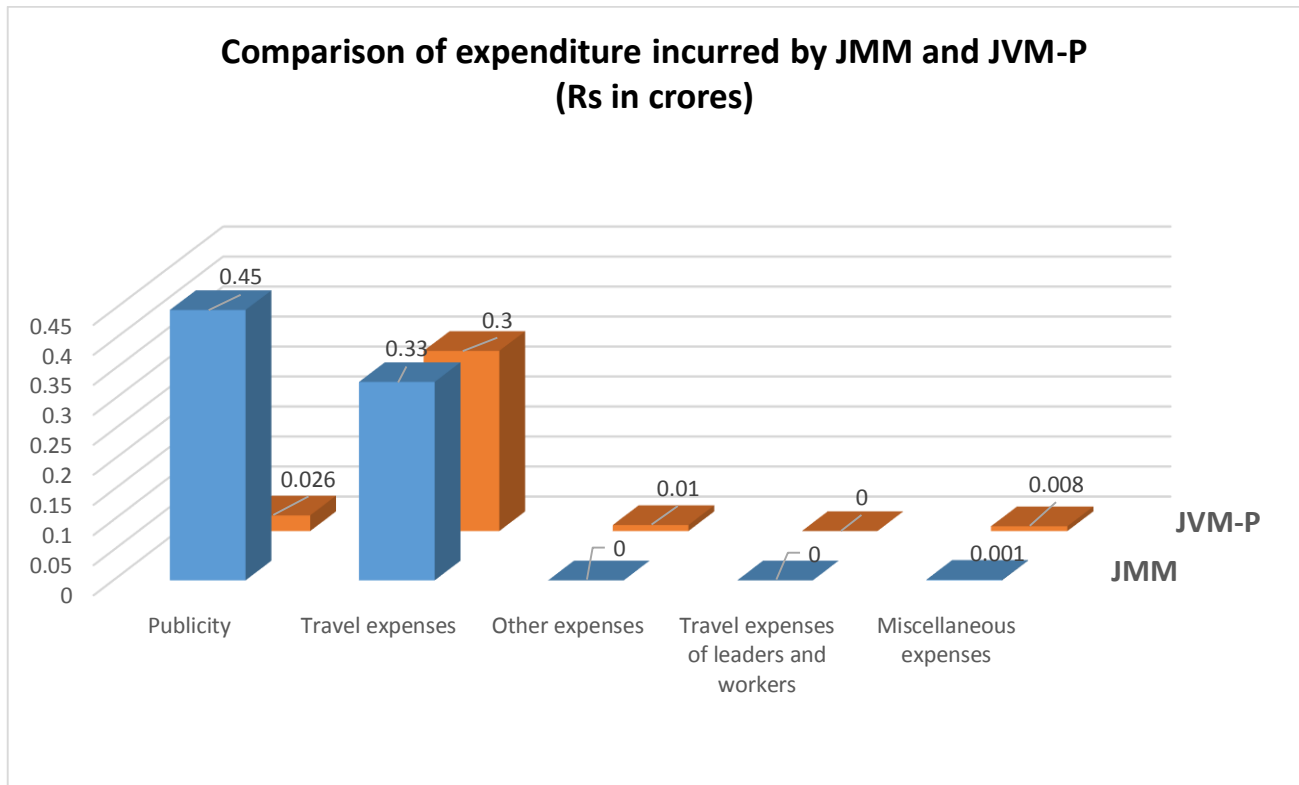
Graph: Funds collected and expenditure incurred by parties in cash & cheque during Jharkhand Assembly Elections, 2009

• **Expenditure of Political Parties**

- CPM and CPI are the only two national parties to submit a break-up of expenses under various heads at the state, district and constituency levels while all the remaining parties submitted a consolidated expenditure statement
- Travel expenditure is one of the three top items of election expenditure for most of the national and regional parties
- INC spent Rs 10.19 crores out of a total expenditure of Rs 21.90 crores on travel which constitutes 46.53% of the total expenditure of the party followed by Rs 8.18 crores on publicity (37.35%)
- JMM spent Rs 45 lakhs out of Rs 78 lakhs on publicity which constitutes 57.69% of the total election expenditure of the party followed by Rs 33 lakhs on travel which forms 42.31% of the total expenditure

Party	Division of expenditure as provided in the statement submitted by the parties (Rs in crores)						Total
	Publicity	Travel expenses	Other expenses	Travel expenses of leaders and workers	Miscellaneous expenses	Expenditure towards candidates	
INC	8.18	10.19	0.19	0.10	0.19	3.05	<b>Rs 21.90 crores</b>
BJP	0	0	0	0	8.81	0	<b>Rs 8.81 crores</b>
BSP	0.27	0.16	0.03	0	0.37	0	<b>Rs 0.83 crores</b>
NCP	0.05	0.05	0	0.01	0.05	0	<b>Rs 0.16 crores</b>
CPI	0.003	0	0	0.003	0.06	0.06	<b>Rs 0.126 crores</b>
CPM	0.01	0.03	0	0	0.004	0	<b>Rs 0.044 crores</b>
<b>Total</b>	<b>Rs 8.51 crores</b>	<b>Rs 10.43 crores</b>	<b>Rs 0.22 crores</b>	<b>Rs 0.113 crores</b>	<b>Rs 10.35 crores</b>	<b>Rs 3.11 crores</b>	<b>Rs 31.87 crores</b>
<b>Regional Parties</b>							
JMM	0.45	0.33	0	0	0.001	0	<b>Rs 0.78 crores</b>
JVM-P	0.026	0.3	0.01	0	0.008	0	<b>Rs 0.34 crores</b>
RJD	0	1.06	0	0	0	0	<b>Rs 1.06</b>
<b>Total</b>	<b>Rs 0.476 crores</b>	<b>Rs 1.69 crores</b>	<b>Rs 0.01 crores</b>	<b>Rs 0 crores</b>	<b>Rs 0.009 crores</b>	<b>0</b>	<b>Rs 2.18 crores</b>
<b>Grand Total</b>	<b>Rs 8.99 crores</b>	<b>Rs 12.12 crores</b>	<b>Rs 0.23 crores</b>	<b>Rs 0.11 crores</b>	<b>Rs 10.36 crores</b>	<b>Rs 3.11 crores</b>	<b>Rs 34.05 crores</b>

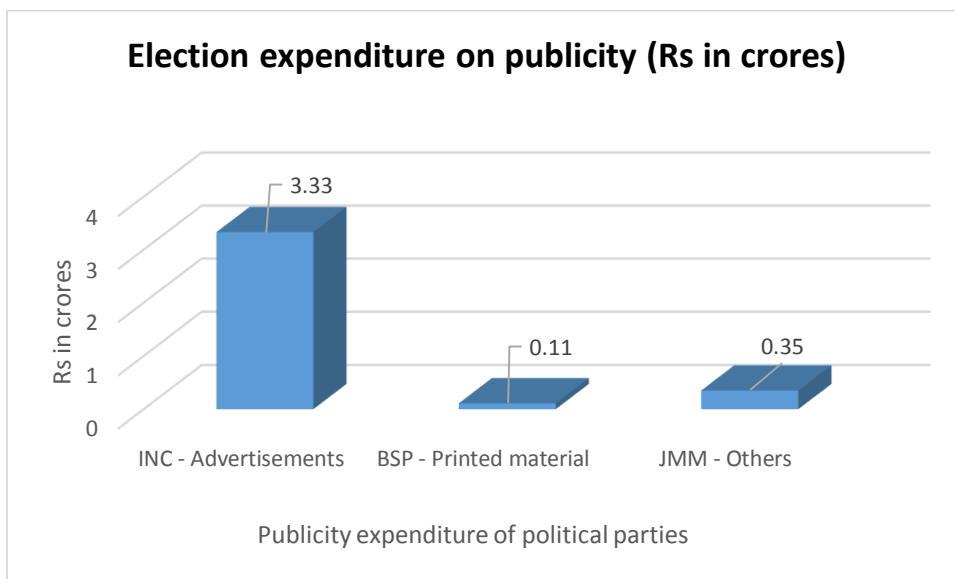
Table: Expenditure of National and Regional parties under various heads during Jharkhand Assembly Elections, 2009



Graph: Comparison of election expenditure incurred by JMM and JVM-P during Jharkhand Assembly Elections, 2009

• **Expenditure of Political Parties on Publicity**

- There are seven main items listed under publicity expenditure which are: **printed material** (manifesto, pamphlets, poster, handbill etc.), **electronic media** (hiring time slots etc. in private channels), making and distribution of **video films, audio cassettes, advertisements** in newspapers/magazines/souvenirs, **cut-out, hoardings/banners/flags/arches/gates etc., others**
- Among the expenditure incurred on publicity, **INC has spent the maximum amount of Rs 3.33 crores on advertisements** in newspapers and magazines followed by **Rs 2.17 crores on cut-outs and banners**
- JMM spent the maximum amount on **other means of publicity (Rs 35 lakhs)** followed by **Rs 2 lakhs on cut-outs and banners**



Graph: Election expenditure on publicity by political parties

• **Expenditure of Political Parties on Helicopter/ Aircrafts**

- Expenditure on helicopters is given under two heads: travel expenses and travel expenses of leaders and workers
- Out of the 6 national parties, only INC, BSP and NCP have declared expenditure on helicopters/aircrafts while all 3 regional parties, JMM, JMM-P and RJD have declared expenditure on helicopters and aircrafts
- **It is to be noted that RJD has declared that the party spent a total of about Rs 18 lakhs on 15 candidates from LJP and CPI.** RJD spent Rs 13.5 lakhs on 9 LJP candidates and Rs 4.5 lakhs on 6 CPI candidates as part of election campaigning
- A total of Rs 11.84 crores was spent by the six parties on travel expenses and travel of leaders and workers
- INC spent the maximum on travel by aircrafts/ helicopters (**Rs 9.94 crores**) followed by RJD spending **Rs 1.06 crores and JMM Rs 33 lakhs**

Expenditure on Aircrafts/ helicopters/ ship etc.			Total
Party	Travel expenses	Travel expenses of leaders and workers	
INC	9.92	0.02	Rs 9.94 crores
BSP	0.16	0	Rs 0.16 crores
NCP	0.05	0	Rs 0.05 crores
JMM	0.33	0	Rs 0.33 crores
JMM-P	0.30	0	Rs 0.30 crores
RJD	1.06	0	Rs 1.06 crores
<b>TOTAL</b>	<b>Rs 11.82 crores</b>	<b>Rs 0.02 crores</b>	<b>Rs 11.84 crores</b>

Table: Expenditure incurred by political parties on aircrafts and helicopters

### Recommendations of ADR

- 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
- The format for donations should include all modes of payments such as cash, DD, cheque and electronic transfer
- All political parties must submit their statements of expenditure in the format given by the ECI including **details of expenditure at the state, district and constituency levels**
- The **difference in amounts declared as spent in cash/cheque and under various heads** must be thoroughly scrutinized so that all items of expenditure are disclosed along with the amount spent by the parties under each head
- Where possible, **expenditure must be limited to transactions via Cheque/ DD/RTGS** so as to reduce black money in elections
- 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**
- **Social media expenditure** should be accounted for, hence it should be included under Electronic media in the format subscribed by the Election Commission for expenditure accounting of political parties
- **Use of Information Technology** for accounting of funds collected and expenditure incurred by political parties, should be explored and used

## Detailed Summary

### Funds received during election period of 62 days

- All the six national parties (INC, BJP, BSP, NCP, CPI and CPM) contested in the Jharkhand Assembly Elections, 2009
- The funds were collected between the date of announcement of elections and date of completion of elections: **62 days (23-10-2009 to 23-12-2009)**
- Of the 13 regional parties which contested in the Jharkhand Assembly Elections, only JMM, JVM-P and RJD submitted their election expenditure statements to the Election Commission where the regional parties together amassed **Rs 76 lakhs**
- INC has declared the maximum of **Rs 43.53 crores** as funds collected during the election period followed by **BJP (Rs 6.53 crores)** and **JMM (Rs 40 lakhs)**
- RJD has declared the least amount of funds collected: **Rs 2 lakhs**

### Top Items of Expenditure

- Publicity, travel, travel of leaders and workers, other expenses and miscellaneous expenses are the main items listed under which political parties declare their expenditure
- Among all the items of expenditure, travel expenses is one of the three top items of election expenditure for all the parties considered in this report. The parties considered in this report have spent a total of **Rs 12.12 crores on travel expenditure**
- INC spent Rs 10.19 crores out of a total expenditure of Rs 21.90 crores on travel which constitutes 46.53% of the total expenditure of the party followed by Rs 8.18 crores on publicity (37.35%)
- JMM spent Rs 45 lakhs out of Rs 78 lakhs on publicity which constitutes 57.69% of the total election expenditure of the party followed by Rs 33 lakhs on travel which forms 42.31% of the total expenditure
- **Rs 10.36 crores** was spent by the parties on **miscellaneous expenditure** which constitutes **30.43% of the total expenditure incurred by the parties**

## Details of submission of Election Expenditure statement to the ECI

Below is the list of political parties which contested in the Jharkhand Assembly Elections and submitted their statement of expenditure to the Election Commission within the stipulated time:

National Parties	
Party	Status of submission of expenditure statement to the ECI
Indian National Congress ( <b>INC</b> )	Submitted to ECI
Bharatiya Janata Party ( <b>BJP</b> )	Submitted to ECI
Bahujan Samaj Party ( <b>BSP</b> )	Submitted to ECI
Nationalist Congress Party ( <b>NCP</b> )	Submitted to ECI
Communist Party of India ( <b>CPI</b> )	Submitted to ECI
Communist Party of India – Marxist ( <b>CPM</b> )	Submitted to ECI
Jharkhand Mukti Morcha ( <b>JMM</b> )	Submitted to ECI
Jharkhand Vikas Morcha – Prajatantrik ( <b>JVM-P</b> )	Submitted to ECI
Rashtriya Janata Dal ( <b>RJD</b> )	Submitted to ECI

Other regional parties which had contested in Assembly Elections in 2009 but **failed to submit their election expenditure statements to the ECI** are listed below:

Party	Status of submission of expenditure statement to the ECI
All India Forward Block ( <b>AIFB</b> )	<b>Not submitted to the ECI</b>
All India Trinamool Congress ( <b>AITC</b> )	<b>Not submitted to the ECI</b>
Janata Dal (Secular) ( <b>JD(S)</b> )	<b>Not submitted to the ECI</b>
Janata Dal (United) ( <b>JD(U)</b> )	<b>Not submitted to the ECI</b>
Lok Jan Shakti Party ( <b>LJP</b> )	<b>Not submitted to the ECI</b>
Muslim League Kerala State Committee ( <b>MUL</b> )	<b>Not submitted to the ECI</b>
Rashtriya Lok Dal ( <b>RLD</b> )	<b>Not submitted to the ECI</b>
Revolutionary Socialist Party (RSP)	<b>Not submitted to the ECI</b>
Shiv Sena ( <b>SHS</b> )	<b>Not submitted to the ECI</b>
Samajwadi Party ( <b>SP</b> )	<b>Not submitted to the ECI</b>

## Description of funds received by national parties during elections

- While analyzing the statements submitted by the parties during the election to the Jharkhand State assembly, it was seen that **maximum funds received was by cash** while collection by cheques/DD came a distant second
- 99.49% of the total funds received by INC during election period was **by cash (Rs 43.31 crores)** while only 0.51% of the funds was by **cheque (Rs 0.22 crores)**
- 72.59% of the total funds received by BJP was **by cash (Rs 4.74 crores)** while only 4.44% of the funds received was by **cheque/DD (Rs 0.29 crores)**
- JVM-P was the only regional party whose fund collection by cheque was marginally higher than the funds collected by cash. The party collected **Rs 14 lakhs in cash (41.18%)** and **Rs 20 lakhs in cheque (58.82%)** out of a total of Rs 34 lakhs collected as funds during elections



Party	Total funds collected	Description of funds received	Funds received (Rs in crores)	% share in total donation
INC	Rs 43.53 crores	Cash	43.31	99.49%
		Cheque/ DD	0.22	0.51%
BJP	Rs 6.53 crores	Cash	4.74	72.59%
		Cheque/ DD	0.29	4.44%
		Others	1.5	22.97%
BSP	Rs 0.2 crores	Cash	0	0%
		Cheque/ DD	0	0%
		Others	0.2	100%
NCP	Rs 0.1 crores	Cash	0.1	100%
		Cheque/ DD	0	0%
CPI	Rs 0.19 crores	Cash	0.07	36.84%
		Cheque/ DD	0.12	63.16%
CPM	Rs 0.17 crores	Cash	0.04	23.53%
		Cheque/ DD	0.13	76.47%
JMM	Rs 0.40 crores	Cash	0.24	60%
		Cheque/ DD	0.16	40%
JVM-P	Rs 0.34 crores	Cash	0.14	41.18%
		Cheque/ DD	0.2	58.82%
RJD	Rs 0.02 crores	Cash	0	0%
		Cheque/ DD	0	0%
		Others	0.02	100%

Table: Description of funds collected by political parties during the Assembly Elections in 2009

### Expenditure incurred by political parties during election period

- Unlike the funds collected, the parties' preferred mode of expenditure was by cheque/DD, according to the statements submitted,
- **70.68% of the total expenditure of INC** was by cheque/DD (Rs 15.48 crores) while only Rs 4.05 crores was by cash (18.49%)
- **96.82% of the total expenditure of BJP** was by cheque or DD (Rs 8.53 crores) and Rs 0.26 crores in cash (2.95%)
- **97.06% of JVM-P party's expenditure was incurred by cheque** (Rs 0.33 crores) while Rs 1 lakh was spent by cash (2.94%)

Party	Total expenditure incurred	Mode of payment	Expenditure incurred (Rs in crores)	% share in total expenditure
INC	Rs 21.90 crores	Cash	4.05	18.49%
		Cheque/ DD	15.48	70.68%
		Remaining unpaid	2.37	10.82%
BJP	Rs 8.81 crores	Cash	0.26	2.95%
		Cheque/ DD	8.53	96.82%
		Remaining unpaid	0.02	0.23%
BSP	Rs 0.83 crores	Cash	0.65	78.31%
		Cheque/ DD	0.18	21.69%
NCP	Rs 0.16 crores	Cash	0.1	62.50%
		Cheque/ DD	0.01	6.25%
		Remaining unpaid	0.05	31.25%
CPI	Rs 0.28 crores	Cash	0.07	25%
		Cheque/ DD	0.21	75%

Party	Total expenditure incurred	Mode of payment	Expenditure incurred (Rs in crores)	% share in total expenditure
CPM	Rs 0.32 crores	Cash	0.09	28.13%
		Cheque/ DD	0.23	<b>71.88%</b>
JMM	Rs 0.79 crores	Cash	0.36	45.57%
		Cheque/ DD	0.35	44.30%
		Remaining unpaid	0.08	10.13%
JVM-P	Rs 0.34 crores	Cash	0.01	2.94%
		Cheque/ DD	0.33	<b>97.06%</b>
RJD	Rs 1.07 crores	Cash	0	0%
		Cheque/ DD	0.6	<b>56.07%</b>
		Remaining unpaid	0.47	43.93%

Table: Expenditure incurred by political parties during the Assembly Elections in 2009

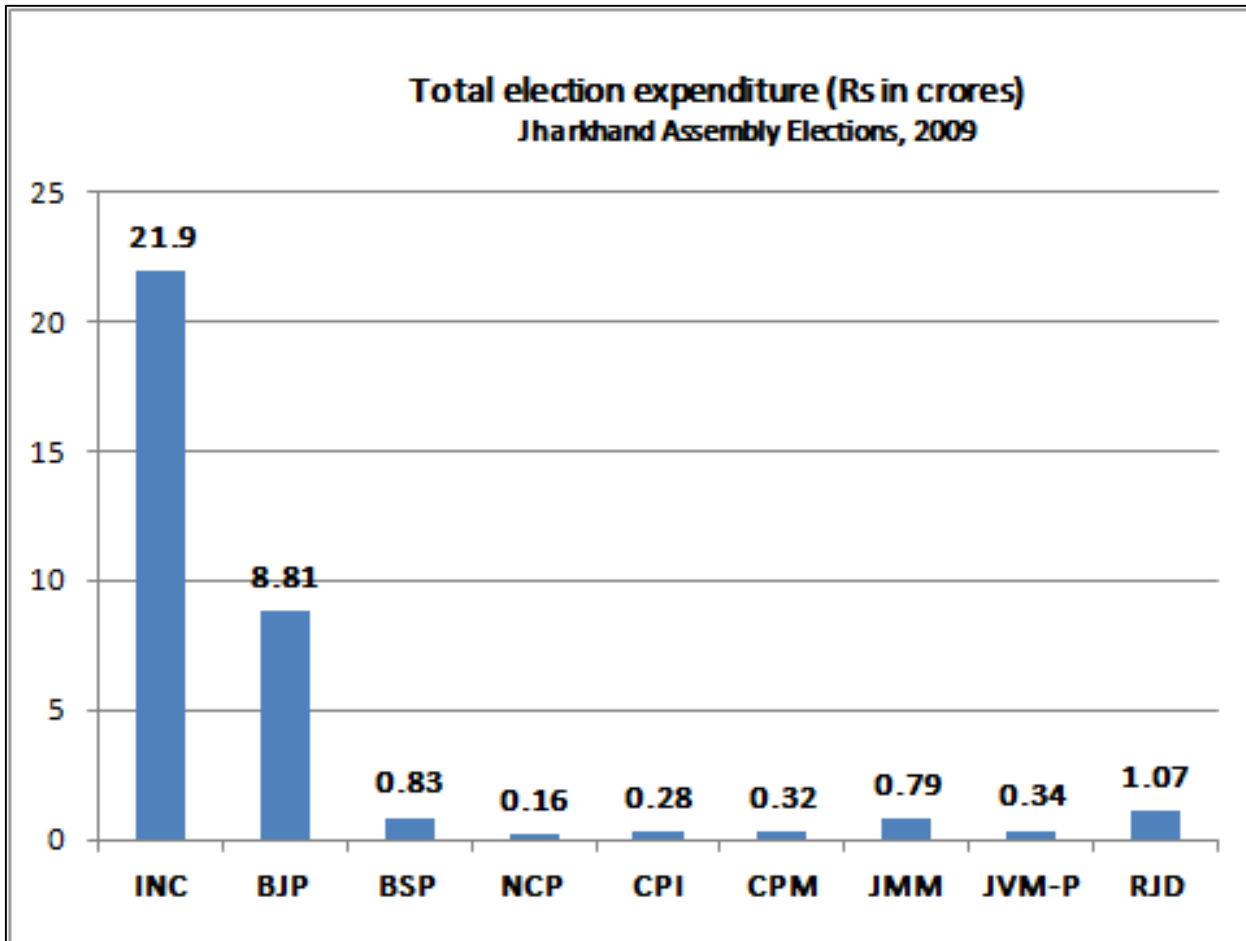
### Items of expenditure of political parties

- Various items of expenditure are categorized under four main heads: **publicity, travel expenses, travel expenses of leaders and workers and other miscellaneous expenses**
- Travel expenditure is one of the three top items of election expenditure for most of the national and regional parties
- INC spent Rs 10.19 crores out of a total expenditure of Rs 21.90 crores on travel which constitutes 46.53% of the total expenditure of the party followed by Rs 8.18 crores on publicity (37.35%)
- JMM spent Rs 45 lakhs out of Rs 78 lakhs on publicity which constitutes 57.69% of the total election expenditure of the party followed by Rs 33 lakhs on travel which forms 42.31% of the total expenditure
- **Rs 10.36 crores** was spent by the parties on **miscellaneous expenditure** which constitutes **30.43% of the total expenditure incurred by the parties**

Party	Funds collected (Rs in crores)				Expenditure incurred (Rs in crores)			
	Cash	Cheque/DD	Others*	Total	Cash	Cheque/DD	Remaining unpaid	Total
INC	43.31	0.22	0	<b>43.53</b>	4.05	15.48	2.37	<b>21.90</b>
BJP	4.74	0.29	1.5	<b>6.53</b>	0.26	8.53	0.02	<b>8.81</b>
BSP	0	0	0.2	<b>0.2</b>	0.65	0.18	0	<b>0.83</b>
NCP	0.1	0	0	<b>0.1</b>	0.1	0.01	0.05	<b>0.16</b>
CPI	0.07	0.12	0	<b>0.19</b>	0.07	0.21	0	<b>0.28</b>
CPM	0.04	0.13	0	<b>0.17</b>	0.09	0.23	0	<b>0.32</b>
<b>Total</b>	<b>Rs 48.26 crores</b>	<b>Rs 0.76 crores</b>	<b>Rs 1.7 crores</b>	<b>Rs 50.72 crores</b>	<b>Rs 5.22 crores</b>	<b>Rs 24.64 crores</b>	<b>Rs 2.44 crores</b>	<b>Rs 32.30 crores</b>
<b>Regional Parties</b>								
JMM	0.24	0.16	0	<b>0.40</b>	0.36	0.35	0.08	<b>0.79</b>
JVM-P	0.14	0.2	0	<b>0.34</b>	0.01	0.33	0	<b>0.34</b>
RJD	0	0	0.02	<b>0.02</b>	0	0.6	0.47	<b>1.07</b>
<b>Total</b>	<b>0.38</b>	<b>0.36</b>	<b>0.02</b>	<b>0.76</b>	<b>0.37</b>	<b>1.28</b>	<b>0.55</b>	<b>2.2</b>
<b>Grand Total</b>	<b>Rs 48.64 crores</b>	<b>Rs 1.12 crores</b>	<b>Rs 1.72 crores</b>	<b>Rs 51.48 crores</b>	<b>Rs 5.59 crores</b>	<b>Rs 25.92 crores</b>	<b>Rs 2.99 crores</b>	<b>Rs 34.50 crores</b>

Table: Top three items of expenditure incurred under various heads by the political parties during Assembly Elections in 2009

\*Total expenditure of CPI and CPM as given under cash/cheque do not match with the details provided under various heads by the party



**Contact Details**

**Jharkhand State Coordinator**

**Mr. Sudhir Pal**

+91-0651 2202-202

+91-94311-07277

[manthanindia@gmail.com](mailto:manthanindia@gmail.com)

**National Election Watch**

Media and Journalist Helpline  +91 80103 94248 Email: <a href="mailto:adr@adrindia.org">adr@adrindia.org</a>	Mr Anil Verma Head  National Election Watch and Association for Democratic Reforms  +91 8826479910 <a href="mailto:anilverma@adrindia.org">anilverma@adrindia.org</a>	Prof Jagdeep Chhokar IIM Ahmedabad (Retd) Founder Member National Election Watch, Association for Democratic Reforms  +919999620944 <a href="mailto:jchhokar@gmail.com">jchhokar@gmail.com</a>	Prof Trilochan Sastry IIM Bangalore Founder Member, National Election Watch, Association for Democratic Reforms  +919448353285, <a href="mailto:trilochans@IIMB.ERNET.IN">trilochans@IIMB.ERNET.IN</a>	Dr Ajit Ranade, Founder Member, National Election Watch, Association for Democratic Reforms  +9702215312 <a href="mailto:ajit.ranade@gmail.com">ajit.ranade@gmail.com</a>
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