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# **Analysis of Funds Collected and Expenditure Incurred by Political Parties during Bihar Assembly Election, 2020**

A Report by  
Association for Democratic Reforms (ADR)

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## Table of Contents

<b>Executive Summary .....</b>	<b>3</b>
<b>Observations of ADR .....</b>	<b>7</b>
<b>Recommendations of ADR .....</b>	<b>7</b>
<b>Detailed Report .....</b>	<b>8</b>
<b>State-wise total funds collected .....</b>	<b>8</b>
<b>Party-wise total funds collected .....</b>	<b>8</b>
<b>State-wise expenditure incurred .....</b>	<b>9</b>
<b>Party-wise expenditure incurred .....</b>	<b>9</b>
<b>State-wise expenditure under various heads.....</b>	<b>10</b>
<b>Comparison with expenditure during Bihar elections 2015 .....</b>	<b>12</b>
<b>Disclaimer .....</b>	<b>12</b>
<b>Contact Details .....</b>	<b>13</b>

## Executive Summary

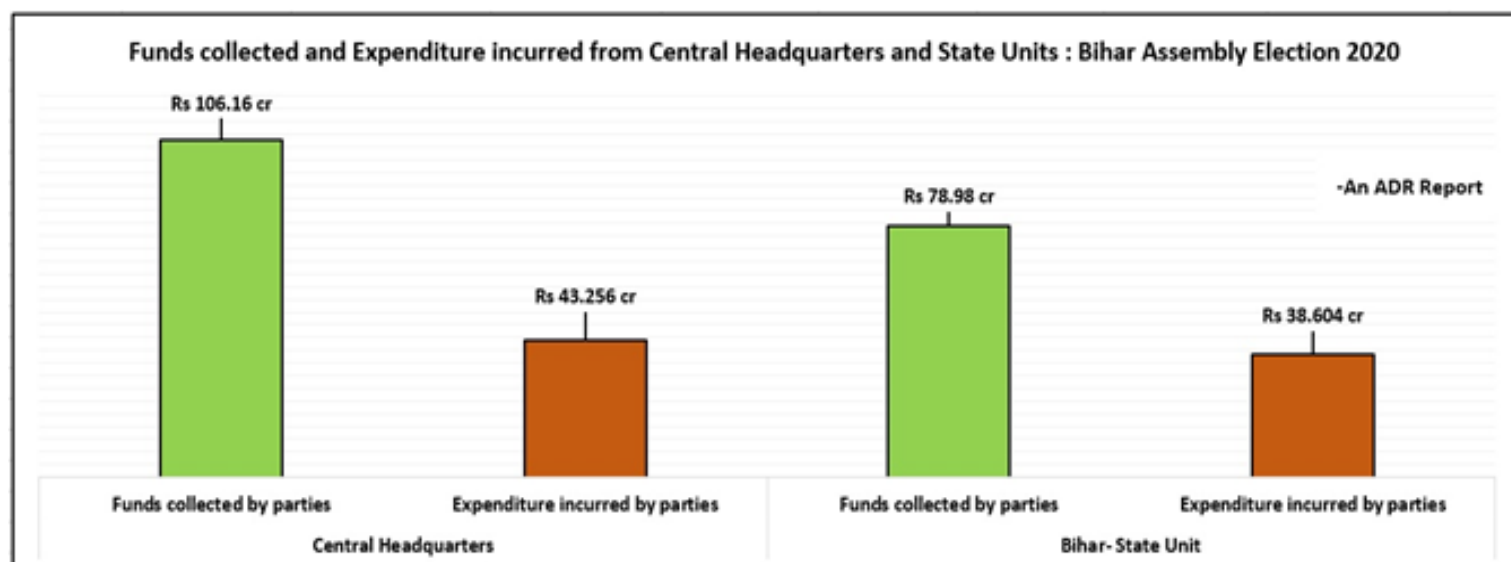
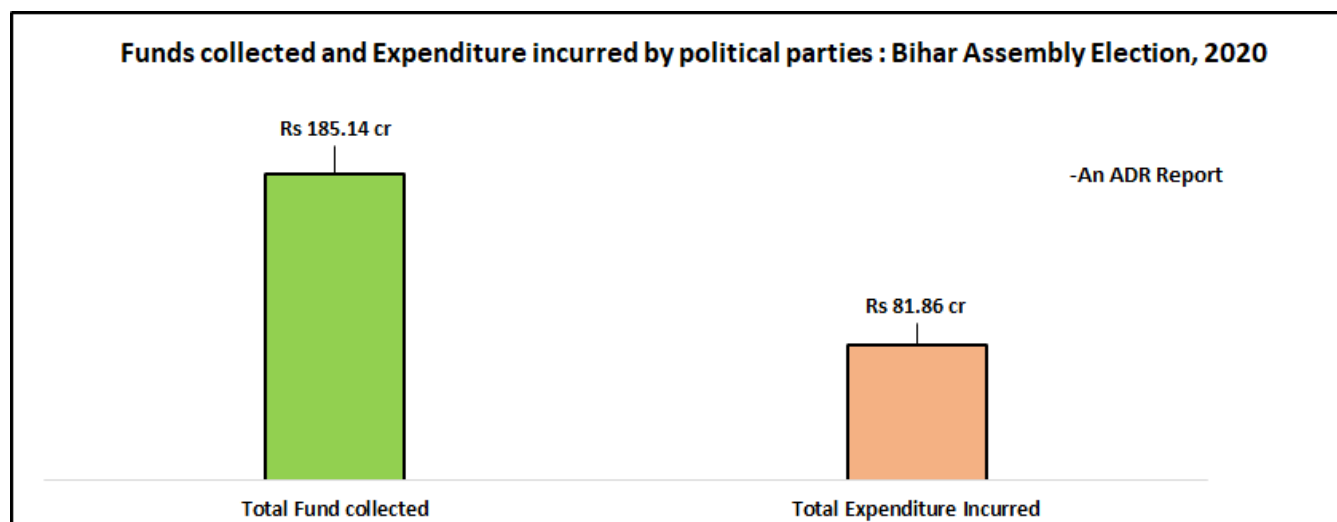
- Political parties are required to submit a statement of election expenditure to the Election Commission of India (ECI) within **75 days of completion of Assembly Elections**.
- The expenditure statement contains details of the **total amount received as funds in the form of cash, cheques and demand 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
  - Expenditure incurred on publishing criminal antecedents of the candidate(s)
- 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 Bihar**, held between the months of September (elections announced on 25-09-2020) and November (elections completed on 12-11-2020), 2020.
- 6 National Parties and 11 Regional Parties** have been considered in this report. However, the expenditure statements of only **9 political parties are available for analysis** on the Election Commission's website.
- Election expenditure statements of **CPI, LJP, RJD, RLD, RLSP, JDS, JMM and NPEP** for **Bihar Assembly election** are unavailable on the website of the ECI at the time of preparation of this report.

Status of Submission of expenditure statements by political parties during Bihar Assembly Election, 2020						
S. No.	Party Name	Party code	Date of Submission	Central Headquarters	Bihar state unit	Delay in submission
1	All India Majlis-E-Itehadul Muslimeen	AIMIM	25 January, 2021	Submitted	Submitted	0 Day
2	Communist Party of India (Marxist)	CPM	27 January, 2021	Submitted	Submitted	0 Day
3	All India Forward Bloc	AIFB	3 February, 2021	Submitted	Submitted	07 Days
4	Nationalist Congress Party	NCP	3 February, 2021	Submitted	Submitted	07 Days
5	Shiv Sena	SHS	8 February, 2021	Submitted	Submitted	12 Days
6	Janata Dal (United)	JDU	17 February, 2021	Submitted	Submitted	21 Days
7	Indian National Congress	INC	11 March, 2021	Submitted	Submitted	43 Days
8	Bharatiya Janata Party	BJP	16 March, 2021	Submitted	Submitted	48 Days
9	Bahujan Samaj Party	BSP	31 March, 2021	Submitted	Submitted	63 Days
10	Communist Party of India	CPI	Expenditure statements for Bihar Assembly Election, 2020 unavailable on ECI website			128 Days
11	Lok Jan Shakti Party	LJP				128 Days
12	Rashtriya Janata Dal	RJD				128 Days
13	Rashtriya Lok Dal	RLD				128 Days
14	Rashtriya Lok Samta Party	RLSP				128 Days
15	Janata Dal (Secular)	JDS				128 Days
16	Jharkhand Mukti Morcha	JMM				128 Days
17	National People's Party	NPEP				128 Days

## Details provided in the Election Expenditure Statement

### Funds Collected and Expenditure incurred by political parties

- Total funds collected by 9 political parties during Bihar Assembly Election held in 2020 was **Rs 185.14 cr** and total expenditure incurred was **Rs 81.86 cr**.
- Funds collected by the parties at the **Central Headquarters** was **Rs 106.16 cr** and expenditure was **Rs 43.256 cr**. **Bihar State Units** of parties spent **Rs 38.604 cr**.
- **AIFB and NCP** are the only two parties that declared **no expenditure incurred** either at the central or at the state unit level despite contesting elections.

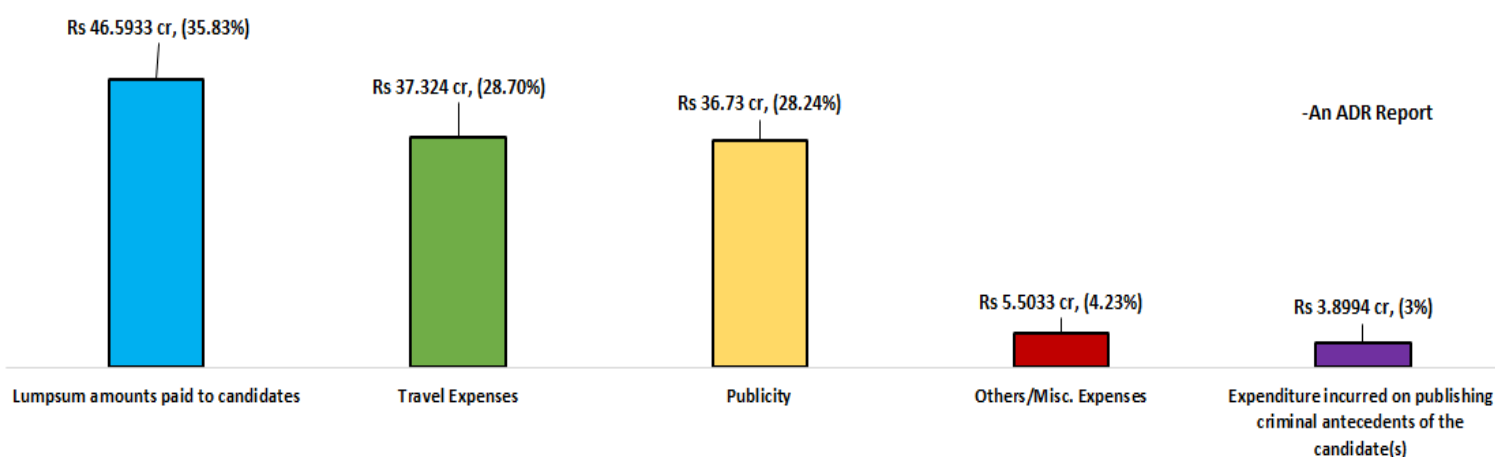


### Expenditure incurred by political parties under various heads

- Political parties declare their expenditure under the heads of **Publicity, Travel Expenses, Other/ Miscellaneous expenses, Lumpsum amounts paid to their contesting candidates** and **Expenditure incurred on publishing criminal antecedents of the candidate(s)**.

- Political Parties that contested in Bihar Election, 2020, spent the highest, **Rs 46.59 cr** on **Lumpsum amount paid to candidates**, followed by **Rs 37.32 cr** on **Travel**, **Rs 36.73 cr** on **Publicity**, **Rs 5.50 cr** on **Other/Miscellaneous expenses** and **Rs 3.899 cr** on **Expenditure incurred on publishing criminal antecedents of the candidate(s)**.
- Expenditure on **Lumpsum amount paid to candidates** is **35.83%** of the overall expenditure declared under various heads.
- Expenditure on **Travel** is **28.70%** of the overall expenditure declared under various heads.
- AIFB** is the only party that declared no expenses incurred under the five heads.

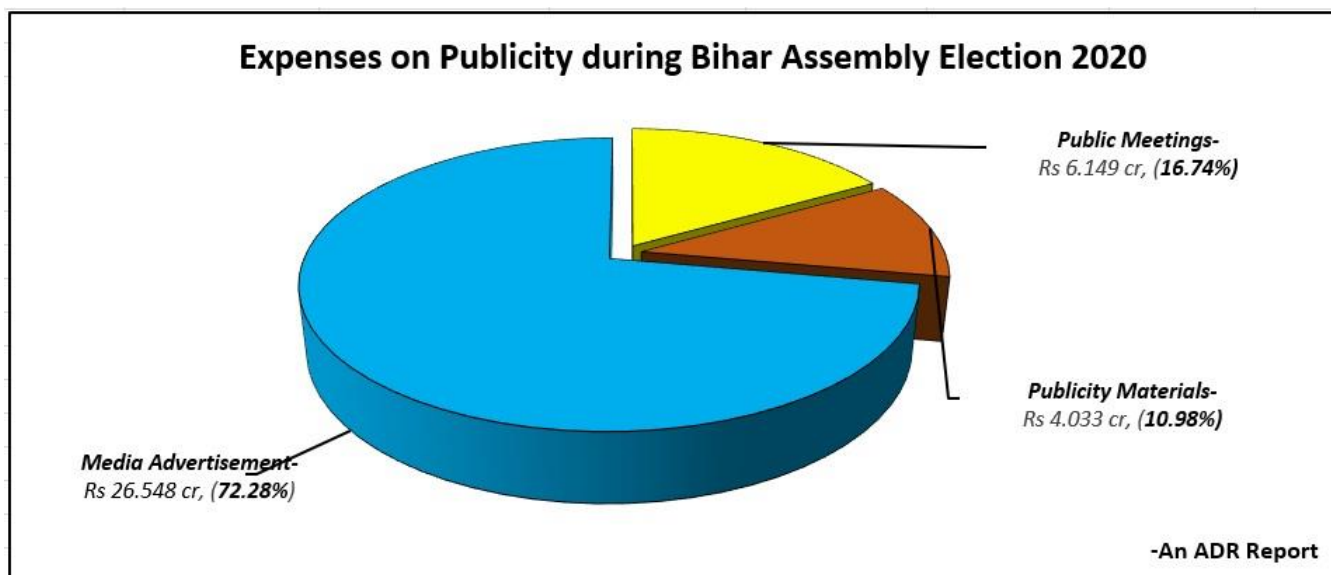
#### Expenditure incurred by political parties under various heads during Bihar Assembly Election, 2020



#### 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**.
- Publicity expenditure from **Bihar State Units** is the **highest, Rs 30.308 cr** or **82.52%** of the total expenditure on publicity, followed by **Rs 6.422 cr** or **17.48%** from **Central Headquarters**.

Expenses on Publicity during Bihar Assembly Election, 2020			
Publicity	Central Headquarters	Bihar State Unit	Total expenditure
Media Advertisement	4.2780	22.27	Rs 26.548 cr
Publicity Materials	1.998	2.035	Rs 4.033 cr
Public Meetings	0.146	6.003	Rs 6.149 cr
<b>Total</b>	<b>Rs 6.422 cr</b>	<b>Rs 30.308 cr</b>	<b>Rs 36.73 cr</b>

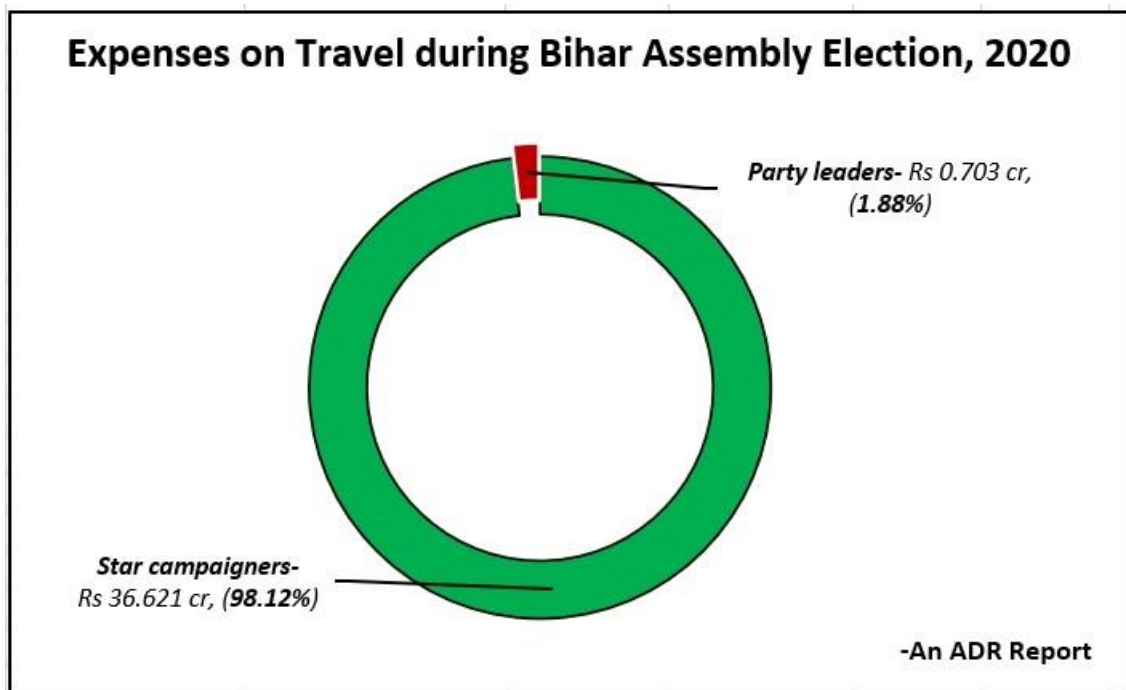


- During Bihar Assembly election, political parties spent the maximum on **Media Advertisement (Rs 26.548 cr)**, followed by expenditure on Public Meetings (Rs 6.149 cr) and Publicity Materials (Rs 4.033 cr).

#### 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 **98.12%** of their total travel expenses or **Rs 36.621 cr** on their **star campaigners** and **Rs 70.30 lakhs** spent on travel of their **party leaders**.
- Travel expenses from **Central Headquarters** by itself were **Rs 32.291 cr** or **86.52%**, higher than the expenses incurred from **Bihar State Units** of **Rs 5.033 cr** or **13.48%**.

Expenses on Travel during Bihar Assembly Election, 2020			
Total Expenditure on Travel	Central Headquarters	Bihar State Unit	Total Travel
Star campaigners	32.286	4.335	Rs 36.621 cr
Party leaders	0.0049	0.698	Rs 0.703 cr
<b>Total</b>	<b>Rs 32.291 cr</b>	<b>Rs 5.033 cr</b>	<b>Rs 37.324 cr</b>



### Observations of ADR

- The complete election expenditure statements of **CPI, LJP, RJD, RLD, RLSP, JDS, JMM** and **NPEP** are not available in the public domain despite contesting elections, with a total **delay of more than 128 Days**. 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 recognized parties to submit their statements.
- 7 Political Parties **AIFB, NCP, Shivsena, JDU, INC, BJP** and **BSP** delayed the submission of their election expenditure statements for Bihar State Assembly Election, 2020 by **07 days, 07 days, 12 days, 21 days, 43 days, 48 days** and **63 days** respectively.
- **NCP and AIFB** declared **no expenditure** incurred despite contesting elections.

### Recommendations of ADR

- This year, nine working groups (comprising of Chief Electoral Officers of states and other ECI officials) presented their draft recommendations to the ECI, among which it was suggested that there needs to be a **cap on the expenditure to be incurred for an election by political parties**. In 2015, ECI also recommended to the Ministry of Law, a proposal to cap maximum expenditure of political parties to a multiple of half of maximum prescribed limit for individual candidates with the number of candidates fielded. ADR recommends that steps must be taken in this regard and the modalities must be worked out in a time bound manner.
- 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

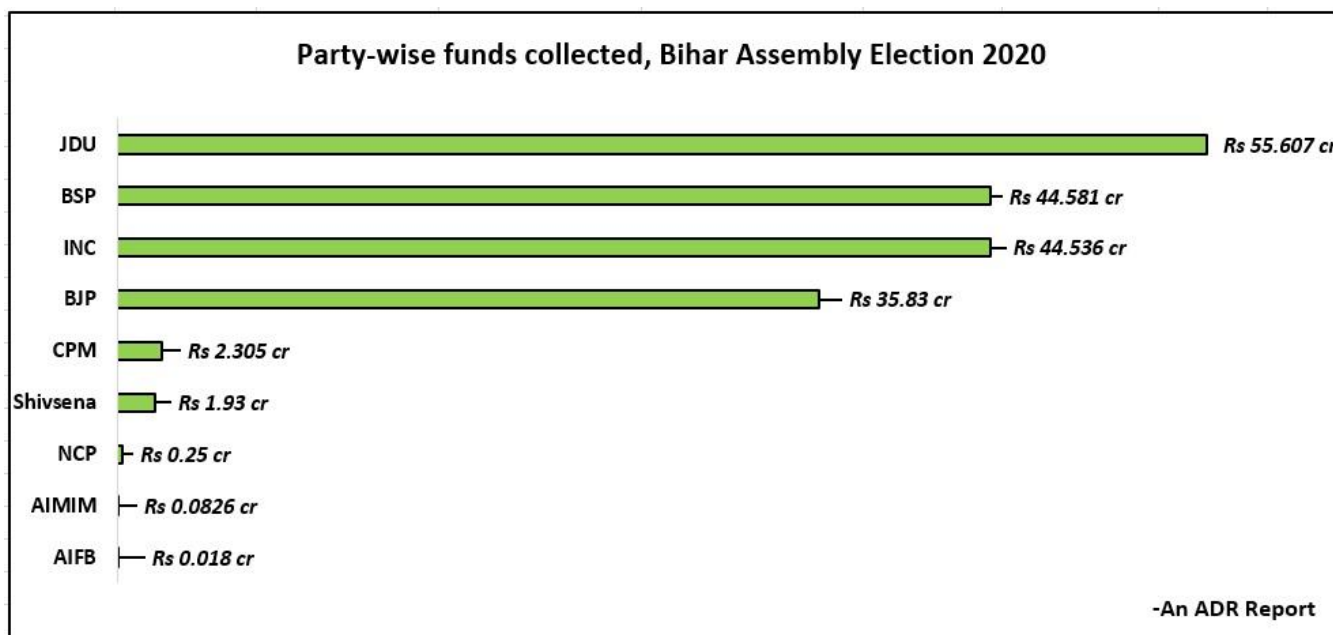
- The election expenditure reports of political parties contain information on the funds collected at the Central Headquarter of the party as well as at its state unit.
- Political parties collected a total of **Rs 106.16 cr** at the **Central level**, through cash, cheque/DD and in kind/Bank Interest. This constituted **57.34%** of the total funds collected by political parties during Bihar Assembly election, 2020.
- The most preferred mode of collection was by **By Cheque/DD** where the parties collected **Rs 161.49 cr**, which formed **87.23%** of the total funds collected both at the state and central levels.
- **Rs 23.55 cr** is collected by **Cash** at the **Central Headquarters** and **states** by political parties.

Mode of funds collection	Bihar Assembly Elections 2020		Total
	Central Headquarters	Bihar State Unit	
By cash	22.752	0.798	Rs 23.55 cr
By cheque/DD	83.408	78.082	Rs 161.49 cr
In Kind	0	0.10	Rs 0.10 cr
<b>Total</b>	<b>Rs 106.16 cr</b>	<b>Rs 78.98 cr</b>	<b>Rs 185.14 cr</b>

### Party-wise total funds collected

- Among political parties, **JDU** collected the maximum funds of **Rs 55.607 cr**, **99.99%** or **Rs 55.6019 cr** of which was collected at the party's **state level**.
- **BSP** collected the second highest funds worth **Rs 44.581 cr**, **100%** or **Rs 44.581 cr** of which was collected by the Central Headquarter.
- **INC** collected the third highest funds worth **Rs 44.536 cr**, **56.94%** or **Rs 25.357 cr** of which was collected by the Central Headquarter.

Party-wise Funds collected during Bihar Assembly Election 2020			
Political Party	Central Headquarters	Bihar State Unit	Total
JDU	0.0055	55.6019	Rs 55.607 cr
BSP	44.581	0	Rs 44.581 cr
INC	25.357	19.1788	Rs 44.536 cr
BJP	31.884	3.946	Rs 35.83 cr
CPM	2.151	0.154	Rs 2.305 cr
Shivsena	1.83	0.10	Rs 1.93 cr
NCP	0.25	0	Rs 0.25 cr
AIMIM	0.0826	0	Rs 0.0826 cr
AIFB	0.018	0	Rs 0.018 cr
<b>Total</b>	<b>Rs 106.16 cr</b>	<b>Rs 78.98 cr</b>	<b>Rs 185.14 cr</b>



### State-wise expenditure incurred

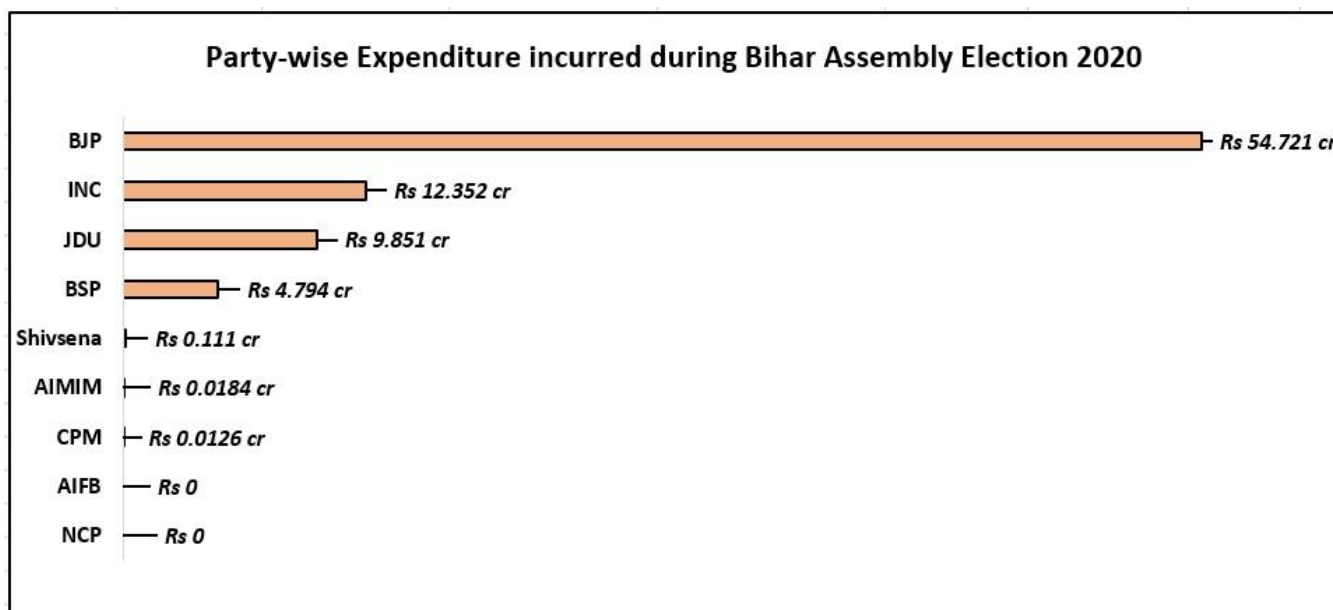
- The **Central Headquarters** of the political parties spent the maximum worth **Rs 43.256 cr**, followed by **Bihar state units** which spent **Rs 38.604 cr**.
- Out of total expenditure of **Rs 81.86 cr**, **78.9543%** or **Rs 64.632 cr** was spent by cheque/DD by political parties, together.
- Rs 16.432 cr** is '**remaining unpaid**' which formed **20.0733%** of the total expenditure reported by political parties. **58.44%** of expenses '**remaining unpaid**' by political parties are from the **Central Headquarters**.
- Expenditure in cash was **least preferred** by the political parties, as only **0.9724%** or **Rs 79.60 lakhs** of the total expenditure was incurred in this mode.

Mode of expenditure incurred	Bihar Assembly Elections 2020		Total
	Central Headquarters	Bihar State Unit	
By cash	0.005	0.791	Rs 0.796 cr
By cheque/DD	33.648	30.984	Rs 64.632 cr
Remaining unpaid	9.603	6.829	Rs 16.432 cr
Total	Rs 43.256 cr	Rs 38.604 cr	Rs 81.86 cr

### Party-wise expenditure incurred

- Out of total expenditure of **Rs 81.86 cr**, **BJP** incurred the maximum expenditure of **Rs 54.721 cr**, which forms **66.85%** of total expenditure.
- INC** incurred the second highest expenditure of **Rs 12.352 cr**, **94.71%** of which was incurred by party's Central Headquarter.
- NCP and AIFB** are the only parties that have incurred **no expenditure** either at the central or at the state unit level despite contesting elections.

Party-wise Expenditure incurred during Bihar Assembly Election 2020			
Political Party	Central Headquarters	Bihar State Unit	Total
BJP	26.695	28.026	Rs 54.721 cr
INC	11.699	0.6529	Rs 12.352 cr
JDU	0	9.851	Rs 9.851 cr
BSP	4.794	0	Rs 4.794 cr
Shivsena	0.0463	0.06	Rs 0.111 cr
AIMIM	0.018	0	Rs 0.0184 cr
CPM	0.0032	0.0094	Rs 0.0126 cr
NCP	0	0	Rs 0
AIFB	0	0	Rs 0
<b>Total</b>	<b>Rs 43.256 cr</b>	<b>Rs 38.604 cr</b>	<b>Rs 81.86 cr</b>

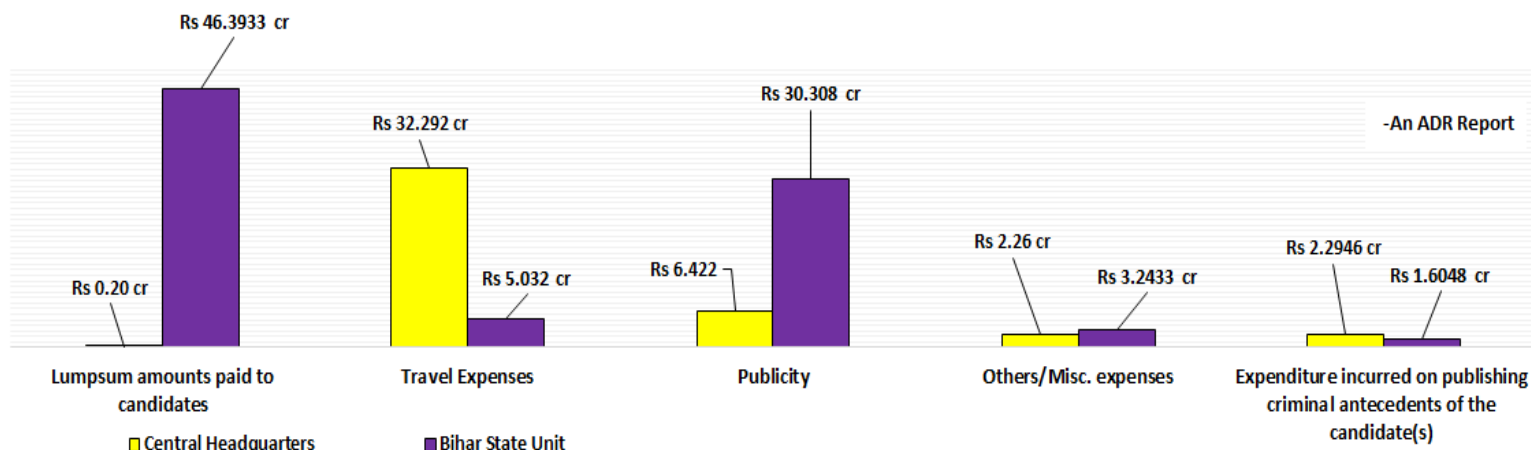


### State-wise expenditure under various heads

- Political parties declare their expenditure under the heads of **Publicity, Travel Expenses, Other/ Miscellaneous expenses, Lumpsum amount** paid to their contesting candidates and **Expenditure incurred on publishing criminal antecedents of the candidate(s)**.
- Out of a total expenditure of **Rs 130.05 cr** under various heads, political parties spent the maximum amount of **Rs 46.5933 cr** on **Lumpsum amounts paid to candidates** followed by **Travel Expenses** worth **Rs 37.324 cr**.
- Across all 5 heads, expenditure incurred from **Central Headquarter** has been the **maximum** at **Rs 43.469 cr**.

Expenditure under various Heads	Bihar Assembly Election 2020		Total
	Central Headquarters	Bihar State Unit	
Lumpsum amounts paid to candidates	0.20	46.3933	Rs 46.5933 cr
Travel Expenses	32.292	5.032	Rs 37.324 cr
Publicity	6.422	30.308	Rs 36.73 cr
Others/Misc. expenses	2.26	3.2433	Rs 5.5033 cr
Expenditure incurred on publishing criminal antecedents of the candidate(s)	2.2946	1.6048	Rs 3.8994 cr
<b>Total</b>	<b>Rs 43.469 cr</b>	<b>Rs 86.581 cr</b>	<b>Rs 130.05 cr</b>

### Expenditure incurred by political parties under various heads during Bihar Assembly Election, 2020



### Party-wise expenditure under various heads

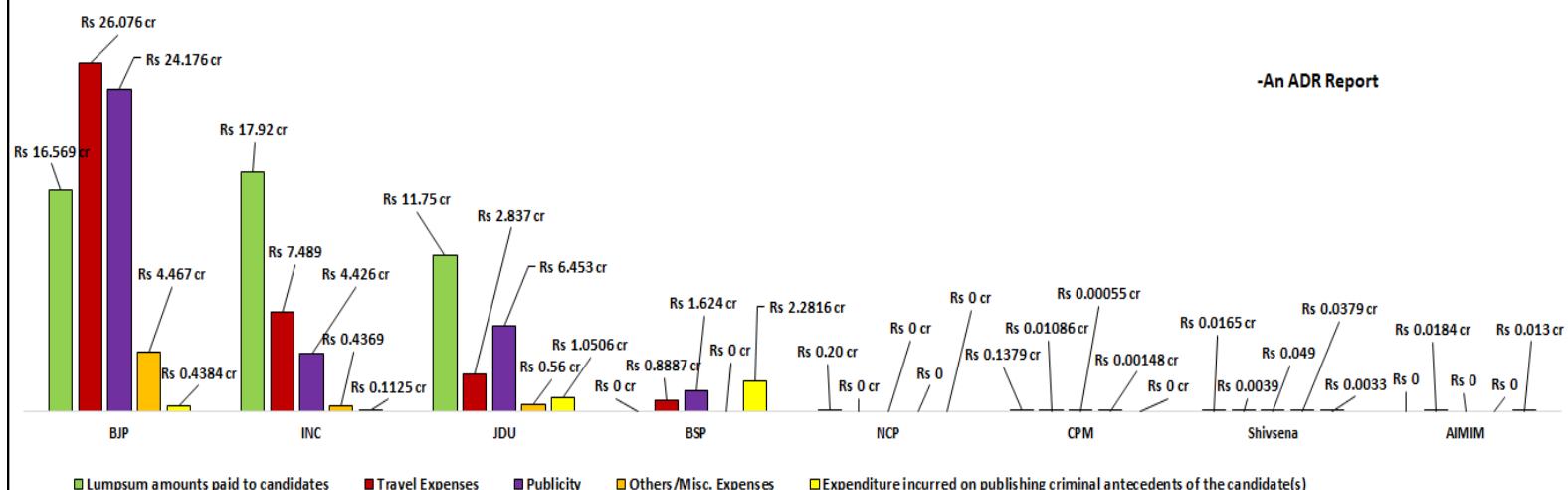
- The political parties spent a total of **Rs 130.05 cr** on publicity, travel, miscellaneous expenses, lumpsum amount to candidates and Expenditure incurred on publishing criminal antecedents of the candidate(s).
- The parties spent the highest on **Lumpsum amounts paid to candidates, Rs 46.5933 cr** or **35.827%** of the total followed by **Rs 37.324 cr** or **28.70%** of total on **Travel** and **Rs 36.73 cr** or **28.243%** of total expenditure on **Publicity**.
- The top 3 Parties which spent the highest are: **BJP** (Rs 71.7264 cr) followed by **INC** (Rs 30.3844 cr) and **JDU** (Rs 22.6506 cr).
- INC** has incurred the maximum, **Rs 17.92 cr** under **Lumpsum amounts paid to candidates**, which forms **38.46%** of the total expenditure incurred by all political parties under this head.

Party wise expenditure under various heads (Rs in crores): Bihar Assembly Elections 2020

Political Party	Publicity	Travel Expenses	Others/Misc. Expenses	Lumpsum amounts paid to candidates	Expenditure incurred on publishing criminal antecedents of the candidate(s)	Total
BJP	24.176	26.076	4.467	16.569	0.4384	Rs 71.7264 cr
INC	4.426	7.489	0.4369	17.92	0.1125	Rs 30.3844 cr
JDU	6.453	2.837	0.56	11.75	1.0506	Rs 22.6506 cr
BSP	1.624	0.8887	0	0	2.2816	Rs 4.7943 cr
NCP	0	0	0	0.20	0	Rs 0.20 cr
CPM	0.00055	0.01086	0.00148	0.1379	0	Rs 0.1508 cr
Shivsena	0.049	0.0039	0.0379	0.0165	0.0033	Rs 0.1106 cr
AIMIM	0	0.0184	0	0	0.013	Rs 0.0314 cr
AIFB	0	0	0	0	0	Rs 0
<b>Total</b>	<b>Rs 36.73 cr</b>	<b>Rs 37.324 cr</b>	<b>Rs 5.5033 cr</b>	<b>Rs 46.5933 cr</b>	<b>Rs 3.8994 cr</b>	<b>Rs 130.05 cr</b>

### Party wise expenditure under various heads, Bihar Assembly Election 2020

-An ADR Report



### Comparison with expenditure during Bihar elections 2015

- **BJP** had shown the **highest funds collected** amongst the Bihar parties, of **Rs 51.66 cr** during **Bihar Assembly Election, 2015** while the **party collected Rs 35.83 cr**, the fourth highest funds after JDU (Rs 55.607 cr), BSP (Rs 44.581 cr) & INC (Rs 44.536 cr) **during Bihar elections 2020**.
- During **Bihar elections 2015**, out of total expenditure of Rs 150.99 cr, **BJP** incurred the maximum expenditure of **Rs 103.76 cr**, followed by **SP (Rs 15.65 cr)**, **JDU (Rs 13.63 cr)** and **INC (Rs 9.88 cr)**. During **the 2020 elections**, **BJP** incurred the maximum expenditure of **Rs 54.721 cr** followed by **INC (Rs 12.352 cr)**, **JDU (Rs 9.851 cr)** and **BSP (Rs 4.794 cr)**.
- Political Parties that contested in **Bihar Assembly Election, 2015**, spent the highest, **Rs 74.97 cr** on **Publicity**, followed by **Rs 59.32 cr** on **travel** expenses, **Rs 46.618 cr** on **Lumpsum amount paid to candidates** and **Rs 9.902 cr** on **Other/Miscellaneous** expenses.
- In contrast during the 2020 elections, parties spent the highest on **Lumpsum amounts paid to candidates**, **Rs 46.5933 cr** or **35.827%** of the total followed by **Rs 37.324 cr** or **28.70%** of total on **Travel** and **Rs 36.73 cr** or **28.243%** of total expenditure on **Publicity**.

### 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.

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