

# **Analysis of Income, Expenditure & Donations Received by Jharkhand's Major Political Parties FY 2010-11 to 2014-15**

**A Report by  
Jharkhand Election Watch  
&  
Association for Democratic Reforms**

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## Analysis of ITR & Donations Received by Major Political Parties of Jharkhand – FY 2010-11 to 2014-15

Political parties represent citizens of the country at various levels of the government, voice people's demands and concerns to the administrative and legislative machinery, and therefore serve as a link between citizens and the government.

Apart from collecting donations/voluntary contributions, it is seen from the IT Returns of political parties that a few parties are collecting funds by issuing coupons in lieu of receipts to donors for cash contributions. Being cash donations, it is difficult to establish the identity of the donor. It is possible that a lot of cash donations received, remain unaccounted for in the books of accounts as only those amounts would be recorded for which a receipt has been issued. Thus, it is imperative to have a strict regulatory mechanism wherein political parties have to report the correct quantum and the source of donations received.

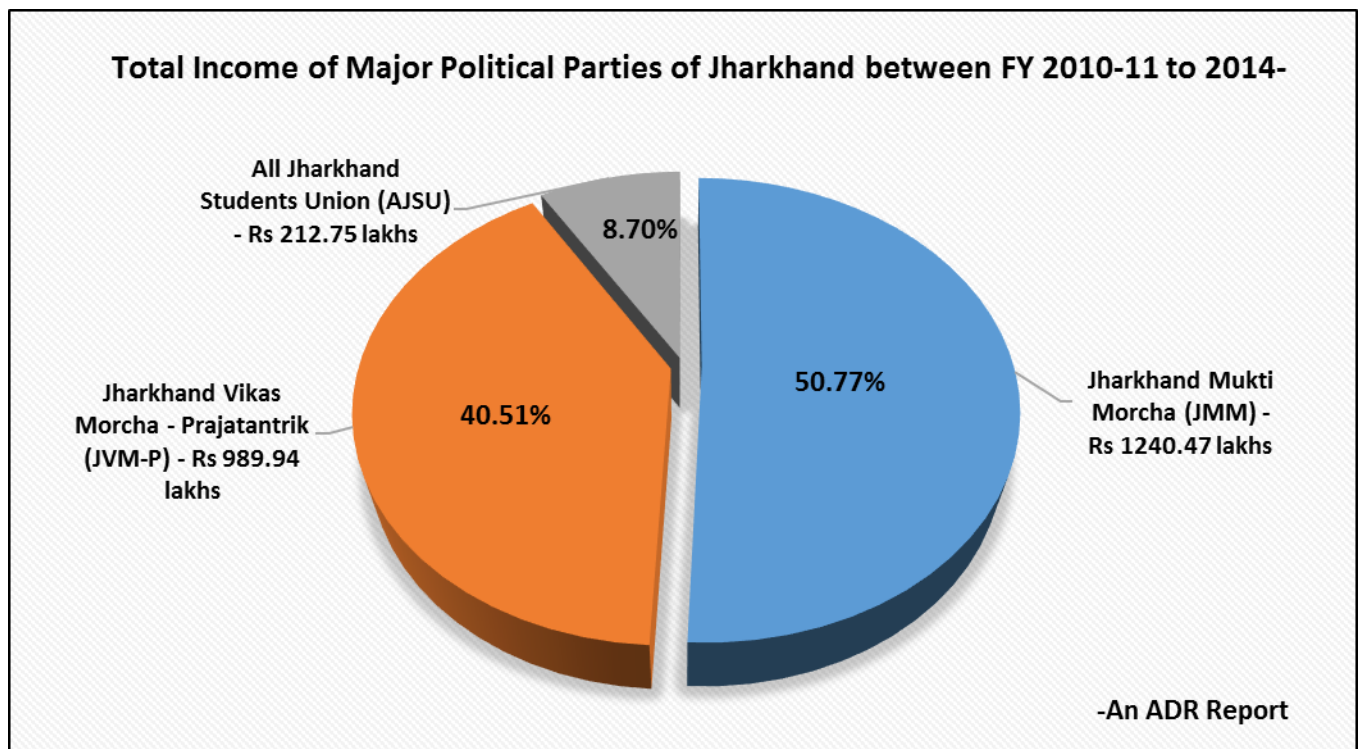
This report analyses the income, expenditure and donations received by the political parties of Jharkhand; **Jharkhand Mukti Morcha (JMM)**, **Jharkhand Vikas Morcha - Prajatantrik (JVM-P)** and **All Jharkhand Students Union (AJSU)** between FY 2010-11 and 2014-15. By filling RTI applications, ADR has collected copies of the ITRs and donations from IT Departments and Election Commission of India (ECI) during the aforementioned Financial years.

### **Analysis of Total Income of Major Political Parties of Jharkhand: FY 2010-11 to 2014-15**

- All 3 major political parties of Jharkhand, viz. JMM, JVM-P and AJSU, have failed to submit their IT Returns, regularly, for all 5 Financial Years being considered in this report.
- Initially the income and expenditure details of these parties were denied to ADR, but, later on further appeal using the RTI, limited information was revealed. The provided information was incomplete in nature.
- JMM's total income between FY 2010-11 and 2014-15 was Rs 37.78 lakhs more than the total income of JVM-P and AJSU, put together, during the same period.
- Total income of JMM increased by Rs 962.56 lakhs from Rs 92.99 lakhs during FY 2013-14 to Rs 1055.55 lakhs in 2014-15. This was a phenomenal increase of 1035.12%. At the same time, JVM-P saw an increase of Rs 79.89 lakhs in its income. This was an increase of 21.37%, from Rs 373.73 lakhs during FY 2013-14 to Rs 453.62 lakhs during FY 2014-15.
- ITR details of AJSU are not available for latter two financial years, though it has the highest income in preceding years like 2011-12.

Status of ITR Reports for 5 FYs, 2010-11 to 2014-15					
Party	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Jharkhand Mukti Morcha (JMM)	Available	Available	RTI response awaited	Available	Available
Jharkhand Vikas Morcha - Prajatantrik (JVM-P)	Available	Available	RTI response awaited	Available	Available
All Jharkhand Students Union (AJSU)	Available	Available	Available	RTI response awaited	RTI response awaited

Party	Total Income (Rs. In lakhs)					Total
	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	
Jharkhand Mukti Morcha (JMM)	31.66	60.27	RTI response awaited	92.99	1055.55	1,240.47
Jharkhand Vikas Morcha - Prajatantrik (JVM-P)	94.24	68.35	RTI response awaited	373.73	453.62	989.94
All Jharkhand Students Union (AJSU)	45.16	79.32	88.27	RTI response awaited	RTI response awaited	212.75
<b>Total</b>	<b>Rs 171.06 lakhs</b>	<b>Rs 207.94 lakhs</b>	<b>Rs 88.27 lakhs</b>	<b>Rs 466.72 lakhs</b>	<b>Rs 1,509.17 lakhs</b>	<b>Rs 2,443.16 lakhs</b>



Graph: Total income declared by Major Political Parties of Jharkhand in their ITR for FYs 2010-11, 2011-12, 2012-13, 2013-14 & 2014-15

\*IT Returns of JMM and JVM-P for FY 2012-13 are not available

\*\*IT Returns AJSU for FY 2013-14 and 2014-15 are not available

### Top 3 sources of income of Major Political Parties of Jharkhand from FY 2010-11 to 2014-15

- The biggest source of income for JMM during period between FY 2010-11 and 2014-15 was 'Donation' through which the party received a sum of **Rs 1123.75 lakhs**, which constitutes, **90.59%** of its total income.
- All major parties of Jharkhand have declared **Donations/Contributions/Grants** as one of their top 3 main sources of income; JMM – Rs 1123.75 lakhs, AJSU – Rs 207.74 lakhs, JVM-P - Rs 105.14 lakhs.
- In case of, JMM and AJSU, the dependence on Donation/Membership Contributions, as a source of income, is quite huge, as they form 90.59% and 97.65% of the total income of parties, respectively.

Party	Total Income	FY 2010 -11, 2011-12, 2012-13, 2013-14 & 2014-15 (combined)		Share of sources in total income
		Top 3 Source of Income	Amount (Rs in lakhs)	
Jharkhand Mukti Morcha (JMM)*	Rs 1240.47 lakhs	Donation	1123.75	90.59%
		Candidate Fee	59.38	4.79%

Party	Total Income	FY 2010 -11, 2011-12, 2012-13, 2013-14 & 2014-15 (combined)		Share of sources in total income
		Top 3 Source of Income	Amount (Rs in lakhs)	
		Levi	34.30	2.77%
		<b>Other Income</b>	23.04	1.86%
Jharkhand Vikas Morcha – Prajatantrik (JVM-P)*	Rs 989.94 lakhs	Subscription from Sale of Coupons	530.45	53.58%
		Collection by Issuing	295.91	29.89%
		Grants/Donations/Contributions	105.14	10.62%
		<b>Other Income</b>	58.44	5.90%
All Jharkhand Students Union (AJSU)**	Rs 212.75 lakhs	By Members Contributions & Subscription	207.74	97.65%
		Interest on Fixed Deposits	4.60	2.16%
		Bank Interest	0.40	0.19%
		<b>Other Income</b>	0.01	0.00%

**Table: Top 3 Sources of Income of Major Parties of Jharkhand in their ITR for 5 FYs 2010-11, 2011-12, 2012-13, 2013-14 and 2014-15**

\*IT Returns of JMM and JVM-P for FY 2012-13 are not available

\*\*IT Returns AJSU for FY 2013-14 and 2014-15 are not available

### Top 3 items of expenditure of Major Political Parties of Jharkhand from FY 2010-11 to 2014-15

- Overall the highest expenditure of all 3 major political parties of Jharkhand, collectively, was on **Elections, Rs 1744.99 lakhs, 73.76% of total expenditure incurred by Jharkhand's parties**, followed by **Advertisement expenses of Rs 100.98 lakhs, 4.26% of total expenditure incurred by Jharkhand's parties**. Third highest item of expenditure was on **Rally & Meetings, Rs 79.54 lakhs 3.36% of total expenditure incurred by Jharkhand's parties**.
- The maximum expenditure of **JMM** between FY 2010-11 to 2014-15 was towards **Elections** where the party declared spending a total of **Rs 1086.70 lakhs**, which forms **89.67%** of its total expenses.
- The maximum expenditure of **AJSU** has been towards '**Programme & Activities**' which were worth **Rs 109.86 lakhs 66.93%** of party's total expenditure.
- Flag expenses** is the second highest item of expenditure for JVM-P, where it has spent **Rs 58 lakhs** that forms 5.86% of its total expenditure.
- Election Expenses, Advertisement and Rally & Meeting** are the highest and most common items of expenditure.

Party	Total Expenditure	FY 2010 -11, 2011-12, 2012-13, 2013-14 & 2014-15 (combined)		Share of items in total expenses
		Top 3 Items of Expenditure	Amount (Rs in lakhs)	
Jharkhand Mukti Morcha (JMM)*	Rs 1211.91 lakhs	Election Expenses	1086.70	89.67%
		Rally & Meeting Exp	30.40	2.51%
		Advertisement Expenses	28.40	2.34%
		<b>Other Expenditure</b>	66.41	5.48%
	<b>Rs 989.49 lakhs</b>	Election Expenses	658.29	66.53%

Party	Total Expenditure	FY 2010 -11, 2011-12, 2012-13, 2013-14 & 2014-15 (combined)		Share of items in total expenses
		Top 3 Items of Expenditure	Amount (Rs in lakhs)	
Jharkhand Vikas Morcha - Prajatantrik (JVM-P)*		Flag Expenses	58	5.86%
		Meeting Expenses	47.54	4.80%
		<b>Other Expenditure</b>	225.66	22.81%
All Jharkhand Students Union (AJSU)**	<b>Rs 164.15 lakhs</b>	Programme & Activities Expenses	109.86	66.93%
		Printing, Publicity & Advertisement Expenses	34.41	20.96%
		Travelling & Conveyance	4.63	2.82%
		<b>Other Expenditure</b>	15.25	9.29%

Table: Top 3 Items of Expenditure for Major Parties of Jharkhand in their ITR for 5 FYs 2010-11, 2011-12, 2012-13, 2013-14 and 2014-15

\*IT Returns of JMM and JVM-P for FY 2012-13 are not available

\*\*IT Returns AJSU for FY 2013-14 and 2014-15 are not available

### Analysis of Total Donations of Parties

- None of the 3 major political parties of Jharkhand have regularly submitted their donation details between FY 2010-11 and FY 2014-15. AJSU has not submitted its donation details, even once during the last 5 Financial Years.
- Between FY 2010-11 and 2014-15, JMM has received 68.64% of its total income or Rs 851.53 lakhs through donations below Rs 20,000 while JVM-P has received 10.06% of its total income or Rs 99.64 lakhs through donations below Rs 20,000.
- Progressive Electoral Trust and General Electoral Trust were the only two donors to JMM for FY 2014-15. They contributed a sum of Rs 188.72 lakhs and Rs 75 lakhs, respectively.
- JMM received a total of 6 donations between FY 2010-11 and 2014-15, out of which, only 1 donation was from Jharkhand, rest 4 were from Maharashtra. The address of the 6<sup>th</sup> donor was not provided by the party in its donations report submitted to the ECI.
- PAN details of General Electoral Trust is missing from all its donations, which forms 27.55% of the total donations of JMM during FY 2010-11 to FY 2014-15.
- There are only 2 donations to JVP-M between FY 2010-11 and 2014-15, one of them does not have PAN details while other doesn't have address. Both of them have incomplete mode of payment details.

Status of Contributions Report for 5 FYs, 2010-11 to 2014-15					
Party	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Jharkhand Mukti Morcha (JMM)	Available	Available	<b>Not Available</b>	Available	Available
Jharkhand Vikas Morcha - Prajatantrik (JVM-P)	Available	Available	<b>Not Available</b>	Available	<b>Not Available</b>
All Jharkhand Students Union (AJSU)	<b>Not Available</b>	<b>Not Available</b>	<b>Not Available</b>	<b>Not Available</b>	<b>Not Available</b>

JMM Financial Year 2010-11 to 2014-15							
S.No.	Name	Complete Address of the Contributing Person/Company	PAN given (Yes/No)	Total Amount	Amount of Contribution (Rs.)	Mode of Contribution *(Cheque/Demand Draft /cash)	FY
1	Progressive Electoral Trust	Elephinstone Building, 10, Veer Nariman Road Fort, Mumbai- 400 001	Yes	18,872,439 Rs <b>188.72 lakhs</b>	10,093,750	Cheque No- 568948 of HDFC Bank Ltd, Dated 20-01-2015	2014-15
		Elephinstone Building, 10, Veer Nariman Road Fort, Mumbai- 400 001	Yes		8,778,689	Cheque No- 568945 of HDFC Bank Ltd, Dated 24-11-2014	2014-15
2	General Electoral Trust	B-4 Aditya Birla Centre S K Ahire Marg, Worli Mumbai- 400030	No	7,500,000 <b>Rs 75 lakhs</b>	5,000,000	Cheque No-26 of HDFC Bank Ltd, Dated- 10.04.2014	2014-15
		B-4 Aditya Birla Centre S K Ahire Marg, Worli Mumbai- 400030	No		2,500,000	Cheque No- 283 of HDFC Bank Ltd, Dated 16-12-2014	2014-15
3	Hemant Soren	<b>Not Given</b>	Yes	650,000 <b>Rs 6.50 lakhs</b>	650,000	Ch.No. 444901, Date- 22.8.2013, S.B.I, Ranchi	2013-14
4	Mr. Akhil Akhtar	Chota Chatarpur, P.O.-asloi, P.S.-Barharwa, Distt- Sahebganj	No	200,000 <b>Rs 2 lakhs</b>	200,000	Cheque No- 486091, SBI, Dt- 25-09-2010	2010-11
<b>Total Donations</b>				27,222,439 <b>Rs 272.22 lakhs</b>	27,222,439		

JVM-P Financial Year 2010-11 to 2014-15							
S.No	Name	Complete Address of the Contributing Person/Company	PAN given (Yes/No)	Total Amount	Amount of Contribution (Rs.)	Mode of Contribution *(Cheque/Demand Draft /cash)	FY
1	M/s. Patil Construction	Konark Adiya, Flat No-4 Golibar Maidan Chowk, Camp, Pune- 411001	No	500,000 <b>Rs 5 lakhs</b>	500,000	Cheque No- 815399, Dated- 26-04-2010	2010-11
2	Manoj Kumar Gupta		Yes	50000 <b>Rs 50 thousand</b>	50000	Dated- 17-10-2013	2013-14
<b>Total Donations</b>				550,000 <b>Rs 5.50 lakhs</b>	550,000		

## Recommendations of ADR

- The Supreme Court gave a judgment on September 13, 2013 declaring that no part of a candidate's affidavit should be left blank. Similarly, **no part of the Form 24A submitted by political parties providing details of donations above Rs 20,000 should be blank.**
- Full details of all **donors should be made available for public scrutiny under the RTI.** Some countries where this is done include Bhutan, Nepal, Germany, France, Italy, Brazil, Bulgaria, the US and Japan. In none of these countries is it possible for **80% of the source of funds to be unknown**, but at present it is so in India.
- Those parties not following the ICAI guidelines for auditing of reports should be scrutinized by the IT department.
- **The National and Regional political parties must provide all information on their finances under the Right to Information Act.** This will only strengthen political parties, elections and democracy.

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