ELECTION COMMISSION OF INDIA
Nirvachan Sadan, Ashoka Road, New Delhi – 110001

No.437/6/Manifesto/ECI/INST/FUNCT/MCC/2015

Dated: 04th October, 2022

To

President/Chairperson/General Secretary of
all Recognized National/State Political Parties.


Sir/Madam,

Holding of periodic elections in a free, fair, and transparent manner is integral to any democracy. There are several dimensions to the concept of ‘free, fair’ and transparent elections. These include but are not limited to all eligible voters being able to exercise their vote with ease and without fear or allurement. One of the very basic requirements is to enable them to exercise their franchise in an informed manner. Therefore, the electoral process has to facilitate systematic flow of authentic and adequate information to the voters at each electoral stage. The choice to cast the vote, i.e the most precious gift of democracy, is directly and intricately linked to access to timely and, reliable information. It is in this background that timely availability of data points to assess financial viability of the promises made to voters in the election manifests assumes criticality.

2. The Supreme Court in Subramaniam Balaji case, had examined the issue and inter-alia directed the Election Commission to frame guidelines in consultation with political parties. It was observed that:

“Therefore, considering that there is no enactment that directly governs the contents of the election manifesto, we hereby direct the Election Commission to frame guidelines for the same in consultation with all the recognized political parties as when it had acted while framing guidelines for general conduct of the candidates, meetings, processions, polling day, party in power etc. In the similar way, a separate head for guidelines for election manifesto released by a political party can also be included in the Model Code of Conduct for the Guidance of Political Parties & Candidates. We are mindful of the fact that generally political parties release their election manifesto before the announcement of election date. In that scenario, strictly speaking, the Election Commission will not have the authority to regulate any act which is done before the announcement of the date. Nevertheless, an exception can be made in this regard as the purpose
of election manifesto is directly associated with the election process.”

We hereby direct the Election Commission to take up this task as early as possible owing to its utmost importance. We also record the need for a separate legislation to be passed by the legislature in this regard for governing the political parties in our democratic society.”

3. Upon receiving the above directions of the Hon’ble Supreme Court, the Election Commission held a meeting on 12th August, 2013 with the recognized National and State Political Parties for consultation with them in the matter and took note of their conflicting views in the matter. During consultations, while some political parties supported the issuance of such guidelines, others were of the view that it is their right and duty towards voters to make such offers and promises in manifestos in a healthy democratic polity. While the Commission agrees in principle with the point of view that framing of manifestos is the right of the political parties, it cannot overlook the undesirable impact of some of the promises and offers on the conduct of free and fair elections and maintaining level playing field for all political parties and candidates.

4. The said direction was duly complied with by the Commission and the following guidelines were issued and incorporated as Part VIII of the Model Code of Conduct for the Guidance of Political Parties and Candidates, 2015 (MCC):

"The Constitution under Article 324 mandates the Election Commission, to conduct elections inter alia to the Parliament and the State Legislatures. Having due regard to the above directions of the Supreme Court and after consultation with the Political Parties, the Commission, in the interest of free and fair elections, hereby directs that Political Parties and Candidates while releasing election manifestos for any election to the Parliament or State Legislatures, shall adhere to the following guidelines:

(i) The election manifesto shall not contain anything repugnant to the ideals and principles enshrined in the Constitution and further that it shall be consistent with the letter and spirit of other provisions of Model Code of Conduct.

(ii) The Directive Principles of State Policy enshrined in the Constitution enjoin upon the State to frame various welfare measures for the citizens and therefore there can be no objection to the promise of such welfare measures in election manifestos. However, political parties should avoid making those promises which are likely to vitiate the purity of the election process or exert undue influence on the voters in exercising their franchise.

(iii) In the interest of transparency, level playing field and credibility of promises, it is expected that manifestos also reflect the rationale for the promises and broadly indicate the ways and means to meet the financial requirements for it.
Trust of voters should be sought only on those promises which are possible to be fulfilled.”

4.1 Further, in 2019 after obtaining views of recognised political parties, the Commission added following to the Part VIII of the Model Code of Conduct:

“Prohibitory period of Release of Manifesto during elections(s)

i. In case of single-phase election, manifesto shall not be released during the prohibitory period, as prescribed under Section 126 of the Representation of the People Act, 1951.

ii. In case of multi-phase elections, manifesto shall not be released during the prohibitory periods, as prescribed under Section 126 of the Representation of the People Act, 1951, of all the phases of those elections.”

5. While the existing guidelines under MCC require the political parties and candidates to explain the rationale for promises made therein as well as the possible ways and means to finance such promises, the Commission found that the declarations are quite routine, ambiguous and do not provide adequate information to voters to exercise informed choice in an election.

6. The Commission notes that the consequences of inadequate disclosures by political parties get attenuated by the fact that elections are held frequently, providing opportunities for political parties to indulge in competitive electoral promises, particularly in multi-phase elections, without having to spell out their financial implications more particularly on committed expenditure. These declarations are also not submitted by most of the political parties in time. While the Commission is agnostic to the nature of promises, the need to frame disclosure requirements to enable healthy debate on the financial implications of implementing those promises both in the immediate future and for the long-term fiscal sustainability is imperative for facilitating the conduct of free and fair elections.

7. It is imperative that guidelines, issued on the direction of the Hon’ble Supreme Court in S. Subramaniam Balaji Vs State of Tamil Nadu & Ors, on 24.04.2015 and forming part of the MCC are followed by the political parties in letter and spirit. The Commission has come to the conclusion that a prescribed format for disclosure by political parties on the promises made by them in their election manifestos is necessary to bring standardization in the nature of information and facilitating comparability. It is the Commission’s considered view that with adequate disclosures on the financial implications of the promises made, the Indian electorate will be able to exercise informed electoral choices. Although implementation of election promises could have several ramifications, the Commission proposes to confine the disclosures to only the financial implications of the promises in terms of the financial resources required and the ways of financing them on one hand and the effect thereof on the fiscal sustainability of the State’s or the Central Government’s finances, as the case may be. In designing the format, the Commission has chosen to strike a proper balance between
technicalities and simplicity. Given that the major objective of the disclosures is to facilitate informed choices, greater importance has been given to simplicity.

8. With this end in view, and for the purposes of meaningful observance of the Model Code of Conduct for the Guidance of all National and recognized Political Parties and their Candidates, the Commission proposes to supplement existing MCC guidelines and mandate political parties to inform voters at large about financial ramifications of their promises in manifesto against well-defined quantifiable parameters aimed at assessing feasibility of implementation of such promises within the financial space available in the State/Union in the enclosed proforma which shall inter-alia capture the following:

i) Extent and expanse of coverage (Ex. Individual, Family, Community, BPL or all population, etc.);

ii) Quantification of physical coverage as in (i) above;

iii) Quantification of financial implications of the promise(s) made;

iv) Availability of the financial resources;

v) Ways and means of raising resources for meeting the additional expenditure to be incurred in fulfilling the promises which could inter-alia include
   a. increase in tax and non-tax revenues,
   b. rationalization of expenditure,
   c. additional borrowings and
   d. any other sources to be specified.

vi) Impact of the additional resource raising plan (for fulfilling promises) on fiscal sustainability of the State or the Union Government, as the case may be.

9. Therefore, for the facilitation of the Political Parties and to eliminate any ambiguity, the Commission proposes to prescribe a proforma for the recognized National and State Political Parties for furnishing of details of financial implications of promises made in the election manifesto and the ways and means to finance them. To make the disclosures more meaningful, the proforma provides for certain fiscal information being prefilled by the respective State/ Central Government, as the case may be based on the latest BE/ RE. The figures in left side of the proforma ‘B’ shall be filled up by the Chief Secretaries of State(s) and Union Finance Secretary in the Centre, based on latest BE or RE in the year of general election to the assembly or the Parliament as the case may be. A copy of the proposed draft proforma is enclosed herewith.

10. In view of the foregoing, the Commission intends to make its extant directions operational by providing proforma to sub-para 3(iii) of Part VIII (Guidelines on Election Manifesto) of the Model Code of Conduct as under:-

"(iii) In the interest of transparency, level playing field and credibility of promises, it is expected that manifesto also reflect the rationale for the promises and broadly indicate the ways and means to meet the financial requirement for it, in the proforma"
prescribed by the Election Commission for the purpose. Trust of voters should be sought only on those promises which are possible to be fulfilled.”

11. The Commission desires to solicit the views of the Political Parties before proceeding with the proposed amendment in sub para 3(iii) of Part VIII of MCC, as mentioned in paragraph 10 above. Accordingly, it is requested to kindly convey the views of your party in this regard, by 19th October, 2022. If no response is received by then it will be presumed that your party has nothing specific to say on the proposed amendment in the MCC.

Yours faithfully,

(NARENDRA N BUTOLIA)
Sr. PRINCIPAL SECRETARY
narendranb@eci.gov.in
Proforma for Political Parties (Recognized National party and Recognized State party only) under Model Code of Conduct – Submission of details of physical coverage and financial implications of promises made in the manifesto

**PART-A: DETAILS OF ELECTORAL PROMISE WISE EXPENDITURE**

<table>
<thead>
<tr>
<th>Nomenclature of the promise made</th>
<th>Details of the promised scheme/welfare measures</th>
<th>Extent and expanse of coverage:</th>
<th>Financial Implication of the promise made:</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Unit – individual/family/household</td>
<td>Target – entire population/specific group</td>
<td>Likely expenditure per beneficiary (to be rounded off to nearest ₹100/-)</td>
<td></td>
</tr>
<tr>
<td>(i)</td>
<td>(ii)</td>
<td>(iii)</td>
<td>(i)</td>
<td>(ii)</td>
</tr>
</tbody>
</table>

| Promise No.1                    |                                                 |                                 |                                              |         |
|                                 |                                                 |                                 |                                              |         |
| Promise No.2                    |                                                 |                                 |                                              |         |
|                                 |                                                 |                                 |                                              |         |
| ......                           |                                                 |                                 |                                              |         |
| Promise No. ... and so on¹      |                                                 |                                 |                                              |         |
|                                 |                                                 |                                 |                                              |         |

**Note:** Explanatory note for filling up Part A of Proforma—

1. For Column no. 2 – Promised schemes in the manifesto may include all such schemes/ welfare measures as distribution of free laptops for students, consumer durables, gadgets, waiver of loans, free water, free electricity, free transport, old age pension schemes to employees, etc., which will have financial implications. Use a separate row for each promise.

2. The number of beneficiaries [as at 3(iii)] will be determined as under:
   i. Specify whether the unit of the target is an individual, household, family or a group.
   ii. Identify whether the target of the scheme is for entire population or a specified subset thereof such as farmers and within that small & marginal farmers or all farmers; MSMEs; women; senior citizens; persons below poverty line, etc.

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¹ Please use one row for each promise
## PART-B: FINANCING OF ELECTORAL PROMISES

<table>
<thead>
<tr>
<th>Sr.No.</th>
<th>To be filled in by the State/Centre as per the latest BE/RE</th>
<th>Sr.No.</th>
<th>To be filled in by the Political Party on financing of promise(s)</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Revenue receipts:</td>
<td>7</td>
<td>Total additional amount required for all electoral promises (Brought forward from Part A)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>a) Tax Revenue</td>
<td>8</td>
<td>Sources of financing the gap with reference to latest BE/RE:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>b) Non tax revenue</td>
<td>8.1</td>
<td>Increasing Revenue</td>
<td></td>
</tr>
<tr>
<td></td>
<td>c) Grants – in – aid</td>
<td></td>
<td>a) Increasing rate of existing taxes</td>
<td></td>
</tr>
<tr>
<td></td>
<td>d) Others</td>
<td></td>
<td>b) Levying of new taxes</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>c) Disinvestment/Monetization of assets</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Expenditure:</td>
<td>8.2</td>
<td>Rationalization of expenditure:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>a) Revenue</td>
<td></td>
<td>a) Revenue (excluding interest expenses)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>i. Interest Expenses</td>
<td></td>
<td>b) Capital</td>
<td></td>
</tr>
<tr>
<td></td>
<td>ii. Others</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Net Borrowings²</td>
<td>8.3</td>
<td>Additional Borrowings</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Outstanding Liabilities³</td>
<td>8.4</td>
<td>Others not covered in 8.1 to 8.3 above (to be specified)</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Gross State Domestic Product – GSDP / GDP (in nominal terms)</td>
<td>8.5</td>
<td>Total of additional resources mobilized for fulfilling all electoral promises (as at Sr.No. 7 above)</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Fiscal Sustainability Ratios:</td>
<td>9</td>
<td>GSDP or GDP as the case may be for the current year⁴ (in nominal terms)</td>
<td></td>
</tr>
<tr>
<td>6.1</td>
<td>GFD/GSDP or GDP as the case may be</td>
<td>10</td>
<td>Impact on Fiscal Sustainability Ratios:</td>
<td></td>
</tr>
<tr>
<td>6.2</td>
<td>Debt/GSDP or GDP⁵ as the case may be</td>
<td>10.1</td>
<td>Additional borrowings/GSDP or GDP as the case may be [8.3 as % of 9]</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>10.2</td>
<td>Debt/GSDP or GDP as the case may be [((4+8.3) as % of 9)]⁶</td>
<td></td>
</tr>
</tbody>
</table>

Explanatory note for filling up Part B of Proforma—

1. General – Information w.r.t Sr 1 to 6.2 is to be provided by the Central/State governments based on the latest BE/RE. This is to enable the political parties to assess the reasonability of the resource raising plans and make the disclosures by various parties comparable.
2. For serial no. 7 – Reproduce the amount from column 4 (ii) of Part A of Proforma.
3. For serial no. 8.4 – Please specify the sources through which additional resources will be mobilized/expenditure curtailed.

**Abbreviations used:**

GFD: Gross Fiscal Deficit; GSDP: Gross State Domestic Product; BE: Budget Estimate; RE: Revised Estimate

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² Net of Repayments.
³ As this may not be part of the Budget documents, Central/State governments to provide this information based on their records.
⁴ To be based on average growth rate of GSDP/GDP of last three years.
⁵ Please see footnote 3.
⁶ For simplicity, it has not been required to be adjusted for repayments which have been made and to be made during the year.