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Analysis of Funds Collected and Expenditure Incurred by Political Parties during Himachal Pradesh & Gujarat Assembly Elections, 2017

(As of 12th October)

A Report by

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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 the following heads at the central, state, district and constituency levels by the party:
 - o Publicity
 - Travel expenses
 - Other expenses
 - Expenditure towards candidates
- Political parties submit these statements providing information of **funds collected and spent between the 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 Himachal Pradesh and Gujarat, held in 2017.
- 6 National Parties and 6 Regional Parties have been considered for analysis in this report.
- **JD(S)** is the only party which has not submitted its election expenditure statement for the Gujarat Assembly election despite contesting it.

Status of Election Expenditure Statements- Himachal Pradesh and Gujarat Assembly Elections, 2017						
Political Party	Party	Party Submission and	State Units (Date of comple Central 20 December, 2017)			No. of days by
rontical raity	Code	Date	Headquarters	Himachal Pradesh	Gujarat	delayed
Bahujan Samaj Party	BSP	05 February 2018	Submitted	Submitted	Submitted	-
Nationalist Congress Party	NCP	16 February 2018	Submitted	Submitted	Submitted	-
Communist Party of India (Marxist)	CPI(M)	15 March 2018	Submitted	Submitted	Submitted	10 Days
Communist Party of India	СРІ	20 March 2018	Submitted	Submitted	Submitted	15 Days
Samajwadi Party	SP	22 March 2018	Submitted	Submitted	Submitted	17 Days
Shivsena	SHS	04 May 2018	Submitted	Did not contest	Submitted	59 Days
All India Forward Bloc	AIFB	07 May 2018	Submitted	Submitted	Did not contest	62 Days
Bharatiya Janata Party	ВЈР	12 June 2018 and 13 July 2018	Submitted	Submitted	Submitted	98 Days- Himachal Pradesh; 129 Days- Gujarat
Indian National Congress	INC	24 July 2018	Submitted	Submitted	Submitted	140 Days
Janata Dal (United)	JD(U)	16 August 2018	Submitted	Did not contest	Submitted	163 Days
Aam Aadmi Party	AAP	14 December 2018	Submitted	Did not contest	Submitted	283 Days
Janata Dal (Secular)	JD(S)	Unavailable on the ECI website	Unavailable on the ECI website	Did not contest	Submitted	5 Years and 7 Months

^{*}BJP had submitted election expenditure statements of Himachal Pradesh and Gujarat separately, to the Election Commission of India.





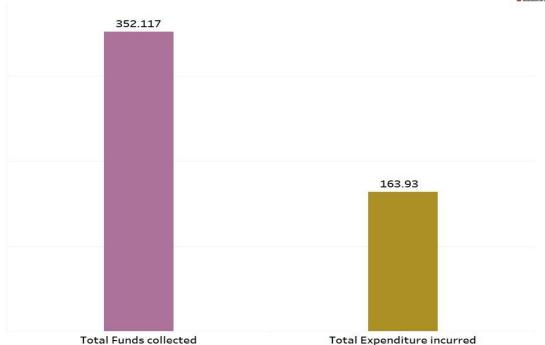
Details provided in the Election Expenditure Statement

Funds Collected and Expenditure incurred by political parties

- Total funds collected by political parties during Gujarat & Himachal Pradesh Assembly Elections held in 2017 was **Rs 352.117 cr** and total expenditure incurred was **Rs 163.93 cr.**
- Overall, funds collected by the Central Headquarters of respective parties, Rs 210.691 cr, are more than
 the funds collected by Gujarat and Himachal Pradesh state units. While expenditure incurred by Gujarat
 State units of parties, Rs 119.268 cr, is the highest.
- Funds collected and expenditure incurred by Himachal Pradesh State Units was the least among all.

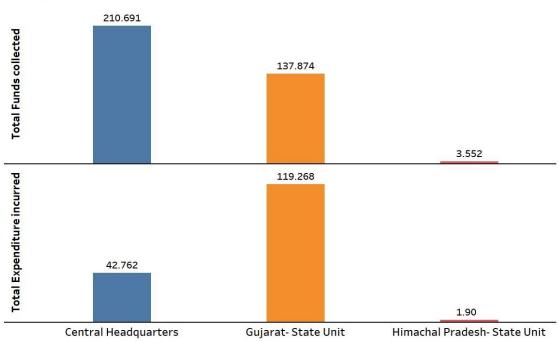
Funds collected and Expenditure incurred by political parties during Himachal Pradesh & Gujarat Assembly Elections, 2017 (in Rs Cr)





Funds collected and Expenditure incurred from Central Headquarters and State Units during Himachal Pradesh and Gujarat Assembly Elections, 2017 (in Rs Cr)



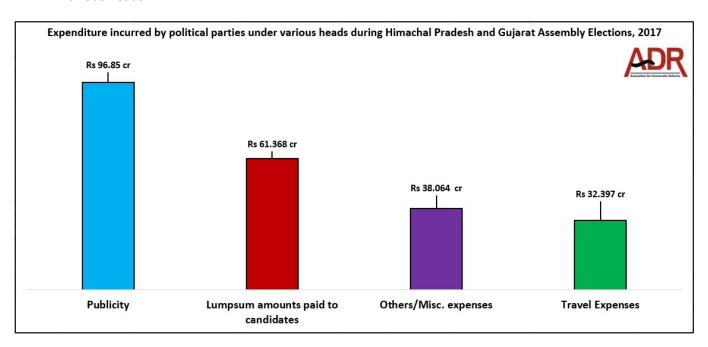






Expenditure incurred by political parties under various heads

- Political parties declare their expenditure under the heads of Publicity, Travel Expenses, Other/
 Miscellaneous expenses and Lumpsum amount paid to their contesting candidates.
- Political Parties that contested in Himachal Pradesh and Gujarat Assembly Elections, 2017, spent the highest, Rs 96.85 cr on Publicity, followed by Rs 61.368 cr on Lumpsum amount paid to candidates, Rs 38.064 cr to Other/Miscellaneous expenses and Rs 32.397 cr on travel expenses.
- Expenditure on publicity is 42.352% of the overall expenditure declared under various heads.
- Expenditure on **other/miscellaneous** is **Rs 38.064 cr** or **16.645%** of the overall expenditure declared under various heads.



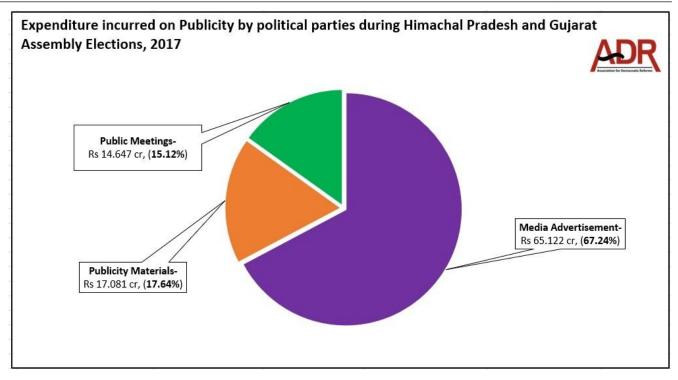
Expenditure on Publicity by political parties

- Political Parties are required to segregate their publicity expenses under three heads: **Media Advertisement, Publicity Materials** and **Public Meetings**.
- During Himachal Pradesh and Gujarat Assembly elections, political parties spent the maximum on Media
 Advertisement (Rs 65.122 cr), followed by expenditure on Publicity Materials (Rs 17.081 cr) and Public
 Meeting (Rs 14.647 cr).
- Publicity expenditure from **Gujarat State Units** is the **highest**, **Rs 79.809 cr** or **82.40%** of the total expenditure on publicity, followed by **Rs 15.097 cr** or **15.59%** from Central Headquarters and **Rs 1.944 cr** or **2.01%** from Himachal Pradesh State Units.

	Expenses on Publicity during Himachal Pradesh and Gujarat Assembly Elections, 2017 (in Rs cr)				
Total expenditure on Publicity	Control Hoodersortors	State Units			
	Central Headquarters	Himachal Pradesh	Gujarat	Total	
Media Advertisement (Print & Electronic, Bulk SMS, Cable, Website, TV channels, etc.)	10.994	1.056	53.072	Rs 65.122 cr	
Publicity Materials (Poster, Banners, Badges, stickers, Arches, Gates, Cut outs, Hoardings, flags, etc.)	2.459	0.352	14.27	Rs 17.081 cr	
Public Meetings	1.644	0.536	12.467	Rs 14.647 cr	
Total	Rs 15.097 cr	Rs 1.944 cr	Rs 79.809 cr	Rs 96.85 cr	







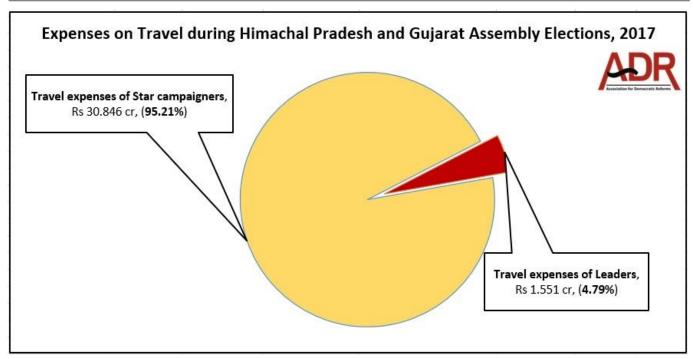
Expenditure on Travel by political parties

- The 'Travel' head is segregated into travel expenses incurred specifically on star campaigners and that of the party leaders.
- Political parties spent **95.21%** of their total travel expenses or **Rs 30.846 cr** on their star campaigners and the remaining **4.79%** or **Rs 1.551 cr** on travel of their party leaders.
- Travel expenses from Gujarat State Unit was the highest, Rs 16.949 cr or 52.317%, ahead of Rs 15.435 cr or 47.643% spent from Central Headquarters and Rs 0.0129 cr or 0.04% from Himachal Pradesh State Unit.

	Expenses on Tra	on Travel during Himachal Pradesh and Gujarat Assembly Elections, 2017			
Total expenditure on Travel	State Units			Total	
	Central Headquarters	Adquarters Himachal Pradesh Gujarat			
Travel expenses of Star campaigners	14.983	0.0129	15.85	Rs 30.846 cr	
Travel expenses of Leaders	0.452	0	1.099	Rs 1.551 cr	
Total	Rs 15.435 cr	Rs 0.0129 cr	Rs 16.949 cr	Rs 32.397 cr	







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.
- 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 210.691 cr at the Central level, through cash and cheque/DD. This
 constituted 59.836% of the total funds collected by political parties during Gujarat & Himachal Pradesh
 Assembly elections, 2017.
- Among the state units, the political parties collected the maximum amount of Rs 137.874 cr from Gujarat which formed 39.156% of the total funds, collected at the state levels.
- The most preferred mode of collection was by **cheque/DD** where the parties collected **Rs 330.709 cr**, which formed **93.92**% of the total funds collected both at the state and central levels.
- Only Gujarat state unit of political parties collected funds in kind worth Rs 0.008 cr.

Mode of fund collection	•	political parties during Him Assembly Elections, 2017 (i	nachal Pradesh and Gujarat in Rs Cr)	Total Funds
Wode of fulla collection	Central	State Units		Total Funds
	Headquarters	Himachal Pradesh	Gujarat	
By Cash	18.89	1.07	1.440	Rs 21.40 cr
By Cheque/DD*	191.801	2.482	136.426	Rs 330.709 cr
In kind/Bank Interest	0	0.00	0.008	Rs 0.008 cr
Total	Rs 210.691 cr	Rs 3.552 cr	Rs 137.874 cr	Rs 352.117 cr

Party-wise total funds collected

- Among political parties, **BJP** collected the maximum funds of **Rs 251.012 cr**, **64.04%** or **Rs 160.753 cr** of which was collected at the party's **Central Headquarter** level.
- INC collected the second highest funds worth Rs 71.15 cr, 69.05% or Rs 49.13 cr of which was collected by its Gujarat State Unit.
- CPI(M) collected the third highest funds, a total of Rs 21.672 cr, of which 98.05% or Rs 21.248 cr was collected by its Central headquarters.
- Shivsena, NCP and AIFB are the regional parties that have declared not receiving any funds at their respective Central Headquarters.
- **AIFB** is the only political party whose state unit has not received any funds, inspite of contesting in Himachal Pradesh assembly elections.





Political Parties	Funds collected by political parties during Himachal Pradesh and Gujarat Assembly Elections, 2017 (in Rs Cr)					
Political Parties	Control Hoodquartors	State Units				
	Central Headquarters	Himachal Pradesh	Gujarat			
BJP	160.753	1.747	88.512	Rs 251.012 cr		
INC	20.551	1.469	49.130	Rs 71.15 cr		
CPI(M)	21.248	0.318	0.105	Rs 21.672 cr		
BSP	5.30	0	0	Rs 5.30 cr		
SP	1.446	0	0	Rs 1.446 cr		
СРІ	0.6488	0.0175	0.022	Rs 0.688 cr		
AAP	0.629	-	0	Rs 0.629 cr		
JD(U)	0.115	-	0	Rs 0.115 cr		
Shivsena	0	-	0.0552	Rs 0.0552 cr		
NCP	0	0	0.050	Rs 0.05 cr		
AIFB	0	0	-	Rs 0 cr		
Total	Rs 210.691 cr	Rs 3.552 cr	Rs 137.874 cr	Rs 352.117 cr		







State-wise expenditure incurred

- The Gujarat State Units of the political parties spent the maximum worth Rs 119.268 cr, followed by Central Headquarters, which spent Rs 42.762 cr, and Himachal Pradesh State Unit, which reported incurring an expenditure of Rs 1.90 cr.
- Out of total expenditure of Rs 163.93 cr, 78.91% or Rs 129.364 cr was spent by cheques/DD by political parties, together.
- Rs 31.108 cr is 'remaining unpaid' which formed 18.98% of the total expenditure reported by political
- **Rs 19.95 cr** is 'remaining unpaid' at the Gujarat State Unit level by political parties.
- Expenditure in cash was least preferred by the political parties, as only 2.11% or Rs 3.458 cr of the total expenditure was incurred in this mode.





Mode of expenditure	Total Expenditure i Pradesh and Gu	Total Expenditure		
incurred	State Units		State Units	
	Central Headquarters	Himachal Pradesh	Gujarat	
By Cash	1.337	0.053	2.068	Rs 3.458 cr
By Cheque/DD	30.267	1.847	97.25	Rs 129.364 cr
Remaining unpaid	11.158	0	19.95	Rs 31.108 cr
Total	Rs 42.762 cr	Rs 1.90 cr	Rs 119.268 cr	Rs 163.93 cr

Party-wise expenditure incurred

- Out of total expenditure of **Rs 163.93 cr, BJP** incurred the maximum expenditure of **Rs 131.465 cr**, which forms **80.20%** of total expenditure.
- At the state level, **Gujarat State Unit** (Rs 119.268 cr) incurred **6177**% higher expenditure than **Himachal Pradesh state unit** (Rs 1.90 cr).
- AIFB & JD(U) are the only parties that have incurred **no expenditure** either at the central or at the state unit level despite contesting elections.

Political	Total Expenditure incurred political parties during Himachal Pradesh and Gujarat Assembly Elections, 2017 (in Rs Cr)				
Parties	Control Hoodsweaters	Sta	te Units	Total Expenditure	
	Central Headquarters	Himachal Pradesh	Gujarat		
ВЈР	23.813	1.069	106.583	Rs 131.465 cr	
INC	7.563	0.672	12.408	Rs 20.643 cr	
SP	9.22	0	0	Rs 9.22 cr	
BSP	1.296	0	0	Rs 1.296 cr	
СРІ	0.715	0.0184	0.007	Rs 0.74 cr	
AAP	0.024	-	0.159	Rs 0.183 cr	
NCP	0.1183	0	0.047	Rs 0.1653 cr	
CPI(M)	0.0008	0.1409	0.017	Rs 0.159 cr	
Shivsena	0.0116	-	0.047	Rs 0.059 cr	
JD(U)	0	-	0	Rs 0	
AIFB	0	0	-	Rs 0	
Total	Rs 42.762 cr	Rs 1.90 cr	Rs 119.268 cr	Rs 163.93 cr	

Expenditure incurred by political parties during Himachal Pradesh and Gujarat Assembly Elections, 2017 (in Rs Cr)





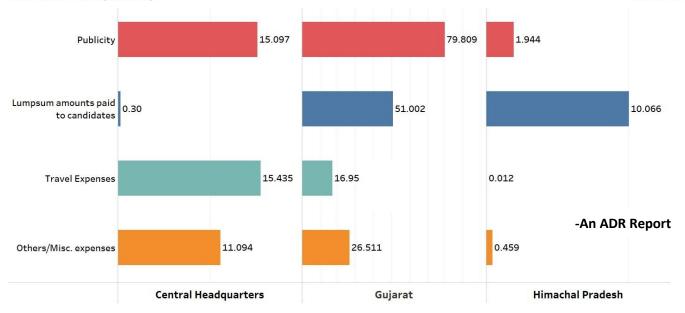


State-wise expenditure under various heads

- Political parties declare their expenditure under the heads of Publicity, Travel Expenses, Other/
 Miscellaneous expenses and Lumpsum amount paid to their contesting candidates.
- Out of a total expenditure of Rs 228.679 cr under various heads, political parties spent the maximum amount of Rs 96.85 cr on Publicity followed by Lumpsum amount paid to candidates worth Rs 61.368 cr.
- Gujarat state units spent the maximum amount of Rs 79.809 cr on Publicity, while Himachal Pradesh state unit spent maximum of Rs 10.066 cr on Lumpsum amount paid to candidates.
- Across all 4 heads, expenditure incurred from Gujarat state units has been the maximum.

	State-wise Election I during Himachal Prad	Total		
Expenditure under various Heads	Central	Central State Units		
	Headquarters	Himachal Pradesh	Gujarat	
Publicity	15.097	1.944	79.809	Rs 96.85 cr
Lumpsum amounts paid to candidates	0.30	10.066	51.002	Rs 61.368 cr
Travel Expenses	15.435	0.012	16.95	Rs 32.397 cr
Others/Misc. expenses	11.094	0.459	26.511	Rs 38.064 cr
Total	Rs 41.926 cr	Rs 12.481 cr	Rs 174.272 cr	Rs 228.679 cr

Expenditure incurred by political parties under various heads during Himachal Pradesh & Gujarat Assembly Elections, 2017 (in Rs Cr)



Party-wise expenditure under various heads

- The political parties spent a total of **Rs 228.679 cr** on publicity, travel, miscellaneous expenses and lumpsum amount to candidates.
- The parties spent the highest on **Publicity** (**Rs 96.85 cr** or 42.352% of total) followed by **Rs 61.368 cr** or 26.836% of total on **lumpsum amount paid to candidates** and **Rs 38.064 cr** on **Other/Miscellaneous expenses** (16.645% of total expenditure).
- The top 3 Parties which spent the highest are: BJP (Rs 165.951 cr) followed by INC (Rs 51.61 cr) and SP (Rs 9.1508 cr).
- BJP has incurred the maximum, Rs 28.903 cr under Other/Miscellaneous expenses, which forms 75.933 %
 of the total expenditure incurred by all political parties on Other/Miscellaneous expenses.

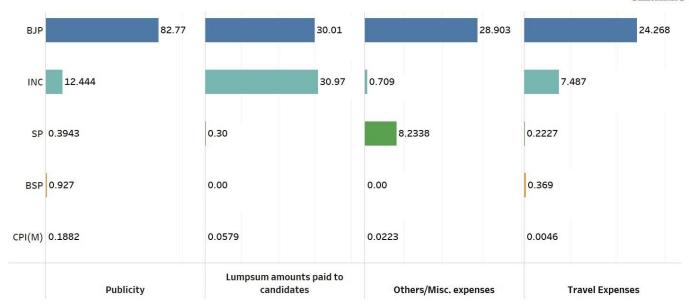




Expenditure incur	Expenditure incurred by political parties during Himachal Pradesh & Gujarat Assembly Elections, 2017 (in Rs cr)					
Political Party	Publicity	Lumpsum amounts paid to candidates	Travel Expenses	Others/Misc. expenses	Total	
ВЈР	82.77	30.01	24.268	28.903	Rs 165.951 cr	
INC	12.444	30.97	7.487	0.709	Rs 51.61 cr	
SP	0.3943	0.30	0.2227	8.2338	Rs 9.1508 cr	
BSP	0.927	0	0.369	0	Rs 1.296 cr	
CPI(M)	0.1882	0.05785	0.0046	0.0223	Rs 0.273 cr	
AAP	0.0175	0.0197	0.0021	0.1635	Rs 0.2028 cr	
NCP	0.0719	0	0.0403	0.0032	Rs 0.1154 cr	
Shivsena	0.0307	0	0.0031	0.0256	Rs 0.0594 cr	
СРІ	0.006	0.0105	0	0.0039	Rs 0.0204 cr	
JD(U)	0	0	0	0	Rs 0	
AIFB	0	0	0	0	Rs 0	
Total	Rs 96.85 cr	Rs 61.368 cr	Rs 32.397 cr	Rs 38.064 cr	Rs 228.679 cr	

Party wise expenditure under various heads during Himachal Pradesh & Gujarat Assembly Elections, 2017 (in Rs Cr)





Disclaimer

The source of the data used in the report is the election expenditure statements submitted by the National and Regional Political Parties (*Which contested in Himachal Pradesh and Gujarat Assembly Elections, 2017*) to the Election Commission of India. ADR does not add or subtract any information unless the EC changes the data. In particular, no unverified information from any other source is used. The data can be accessed from the websites of the ECI. 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 (ADR), National Election Watch (NEW) and their volunteers are not responsible or liable for any direct, indirect special, or consequential damages, claims, demands, losses of any





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