

Unrecognized Political Parties See Massive Income Surge in FY23: ADR Report



A new report released on Friday, July 18, 2025, by the Association for Democratic Reforms (ADR), a prominent election watchdog, reveals a staggering 223% increase in the declared income of registered unrecognized political parties (RUPPs) during the financial year 2022-23. The findings highlight a concerning lack of transparency, with over 73% of these parties failing to publicly disclose their financial records.

The ADR's analysis focused on the annual reports of 739 RUPPs across 22 Indian states, for which either audit or contribution reports were available on the websites of respective state Chief Electoral Officers (CEOs). An unrecognized political party is registered with the Election Commission of India (ECI) but has not secured sufficient votes or seats in elections to be recognized as a state or national party, or has not contested elections since registration.

The report indicates that the total income declared by these RUPPs surged dramatically from ₹490.2151 crore (approximately 58.8 million USD) in FY 2021-22 to ₹1581.7517 crore (approximately 189.8 million USD) in FY 2022-23. This significant spike raises questions about the sources and nature of these funds. Notably, the top 10 RUPPs alone accounted for ₹1581.7517 crore in total income, with 99.99% of this amount coming from donations. Furthermore, a substantial 93.56% (₹1479.942 crore) of these donations were above the ₹20,000 threshold, meaning their sources are publicly identifiable. In contrast, national parties reported only about 33% of their donations from such large contributors.

A significant portion of this income surge is concentrated in Gujarat, with five of the top ten RUPPs by income hailing from the state. Gujarat-based parties collectively declared ₹1158.115

crore, representing over 70% of the top 10 RUPPs' total income. The Bharatiya National Janata Dal reported the highest income at ₹576.458 crore. Several of these top-earning RUPPs, such as the Satyawadi Rakshak Party (established 2022) and New India United Party (established 2018), were formed recently, yet demonstrated a rapid mobilization of funds.

The ADR has urged the ECI to enhance its regulatory oversight of RUPPs, particularly those that declare substantial donations but do not actively participate in elections. This call for increased scrutiny aims to ensure greater accountability and prevent the potential misuse of funds within the political financing landscape.