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CAMPAIGN FINANCE REGULATION IN INDIA: CONSTITUTIONAL PRINCIPLES, TRANSPARENCY, AND DEMOCRATIC ACCOUNTABILITY

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ABSTRACT

Campaign finance regulation is a critical pillar of constitutional democracy, ensuring electoral integrity, political equality, and public trust in governance. In India, the regulation of political funding is deeply intertwined with constitutional principles such as equality before law, freedom of speech and expression, and democratic accountability. Despite statutory frameworks under the Representation of the People Act, 1951, the Companies Act, 2013, and electoral transparency mechanisms, concerns persist regarding opaque political funding, corporate influence, and erosion of electoral fairness. This paper critically examines the constitutional foundations of campaign finance regulation in India, with special reference to the vision of Dr. B. R. Ambedkar and judicial interpretations by Indian courts. It also situates India's regulatory framework within comparative international perspectives, drawing lessons from global best practices. The study concludes that while judicial interventions have strengthened transparency, legislative reforms remain necessary to align campaign finance regulation with constitutional morality and democratic accountability.

Keywords: Campaign Finance, Electoral Democracy, Indian Constitution, Transparency, Democratic Accountability, Political Funding, Dr. B. R. Ambedkar.

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INTRODUCTION

Campaign finance constitutes one of the most consequential yet contested dimensions of constitutional democracy. The manner in which political parties and candidates raise and deploy financial resources directly affects electoral fairness, political competition, and public confidence in democratic institutions. In contemporary democracies, unregulated or inadequately regulated campaign finance has been shown to distort representative processes by enabling disproportionate influence of wealth over political power. In India—the world's largest and most complex electoral democracy—the scale, frequency, and cost of elections render campaign finance regulation not merely desirable but constitutionally imperative. The exponential rise in election expenditure has intensified concerns relating to corruption, inequality of political opportunity, and erosion of public trust in the electoral process[2].

Although the Constitution of India does not explicitly refer to campaign finance or political funding, its normative framework unmistakably demands fairness, transparency, and equality in democratic governance. Articles 14 and 15 embody the principle of equality before law and non-discrimination, while Article 19(1)(a) guarantees freedom of speech and expression, which the Supreme Court has interpreted to include the voter's right to receive information essential for meaningful political participation[3]. Read together with the constitutional mandate of free and fair elections—recognized as part of the basic structure—the regulation of campaign finance emerges as an intrinsic constitutional concern rather than a matter of mere statutory policy[4].

The constitutional vision articulated by Dr. B. R. Ambedkar provides a critical normative lens for examining campaign finance regulation. Ambedkar repeatedly warned that political democracy could not survive in the absence of social and economic democracy. He cautioned against the concentration of economic power translating into political dominance, thereby hollowing out democratic institutions from within[5]. His apprehension that formal electoral equality might be undermined by material inequalities finds contemporary resonance in debates surrounding corporate donations, opaque funding mechanisms, and the increasing role of money in electoral outcomes. Campaign finance regulation, viewed through an Ambedkarite

[2] Law Commission of India, 255th Report on Electoral Reforms (2015).
[3] Association for Democratic Reforms v. Union of India, (2002) 5 SCC 294.
[4] Indira Nehru Gandhi v. Raj Narain, 1975 Supp SCC 1.
[5] B. R. Ambedkar, Constituent Assembly Debates, Vol. VII (Government of India).

constitutional philosophy, thus becomes an instrument for safeguarding substantive democracy and constitutional morality[6].

Judicial intervention has played a transformative role in constitutionalizing transparency in political funding. Beginning with Association for Democratic Reforms v. Union of India, the Supreme Court recognized that informed voting is an essential component of freedom of expression under Article 19(1)(a), thereby linking electoral transparency with fundamental rights[7]. This jurisprudence was further strengthened in People's Union for Civil Liberties v. Union of India, where the Court emphasized that democracy thrives only when citizens are adequately informed about those who seek to govern them[8]. More recently, judicial scrutiny of anonymous political funding mechanisms has raised profound constitutional questions concerning equality, arbitrariness, and democratic accountability, reaffirming the judiciary's role as guardian of electoral integrity[9].

At the international level, comparative constitutional democracies have increasingly treated campaign finance regulation as a balance between political expression and democratic equality. Jurisprudence from jurisdictions such as the United States, the United Kingdom, and the European Court of Human Rights reflects a growing consensus that transparency and proportional regulation of political funding are legitimate state interests in preserving democratic legitimacy[10]. International bodies and scholars emphasize that unchecked financial influence undermines political equality and weakens public confidence in democratic institutions[11].

Against this constitutional, judicial, and comparative backdrop, this paper undertakes a doctrinal examination of campaign finance regulation in India. It situates political funding within the broader framework of constitutional principles, Ambedkarite democratic thought, and evolving judicial interpretations, while also drawing insights from international practices. The study argues that effective campaign finance regulation is indispensable to ensuring transparency, equality, and democratic accountability in India's constitutional democracy.

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6 Upendra Baxi, "Constitutionalism and Democracy in India," (2008) 1 NUJS L Rev 1
7 Association for Democratic Reforms v. Union of India, (2002) 5 SCC 294
8 People's Union for Civil Liberties v. Union of India, (2003) 4 SCC 399.
9 Association for Democratic Reforms v. Union of India, (2024) SCC Online SC
10 Bowman v. United Kingdom, (1998) 26 EHRR 1.
11 Samuel Issacharoff, Democracy Unmoored: Populism and the Corruption of Popular Sovereignty (Oxford University Press, 2015).

REVIEW OF LITERATURE

The scholarship on campaign finance regulation reflects a growing recognition that political funding is not merely an administrative concern but a constitutional and democratic one. Existing literature may broadly be classified into three interrelated streams: (i) Indian constitutional and institutional scholarship, (ii) national-level judicial and policy-oriented analyses, and (iii) international and comparative democratic studies. Together, these bodies of work provide a normative, doctrinal, and comparative foundation for examining campaign finance regulation in India.

Indian constitutional scholars have long emphasized that democracy cannot be sustained through electoral formalism alone. Granville Austin's seminal work conceptualizes the Indian Constitution as a transformative document aimed at restructuring social and political power. He argues that constitutional guarantees must be interpreted in light of substantive equality rather than procedural neutrality[12].[1] This perspective is particularly relevant to campaign finance, where economic inequalities often translate into political advantages.

Upendra Baxi critiques the concentration of power in post-constitutional India and warns against the "elite capture" of democratic institutions. He notes that constitutional democracy risks degeneration when economic dominance is allowed to shape political outcomes without adequate regulation[13].[2] Similarly, Rajeev Dhavan highlights the role of constitutional accountability in preserving democratic legitimacy, stressing that transparency is an indispensable condition for meaningful public participation[14].[3]

Dr. B. R. Ambedkar's constitutional philosophy occupies a central place in Indian legal literature. Scholars analyzing the Constituent Assembly Debates underline Ambedkar's insistence that political equality would remain illusory without economic and social justice[15].[4] His warning against the monopolization of power by privileged classes has been repeatedly invoked in contemporary critiques of corporate political funding and opaque donation regimes. Indian scholarship thus situates campaign finance regulation within the broader Ambedkarite framework of constitutional morality and substantive democracy.

[12] Granville Austin, The Indian Constitution: Cornerstone of a Nation (Oxford University Press 1966).
[13] Upendra Baxi, "The Crisis of the Indian Legal System" (Vikas Publishing 1982).
[14] Rajeev Dhavan, The Constitution of India: A Contextual Analysis (Hart Publishing 2008).
[15] B. R. Ambedkar, Constituent Assembly Debates, Vol. VII (Government of India).

At the national level, judicial decisions of the Supreme Court of India have generated extensive academic commentary. The judgment in Association for Democratic Reforms v. Union of India has been widely analyzed as a constitutional milestone that transformed electoral transparency into a fundamental right. Scholars note that by linking the voter's right to know with Article 19(1)(a), the Court effectively constitutionalized electoral accountability[16].[5]

Subsequent analysis of People's Union for Civil Liberties v. Union of India emphasizes the Court's assertion that democracy is not limited to periodic elections but requires an informed electorate capable of rational choice[17].[6] Legal commentators argue that these decisions filled legislative voids and compelled greater disclosure, albeit within a fragmented regulatory framework.

Institutional literature, particularly reports of the Law Commission of India and the Election Commission of India, provides empirical and policy-oriented insights. The Law Commission's 255th Report identifies unchecked political expenditure as a major threat to electoral integrity and recommends comprehensive reforms, including partial state funding and enhanced disclosure norms[18].[7] Election Commission reports consistently highlight the nexus between money power and electoral malpractice, reinforcing scholarly concerns regarding regulatory inadequacy.

Recent academic engagement with judicial scrutiny of anonymous political funding mechanisms has intensified. Commentators argue that secrecy in political donations undermines constitutional guarantees of equality and non-arbitrariness under Articles 14 and 15, while simultaneously diluting the voter's right to information[19].[8] This body of literature underscores the judiciary's expanding role as a constitutional sentinel in electoral governance.

International scholarship treats campaign finance regulation as a complex balance between freedom of political expression and democratic equality. In the United States, academic discourse following Buckley v. Valeo and Citizens United v. FEC reflects deep divisions on whether political spending constitutes protected speech or a regulable source of inequality.

[16] Association for Democratic Reforms v. Union of India (2002) 5 SCC 294.
[17] People's Union for Civil Liberties v. Union of India (2003) 4 SCC 399.
[18] Law Commission of India, 255th Report on Electoral Reforms (2015).
[19]Association for Democratic Reforms v. Union of India (2024) SCC Online SC.

Scholars such as Samuel Issacharoff argue that excessive judicial deference to monetary speech risks "unmooring" democracy from popular sovereignty[20].[9]

In contrast, European scholarship and jurisprudence adopt a more equality-oriented approach. The European Court of Human Rights, particularly in Bowman v. United Kingdom, upheld reasonable restrictions on political expenditure to protect electoral fairness[21].[10] Comparative studies of the United Kingdom and Canada highlight robust disclosure requirements and spending caps as essential tools for maintaining democratic balance.

International organizations such as Transparency International and the Venice Commission emphasize that transparency in political funding is a core democratic value rather than a regulatory burden[22].[11] These comparative insights demonstrate that while regulatory models vary, there is broad consensus that unregulated campaign finance poses systemic risks to democratic accountability.

Despite the richness of existing literature, a critical gap remains in integrating Indian campaign finance regulation with constitutional theory, Ambedkarite democratic philosophy, and comparative constitutional jurisprudence. Much of the existing scholarship either focuses narrowly on statutory reforms or analyzes judicial decisions in isolation. There is limited doctrinal work that synthesizes constitutional principles, judicial interpretation, and international democratic standards into a coherent analytical framework. This study seeks to address that gap by offering a constitutionally grounded and comparative examination of campaign finance regulation in India.

PROBLEMATICS OF THE STUDY

Despite constitutional guarantees of equality, transparency, and democratic participation, campaign finance regulation in India continues to suffer from deep structural and normative deficiencies. The growing monetization of electoral politics has intensified disparities in political influence, enabling wealth to disproportionately shape electoral outcomes. While statutory instruments such as the Representation of the People Act, 1951 and the Companies Act, 2013 seek to regulate political funding, their fragmented design and weak enforcement

[20] Samuel Issacharoff, Democracy Unmoored (Oxford University Press 2015).
[21] Bowman v. United Kingdom (1998) 26 EHRR 1.
[22] Venice Commission, Code of Good Practice in Electoral Matters (Council of Europe).

have failed to adequately address the influence of corporate and anonymous donations. This regulatory inadequacy poses a direct challenge to the constitutional promise of equal political opportunity under Articles 14 and 15 of the Constitution[23].

A central constitutional concern arises from the tension between secrecy in political funding and the voter's right to information. Judicial recognition of the right to know as an integral component of Article 19(1)(a) has transformed electoral transparency into a fundamental democratic requirement[24]. However, mechanisms that permit anonymity in political contributions undermine this jurisprudential development by shielding financial influence from public scrutiny. Such opacity not only erodes electoral fairness but also weakens democratic accountability by preventing citizens from evaluating potential conflicts of interest between donors and policymakers.

Further, the absence of comprehensive expenditure limits on political parties—contrasted with strict limits on individual candidates—creates a regulatory asymmetry that distorts electoral competition. High Courts have repeatedly observed that unchecked party expenditure circumvents statutory ceilings and renders existing controls ineffective[25]. Internationally, constitutional courts have recognized that unregulated political finance can corrode democratic legitimacy, necessitating proportional restrictions in the public interest[26]. These unresolved doctrinal and institutional tensions collectively constitute the core problem addressed by this study.

OBJECTIVES OF THE STUDY

The present study is guided by the following objectives:

- First, to examine the constitutional foundations of campaign finance regulation in India, with particular reference to equality, freedom of expression, and democratic accountability.
- Second, to analyse the jurisprudence of the Supreme Court and High Courts in shaping transparency norms in political funding.

[23] Constitution of India, arts 14–15; Law Commission of India, 255th Report on Electoral Reforms (2015).
[24] Association for Democratic Reforms v. Union of India (2002) 5 SCC 294.
[25] Kanhiya Lal Omar v. R.K. Trivedi (1985) 4 SCC 628; see also Delhi High Court observations on election expenditure regulation.
[26] Bowman v. United Kingdom (1998) 26 EHRR 1 (ECtHR).

- Third, to assess the extent to which Dr. B. R. Ambedkar's vision of substantive democracy informs contemporary debates on political finance.
- Fourth, to undertake a comparative evaluatiSon of international campaign finance regimes and judicial approaches.
- Finally, to propose constitutionally grounded reforms aimed at strengthening transparency and electoral integrity in India.

HYPOTHESES

This study proceeds on the basis of the following hypotheses:

1. Effective regulation of campaign finance is essential to the realization of constitutional democracy and electoral equality in India.
2. Judicial intervention has significantly advanced transparency in political funding, but remains insufficient in the absence of comprehensive legislative reform.
3. Opaque and anonymous political funding mechanisms undermine the voter's right to information and violate constitutional principles of equality and non-arbitrariness.
4. Comparative international practices demonstrate that proportional regulation of political finance enhances democratic accountability without infringing legitimate political expression.

RESEARCH QUESTIONS

The research is structured around the following questions:

1. What constitutional principles govern campaign finance regulation in India?
2. How has the Indian judiciary interpreted political funding in light of Articles 14 and 19(1)(a) of the Constitution?
3. In what ways do anonymous and corporate funding mechanisms affect democratic accountability?
4. What lessons can India draw from international judicial and regulatory approaches to campaign finance?
5. How can campaign finance laws be reformed to align with constitutional morality and Ambedkarite democratic ideals?

RESEARCH METHODOLOGY

The study adopts a doctrinal research methodology, grounded exclusively in secondary sources. Primary legal materials include constitutional provisions, Constituent Assembly Debates, and judicial decisions of the Supreme Court of India and select High Courts. Key Supreme Court judgments such as Association for Democratic Reforms v. Union of India, People's Union for Civil Liberties v. Union of India, and Indira Nehru Gandhi v. Raj Narain form the doctrinal backbone of the analysis[27].[5]

At the High Court level, decisions addressing electoral expenditure and transparency are examined to assess judicial consistency and regional perspectives. Comparative doctrinal analysis is undertaken using international jurisprudence, including decisions of the European Court of Human Rights, particularly Bowman v. United Kingdom, which recognizes the legitimacy of restricting political expenditure to preserve electoral fairness[28].[6] Reference is also made to constitutional debates and scholarly interpretations from the United States and Canada to contextualize differing democratic models.

Secondary sources include authoritative textbooks, peer-reviewed journal articles, Law Commission of India reports, Election Commission publications, and reports of international organizations such as the Venice Commission and Transparency International. Analytical, comparative, and interpretative methods are employed to synthesize constitutional principles with judicial reasoning. This methodology ensures doctrinal coherence, academic rigor, and compliance with research standards.

RESULTS

The doctrinal analysis undertaken in this study reveals that campaign finance regulation in India is constitutionally anchored in principles of equality, transparency, and democratic accountability, yet remains fragmented in its legislative and institutional execution. Judicial interpretation has played a decisive role in bridging normative constitutional mandates with electoral governance, particularly by expanding the scope of the voter's right to information. The Supreme Court's recognition of electoral transparency as an essential component of Article

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[27] Indira Nehru Gandhi v. Raj Narain 1975 Supp SCC 1; People's Union for Civil Liberties v. Union of India (2003) 4 SCC 399.

[28] Bowman v. United Kingdom (1998) 26 EHRR 1.

19(1)(a) has fundamentally altered the legal landscape of political funding, elevating disclosure from a statutory requirement to a constitutional obligation[29].

The study finds that the Indian judiciary has consistently viewed money power in elections as a threat to free and fair electoral competition. In Indira Nehru Gandhi v. Raj Narain, the Supreme Court emphasized that free and fair elections form part of the basic structure of the Constitution, thereby subjecting electoral processes—including financial aspects—to constitutional scrutiny[30]. Subsequent decisions, most notably Association for Democratic Reforms v. Union of India and People's Union for Civil Liberties v. Union of India, further entrenched the principle that an informed electorate is indispensable to democratic governance[31].[3] These rulings collectively establish that opacity in political funding undermines both electoral equality and the legitimacy of representative institutions.

At the High Court level, judicial observations reinforce concerns regarding regulatory asymmetry in campaign finance. Several High Courts have noted that statutory expenditure limits imposed exclusively on candidates, while political parties remain largely unregulated, enable circumvention of electoral finance controls[32].[4] This judicial recognition highlights an institutional gap that weakens enforcement mechanisms and perpetuates inequality in political competition.

The results also indicate a constitutional tension between legislative policy choices and judicially articulated transparency norms. While Parliament has introduced mechanisms purportedly aimed at formalizing political funding, judicial scrutiny has increasingly questioned whether such measures satisfy constitutional standards of equality and non-arbitrariness under Article 14. The Supreme Court's recent invalidation of anonymous political funding instruments underscores the judiciary's commitment to prioritizing voter awareness and democratic accountability over administrative convenience or donor confidentiality[33].

From a comparative perspective, the study finds strong convergence between Indian judicial reasoning and international democratic standards. The European Court of Human Rights, in Bowman v. United Kingdom, upheld restrictions on political expenditure as necessary to

[29] Association for Democratic Reforms v. Union of India (2002) 5 SCC 294.
[30] Indira Nehru Gandhi v. Raj Narain 1975 Supp SCC 1.
[31] People's Union for Civil Liberties v. Union of India (2003) 4 SCC 399.
[32] See, e.g., observations of the Delhi High Court on election expenditure and party spending controls.
[33] Association for Democratic Reforms v. Union of India (2024) SCC OnLine SC

protect electoral fairness, recognizing that unregulated financial influence can distort democratic choice[34]. Similarly, constitutional courts in several democracies have accepted disclosure requirements and spending limits as proportionate restrictions compatible with political expression. These international norms reinforce the Indian judiciary's approach that transparency and equality are legitimate constitutional objectives in regulating political finance.

Finally, the study reveals that Dr. B. R. Ambedkar's constitutional philosophy remains deeply relevant to contemporary campaign finance debates. His insistence that democracy must extend beyond formal political equality to address structural economic imbalances finds judicial affirmation in decisions emphasizing substantive fairness in electoral processes[35]. The results thus demonstrate that while Indian campaign finance regulation has made significant constitutional strides through judicial interpretation, the absence of coherent legislative reform continues to hinder the realization of a fully transparent and accountable electoral system.

DISCUSSION

The findings of this study underscore that campaign finance regulation in India has gradually evolved from a statutory concern into a constitutionally significant domain shaped predominantly by judicial interpretation. The Supreme Court's consistent emphasis on transparency and electoral integrity reflects an understanding that financial opacity poses a structural threat to democratic governance. By linking political funding to fundamental rights, particularly Article 19(1)(a), the judiciary has reinforced the normative proposition that democracy requires not only the right to vote but also the right to make an informed electoral choice[36].

A central theme emerging from judicial discourse is the tension between formal political equality and substantive democratic fairness. While statutory frameworks impose expenditure ceilings on candidates, the relative absence of binding limits on political parties has created an uneven regulatory landscape. High Court observations have highlighted how this asymmetry enables circumvention of electoral finance laws, thereby diluting the effectiveness of statutory

[34] Bowman v. United Kingdom (1998) 26 EHRR 1 (ECtHR)
[35] B. R. Ambedkar, Constituent Assembly Debates, Vol. VII (Government of India).
[36] Association for Democratic Reforms v. Union of India (2002) 5 SCC 294.

controls[37]. This regulatory gap illustrates the limits of piecemeal reform and underscores the need for a holistic constitutional approach to campaign finance regulation.

The Supreme Court's recent intervention against anonymous political funding mechanisms represents a critical assertion of constitutional accountability. By prioritizing the voter's right to information over donor anonymity, the Court reaffirmed that secrecy in political finance is incompatible with constitutional guarantees of equality and non-arbitrariness under Article 14[38]. This approach aligns with earlier jurisprudence recognizing free and fair elections as part of the Constitution's basic structure, thereby subjecting electoral finance policies to heightened constitutional scrutiny[39].

Dr. B. R. Ambedkar's constitutional philosophy provides an essential interpretative framework for understanding these developments. Ambedkar's insistence that political democracy must rest upon social and economic democracy resonates strongly with judicial concerns regarding the disproportionate influence of wealth in elections. His warning that democracy could be subverted by entrenched economic power finds contemporary expression in judicial efforts to curb opaque funding practices[40]. The discussion thus reveals a continuity between Ambedkarite constitutional ideals and modern judicial responses to campaign finance challenges.

Comparative jurisprudence further strengthens the normative case for robust regulation. The European Court of Human Rights, in Bowman v. United Kingdom, upheld restrictions on political expenditure as necessary to protect electoral fairness, recognizing that unregulated financial influence undermines democratic equality[41]. Similarly, international democratic frameworks endorse transparency and proportional regulation as legitimate state interests. These comparative perspectives demonstrate that Indian judicial reasoning is not an outlier but part of a broader constitutional consensus that democratic integrity justifies reasonable restrictions on political finance.

However, the discussion also reveals the limitations of judicially driven reform. While courts have articulated clear constitutional principles, the absence of comprehensive legislative action

[37] See observations in High Court decisions addressing election expenditure and party funding controls.
[38] Association for Democratic Reforms v. Union of India (2024) SCC Online SC.
[39] Indira Nehru Gandhi v. Raj Narain 1975 Supp SCC 1
[40] B. R. Ambedkar, Constituent Assembly Debates, Vol. VII (Government of India).
[41] Bowman v. United Kingdom (1998) 26 EHRR 1 (ECtHR).

continues to impede effective enforcement. Reports of the Law Commission of India and the Election Commission repeatedly emphasize that judicial intervention alone cannot substitute for coherent statutory reform[42]. Without legislative alignment, constitutional norms articulated by the judiciary risk remaining aspirational rather than operational.

In sum, the discussion highlights that campaign finance regulation in India occupies a critical intersection of constitutional rights, democratic accountability, and institutional design. Judicial interpretations have laid a strong normative foundation, rooted in constitutional morality and Ambedkarite democratic thought. Yet, the persistence of regulatory gaps and enforcement challenges underscores the need for legislative reforms that internalize these constitutional principles. The future of democratic accountability in India thus depends on a synergistic relationship between constitutional adjudication and legislative responsibility.

SUGGESTIONS

The constitutional and judicial analysis undertaken in this study indicates that reform of campaign finance regulation in India must be anchored in transparency, equality, and democratic accountability. The foremost reform imperative is the establishment of comprehensive and mandatory disclosure norms for political funding. The Supreme Court has unequivocally recognized that the voter's right to information regarding political actors is an integral part of freedom of speech and expression under Article 19(1)(a)[43]. Any funding mechanism that obscures the identity of donors or the quantum of contributions undermines this constitutional guarantee and weakens informed electoral choice.

Secondly, the existing regulatory asymmetry between candidates and political parties requires urgent correction. While candidate expenditure limits have been upheld as constitutionally valid, the absence of corresponding statutory limits on political parties has rendered such controls ineffective. In Kanhiya Lal Omar v. R.K. Trivedi, the Supreme Court acknowledged that expenditure controls are essential to prevent electoral distortion by money power[44].[2]Several High Court observations have further noted that unregulated party expenditure defeats the purpose of candidate spending ceilings, enabling indirect

[42] Law Commission of India, 255th Report on Electoral Reforms (2015); Election Commission of India Reports.
[43] Association for Democratic Reforms v. Union of India, (2002) 5 SCC 294.
[44] Kanhiya Lal Omar v. R.K. Trivedi, (1985) 4 SCC 628.

circumvention of electoral law[45]. A unified statutory framework regulating both candidates and political parties would better reflect the constitutional principle of equality under Article 14.

Thirdly, the institutional strengthening of the Election Commission of India (ECI) is indispensable. The Law Commission of India and the Election Commission itself have repeatedly emphasized that effective campaign finance regulation depends on an independent and empowered supervisory authority[46]. Comparative international experience demonstrates that electoral management bodies with robust enforcement powers significantly enhance compliance and public confidence[47]. Granting the ECI enhanced statutory authority to audit political party finances and impose proportionate sanctions would align India with global democratic standards.

Fourthly, the study supports reconsideration of partial state funding of elections, subject to strict transparency and accountability conditions. The Law Commission has recommended state funding as a means to reduce the influence of private wealth in politics and to promote a level playing field[48]. International democratic systems, particularly in Europe, demonstrate that public funding when combined with disclosure obligations—can strengthen political pluralism without compromising democratic competition[49].

Finally, legislative reform must be guided by the doctrine of constitutional morality, a concept repeatedly emphasized by the Supreme Court and rooted in Dr. B. R. Ambedkar's constitutional philosophy[50]. Campaign finance regulation should not merely aim at procedural compliance but must actively prevent concentration of political power and preserve the substantive democratic ethos envisioned by the Constitution.

CONCLUSION

This study demonstrates that campaign finance regulation is not a peripheral electoral issue but a core constitutional concern directly affecting democratic legitimacy in India. Although the Constitution does not expressly regulate political funding, its foundational principles—equality

[45] See, e.g., Delhi High Court observations on election expenditure and party funding controls.
[46] Law Commission of India, 255th Report on Electoral Reforms (2015); Election Commission of India, Proposed Electoral Reforms.
[47] Venice Commission, Code of Good Practice in Electoral Matters (Council of Europe).
[48] Law Commission of India, 255th Report on Electoral Reforms (2015).
[49] Samuel Issacharoff, Democracy Unmoored: Populism and the Corruption of Popular Sovereignty (Oxford University Press 2015).
[50] Government of NCT of Delhi v. Union of India, (2018) 8 SCC 501.

before law, freedom of expression, and free and fair elections—collectively mandate robust regulation of campaign finance. Judicial interpretation has played a decisive role in constitutionalizing transparency by affirming that the voter's right to know is central to democratic participation.

The Supreme Court has consistently warned against the corrosive impact of money power on electoral democracy. In Indira Nehru Gandhi v. Raj Narain, the Court held that free and fair elections form part of the basic structure of the Constitution, thereby subjecting electoral processes, including financial aspects, to constitutional scrutiny[51]. This jurisprudential position has been reaffirmed in subsequent decisions emphasizing that secrecy and opacity in political funding undermine electoral equality and public trust.

Dr. B. R. Ambedkar's constitutional vision remains deeply relevant to contemporary campaign finance debates. His insistence that political democracy must be supported by social and economic democracy underscores the dangers of allowing economic dominance to translate into political control[52]. Judicial efforts to promote transparency and accountability in political funding reflect an implicit alignment with this Ambedkarite understanding of substantive democracy.

Comparative international jurisprudence further strengthens the legitimacy of regulating political finance. The European Court of Human Rights, in Bowman v. United Kingdom, upheld restrictions on political expenditure as necessary to preserve electoral fairness, recognizing that unchecked financial influence can distort democratic choice[53]. International standards articulated by bodies such as the Venice Commission also affirm that transparency in political funding is essential to democratic governance[54].

In conclusion, while Indian courts have laid a strong constitutional foundation for transparent and accountable campaign finance, judicial intervention alone cannot ensure systemic reform. The realization of constitutional democracy ultimately depends upon comprehensive legislative action informed by constitutional morality, judicial precedent, and international democratic standards. Effective campaign finance regulation is therefore indispensable to

[51] Indira Nehru Gandhi v. Raj Narain, 1975 Supp SCC 1.
[52] B. R. Ambedkar, Constituent Assembly Debates, Vol. VII (Government of India).
[53] Bowman v. United Kingdom, (1998) 26 EHRR 1 (ECtHR).
[54] Venice Commission, Code of Good Practice in Electoral Matters (Council of Europe).

ensuring that political power in India remains accountable to the people rather than subordinate to financial influence.