

SPECTRUM OF MODERN ELECTIONEERING: CAMPAIGN BUDGETS AND SPENDING PATTERNS IMPACTING INDIAN DEMOCRACY

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ABSTRACT

The process of election is not just a mechanism to voice up the citizens to express their opinions and choose representatives for the entire nation but also considered as the backbone of the democratic system. This paper examines the relationship between the interlinked concepts of election and democracy because the elections are the mechanism and democracy is the ideal. However, the alarming increase in the election expenses has created a hurdle for capable yet under-resourced candidates from stepping into the Legislative Organs. Election campaigns have highlighted the rapid increase in electoral spending, which erodes democracy, questions transparency and threatens free and fair elections. Through this research, we aim to probe the financial electoral trends in election campaigns and their outcomes and reflect how democracy can be reclaimed from money power and restored to its rightful custodian- the citizens.

This research paper reveals how the development has become politicized and also shows the influence of 'the price of money' in the recent elections which cause a steady rise in election campaigns. Furthermore, this paper concludes with proposals of robust legal provisions regarding the limits on electoral spending, stringent action against the illegal means etc. to maintain the essence of election.

Keywords: *Election Expenditure, Democracy, Electoral Bond, Politicized Development, Political Accountability*

1. INTRODUCTION

“How much does it cost to sway the sovereign will and who shoulders the price?”

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Elections, once described as an "oasis of democracy" by the Supreme Court of India in the case of *Lakshmi Charan Sen v. Akm Hassan Uzzaman*,¹ have now become a desert of accountability, fertile only for the wealthy.

In India, the nature of elections has undergone a massive transformation. To understand the magnitude of this transformation, let's revisit the 1951-52, India's first General Elections where the expenditure in absolute terms was Rs. 10.45 Crore.² The candidates moved on bullock carts, held modest public meetings, sat beneath Banyan trees on charpoys sipping tea in steel tumblers to debate political ideas and relied on door-to-door engagements with their voters. **The Election Commission (ECI)** printed ballot papers picturing party symbols, and deployed ballot boxes made of wood and steel. 17 crore electors, many barefoot and illiterate, stood in snaking queues for hours, demonstrating a democratic spirit that was raw and real.

Fast forward to 2024, the Lok Sabha elections shattered all past records to become the most expensive electoral event in the world. As per the **Centre for Media Studies (CMS)**, a non-profit organisation which is tracking and recording election expenditure for 35 years, chaired by N Bhaskar Rao, the overall expenditure touched Rs. 1.35 lakh crore.³ Today, elections have turned into carnivals, policies have been replaced by algorithms, candidates are carried through private jets from one rally to another, important news are swiped away to include 24x7 election campaign coverage on televisions, corporate-funded campaigns and paid media fill giant hoardings and YouTube ads, while anonymous donors script narratives behind the curtains.

1.1. Objectives of Study

The central investigation of this research paper is to understand the pathway of electoral spending and to critically examine the rising trends of expenses in Indian Elections. It also covers the draconian impact on the very democracy of the country and suggests ways to curb unnecessary electoral spending. The study aims:

1. To understand the latest trends of election expenditure and modifications in the method of election campaigning.

¹ AIR 1985 SC 1233.

² Press Information Bureau, *available at*: <https://www.pib.gov.in/newsite/printrelease.aspx?relid=104557> (last visited September 19, 2025).

³ Association for Democratic Reforms, *available at*: <https://adrindia.org/content/transparency-election-financing-myth> (last visited September 19, 2025).

2. To visualize the glaring mismatch between the declared expenditure and actual spending.
3. To highlight the lacunas, present in the functioning of elections due to lack of transparency, influence of monetary power, malpractices etc.
4. To cover the legal provisions and judicial precedents that regulate election campaigning.
5. To thoroughly discuss the concept of the Depoliticization of Development and Political Accountability.
6. To provide recommendations for a transformation in the governance of Electoral Functioning.

2. RESEARCH METHODOLOGY

This study employs comparative, qualitative and analytical methodology based on both primary and secondary data which combines empirical data and legal analysis in order to holistically address the theme of the research.

2.1 Historical-Comparative Approach

To trace the transformation of election expenditure, the research adopts a historical lens. Archival data from the Election Commission of India (ECI) on the 1951-52 elections is compared with recent estimates from the 2024 Lok Sabha elections. This diachronic approach helps to show the scale and pace of change in electoral financing.

2.2 Data Sources and Case Materials

Primary Sources such as legislations like the Representation of the People Act, 1951; Conduct of Election Rules, 1961, The Bharatiya Nyaya Sanhita, 2023, Finance Acts of 2016 and 2017, and landmark Supreme Court judgments; data from the Election Commission of India, Association for Democratic Reforms (ADR) reports, Centre for Media Studies (CMS) election expenditure studies, Comptroller and Auditor General (CAG) audits. Official Statements by Election Commissioners and Chief Electoral Officers and Global campaign finance models in the US, UK, Brazil, Canada, and France form the basis of this research work.

2.3 Analytical Framework

The study uses a thematic analysis by categorising election expenditure into five heads namely, publicity, rallies, candidate expenses, voter management, and state expenditure. Each category is analysed for both declared and undeclared costs, providing a clearer picture of real expenditures.

2.4 Legal-Doctrinal Method

Given the influential role of law in regulating elections, the study uses doctrinal research to interpret statutory provisions, legislative amendments, and judicial precedents to evaluate how laws have been shaped to either curb or facilitate money power.

2.5 Limitations

The study acknowledges limitations such as reliance on reported data, underreporting of actual expenses, and restricted access to party-level financial disclosures. These constraints reflect the very opacity that this research critiques, which paradoxically strengthens the argument for reform.

2.6 Normative

The research does not stop at identifying issues but advances reform-oriented recommendations, rooted in constitutional principles of equality, fairness, and accountability.

3. CONTENT AND DATA ANALYSIS

3.1 Unveiling the Anatomy of Electoral Spending

The sprawling operations of elections mobilise the machinery of persuasion, logistics, publicity on a continental scale. But what exactly is the money spent on and how does this reflect the ground realities of India's electoral landscape? There exists a glaring mismatch between declared expenditure and actual spending. As per an analysis of candidates' affidavits, **Association for Democratic Reforms' (ADR)** ground reports suggest that actual spending by candidates is often 3 to 5 times of the permissible limit but most candidates report spending only around 50% of the cap imposed upon them.⁴

The reason behind the mismatch is unaccounted cash, third-party spending, and non-transparent donations. There are visible as well as invisible components of election expenditure, like:

⁴ Association for Democratic Reforms, <https://adrindia.org/content/nearly-half-of-delhi-mlas-spent-less-than-50-of-poll-expense-limit-adr> (last visited September 19, 2025).

3.1.1 Publicity and Advertising

The BJP officially spent Rs. 1,264 crore during the 2019 Elections, Rs. 444 crore more than the Congress, which spent Rs. 820 crore on its publicity,⁵ making publicity and advertising, done via newspapers, television, radio, social media, other digital platforms, LED vans, hoardings, banners, wall paintings, etc., the most visible and costly component.

3.1.2 Rallies and Logistics

Another mind-boggling scale of expense incurred is to cater to rallies which remain a major vote-enticing event, especially in rural and semi-urban India. Political Parties book large venues, rent tents, chairs, sound systems, LED screens, and arrange conveyance for an ocean of attendees. Local influencers, performers and volunteers are hired and paid. In a single constituency, major parties often hold dozens of public meetings.

3.1.3 Candidate's Personal Campaign

The cap on individual candidate expenditure imposed by the ECI, which is Rs. 95 lakhs for Lok Sabha and Rs. 40 lakhs for most state assemblies⁶ is routinely circumvented through underreporting and indirect spending by their parties. Candidates purchase vehicles for campaigns, fuel them up, hire staff and security and spend massively on the preparation of pamphlets, door-to-door outreach kits, and constituency-specific merchandise for local promotions.

3.1.4 Voter Management

Often cloaked in secrecy this is the shadow zone of campaign finance. It includes vote-purchasing by distribution of cash among the less aware sections of the society. Gifts like alcohol, mobile phones, gold-silver plated coins, and groceries are distributed to win votes. Ahead of the 2021 Tamil Nadu State elections, Satyabrata Sahoo, the chief electoral officer of Tamil Nadu reported the seizure of

⁵ Himanshi Dahiya, "Who's Paying the Price? Inside BJP's Record-Breaking Election Spending in 2024", *The Quint*, May 29, 2025, <https://www.thequint.com/news/politics/inside-bjps-record-breaking-election-spending-in-2024-lok-sabha-elections-deepdive> (last visited September 14, 2025).

⁶ Sambasiva Rao M., "ECI prescribes maximum limit on election expenses of each contesting candidate", *The Hindu*, March. 10, 2024, available at: <https://www.thehindu.com/elections/andhra-pradesh-assembly/eci-prescribes-maximum-limit-on-election-expenses-of-each-contesting-candidate/article67932692.ece> (last visited September 14, 2025).

Rs. 225.52 crore cash, liquor worth Rs 4.61 crore, drugs-narcotics worth Rs. 2.21 crore and precious metals worth Rs. 176.11 crore.⁷

Similarly, the Chief Election Commissioner of India, Rajiv Kumar, on June 3, 2024 announced the seizure of Rs. 10,000 crore by the ECI. The seizure potentially curbed vote-buying and corruption in the 2024 Elections. He added that the amount seized in 2019 was Rs. 3,477 crore.⁸

3.1.5 Expenditure from the State's Exchequer

The state also spends a king's ransom in conducting elections. It deploys EVM/VVPAT, armed personnel, sets-up and maintains polling infrastructure, hires security and manpower. According to government data, the Election Commission's budget has escalated from Rs. 236.6 crore in 2019 elections to Rs. 340 crore in 2024 elections.⁹ State Governments also expend hefty amounts on the maintenance of law and order.

3.2 Electoral Impediments

The concern for the unregulated expenses of the elections has escalated in recent times due to various significant factors like lack of transparency, influence of monetary power, muted legal provisions, distortion of democracy, malpractices, evolution of corruption, and infringement of voter's rights. The CMS estimated that electoral spending in the 2024 election was approximately Rs. 1,00,000 crore which is far costlier than the 2019 election, where the total incurred amount was Rs. 60,000 crore.¹⁰

This high expenditure comes with a number of challenges. Threat to democracy pays the real price of this extravagant show of money power. Young, first-time

⁷ Julie Mariappan, "Tamil Nadu election: Cash and valuables worth Rs 428.46cr seized; CEO says EC can decide on rescinding polls anytime", *The Times of India*, April 5, 2021, available at: <https://timesofindia.indiatimes.com/elections/assembly-elections/tamil-nadu/tamil-nadu-election-cash-and-valuables-worth-rs-428-46cr-seized-ceo-says-ec-can-decide-on-rescinding-polls-anytime/articleshow/81913049.cms> (last visited September 15, 2025).

⁸ The Economic Times, available at: <https://economictimes.indiatimes.com/news/elections/lok-sabha/india/record-rs-10000-crore-seized-during-elections-chief-election-commissioner/articleshow/110660998.cms?from=mdr> (last visited September 15, 2025).

⁹ Nandini Singh, "Lok Sabha election 2024: How much does it cost to hold elections in India?" *Business Standard*, April 19 2024, available at: https://www.business-standard.com/elections/lok-sabha-election/lok-sabha-election-2024-how-much-does-it-cost-to-hold-elections-in-india-124041900352_1.html (last visited September 15, 2025).

¹⁰ Association for Democratic Reforms, available at: <https://adrindia.org/content/transparency-election-financing-myth> (last visited September 15, 2025).

candidates hailing from remote areas who come with decent educational backgrounds, are idealistic and carry with them a vision for inclusive development, get sidelined unless they can muster crores of rupees for campaigning.

Higher election expenses serve as barriers at entry levels and deny a level playing field to capable and public-spirited candidates hailing from underprivileged backgrounds. It compromises policy making and administration which results in corruption and undermines the quality of governance. This puts the entire process of election at stake.

In the current Lok Sabha, the assets of 93% of the members is recorded to be in several crores,¹¹ indicating that a millionaire has much better chances of becoming an MP or an MLA at the cost of the honest and more deserving low-income Indians. Alas, the paradox- poor India with rich parliamentarians!

Representatives are predominantly being chosen based on Cash, Caste, Community, and Criminal prowess rather than being chosen on the grounds of Character, Conduct, Calibre and Capacity.

The ADR revealed the existence of lack of transparency of political funding claiming that sixty percent of the country's six major political parties are funded from undisclosed sources including the electoral bonds.¹² The CMS mentioned that the expenditure per elector in the 2024 election reached Rs 1400.¹³ Ironically, in a democracy with a single value for every vote, elections have become a game of unequal money power.

3.3 Electoral Bond Scheme, the Gigantic Swindle of India

Although the Electoral Bond was introduced by the Former Finance Minister Arun Jaitley while presenting the 2017-2018 Union Budget, it came into the limelight in 2024, when it was declared unconstitutional in the case of *Association for Democratic Reform and Anothers v. Union of India*¹⁴. The court held that this

¹¹ The Hindu, *available at*: <https://www.thehindu.com/news/national/at-least-93-of-lok-sabha-poll-winners-are-crorepatis-adr-analysis/article68258651.ece> (last visited September 17, 2025).

¹² Association for Democratic Reforms, *available at*: <https://adrindia.org/content/transparency-election-financing-myth> (last visited September 17, 2025).

¹³ Association for Democratic Reforms, *available at*: <https://adrindia.org/content/2024-ls-polls-pegged-costliest-ever-expenditure-may-touch-rs-135-lakh-crore-expert> (last visited September 17, 2025).

¹⁴ (2024) 5 SCC 1.

scheme violates the fundamental right of voters enshrined in **Article 19(1)(a)** of the Indian Constitution ordered it to be discontinued from immediate effect.

Electoral Bond was introduced as a replica of promissory note, but unlike promissory notes, it did not feature the names of the payer and payee. It was a financial instrument that any individual or company could buy and donate to political parties to withdraw it in cash for election campaigning.

3.3.1 Background

Before welcoming this scheme, the Parliament passed the Finance Act, 2016 which made an amendment in the Foreign Contribution Regulation Act, 2010. The definition of 'foreign source' given in **section 2(1)(j)(iv)** was amended to allow the foreign companies, holding the majority of shares in the Indian companies, to donate to political parties.

Then the Finance Act, 2017 amended the following acts:

- Representation of the People's Act, 1951 - **Section 29C** was inserted with a proviso which exempted the political parties from publishing the contribution made from the Electoral Bonds.
- Reserve Bank of India Act, 1934 - **Section 31** was amended under which the Union Government authorized the scheduled banks to issue Electoral Bonds.
- Income Tax Act, 1961 - **Section 13A** was amended to exempt the political parties from maintaining any record of the donations made out from Electoral bonds.
- Companies Act, 2013 - **Section 182** imposed a cap of 7.5% on a company's three years net profit for the donation to political parties, but the amendment removed the cap on the donations.

Following these amendments, a sense of public dissatisfaction emerged which led to the filing of a writ petition before the Supreme Court by two prominent non governmental organisations - ADR and Common Cause, and the Communist Party of India. The petition challenged the procedure undertaken for passing the Finance Act, 2017 and questioned the legitimacy of the Electoral Bonds scheme.

3.3.2 Decision of the court

The constitutional bench of five judges led by CJI Chandrachud, with Justices Sanjiv Khanna, B.R. Gavai, J.B. Pardiwala and Manoj Mishra, on 15 February,

2024, declared the Electoral Bonds Scheme to be unconstitutional and unanimously struck down the amendments made to other laws related to election.

Table 1. Party Wise Break-Up of Electoral Bonds Sold Between 2017-18 And 2022-2023¹⁵

Year	BJP	CONGRESS	TMC	DMK	TRS	TRSYSRCP	BJD
2017-18	210 cr	5 cr	0	0	0	0	0
2018-19	1450 cr	383 cr	97 cr	0	141 cr	99 cr	213.5
2019-20	255 cr	317 cr	100 cr	45 cr	89 cr	74 cr	50.5
2020-21	22 cr	10 cr	42 cr	80 cr	0	96 cr	67 cr
2021-22	1033 cr	237 cr	528 cr	306 cr	153 cr	60 cr	121 cr
2022-23	1300 cr	171 cr	325 cr	185 cr	529 cr	52 cr	152 cr
Total	6570 cr	1123 cr	1092 cr	616 cr	912 cr	381 cr	774 cr

3.4 Legislative Measures to Regulate Electoral Campaigning

In common parlance, the term ‘Election’ refers to the selection of an individual or group of individuals by a certain population, either formally or informally, to vest that selected person with any power or benefit. Since the 17th century, elections have been widely used by the modern democratic systems to fill a number of offices in the legislature and sometimes in the executive and judiciary.

In the Indian Constitution, **Part XV, Article 324 to 329A**, deals with the provisions relating to election. **Article 324** vests the ECI, the highest authority for the regulation of elections in India, with the “power of superintendence, direction and control of the preparation of the electoral rolls and for the conduct of the elections to Parliament, legislature of every state and of the offices of President and Vice President.” It issues guidelines and notifications, prescribing a set of legal frameworks for monitoring and maintaining transparency.

Legal provisions for the governance of election expenditure:

3.4.1 The Bharatiya Nyaya Sanhita, 2023

Sections 176 and 177 talk about the payment and accounts of any expenditure that occurred during the election. While **Section 176** discusses the punitive measures to be taken against the person who makes illegal payments in connection with an election, **Section 177** penalises the person who was required to keep accounts of expenses incurred in any election but failed to do so.

¹⁵ Anna Isaac, “Electoral Bonds: How much did political parties make? A break-up”, *The NEWS Minute*, February 15, 2024, available at <<https://www.thenewsminute.com/news/newselectoral-bonds-how-much-did-political-parties-make-a-brea-up>> (last visited on November 29, 2025).

3.4.2 The Representation of the People's Act, 1951

Section 77 imposes liability on the candidate to keep the correct and original accounts of all the expenditure incurred from the date of nomination till the date of result declaration. However, **Section 77(3)** expresses that such expenditure shall not exceed the prescribed amount. **Rule 90** of the Conduct of Election Rules, 1961 specifies the total limit of the expenditure that is to be incurred or authorised during the election by the candidate.

Section 78, read with **section 77**, confers that every candidate shall submit the election expense account to the district election officer within 30 days of the result declaration. However, **Section 10A** addresses that any candidate failing to submit such accounts or reports of election expenses or failing to do so in the prescribed time, shall be disqualified for a period of three years. Further, **Sections 8A** and **11A** deal with the disqualification of candidates on the ground of corrupt practices. The meaning of 'Corrupt practices' shall be construed from **Section 123** of the Act.

3.4.3 Conduct of Election Rules, 1961

Framed under the RPA, 1951, it lays down a set of legal provisions regarding procedure and regulations for conducting elections. It ensures fairness and transparency during the election to exclude malpractices and corrupt means.

3.5 Judicial Precedents

Apart from the Legislature and ECI, the judiciary also plays an active role to ensure fair-minded and unbiased elections. By certain judicial precedents, the Constitutional courts have interpreted and made observations with regards to the scope of election regulations.

Cases which laid down notable reforms in the regulatory frameworks:

3.5.1 Kanwar Lal Gupta v. Amar Nath Chawla¹⁶

In this case, the Supreme Court interpreted Section 77 of the RPA, 1951 and struck out all the ambiguities relating to the inclusion of third party expenditure in the electoral spending. The court held that other than the spending done by the candidate, all the amounts spent during the election by a third party shall be enumerated in the candidate's expenditure account. However, in 1974, an amendment took place and added an explanation in Section 77(1) to the effect that

¹⁶ (1975) 3 SCC 64.

any expenditure made out by the third parties or any individual other than the candidate shall not be deemed to be the expenditure incurred or authorised by the candidate.

3.5.2 P. Nalla Thampy Terah v. Union of India¹⁷

The constitutional validity of the 1974 amendment was challenged in this case. It was held to be violative of Article 14 since it created discrimination between the parties and candidates on the basis of money power.

3.5.3 Common Cause, a Registered Society v. Union of India¹⁸

The Court reiterated that any expenditure falling under the scope of the Explanation of Section 77(1) of the RPA, 1951 shall be presumed to be covered under the candidate's electoral spending. Later, the Election and Other Related Laws (Amendment) Act 2003 substituted this explanation with the current one.

4. ARGUMENTS AND DISCUSSION

4.1 Depoliticization of Development and Political Accountability

In India, development has become highly politicised, governance has become a tool for campaigns and accountability has been visibly diluted. Village roads, bridges that have remained broken for years are magically repaired, potholed roads gleam with tar, and medical camps are arranged overnight when elections draw near. This reflects a troubling phenomenon where development has become a reward for political loyalty.

4.1.1 The Picture of Politicised Development

Democracy undoubtedly comes with a promise for the progress of every citizen irrespective of their caste, creed or which party their vote goes to. Yet, in India, development is activated and fast paced not by long term planning but mostly to manipulate the patterns of voting.

Renaming and relaunching of schemes by successive governments like Ayushman Bharat, MGNREGA, PMAY are images of how public welfare is routinely sacrificed for political branding. Budgets are drafted in alignment with election cycles with spikes in capital projects and freebies just before voting. Political leaders are more concerned with service visibility than service delivery.

¹⁷ AIR 1985 SC 1133.

¹⁸ (1996) 2 SCC 752.

The distribution of gas cylinders, cash transfer, all aim towards electoral gain, student voters are manipulated by distribution of mobile phones, tablets and laptops right before elections as was seen in Uttar Pradesh before the 2024 General Elections.¹⁹ By this unchecked campaign expenditure, candidates and parties try to nail two birds with one stone, i.e., simulate governance and win votes.

4.1.2 Challenges of Politicised Development

The turning of development into a political tool comes with costs to bear. The allocation of resources is transferred to regions with richer vote expectations deserting the areas with higher needs. Candidates entice people of their castes or communities to vote for them and in turn merit takes a backseat. Short-term populism is prioritised over long-term planning. The **Comptroller and Auditor General (CAG)** has flagged multiple instances where projects were speedily approved and executed around state assembly elections, with poor oversight. In one such instance the CAG found that in multiple states, over 35% of sampled roads constructed under the Pradhan Mantri Gram Sadak Yojana hastily during election periods, had defects such as poor drainage, inadequate compaction, cracked surfaces, and many lacked follow-up maintenance.²⁰

This results in undermining the credibility of the State in the eyes of the citizens alongside fostering inequality and exclusion.

4.1.3 Absence of Political Accountability

The perfect example of the absence of political accountability is the rare fulfillment of manifestos, which once served as vote collection traps by Political Parties, after they came into power as happened in 2015 Delhi elections, where the Aam Aadmi Party gave a broad commitment in the manifesto to grant Delhi a recognition of full statehood. This promise, however, could not be carried out as it requires Constitutional Amendments and good cooperation with the Central Government. It seems to be a classic example of *nemo dat quod non habet* (one cannot give what

¹⁹ Jasreet Kaur, "UP Govt Approves Distribution Of 25 Lakh Smartphones To Students", *The Daily Jagran*, Aug 23, 2023, available at: <https://www.thedailyjagran.com/uttar-pradesh/up-govt-approves-distribution-of-25-lakh-smartphones-to-students-10095672> (last visited September 18, 2025).

²⁰ Comptroller and Auditor General of India, available at: https://cag.gov.in/uploads/download_audit_report/2016/Union_Civil_Rural%20Development_Report_23_2016_Performance_Audit.pdf (last visited Jul. 19, 2025).

one does not possess) which reflects how the political parties use their manifestos simply as vote-alluring tactics.²¹

Many MPs maintain low participation in parliamentary attendance, debates and question hour. According to PRS Legislative Research, in the 17th Lok Sabha (2019-24), the average MP attendance was just around 79%, and several high-profile MPs did not ask a single question in five years.²² This brings with it a culture where being elected is seen as an entitlement, not a responsibility.

4.1.4 Need for Depoliticization of Development and restoration of Political Accountability

Since the electoral success of many depends more on money than on merit, candidates do not feel any compulsion to serve, but just to win seats.

Depoliticization of development is paramount as it ensures that governance serves the country and not just vote banks. It is the need of the hour to remove the manipulation of welfare for electoral gain and replace it with long-term, citizen-centric planning insulated from campaign compulsions.

The nation can never talk about political accountability or equitable development without confronting the elephant in the room, which is unrestrained, unregulated, and unchecked election expenditure. Until this root cause is addressed, reforms will remain cosmetic because in a democracy, if money becomes the loudest voice in the room, every citizen is at risk of being silenced. It is high time to remember that neither elections are auctions nor democracy is for sale.

4.2 Global Trends

Globally, politics battles with the impact of money. Each nation shares an international pursuit to balance the scales of legitimate political funding and restraining its negative influence on democracy.

The US and UK allow private donations but with strict caps, disclosure rules, and independent watchdogs. Governments of Germany, Sweden and Brazil

²¹ AAP Manifesto, 2015, *available at*: https://archive.aamaadmparty.org/wp-content/uploads/2017/10/AAP-Manifesto-2015_70-Pt-Action-Plan.compressed.pdf (last visited Jul. 19, 2025).

²² PRS Legislative Research, *available at*: <https://prsindia.org/parliamenttrack/vital-stats/participation-of-mps-in-the-17th-lok-sabha> (last visited September 16, 2025).

allocate state funds to political parties based on performance or eligibility to reduce dependency on private money. The campaign financing model in Canada and France, subject to strict transparency, combines state subsidies, tax incentives, and private donations.

To realise the dream of “Citizens First” or for truly making “Citizens, the master of democracy,” India can take lessons from mature democracies to improve transparency, accountability, and reform. For instance, Electoral finance laws have been reformed by many States after facing public backlash and legal scrutiny. After the Car Wash scandal, in 2015 the Brazilian supreme court banned corporate donations to candidates and parties in future elections and moved toward state-funded campaigns.²³

5. RESULT/FINDINGS

This research work brings into picture how unregulated election expenditure corrodes the very foundations of democracy. It is majorly money which dictates the form and the substance of electioneering, pushing ideology and governance to the margins. The above mentioned data boldly reveals that parties spend the lion’s share of their resources on advertisements. This largely privileges parties with deeper pockets, kicking out smaller players and commodifies elections to a marketplace transforming voters from citizens to consumers. The entrenched dishonesty of candidates is demonstrated by how regulatory caps are routinely subverted through indirect spending, third-party finance, and under-the-table cash flows. Instead of empowering voters, cash, liquor, drugs, precious metals, and consumer goods enslaves them to patron-client relationships, hollowing out democratic choice. Vote-buying thrives particularly among economically vulnerable communities. The regularly increasing budget of Election Commission of India in conducting elections becomes a financial burden on taxpayers as well. Election expenditure is not only about winning votes but also about manipulating governance, undermining equity, wasting public resources, and eroding accountability.

²³ Bruce Douglas, “Brazil bans corporations from political donations amid corruption scandal”, *The Guardian*, September 18, 2015, available at: <https://www.theguardian.com/world/2015/sep/18/brazilian-supreme-court-bans-corporate-donations-political-candidates-parties> (last visited September 16, 2025).

6. CONCLUSION AND SUGGESTIONS

As India ranked 96th out of 180 countries in the Corruption Perception Index 2024,²⁴ the questions on accounts of the election expenditure build a reasonable doubt of accumulation of black money. To eradicate these challenges and to radically shift towards a better electoral process, following are the required changes, also suggested by the experts, policymakers and the ECI:

6.1 Fixation of Expenditure Cap on Political Parties

Apart from the limit on the candidates, the ECI should also impose a cap on the spending by political parties to curb uncontrolled spending by them during the election campaigning. Furthermore, the ECI must revise the expenditure limits regularly to reflect the economic conditions, media costs and inflation.

6.2 State Funding of Election Expenditure

Recommendations were made by the Indrajit Gupta Committee in 1998²⁵ for the inclusion of this method to curb private money and to reduce the dependency of the political parties on uncontrolled corporate donations. In this method, the state provides funding to the parties to deal with the electoral spending.

6.3 Robust Penal Provisions

Instantaneously, there is a requirement for modifications in the Representation of People's Act, 1951 and other enactments to increase the repercussions for non-compliance of above-mentioned legal obligations.

6.4 Effective Role of Media and Advertisement

An effective media can play a crucial role for empowering the citizens to monitor and report violations or the misuse of money in elections. The mandate for the election advertisement must be voter awareness and accountability, it should be voter centric and not parties centric.

6.5 Institutional Reforms

Institutions like Securities and Exchange Board of India, Central Vigilance Commission should also act as watchdogs in relation to election expenditure to overcome the burden of ECI and to ensure fairness and transparency at every

²⁴ Transparency International, *available at*: <https://www.transparency.org/en/cpi/2024> (last visited September 16, 2025).

²⁵ Legislative Department, *available at*: <https://legislative.gov.in/document/indra-jit-gupta-committee-report-on-state-funding-of-elections/> (last visited September 18, 2025).

institutional level. RTI should be strengthened to provide the information regarding election expenditure within a stipulated time-frame. Fast Track Courts should be established for early disposal of election petitions.

Long story short, the festival of democracy has become a festival of electoral extravaganza. Thus, the central inquiry of this essay was to show how one of the cornerstones of democracy is devolving under financial influence and to suggest ways to improve the scenario. As rightly said by Dr. BR Ambedkar, “Vote is a weapon,” an election must not be considered as a routine political process but a process that shapes the destiny of a country by its own people and in a way that it possesses the element of transparency, fairness and the welfare of the nation.