

Question: The judiciary needs to challenge the electoral bonds scheme for free and fair elections in the country. Comment.

Answer: The funding or the donations made to political parties are governed by the Representations of the People Act, the Foreign Contributions Regulation Act.

There were challenges like the flow of black money into the hands of political parties and lack of transparency. Many political parties would state that they received their donation in cash and in amounts less than Rs 20,000, because donations less than Rs 20,000 were exempted from scrutiny.

To get rid of all these issues, the electoral bonds were introduced and the ~~amount~~ ~~was~~ to cash donations were capped to Rs. 2000 in the year 2017. The electoral bonds are issued in multiples of Rs. 1,000, Rs. 10,000, Rs. 1 lakh, Rs. 10 lakh and Rs. 1 crore without any maximum limit. and only State Bank of India is authorised to issue & encash these bonds. and, ^{these} are valid only for 15 days from the date of issuance.

Issues associated:

i) The donor's name is not mentioned and the political parties are exempted from disclosing donations received via electoral bonds.

ii) This is against free and fair elections because the voters does not have the Right to know about the donors but the Government can access the information of donors which leads to favourisms and victimisation of those who have donated to opposition parties.

iii) It leads to crony capitalism.

There is a need for transparency in elections funding. In many countries elections are funded publicly which ensures principles of parity and there is not too great a resource gap between the ruling party and opposition.

The 2nd ARC, Dinesh Goswami Committee's have recommended State funding of elections.

The crucial function of an independent judiciary in a democracy is to referee the fundamentals of democratic process. Electoral bonds have raised questions on the electoral legitimacy of the government and thus the whole electoral process have become questionable. In this context, the courts should act as an umpire and enforce the ground rules of democracy.