Supreme Court Order on Electoral Bonds

Why in news?

The Supreme Court recently ordered the political parties to submit to the Election Commission details of contributions through electoral bonds.

What is the case about?

- During 2017-18, the BJP earned Rs 200 crore from electoral bonds and the Congress Rs 15 crore.
- The Association for Democratic Reforms (ADR) had recently said this based on an analysis of the parties' tax returns and contribution statements submitted with the Election Commission.
- No other national party declared any contributions through electoral bonds, according to details released by ADR.
- Citing lack of transparency, the ADR then challenged the electoral bond scheme in the Supreme Court.
- It was considered that the time available was too limited for an in-depth hearing.
- So in its interim order, the Court asked political parties to disclose to the EC in sealed covers, details of the donations they have received through anonymous electoral bonds.

AS DECLARED BY NATIONAL PARTIES, 2017-18

Party	Known sources	Unknown sources		Total
		Electoral bonds	Other	
BJP	484	200	353	1027
Congress	79	15	105	199
BSP	41	0	10	51
NCP	3	0	5	8
Trinamool	5	0	<1	5
CPI	1	<1	<1	1+
Total	**613**	**215**	**474**	**1293**

Figures in Rs crore (rounded off); all national parties barring CPM.
Source: Association for Democratic Reforms, January 2019

What are the concerns raised?

- The petitioners, the ADR, questioned the anonymity-based funding scheme on the grounds that it promotes opacity.
- It opens up the possibility of black money being donated to parties through shell companies.
- It empowers the ruling party which alone is in a position to identify the donors and, therefore, well placed to discourage donations to other parties.

Click here to know more on the concerns.

How effective will the order be?

- The Supreme Court order will not alter the influence of electoral bonds on the ongoing polls (general elections 2019).
- Hence the order is a belated response to the serious concerns raised about the opaque electoral bonds scheme.
- The order, unfortunately, preserves the status quo, and the possible asymmetry in political funding and its effects would stay as it is.
- The influence such donations would have had on the electoral outcome remain undisturbed.

Why is it welcome though?

- The only positive thing is that the names would now be available with the EC (but in sealed envelopes) until the court decides if they can be made public.
- There is a concern that a disproportionately large segment of the bonds purchased by corporate donors has gone to the BJP.
- This donor anonymity may end if the court decides that the EC should disclose the names at the end of the litigation.
- The court also notes that the case gives rise to weighty issues which have a significant bearing on the sanctity of the electoral process in the country.

Source: The Hindu, Indian Express

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