

SC FLAGS CONCERN OVER ELECTORAL BONDS' MISUSE

Relevant for: Indian Polity | Topic: Elections, Election Commission and the Electoral Reforms in India Incl. Political Parties

Mr. Venugopal, appearing for the government, said only parties registered under the Representation of the People Act could receive donations through electoral bonds, and that they should not have secured less than 1% of the votes polled in the previous elections.

The court said it did not want to "get into politics" nor were its comments aimed at any particular party.

The exchange came during a virtual court hearing of an application filed by the Association for Democratic Reforms, represented by advocate Prashant Bhushan, to stay the sale of electoral bonds scheduled between April 1 and April 10, prior to the crucial Assembly elections in five States, including West Bengal and Tamil Nadu. "Electoral bonds scheme introduces anonymity in political donations. The sale of bonds in April should be stopped," Mr. Bhushan urged.

Mr. Venugopal said the sale was announced after getting permission from the Election Commission of India. "The Election Commission is supporting electoral bonds or we will go back to the pre-existing situation of donations coming in by cash," senior advocate Rakesh Dwivedi, for the poll body, said.

Chief Justice Bobde then asked whether the purchasers of electoral bonds disclosed whether the money paid was black or white. "When a businessman goes and buys bonds, does he have to disclose whether he purchases them with white or black money? Does he have to pay tax?" the Chief Justice asked Mr. Venugopal.

"Buyers have to use white money. The purchase is through bank drafts, cheques or electronic transfer," Mr. Venugopal replied.

But Mr. Bhushan intervened to submit that though the original purchase of bonds could be done using white money, somebody could anonymously re-purchase the bonds from the original buyer and drop it at a political party office with anyone none the wiser. "Nobody will know who purchased the bonds from the original buyer. The scheme facilitates kickbacks," Mr. Bhushan argued.

END

Downloaded from crackIAS.com

© **Zuccess App** by crackIAS.com