



Electoral Bonds



The lowdown on a vexed issue

What are electoral bonds?

Sold four times a year (in January, April, July and October), electoral bonds allow political parties to accept money from donors whose identities are kept anonymous. They are sold in multiples of ₹1,000, ₹10,000, ₹1 lakh, ₹10 lakh, and ₹1 crore. The scheme was first floated in 2017 and implemented in 2018

Who can sell them?

SBI is the sole authorised bank to sell and redeem the bonds. Customers of other banks can also purchase the bonds via different payment channels provided to them. However, a political party can only redeem the bond from one of the 29 authorized branches of the bank.

Which parties can receive donations via electoral bonds?

A political party must also have at least 1% vote share in most recent general elections or assembly elections to receive donations via electoral bonds.

What is the controversy around them?

The scheme has been challenged on the grounds that it lacks transparency. Those opposed to it have also asserted that a large chunk of the donations have gone to the BJP, the ruling party. In 2019-20, the BJP received over 75% of the electoral bonds, according to the Election Commission data. Critics have also argued that since the bonds are sold through a government-owned bank there is a possibility that the party in power can find out who is funding their political rivals

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