

● POLITY

● ECONOMICS

● TECHNOLOGY

● ECOLOGY

ECONOMICS AND DEVELOPMENT

NET DIRECT TAX COLLECTIONS UP 21.8% TO ₹9.57 LAKH CR.

CONTEXT: India's net direct tax collections grew 21.8 % to ₹ 9.57 lakh crore by October 9, surpassing over half of the Budget estimates for this year.

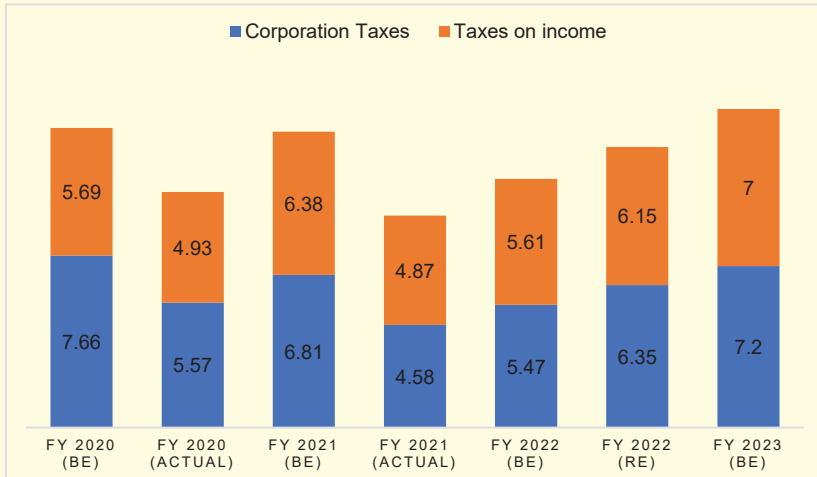


FIGURE: Column chart representing the Gross Direct Tax collections.

Gross Direct Tax Receipts stood at ₹ 11.07 lakh Cr., almost 18 % higher than the same time last year, with corporate tax collections up 7.3 % and personal income tax (PIT) revenues increasing 29.5 %. Net Direct Tax Receipts accounts for 52.5% of the Budget estimates for the year. The Personal Income Tax receipts rose 32.5 % and corporate taxes rose 12.4 %. The tax refunds amounting to ₹ 1.5 lakh Cr. have been remitted to taxpayers so far.

As on September 23, the number of income tax returns filed stood at 7.09 Cr., and refunds made in 2.75 Cr. By October 9, the total returns filed had risen to 7.27 Cr. and 7.15 Cr. returns were verified. Last year, 7.5 Cr. tax returns were filed.

Combined with revenues from the Securities Transaction Tax, the PIT kitty had grown 29.1 % at the gross revenues level and 31.85 % in net revenues.

For refunds of up to ₹5,000, the Income Tax (IT) department is not restricting payouts. However, over that threshold, taxpayers are being informed if there are any outstanding tax dues. Moreover, challenges with validating bank accounts of about 35 lakh taxpayers, who may have provided incorrect bank branch codes, are also posing a hurdle.

SCIENCE AND TECHNOLOGY

FIRST TEST FLIGHT OF GAGANYAAN MISSION SCHEDULED ON OCT. 21

CONTEXT: ISRO to perform initial test flight for Gaganyaan mission on October 21 to assess crew module.

BACKGROUND: ISRO will conduct its first test flight for the Gaganyaan mission, India's first manned space mission, on October 21. The test will involve launching the crew module into outer space, recovering it in the Bay of Bengal, and evaluating the crew escape system's functionality. This important step marks a significant milestone in India's space exploration efforts.



Crew Escape Systems

- **Test Vehicle for Gaganyaan Mission:** ISRO is conducting a crucial test using the TV-D1 vehicle to simulate the abort conditions expected during the Gaganyaan mission, aiming to demonstrate the ability to ensure astronaut safety.
- **Abort Sequence Simulation:** The test involves the Crew Module (CM) and Crew Escape Systems (CES) separated at an altitude of about 17 km. The autonomous abort sequence includes CES deployment and parachute-assisted CM landing in the sea.
- **Importance of Test:** Success in this test is vital for paving the way for the first unmanned Gaganyaan mission and, subsequently, the manned mission to low Earth orbit.
- **Upcoming Test Flight:** ISRO plans a test flight next year with "Vyommित्रa," a female robot astronaut, as part of the Gaganyaan mission's preparations.

"Doing nothing is very hard to do. You never know when you're finished."—Leslie Nielsen

VEDHIK IAS ACADEMY
The New Learning Montage
www.vedhikiasacademy.org

Comprehensive Coaching For 568 Government Jobs

www.vedhikiasacademy.org

INTERNATIONAL RELATIONS

THE MALDIVES, THE EVOLUTION OF A DEMOCRACY

CONTEXT: Maldives' recent democratic presidential election signals a thriving democracy, driven by voters' economic concerns, not geopolitical rivalry.

BACKGROUND: A recent free and fair election in the Maldives has enhanced the country's international reputation. Key voter concerns, particularly among the youth, revolve around economic well-being, employment, housing, tourism, education, and healthcare. The portrayal of the election as a competition between China and India, as some Western news agencies have done, overlooks the nuances of the Maldivian political landscape. The people of the Maldives are better informed about their nation's functioning.



Five Men, Shared Future

The Maldives has experienced a transition from one-party rule under Maumoon Abdul Gayoom to multiparty democracy, with leaders like Mohamed Nasheed and Abdulla Yameen. Ibrahim Mohamed Solih, the architect of an 'India First' policy, served as president but was defeated in the recent election. His defeat can be attributed to historical voting patterns, party splits, and the absence of charismatic leader Mohamed Nasheed, which hindered the ruling party's ability to counter opposition disinformation campaigns.

The Path Ahead

- **Transition in Maldivian Politics:** The election results signal a shift in Maldivian politics, marked by the change in power dynamics between President-elect Muizzu and former President Yameen.
- **Domestic and Regional Priorities:** President-elect Muizzu may initially focus on domestic development priorities and recognize his regional responsibilities as he transitions from Mayor of Male to the President of Maldives.
- **Foreign Policy Choices:** The new administration faces

2013	Mohamed Waheed Hassan's presidency ends; Abdulla Yameen becomes the President.
2014	Indian Prime Minister Narendra Modi visits Maldives, strengthening bilateral ties.
2015	Agreements signed on defense, trade, and economic cooperation deepen relations.
2016	Maldives supports India's bid for a permanent seat in the UN Security Council.
2017	Maldives signs Free Trade Agreement with India, enhancing economic partnership.
2018	Political turmoil strains ties; India expresses concerns over democratic processes.
2019	Ibrahim Solih becomes President, marking a shift in India-Maldives relations.
2020	Amid COVID-19, India provides medical aid, showcasing solidarity and cooperation.

choices in foreign relations: continue with former President Yameen's 'India Out' campaign, maintain the 'India First' policy of the outgoing President, or develop a balanced approach towards key partners like India and China.

- **Changing Global Dynamics:** The Belt and Road Initiative (BRI) has faced challenges, and the evolving dynamics between India, the Gulf States, and West Asia will impact Maldives' foreign policy choices.
- **Shifting Regional Alliances:** The evolving geopolitical landscape and the waning interest of West Asia in Pakistan may influence extremism in the Maldives and regional dynamics.

Notes for New Delhi

India's regional diplomacy faces complexities but possesses positive assets and achievements. A positive mindset exists among the people of the Maldives, reinforced by development projects and youth training in India. Strengthening the Colombo Security Conclave, reimagining regional cooperation, and allocating more resources for engagement with the Maldives are suggested for bolstering relations.

India's regional diplomacy faces complexities but possesses positive assets and achievements. A positive mindset exists among the people of the Maldives, reinforced by development projects and youth training in India. Strengthening the Colombo Security Conclave, reimagining regional cooperation, and allocating more resources for engagement with the Maldives are suggested for bolstering relations.



START YOUR JOURNEY WITH THE BEST

INDIA'S TOP MOST CIVIL SERVANTS FOR COACHING

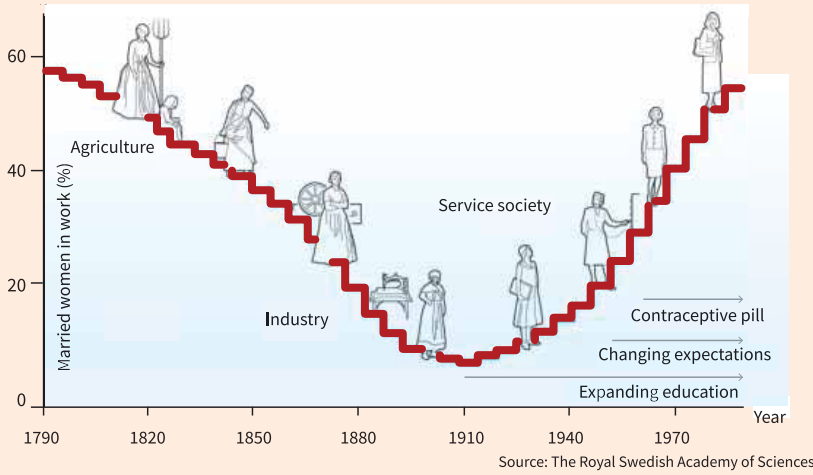
ECONOMICS AND DEVELOPMENT

THE IMPACT OF CLAUDIA GOLDIN'S WORK

CONTEXT: The Royal Swedish Academy of Sciences announced Nobel Prize in Economic Sciences for 2023 for Harvard University Professor Claudia Goldin for “having advanced our understanding of women’s labour market outcomes”. Her work, it said, is the “first comprehensive account of women’s earning and labour market participation through the centuries”.

The U-shaped curve

The economic growth in varied periods did not translate to reduced gender differences in the labour market. A lot of factors have influenced and still influence the supply and demand for female labour



Professor Goldin trawled through the archives of about 200 years of the United States to demonstrate changes in gender differences in earnings and employment rates over time. The female participation in the labour market did not exhibit an upward trend over the entire period, but rather a U-shaped curve. The economic growth ensuing in varied periods did not translate to reducing gender differences in the labour market. She demonstrated that several factors have historically influenced and still influence the supply and demand for female labour. These include opportunities for combining paid work and a family, decisions (and expectations) related to pursuing education and raising children, technical innovations, laws and norms, and the structural transformation in an economy.

Female participation moves between agrarian and industrial era

The participation of married women decreased with the transition from an agrarian to an industrialised society in the early nineteenth century. It started to increase again with the growth of the services sector in the early nineteenth century.

Prior to the advent of industrialisation in the nineteenth century, women were more likely to participate in the labour force. This was because industrialisation had made it harder for married women to work from home since they would not be able to balance the demands of their family. Even though her research held that unmarried women were employed in manufacturing during the industrial era, the overall female force

had declined.

These two factors combined form the basis of the claim that there is no historical consistency between female engagement in the overall labour force and economic growth.

Curve moving upwards

The beginning of the twentieth century marked the upward trajectory for female participation in the labour force. According to Professor Goldin, technological progress, the growth of the service sector and increased levels of education brought an increasing demand for more labour. However, social stigma, legislation and other institutional barriers limited their influence. Two factors are of particular importance here, namely, “marriage bars” (the practice of firing and not hiring women once married) and prevalent expectations about their future careers.

The “marriage bars” peaked during the 1930s’ Great Depression and the ensuing years — preventing women from continuing as teachers or office workers. About expectations, Professor Goldin notes that women at varied points were subject to different circumstances when deciding on their life choices.

Expectations becoming a factor

In the early twentieth century, women were expected to exit the labour force upon marriage. When things turned marginally in the second half of the century, married women would return to the labour force once their children were older. However, this meant a reliance on educational choices that were made previously, at a time when they were not expected to have a career. The “underestimation” was overcome in the 1970s when young women invested more in their education.

The exit for an extended period after marriage explains the marginal increase in the average employment level for women, despite the massive influx of women into the labour market in the latter half of the century.

Another pivotal factor was the introduction of birth control pills. This created conditions for women to plan their careers better. Even if the pill influenced educational and career choices, this did not translate to the disappearance of the earnings gap between men and women, though it became “significantly smaller since the 1970s”.

When did pay discrimination start?

According to Professor Goldin, pay discrimination (that is, employees being paid differently because of factors such as colour, religion or sex, among others) increased significantly with the growth of the services sector in the twentieth century. This was surprisingly at a time when the earnings gap between men and women had decreased and when piecework contracts were being increasingly replaced with payments on monthly basis. Thus, the expectations paradigm emerged again, as employers would prefer employees with “long and uninterrupted careers”.

INTERNAL SECURITY

NINE VERTICALS IDENTIFIED FOR INTEGRATION OF SERVICES: CDS

CONTEXT: Chief of Defence Staff (CDS) General Anil Chauhan has said the process of theatrisation, part of a reorganisation effort undertaken by the armed forces, is one of the most ambitious reforms post-independence.

As part of the process they have identified nine verticals for integration which include operations, operational logistics, training, HR, administration and supply chain management.

Army Chief Gen. Manoj Pande said they have 340 indigenous defence industries working towards fructification of 230 contracts by 2025, that entails an outlay of ₹ 2.5 lakh Cr., while stating that Indian defence industry is investing significantly in the Research and Development to meet the requirements of the Services.

INTEGRATED THEATRE COMMANDS

An Integrated (Joint) Theatre Command envisages a UNIFIED COMMAND of the THREE SERVICES, under a SINGLE COMMANDER, for geographical theatres (areas) that are of strategic and security concern.

The Shekatkar committee has recommended the creation of **THREE INTEGRATED THEATRE COMMANDS** — Northern for the China border, Western for the Pakistan border, and Southern for the maritime role.

PROPOSED JOINT THEATRE COMMANDS

WESTERN THEATRE COMMAND (WTC)*

The **WESTERN THEATRE COMMAND (WTC)** would be oriented towards India-Sino border, pooling all the relevant assets of three branches of the Indian Armed Forces - Army, Navy and Air Force with a specialised focus upon mountain warfare.

EASTERN THEATRE COMMAND (ETC)

The **EASTERN THEATRE COMMAND (ETC)** would be oriented towards India-Pakistan border, pooling all the relevant assets of three branches of the Indian Armed Forces - Army, Navy and Air Force with a specialised focus upon plain and desert warfare.

MARITIME THEATRE COMMAND (MTC)

The **MARITIME THEATRE COMMAND (ETC)** would be oriented towards command and control of the entire Indian naval fleet and coastal defence operations would be headed by a 3-star officer from Indian Navy will report to the Joint Chiefs of Staff Committee headed by the Chief of Defence Staff (CDS) would pool assets from all the branches of the Indian military.

AIR DEFENCE COMMAND (ADC)

The **AIR DEFENCE COMMAND (ADC)** headed by a three-star officer from the Indian Air Force will look after the air defence operations of the Indian military. The AIR DEFENCE COMMAND (ADC) * will integrate all the relevant assets of three branches of the Indian Armed Forces - Army, Navy and Air Force under a single command authority.

LOGISTICS COMMAND

The **LOGISTICS COMMAND** would be pool logistics resources from all 3 services – Army, Navy and Air Force to cater to supply and transportation troops, armoured vehicles for all 3 operational commands.

TRAINING COMMAND

The **TRAINING COMMAND** would serve as a nodal institution, with all the training institutions were placed under the jurisdiction of the Training Command to facilitate the training for all personnel of the Armed Forces of India.

DOCTRINE COMMAND

The **DOCTRINE COMMAND** would be charged with overseeing training of Army forces and the development of operational doctrine.

THEATRE COMMANDER

- Mobilise all resources at his disposal — from the Army, the Indian Air Force, and the Navy — with seamless efficacy.
- Independent to act without prior permission of individual Service Chiefs.

+91-9383 432 123 | +91-7777 875 588 | 0484-452 77 77

www.vedhikiasacademy.org



START YOUR
JOURNEY WITH THE
BEST

ECONOMICS AND DEVELOPMENT

IMF RAISES INDIA'S FY24 GDP GROWTH FORECAST TO 6.3%

CONTEXT: The International Monetary Fund (IMF) raised India's economic growth forecast for the current fiscal year to 6.3 %, from 6.1 % earlier.

The IMF expects retail inflation in the South Asian nation to quicken to 5.5 % in 2023-24 before easing to 4.6 % in 2024-25. Growth in India is projected to remain strong, at 6.3 % in both 2023 and 2024, with an upward revision of 0.2 percentage points for 2023, reflecting stronger-than-expected consumption during April-June.



FIGURE: Column chart representation of the IMF growth forecasts of India. Source: International Monetary Fund)

The RBI has projected CPI-based inflation for the current fiscal year at 5.4 % while GDP growth is seen at 6.5 %. Monetary policy projections are consistent with achieving the Indian central bank's inflation target over the medium term, the IMF said. India's current account deficit is expected to remain at 1.8 % of GDP in FY24 and FY25, the global lender added.

The Fund cut its growth forecasts for China and the euro area and said overall global growth remained low and uneven despite what it called the "remarkable strength" of the U.S. economy. The IMF also left its forecast for global real GDP growth in 2023 unchanged at 3.0 %.

SCIENCE AND TECHNOLOGY

WE NEED EVIDENCE-BASED TRADITIONAL MEDICINE

CONTEXT: Legal dispute involving a traditional medicine manufacturer and a practitioner sparks discussion on modern medicine's role.

BACKGROUND: A legal dispute between an indigenous drug manufacturer and a medical practitioner, claiming harm to business due to a social media thread, has garnered attention in medical circles. The case raises broader questions about traditional medicine's role in a modern world, the principles of evidence-based medicine, and the government's responsibility in safeguarding public health.

Modern Medicine

- **Diverse Healing Systems:** Various alternative healing systems, including Ayurveda, exist alongside modern medicine, each with unique pharmacopeia.
- **Evolution of Modern Medicine:** Modern medicine transformed into a science-based practice in the late 19th century due to technological advancements, enabling precise understanding and advanced treatments.
- **Scientific Rigor in Medicine:** The development of scientific thought, including falsifiability, led to rigorous evaluation of medical therapies, discarding ineffective ones and embracing advancements.
- **Epistemic Foundations of Ayurveda:** Ayurveda, although lacking a robust physiological basis, emphasizes reason-based diagnostics and therapies, differentiating it from faith-based practices.
- **Need for Comprehensive Evaluation:** Ayurvedic medicines, often combinations, require modern scientific evaluation methods to ensure their efficacy without compromising their holistic nature.
- **Government Responsibility:** Government policies should prioritize evidence-based evaluations of traditional medical systems, integrating useful aspects into a cohesive healthcare framework.
- **Global Exchange of Ideas:** Post-World War II, ideas flow globally, enabling the synthesis of diverse knowledge, contributing to ongoing improvements in medical understanding and practices.
- **Nationalism and Healthcare:** Nationalistic sentiments should not hinder healthcare progress; the goal is to create a unified, evidence-based medical system accessible to all.

Blanket denunciation of traditional medical systems can hinder the progress of evidence-based medicine. Science requires open-mindedness and skepticism. Dismissing valuable, time-honored knowledge bases is a disservice to both scientific inquiry and cultural heritage. The synthesis of the Nobel-winning anti-malarial artemisinin from a 1,600-year-old Traditional Chinese Medicine text highlights the potential benefits of integrating traditional wisdom with modern science.

VEDHIK IAS ACADEMY
The New Learning Mantra

MASTER THE NEW LEARNING MANTRA

ECOLOGY AND ENVIRONMENT

2023 ON COURSE TO BE WARMEST YEAR ON RECORD

CONTEXT: 2023 may set a record as the hottest year ever, with temperatures nearing 1.4°C above pre-industrial levels.

BACKGROUND: Amid preparations for COP28, 2023 is on track to potentially become the warmest year in recorded history, nearing 1.4°C above the pre-industrial era average. In

September 2023, global temperatures reached a new high, with an average surface air temperature of 16.38°C, surpassing previous records by 0.93°C.

Chart 1: In September 2023, global temperatures were approximately 1.75°C above the pre-industrial benchmark, with

a 0.52°C increase in global surface air temperature from January to September compared to the 1991-2020 average. Europe, especially from France to Finland and north-western Russia, experienced record-high temperatures, with Belgium and the U.K. facing unprecedented heatwaves.

Chart 2: In 2023, global temperatures reached record highs, with the warmest September, following the hottest July and August. The monthly mean temperature in July and August 2023 exceeded previous records, notably surpassing the July 2019 record. Chart 2 highlights this significant increase, showing that September 2023 is the only September in the chart due to its exceptional warmth.

Chart 3: Illustrates global daily surface air temperatures from January 1, 1940, to September 30, 2023, with the highlighted line representing 2023. The thick black line indicates the 1.5°C threshold above pre-industrial levels. Notably, in 2023, the global temperature exceeded this threshold for over 80 days, setting a record for the highest number of such days.

Chart 4: Displays daily Antarctic sea ice extent from 1979 to September 2023, highlighting the year 2023. The Arctic sea ice extent in September 2023 hit its annual minimum at 4.8 million km², 1.1 million km² (18%) below the 1991-2020 average. This ranks as the fifth lowest in satellite data records.

Getting warmer

The data for charts were sourced from the bulletins published by the European Union's Copernicus Climate Change Service



Chart 1 Globally averaged surface air temperature anomalies relative to 1991–2020 for each September from 1940 to 2023

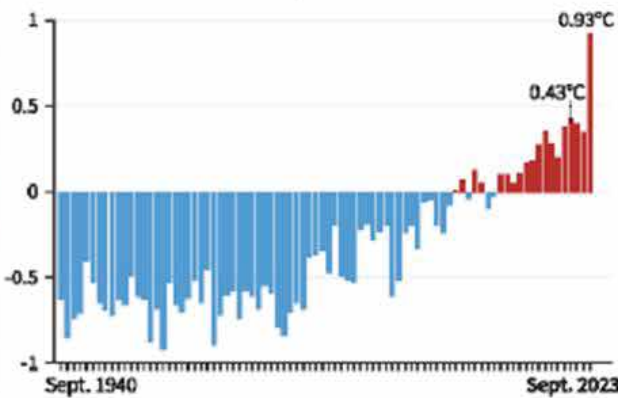


Chart 2 Average global surface air temperatures (°C) for the 30 warmest months between 1940 and 2023

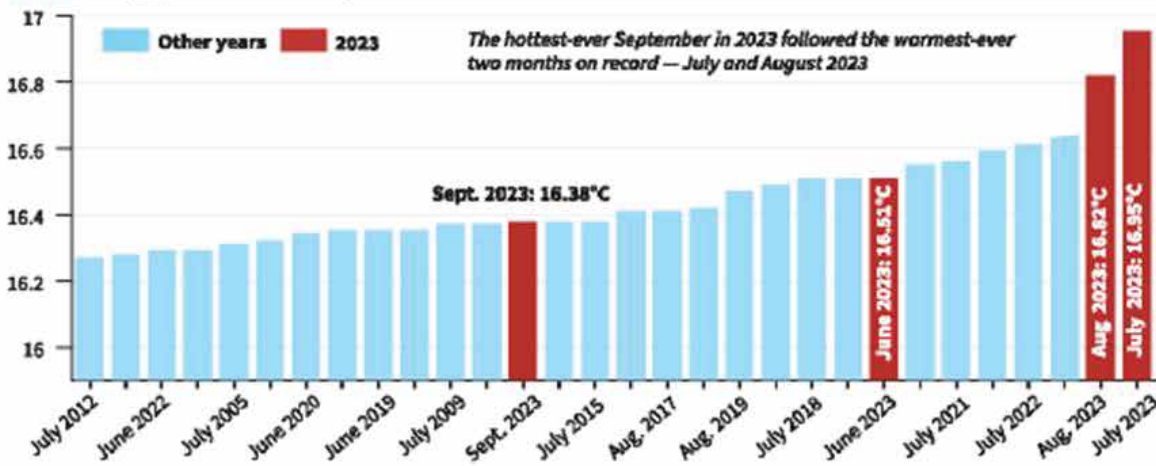


Chart 3 Global daily surface air temperature (°C) from January 1, 1940, to September 30, 2023 for each year

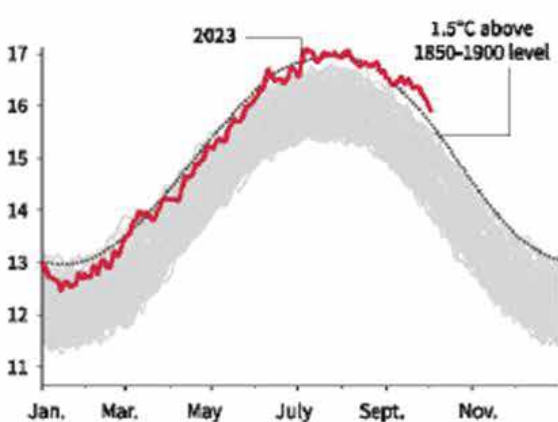
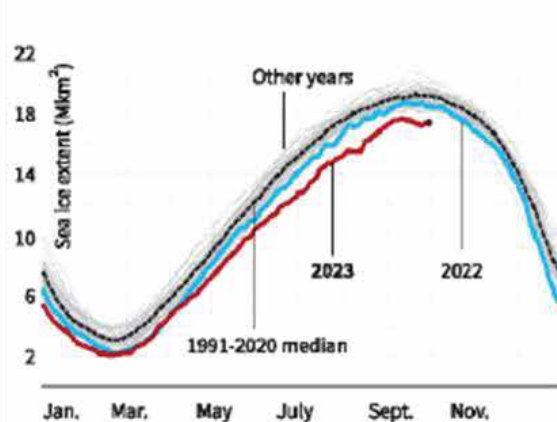


Chart 4 Daily Antarctic sea ice extent from 1979 to September 2023. The median for 1991–2020 is shown as a dotted line



START YOUR JOURNEY WITH THE BEST

POLITY AND GOVERNANCE

PROSECUTION SANCTION GRANTED AGAINST ARUNDHATI ROY AND SHEIKH SHOWKAT HUSSAIN

CONTEXT: In a recent development, Delhi Lieutenant Governor V.K. Saxena has granted prosecution sanction against renowned author Arundhati Roy and former Kashmir University Professor Sheikh Showkat Hussain. This move is linked to a 13-year-old case in which they were accused of promoting the "separation of Kashmir from India" during a conference held in the national capital.

Origins of the Case

The case originated on November 29, 2010, when an FIR was registered under the direction of the Metropolitan Magistrate, New Delhi. The charges against Arundhati Roy and Sheikh Showkat Hussain include various sections of the Indian Penal Code (IPC), primarily dealing with offenses such as sedition, promoting enmity among different groups based on religion, race, place of birth, residence, language, and more, with imputations and assertions prejudicial to national integration. Additionally, they were charged with a section related to public mischief.

Exclusion of Sedition Charge

Notably, the prosecution sanction granted did not include charges under IPC Section 124A (sedition). This omission is due to a Supreme Court directive in a separate case, which ordered that all ongoing trials, appeals, and proceedings related to charges under Section 124A should be put on hold.

Application of Unlawful Activities (Prevention) Act (UAPA)

The case was also registered under Section 13 of the Unlawful Activities (Prevention) Act (UAPA) of 1967. However, Lieutenant Governor V.K. Saxena did not approve prosecution sanction under this section.

Section 196 of the Code of Criminal Procedure (CrPC)

Instead, the Lieutenant Governor granted prosecution sanction under Section 196 of the Code of Criminal Procedure (CrPC), which necessitates the permission of the State for prosecution.

Arundhati Roy, a recipient of the prestigious Booker Prize, is well-known for her advocacy on political and social issues, including human rights and environmental concerns. At the time of this report, she had not responded to requests for comment.

The Genesis and Longevity of the Indian Penal Code 1860

Creation of a Legal Framework

The Indian Penal Code stands as the fundamental substantive criminal law that governs the entirety of India. This comprehensive legal framework addresses a wide spectrum of offenses, ranging from those against individuals, property, and even the State, prescribing corresponding penalties. The roots of this legal cornerstone trace back to 1860, an era when India grappled with the complexities and turmoil within its criminal justice system during British colonial rule.

The Codification Effort

To address the pervasive legal chaos of the time, the

British colonial administration embarked on the task of consolidating and codifying India's penal laws. This herculean undertaking was entrusted to the Law Commission, with Lord Macaulay taking the lead, collaborating with other members of the commission. After extensive deliberations and careful crafting, the Indian Penal Code was ultimately presented and passed by the Legislative Council of India, receiving the official assent of the Governor General in October 1860.

A Vision Realized

The creation of the Indian Penal Code 1860 was a laborious and visionary endeavor spanning nearly three decades. Lord Macaulay, a central figure in this monumental task, played a pivotal role in its development. While drawing upon the wisdom found in the French Penal Code and Livingston's Code of Louisiana, the foundation of the Indian Penal Code rested primarily on the framework of English criminal law.

Endurance Over Time

Remarkably, the Indian Penal Code of 1860 has undergone relatively limited amendments since its inception, even in the post-British era. It has remained a steadfast and enduring legal framework for the nation for over 150 years. Periodic amendments have been introduced to accommodate new offenses, such as those related to criminal conspiracy, cruelty towards married women, and specific crimes against women, ensuring that the century-old Penal Code remains in harmony with the evolving social landscape.

IPC Section 124A (sedition)

Section 124A of the Indian Penal Code deals with the offense of sedition. It criminalizes any attempts to bring hatred or contempt or to incite disaffection, towards the legally established Indian government through various means, including spoken or written words, signs, or visible representations. The penalties for this offense are significant and can result in imprisonment for life, accompanied by a fine. Alternatively, a person may face imprisonment for up to three years, also with the potential of a fine.

The explanations provided clarify the scope of the law. "Disaffection" is defined to include disloyalty and any feelings of enmity. However, the law does not prohibit expressions of disapproval regarding government measures or actions if the intention is to bring about lawful changes and if such expressions do not incite hatred, contempt, or disaffection. This section aims to balance freedom of expression and the need to prevent incitement of hatred or disaffection against the government.

Section 13 of the Unlawful Activities (Prevention) Act (UAPA) of 1967

This legal provision is designed to address involvement in unlawful activities and the promotion or assistance thereof. The section consists of three parts:

(1) It states that anyone who participates in, advocates, aids, advises, or incites any unlawful activity can face imprisonment for a period of up to seven years and may also be subject to a fine. This includes both those who actively engage in unlawful activities and those who support or encourage others to do so.

(2) It stipulates that offering any form of assistance to an unlawful activity associated with an organization declared unlawful under section 3, after the notification declaring it as such becomes effective, can result in imprisonment for up to five

years, a fine, or both.

(3) An exception is included to clarify that this section does not apply to treaties, agreements, or conventions entered into between the Government of India and the government of another country. It also does not apply to negotiations related to such agreements, conducted by individuals authorized by the Government of India. This exception recognizes the legitimate and authorized diplomatic and international relations activities of the government.

POLITY AND GOVERNANCE

SUPREME COURT TO HEAR ELECTORAL BONDS CHALLENGE ON OCTOBER 31

CONTEXT: The Supreme Court has scheduled a hearing for October 31 to address petitions challenging the electoral bonds scheme, which allows anonymous donations to political parties in India. This legal challenge comes following petitions from two NGOs, Common Cause and Association for Democratic Reforms (ADR).

Understanding the Electoral Bonds Scheme

The electoral bonds scheme, introduced in the 2017 Union Budget, involves interest-free bearer instruments that allow individuals and entities to donate money anonymously to political parties. These bonds are available in various denominations and can be purchased from authorized branches of the State Bank of India (SBI).

The Rationale Behind Electoral Bonds

The electoral bonds scheme aimed to address the issue of opaque political party funding. Finance Minister Arun Jaitley, during the scheme's announcement, highlighted the need for transparency in political funding, especially given the prevalence of anonymous cash donations to political parties. The scheme sought to reduce the use of cash donations and promote transparency.

Legal Challenge and Criticisms

The electoral bonds scheme faces a legal challenge from

various parties, including the Communist Party of India (Marxist) and NGOs Common Cause and ADR. Critics argue that the scheme's obscure funding system lacks adequate oversight.

Additionally, amendments to the Companies Act 2013 removed the cap on corporate donations to political parties, allowing unlimited funding, which some see as favouring private corporate interests over public needs.

Anonymity and Transparency Concerns

Critics of the electoral bonds scheme raise concerns about donor anonymity, which they argue makes the process less transparent than intended. There are allegations that the government could potentially track donors, creating an unfair advantage for the ruling party.

Furthermore, the dominance of the highest denomination (Rs 1 crore) electoral bonds raises questions about the scheme's effectiveness in enabling common people to fund political parties of their choice. As of 2022, more than 90% of bonds sold were in this highest denomination.

These challenges and criticisms underscore the need for a comprehensive evaluation of the electoral bonds scheme and its impact on political funding transparency in India.

The
More
You Learn,
The
More
You Earn



www.vedhikiasacademy.org




VEDHIK
IAS ACADEMY
The New Learning Mantra



VEDHIK

IAS ACADEMY

The New Learning Mantra

START YOUR JOURNEY WITH THE BEST

**INDIA'S
TOP MOST
CIVIL SERVANTS
FOR COACHING**

www.vedhikiasacademy.org

Head Office:
Vedhik IAS Academy
Mercy Estate,
MG Road, Ravipuram,
Ernakulam-682 015,

Corporate office:
Vedhik IAS Academy
Samkalp Bhawan, Plot No.15,
Sector 4, Rama Krishna Puram,
New Delhi, Delhi-110022

Regional office
Vedhik IAS Academy
202, Raheja Chambers, 12,
Museum Road. Bangalore -
560001. Karnataka, India.

GCC Office:
Bobscoedu,
Bobsco Trading & Contracting Co. W. L . L
Office 22, Dream Tower 1,
Road: 2701, Adliya, Kingdom of Bahrain
www.bobscoedu.com