



## Current Affairs of the Day

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- SC to hear plea against the sale of electoral bonds

### GS Paper - III

- Roads to be freed of toll booths in a year: Gadkari
- Rajya Sabha passes Bill to raise FDI limit in the insurance sector
- SC transfers COVID-19 vaccination case to itself



## SC to hear plea against the sale of electoral bonds

The SC agreed to hear NGO Association for Democratic Reforms plea stay the sale of a new set of electoral bonds on April 1, before the Assembly elections in crucial states such as West Bengal and Tamil Nadu.

### Highlights:

1. The Reserve Bank of India (RBI) and the Election Commission had both said that the sale of electoral bonds had become an avenue for shell corporations and entities to park illicit money and even proceeds of bribes with political parties.
2. Earlier parties had been asked to submit records in a sealed cover. But a proper stay has to be considered. There are two documents from the RBI and the Election Commission that say the electoral bonds scheme is detrimental to democracy.

### 'Illegal sale windows'

"Data obtained through RTI has shown that illegal sale windows have been opened in the past to benefit certain political parties. There is a serious apprehension that any further sale of electoral bonds before the upcoming State elections in West Bengal, Tamil Nadu, Kerala and Assam would further increase illegal and illicit funding of political parties through shell companies," the NGO submitted.

## Roads to be freed of toll booths in a year: Gadkari

India will implement a GPS-based toll collection system and do away with all toll booths within a year, Union Minister for Road Transport and Highways Nitin Gadkari informed the Lok Sabha.

### GSP based Toll

1. Within one year, all physical toll booths in the country will be removed. It means that toll collection will happen via GPS. The money will be collected based on GPS imaging [of vehicles].
2. He said 93% of the vehicles were paying toll using FASTag — a system that facilitates electronic payment of fee at toll plazas seamlessly — but the remaining 7% had still not adopted it despite paying double the toll.



## Vehicle scrappage:

1. The government's new scrapping policy would reduce pollution, improve fuel efficiency, and increase the government's revenue collection from the sale of new vehicles.
2. The new policy provides for fitness tests after the completion of 20 years in the case of privately owned vehicles and 15 years in the case of commercial vehicles. Any vehicle that fails the fitness test or does not manage the renewal of its registration certificate may be declared as an End of Life Vehicle.
3. All government vehicles and those owned by PSUs will be de-registered after 15 years. The government will implement the policy in a phased manner.
4. The policy will kick in for government vehicles from April 1, 2022. Mandatory fitness testing for heavy commercial vehicles will start from April 2023, and for all other categories of vehicles, including personal vehicles, it will start in phases from June 2024.
5. To encourage owners to take their old vehicles to scrapping centres, the government has announced several incentives, including advisories to the States to give up to 25% rebate in road tax for personal vehicles and up to 15% rebate for commercial vehicles.
6. The government will also offer a waiver of registration fees on the purchase of new vehicles. The Minister said the Centre would issue an advisory to automakers to offer a 5% rebate for those who buy a new vehicle after producing a scrapping certificate.

## Rajya Sabha passes Bill to raise FDI limit in the insurance sector

The Rajya Sabha passed the Insurance Amendment Bill, 2021 that increases the maximum foreign investment allowed in an insurance company from 49% to 74%, amid criticism from the Opposition parties on the clause enabling "control and ownership" by foreign investors.

### Highlights:

1. The opposition argued that the insurance companies hold the people's money in trust and that this Bill broke it. It also accused the government of violating



the assurance given in 2015 that “Indian ownership and control” would remain.

2. The opposition said, “We are not opposed to the policy of disinvestment, but is it disinvestment or leapfrogging towards privatisation and embarking on grand clearance sale of national assets built assiduously over the years.”
3. It also flagged that the big insurance firms are not in shortage of capital and that the Bill differed from the government motto — “Atmanirbhar Bharat”.
4. It pointed out that none of the insurance firms had managed to get FDI even up to the present limit of 49% and questioned the justification to increase the limit.

### Arguing for increased cap

1. Replying to the debate, Finance Minister assured the House that the policy holder’s money will not leave Indian shores and have to be compulsorily invested here. She argued that more FDI would mean greater competition and thus better-negotiated premiums for the end-user.
2. Countering the key criticism by the Opposition parties on handing over “control and ownership” to foreign firms, Ms Sitharaman said it came with safeguards. The key management personnel would have to be Indians and therefore would be governed by the Indian laws.

### SC transfers COVID-19 vaccination case to itself

The Supreme Court stayed suo motu proceedings before the Delhi High Court on the administration of COVID-19 vaccines and transferred the case to itself.

#### Highlights:

1. Vaccine makers Serum Institute of India and Bharat Biotech argued that vaccination was an “all- India” issue and needed to be heard by the Supreme Court for a final decision.

#### Commercial War

1. Earlier in March, the two companies were asked by the Delhi High Court to reveal their capacity to manufacture vaccines on a daily, weekly and monthly basis.



2. The companies could not be made to run from one High Court to another, responding to questions about daily production and revealing details of their vaccines. Disclosure would harm interests. Companies said courts should not ideally enter into this domain.
3. The Delhi High Court had asked the companies to “disclose the daily off-take of the vaccines from their respective institutes and how much excess quantity of the vaccine is lying unutilised”. It had wanted the companies to indicate “whether they can scale-up their capacities if the need arises”.
4. It had also questioned the government’s rationale behind keeping a “strict control over the class of persons who can be presently vaccinated”.
5. “Under the present arrangement, persons above the age of 60 years and those falling in the age group of 45-60 years with serious co-morbidities alone can receive the vaccinations. The rationale for such a classification should also be disclosed,” the court had said.