

## QUIZ OF THE DAY

Refer to The Hindu News Analysis Video (YouTube)

Date: 10th Dec 2022

Q1 Consider the following statements regarding the Electoral Bonds:

1. These are instruments that are used to donate funds to political parties.
2. State Bank of India is authorized to issue and encash these bonds.
3. These are bearer bonds wherein the issuer is the custodian and pays the one who holds the bonds.
4. These bonds remain valid for 3 months from the date of issue.

Choose the correct option below:

- a) Only 1, 2 and 3
- b) Only 1, 2 and 4
- c) Only 2, 3 and 4
- d) 1, 2, 3 and 4

Q2. Consider the following statements regarding Indian Armed Forces.

1. The President of India is the Supreme Commander of the Indian Armed Forces.
2. The Indian Armed Forces are under the management of the Ministry of Defence of the Government of India.
3. It is the world's largest military force and has the world's 2nd largest volunteer army.

Which of the statements given above is/are not correct?

- a) 1 and 2 only
- b) 2 and 3 only
- c) 3 only
- d) 1, 2 and 3

## Explanation and Solutions

**Q1. Answer: A**

**Explanation:**

The government of India introduced it with the Finance Bill 2017.

The Electoral bonds are instruments/securities that are used to donate funds to political parties. These bonds are on the lines of bearer bonds or promissory notes wherein the issuer (bank) is the custodian and pays the one who holds the bonds (political party). Hence, statement-3 is correct.

Electoral bonds are purchased anonymously by donors and are valid for 15 days from the date of issue. State Bank of India is authorized to issue and encash these bonds. As debt instruments, these can be bought by donors from a bank, and the political party can then encash them.

These can be redeemed only by an eligible party by depositing the same in its designated account maintained with a bank. The bonds are issued by SBI in denominations of Rs 1,000, Rs 10,000, Rs 1 lakh, Rs 10 lakh and Rs 1 crore.

**Q2. Answer: C**

**Explanation:**

The President of India is the Supreme Commander of the Indian Armed Forces but the executive authority and responsibility for national security is vested in the Prime Minister of India and their chosen Cabinet Ministers.

The Indian Armed Forces are under the management of the Ministry of Defence of the Government of India. It is the world's second-largest military force and has the world's largest volunteer army.