

30– 09 – 2023

News: Electoral bonds to go on sale from October 4

- The government on Friday announced the sale of the 28th tranche of electoral bonds from October 4 to 13 at all authorised branches of the State Bank of India.

Electoral Bonds

- Electoral Bonds are financial **instruments that allow donors to pay political parties** using banks as an intermediary.
- The instrument **will not carry any interest**. The bonds **will not carry the name of the donor** and can be brought for any value, **in multiples of 1000**.
- Electoral bonds will be **valid for 15 days from the date of purchase**.
- The bonds will be available for purchase for a period of 10 days each in the beginning of every quarter. Additional 30 days would be given for Lok Sabha Elections.
- Bonds can be **purchased in January, April, July and October of every year**.
- **One cannot get loan, cannot pledge against purchases and it is not listed in any exchanges**.
- An **Indian Citizen** (individual or entity) is only eligible to purchase the bonds whereas **only registered parties which have secured at least 1% of votes in**

last Lok Sabha General Election or elections to the State Legislative Assembly are eligible to receive the Electoral bonds.

- Donors who contribute less than Rs. 20,000 to political parties through purchase of electoral bonds need not provide their identity details such as PAN, etc.
- The Electoral Bond deposited by an eligible political party in its account shall be credited the same day.

News: Euro zone inflation slows to two year low

Eurozone

- Eurozone is a currency union of 20 member states of the European Union (EU) that have adopted the euro as their primary currency and sole legal tender, and have thus fully implemented EMU policies.
- Members: Austria, Belgium, Croatia, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Portugal, Slovakia, Slovenia and Spain.
- Countries in Eurozone have to fulfill 5 economic criteria, known as euro convergence criteria or the Maastricht criteria. These criteria are based on Article 140 of the Treaty of functioning of the European Union.

- There are countries which are not in Eurozone, but uses Euro with formal agreement (Andorra, Monaco, San Marino and Vatican City) and without any agreement (Kosovo and Montenegro).
- Broad Term – Based Trade and Investment Agreement is a trade agreement between EU and India.
- EU is the largest trade partner of India and India is the 9th largest trade partner of EU.
- 3 % of EU trade is with India, whereas 11% of Indian trade is with EU.
- BTBI will bring a Free Trade Agreement with EU.