

06-09-2021

AT1 Bonds**Question: Consider the following statements:**

1. The AT1 bond is also referred to as Perpetual Bonds. They have no maturity date, but do have call-options.
2. It is the first such issuance in the domestic market after the Securities and Exchange Board of India (SEBI) notifies new rules.
3. SBI has AAA credit rating from local credit agencies while the AT1 offering is rated AA+. This is the highest rating in India for such instruments.

Which of the above statement(s) is/are true?

- (A) 01 and 02 (B) 02 and 03
(C) 01 and 03 (D) all of the above

Answer:- (D) All of the above

Role:- India's largest lender State Bank of India (SBI) announced on 3 September 2021 that it has raised Rs 4,000 crore through Additional Tier 1 (AT1) bond.

Exam Useful Points:-

- AT1 bonds were raised at a coupon rate of 7.72%.
- SBI has AAA credit rating from local credit agencies while the AT1 offering is rated AA+. This is the highest rating in India for such instruments.
- It is the first such issuance in the domestic market after the Securities and Exchange Board of India (SEBI) notifies new rules.
- In 2016, SBI became the first lender to raise capital through the offshore AT1 bonds.

- SEBI amended the 100-year valuation rule for perpetual bonds, in March 2021. As per new rules, deemed residual maturity period of Basel III AT-1 bonds will be 10 years until March 31, 2022.
- The maturity of these bonds will be 100 years from the date of issuance. The AT1 bond is also referred to as Perpetual Bonds.

WORLD SOCIAL PROTECTION

REPORT 2020-22

Question: Consider the following statements:

1. According to this report, more than half of the world's population is not getting any kind of social security. There is a tendency to have no social security even after the expansion of social security amid the global outbreak of COVID-19.
2. In 2020, only 47 percent of the global population had effective access to a Social Security Force benefit, while 53 percent (4.1 billion people) had no protection.
3. This report examined the impact of the COVID-19 pandemic on social security.

Which of the above statement(s) is/are true?

- (A) 01 and 02 (B) 02 and 03
(C) 01 and 03 (D) all of the above

Answer:- (D) All of the above

Role:- Recently the World Social Security Report 2020-22 was released by the International Labour Organization (ILO) on September 1, 2021.

Exam Useful Points:-

- According to this report, more than half of the world's population has this tendency to have no social security even after the extension of any kind of social security.

- The people of Europe and Central Asia are among the most well covered populations. In Europe and Central Asia, 84 percent of the population has at least one benefit.
- In 2020, only 47 percent of the global population had effective access to a Social Security benefit, while 53 percent (4.1 billion people) had no protection.
- Less than half of the people in the Asia Pacific and Arab countries are covered by security.
- Only 17.4 percent of people in Africa have at least one social security cover.
- Most children around the world had no Social Security.
- Only one in four children in the world receive Social Security benefits. One in three people with severe disabilities receive disability benefits.
- 45% of women with new born babies get cash maternity benefits.
- This report examined the impact of the COVID-19 pandemic on Social Security. It found that the additional spending needed to ensure minimum social security for all and reduce the funding gap has increased by 30% since the start of the pandemic.
- Social Security covers unemployment, old age inability to work and access to health care and age protection for families with children.

Black Hole

Question: Consider the following statements:

1. Black hole is such a hole in space, where the force of gravity is so high that light cannot pass through it.
2. Light cannot escape from a black hole, due to which black holes are invisible. Black holes can be identified by space telescopes.
3. Black holes were discovered by Karl Schwarzschild and John Wheeler.

Which of the above statement(s) is/are true?

- (A) 01 and 02 (B) 02 and 03
(C) 01 and 03 (D) all of the above

Answer:- (D) All of the above

Role:- Recently a rare merger of three supermassive black holes was observed by the team of Indian astrophysicists. They were observing the merger of galaxies NGC7733 and NGC7734.

Exam Useful Points:-

- A black hole is a hole present in space, where the force of gravity is so high that light cannot pass through it.
- Black holes were discovered by Karl Schwarzschild and John Wheeler.
- When two black holes orbiting each other merge together, a gravitational wave is created.
- Light cannot escape from a black hole, due to which black holes are invisible. Black holes can be identified by space telescopes.
- A neutron star is a mass of neutron-filled mass 14 times the mass of the Sun after the explosion of a supernova.
- Gravitational waves are invisible waves in space, which are formed when a star explodes in a supernova. Or when two black holes merge.
- Gravitational waves provide evidence of information regarding the origin of the universe.
- According to Stephen Hawking, the outer part of a black hole is called the Event Horizon.

