

RBI GRADE B 2022

PHASE 2 PAPER

Solution & Analysis

Finance and Management



Prelude: This paper is memory based, so the language of questions might not be exact as in the exam, but utmost care has been taken and a lot of research has been done to ensure that the essence and the theme of every question is included in this paper.

Summary Analysis: Overall the paper was on moderate level. Around 42 marks worth of objective paper and all the descriptive questions (all 6 questions) in the subjective paper were covered in the EduTap course.

Anybody who had gone through our course religiously would have been able to score 35-40 marks in the objective paper and would have been able to attempt 4 descriptive questions easily. The detailed analysis is given further in the document.

Assuming that marking is not strict in the descriptive part, **a score to give you max chance of final selection (not just interview call) will be around 70 in the Finance and Management (FM) paper.**

EduTap

Q.1) The PIDF Scheme as operationalized by the Reserve Bank from 1st January 2021, subsidizes deployment of Points of Sale (POS) infrastructure (physical and digital modes) in tier-3 to tier-6 centers and northeastern states of the country. In the same regard, RBI envisages creating _____ lakh new touch points every year for digital payments.

Static or Current – **Current**

1 marker or 2 marker – **1 Marker**

Finance or Management – **Finance**

Difficulty Level – **Easy**

Topic – **NA**

Covered in EduTap Course – **Yes**

Options:

- (a) 10 Lakhs
- (b) 20 Lakhs
- (c) 30 Lakhs
- (d) 40 Lakhs
- (e) 50 Lakhs

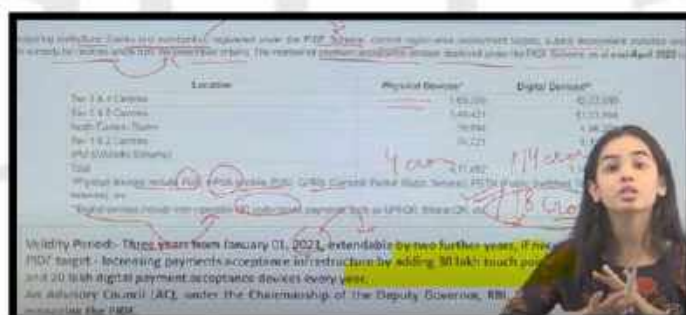
Answer: (c) 30 Lakhs

Explanation:

The Payments Infrastructure Development Fund (PIDF) scheme, with a corpus of Rs 345 crore, envisages creating 30 lakh new touch points every year for digital payments in tier-3 to tier-6 Centres.

PIDF monitoring committee has been formed under the chairmanship of RBI deputy governor BP Kanungo.

Screenshot directly taken from our main course/lectures/marathon sessions.



Q.2) _____ is a 20-character alpha-numeric code used to uniquely identify parties to financial transactions worldwide.

Static or Current – **Current**

1 marker or 2 marker – **1 Marker**

Finance or Management – **Finance**

Difficulty Level – **Easy**

Topic – **NA**

Covered in EduTap Course – **Yes**

Options:

- (a) Legal Entity Identifier (LEI)
- (b) Bank Identifier Code (BIC)
- (c) SWIFT code
- (d) IFSC Code
- (e) None of Above

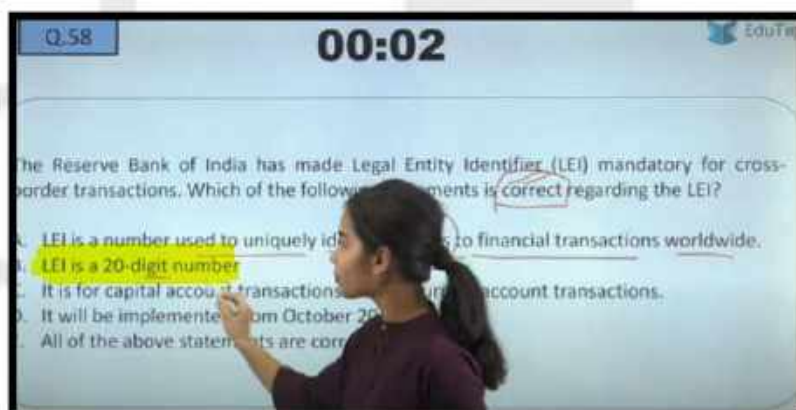
Answer: (a)

Explanation:

The Legal Entity Identifier (LEI) is a 20-character alpha-numeric code used to uniquely identify parties to financial transactions worldwide.

It has been implemented to improve the quality and accuracy of financial data reporting systems for better risk management. It is used to create a global reference data system that uniquely identifies every legal entity in any jurisdiction that is party to a financial transaction.

Screenshot directly taken from our main course/lectures/marathon sessions.



Q.3) Under which method, the communication flows from top to bottom in an Organisation?

Static or Current – **Static**

1 marker or 2 marker – **1 marker**

Finance or Management – **Management**

Difficulty Level – **Easy**

Topic – **General Management Part 1 - 14 Principles of Henry Fayol**

Covered in EduTap course – **Yes**

Options:

- (a) Scalar Chain
- (b) Vertical command
- (c) Line of Authority
- (d) Communication line
- (e) None of Above

Answer: (a) Scalar Chain

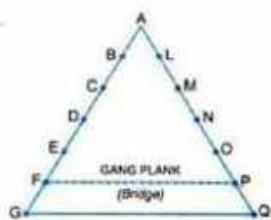
Explanation:

The principle of the scalar chain means a straight line of authority from top-level management to the ground level. At the core of this principle, the information should be strictly communicated in a hierarchy from top to bottom.

Screenshot directly taken from our main course/lectures/marathon sessions.

decentralization or high decentralization which is not desired

9. **Scalar chain:** A chain of authority exists from the highest organizational authority to the lowest ranks. Any communication going up or coming down must follow this chain. However, this system results in delays. Therefore, Fayol suggested **gang plank** which is system of direct communication between two employees not in the same chain but related horizontally



In the above figure there is **scalar chain** from A to G and another **scalar chain** from A to Q. Now if F wants to communicate with P, in absence of gang plank it would have to send message to A via **E,D,C,B** and then it would flow from A to Q via **L,M,N,O,P**. But this is time consuming. So, Fayol suggested a dotted line between F and P which can be used for direct communication. The line is dotted so that the original authority within the **scalar chain** is

Q.4) MSME plays a very crucial role in the development of the Indian economy. In the same regard, what is the small-scale Industries Limit investment wise _____ and turnover wise _____ ?

Static or Current – **Current Affairs**

1 marker or 2 marker – **1 marker**

Finance or Management – **Finance**

Difficulty Level – **Moderate**

Topic – **NA**

Covered in EduTap Course – **Yes**

Options:

- a) 50 Crore and 10 Crore
- b) 10 Crore and 50 Crore
- c) 1 Crore and 5 Crore
- d) 5 Crore and 1 Crore
- e) None of the above

Answer: b) 10 Crore and 50 Crore

Explanation:

The small-scale Industries Limit investment wise is **10 crore** and turnover wise its **50 crores**.

Screenshot directly taken from our main course/lectures/marathon sessions.

Criteria: Investment in Plant and Machinery/Equipment			
Classification	Micro	Small	Medium
Manufacturing Enterprises	Investment not more than INR 25 lakhs	Investment not more than INR 5 crores	Investment not more than INR 10 crores
Enterprises rendering Services	Investment not more than INR 10 lakhs	Investment not more than INR 2 crores	Investment not more than INR 5 crores
Revised MSME Classification (w.e.f. July 1, 2020)			
Composite Criteria: Investment in Plant and Machinery/Equipment and Annual Turnover			
Classification	Micro	Small	Medium
Manufacturing Enterprises and Enterprises rendering services	Investment in P&M/Equipment not more than INR 1 crore and Annual Turnover not more than INR 5 crores	Investment in P&M/Equipment not more than INR 10 crores and Annual Turnover not more than INR 50 crores	Investment in P&M/Equipment not more than INR 50 crores & Annual Turnover not more than INR 250 crores

Q.5) In which stage of the Lewin Change Management Model, we see reinforcement strategies practiced by the management ?

Static or Current – **Static**

1 marker or 2 marker – **1 marker**

Finance or Management – **Management**

Difficulty Level – **Moderate**

Topic – **Organisational Change**

Covered in EduTap course – **Yes**

Options:

- a) Change
- b) Un-freezing
- c) Re-Freezing
- d) Dynamic
- e) None of the above

Answer: (c) Re-freezing

1. **Unfreezing:** This stage is about people shed their old mindset or their old behaviour to accept the change. It involves improving the readiness as well as the willingness of people to change by fostering a realization for moving from the existing comfort zone to a transformed situation.
2. **Changing:** In this stage the individuals learn new behaviour. This stage can also be regarded as the stage of Transition or the stage of actual implementation of change.
3. **Refreezing:** **The stage of Refreezing is the ultimate stage in which people accept or internalize the new ways of working or change, accept it as a part of their life and establish new relationship.** Often people have tendency to go back to **old ways if proper reinforcement is not provided.** There reinforcement in terms of rewards/recognition must be provided to keep people motivated towards new way of working.

Screenshot directly taken from our main course/lectures/marathon sessions.

During this stage, careful planning, effective communication and encouraging the involvement of individuals for endorsing the change is necessary.

Stage 3 - Freeze (Refreezing): During this stage, the people move from the stage of transition (change) to a much more stable state which we can regard as the *state of equilibrium*. The stage of Refreezing is the ultimate stage in which *people accept or internalize the new ways of working or change, accept it as a part of their life and establish new relationships. For strengthening and reinforcing the new behavior or changes in the way of working, the employees should be rewarded, recognized, and provided positive reinforcements, supporting policies or structures can help in reinforcing the transformed ways of working.*

Kurt Lewin Change Model

Q.6) In an Organisation, an employee is reliable, dependable, goal-oriented, and cooperative. Which of the following personality of the employee is reflected as per Big Five Personality Model ?

Static or Current – **Static**

1 marker or 2 marker – **1 Marker**

Finance or Management – **Management**

Difficulty Level – **EASY**

Topic – **Personality and Perception**

Covered in EduTap course – **Yes**

Options:

- (a) Agreeableness
- (b) Conscientiousness
- (c) Emotional Stability
- (d) Extroversion
- (e) None of the above

Answer: (b) Conscientiousness

Explanation:

The Big Five personality traits are **extraversion (also often spelled extroversion), agreeableness, openness, conscientiousness, and neuroticism.**

Conscientiousness: Standard features of this dimension include **high levels of thoughtfulness, good impulse control, and goal-directed behaviors**

Therefore, if we see and match the key words of the question, then the answer will be **Conscientiousness**.

Screenshot directly taken from our main course/lectures/marathon sessions.

Conscientiousness: Standard features of this dimension include high levels of thoughtfulness, good impulse control, and goal-directed behaviors. Highly conscientious people tend to be organized and mindful of details. They plan ahead, think about how their behavior affects others, and are mindful of deadlines. Research has showed that more conscientious persons tend to be high performers than the less conscientious persons. **Example:** The high degree of conscientiousness of Mark Zuckerberg has led him to the way of success, he is a hardworking, and always willing to put in extra time and effort to accomplish goal to achieve success. His willingness to put in extra time to complete something, such as he uses eight hours to create the Facemash site. So, we can see that when he got an objective that need to be achieved, he will show his high conscientiousness to work on that aim in order to achieve success

Q.7) As per the recent development in the financial markets, what is the FPI limit on the corporate bonds ?

Static or Current – **Current Affairs**

1 marker or 2 marker – **1 Marker**

Finance or Management – **Finance**

Difficulty Level – **Moderate**

Topic – **NA**

Covered in EduTap course – **Yes**

Options:

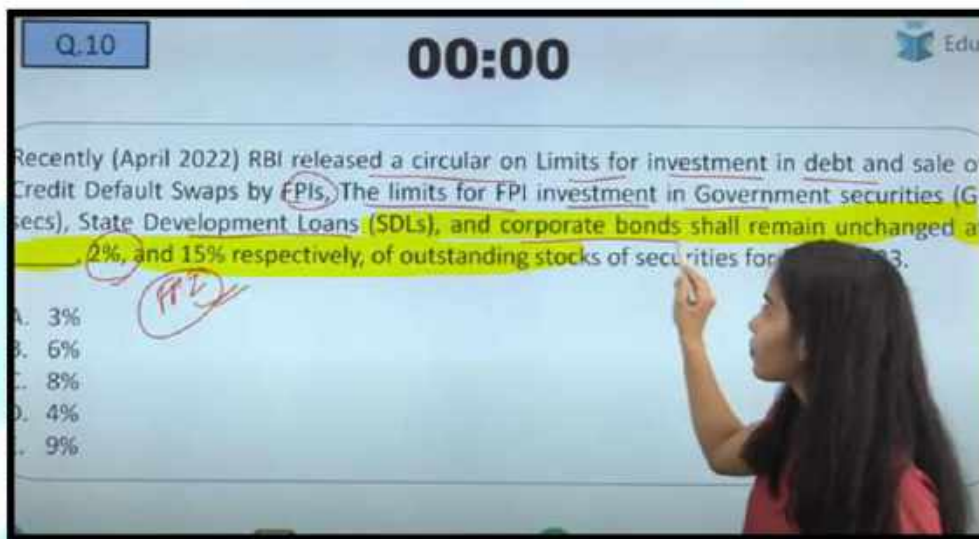
- (a) 10%
- (b) 15%
- (c) 20%
- (d) 25%
- (e) NONE OF THE ABOVE

Answer: (B) 15%

Explanation:

The limit for FPI investment in corporate bonds is increased to 15% of outstanding stock for FY 2020-21.

Screenshot directly taken from our main course/lectures/marathon sessions.



Q.8) In the most general language, blaming of one's un-ethical behaviour on others is called as _____? (1 Mark)

Static or Current – **Static**

1 marker or 2 marker – **1 Mark**

Finance or Management – **Management**

Difficulty Level – **Moderate**

Topic – **Ethics**

Covered in EduTap course – **No**

Options:

- (a) Displacement of responsibility
- (b) Euphemistic Labelling
- (c) Diffusion
- (d) Ethical Delusion
- (e) None of the above

Answer: (a)

Explanation: Displacement of responsibility

The diffusion of responsibility is the social psychology phenomenon that individuals are **less likely to take action when a larger number of people are present**. Sometimes referred to as the **bystander effect** and under such circumstances a person blames others for their behavior.

Q.9) Identify the form of communication when messages flow through all level of organization and under such form of communication messages cross all the levels of hierarchy present in the organization.

Static or Current – **Static**

1 marker or 2 marker – **1 Marker**

Finance or Management – **Management**

Difficulty Level – **EASY**

Topic – **Communication.**

Covered in EduTap course – **Yes**

Options:

- (a) Vertical Communication
- (b) Downward Communication
- (c) Diagonal Communication
- (d) Horizontal Communication
- (e) None of the above

Answer: (c) Diagonal Communication

Explanation:

Diagonal or crosswise communication takes place when people working at the same level interact with those working at a higher or lower level of **organizational hierarchy** and across the **boundaries of their reporting relationship**.

Screenshot directly taken from our main course/lectures/marathon sessions.

6.4 Diagonal or crosswise communication

Diagonal or crosswise communication takes place when people working at the same level interact with those working at a higher or lower level of organizational hierarchy and across the boundaries of their reporting relationship.

Advantages of diagonal communication:

1. **Coordination:** This crosswise communication serves the important purpose of coordination through informal meetings, formal conferences, lunch hour meetings, general notices etc.
2. **Practicable:** As we know not all communication takes place strictly on the lines of organizational hierarchy, i.e., downwards, or upwards.
3. **Morale boosting:** By providing opportunities to lower-level workers to interact with managers in informal meetings it gives their morale a boost and further commitment to the organization. More and more organizations are now encouraging crosswise communication and building up bonhomie.

Q.10) Import and Export Code (IEC) is mandatory and applicable to which of the following institutions_____ ?

Static or Current – Current

1 marker or 2 marker – **1 Marker**

Finance or Management – **Finance**

Difficulty Level – **EASY**

Topic – NA

Covered in Edutap course – **No**

Options:

- (a) HUF
- (b) Sole Proprietor
- (c) LLPs
- (d) Partnerships
- (e) All of the above

Answer: (e) All of the above

Explanation:

Eligibility for getting Import Export Code registration

The IEC code registration is applicable for all business registrations:

- Sole Proprietorship
- Private limited companies
- NGOs/ Trusts (Charitable Organization)
- Partnership
- One-person Company
- Limited Liability Company, etc.

If all the above deals in export and import of goods must register for IEC Registration
However, the IEC Code is not applicable for import & export of goods for personal use that is not linked to trade, manufacture, or agriculture.

Para 1. A passage on Organizational Behavior was given and it was followed by 3 questions i.e Q. 11-13

Organization is the mechanism which determines the relationship of various persons. With the help of a well-defined organization management is able to perform the functions of direction, co-ordination and control. An ill-defined organization plan will not enable the management to make an effective exhibition of its managerial talents to realize business goals.

Proper understanding of organizational behaviour can result in many positive effects on the organization and its employees. It also studies how people behave in and around the workplace, which will be the organization.

(This is a recreated passage and not the exact one asked in the exam)

Q.11) How many Levels are there in organisational behavior? (2 marks)

Static or Current – **Static**

1 marker or 2 marker – **2 Marker**

Finance or Management – **Management**

Difficulty Level – **Easy**

Topic – **Fundamentals of organizational behaviour**

Covered in Edutap course – **Yes**

Options:

- A. 1
- B. 2
- C. 3
- D. 4
- E. None of the above

Answer: (C) 3

Explanation:

There are three level of the Organisational Behavior (OB)

1. OB at Individual level
2. OB at Organisational level
3. OB at Team Level

Screenshot directly taken from our main course/lectures/marathon sessions.



Q.12) Identify the level of organisational behaviour, wherein an employee's motivation, personality aspect, and job interest are studied.

Static or Current – **Static**

1 marker or 2 marker – **2 Marker**

Finance or Management – **Management**

Difficulty Level – **EASY**

Topic – **Fundamentals of organizational behaviour**

Covered in EduTap course – **Yes**

Options:

- A. Individual Level
- B. Organisational Level
- C. Team Level
- D. Group
- E. None of Above

Answer: (A) Individual level

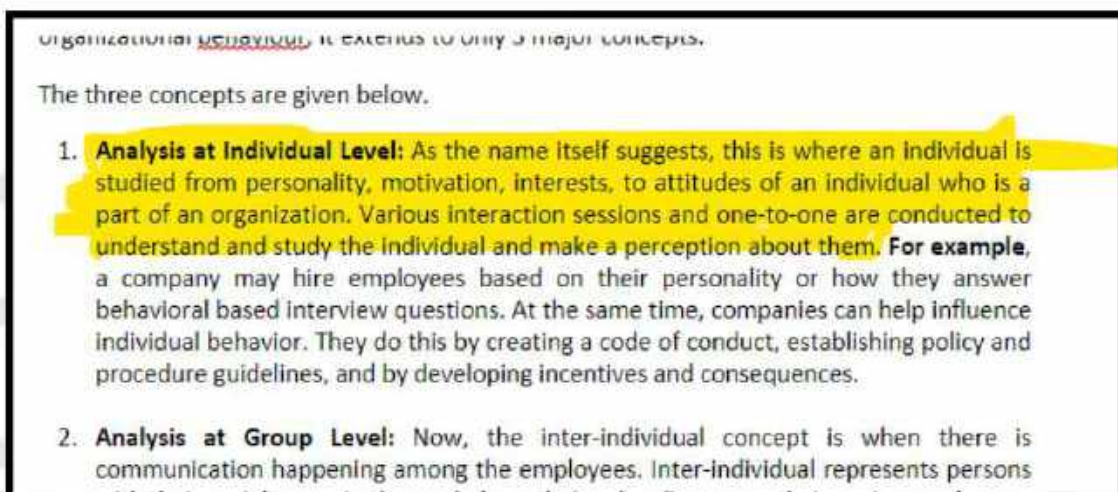
Explanation:

Analysis at Individual Level: As the name itself suggests, this is where an individual is studied from personality, motivation, interests, to attitudes of an individual who is a part of an organization. Various interaction sessions and one-to-one are conducted to understand and study the individual and make a perception about them.

Analysis at Group Level: Now, the inter-individual concept is when there is communication happening among the employees.

Analysis at Organization Level: Here the study of the formation of an organization is done. The areas looked into **can be the structure of the organization**, effectiveness in the organization, etc.

Screenshot directly taken from our main course/lectures/marathon sessions.



Q.13) With regards to the above-mentioned paragraph, from the following options, identify the concept which explains the heterogeneous composition of employees of an organization in terms of age, gender, language, ethnic origin, education and marital status.

Static or Current – **Static**

1 marker or 2 marker – **2 Marker**

Finance or Management – **Management**

Difficulty Level – **EASY**

Topic – **Fundamentals of organizational behaviour**

Covered in Edutap course – **Yes**

Options:

- A. Workplace Diversity
- B. Employee varsity
- C. Organisation dynamics
- D. Organisation teamwork
- E. None of Above

Answer: (A) Work-Place Diversity

Explanation:

Workplace diversity means the heterogeneous composition of employees of an organization in terms of age, gender, language, ethnic origin, education, marital status, etc. **Managing such diversity is really a challenge to HRM professionals.**

According to Moorhead and Griffin – “Workforce diversity is concerned with the similarities and differences in such **characteristics as age, gender, ethnic heritage, physical** abilities and disabilities, race, and sexual orientation, among the employees of organizations.”

Screenshot directly taken from our main course/lectures/marathon sessions.

2.8.4 Managing Workforce Diversity

Workforce diversity means the heterogeneous composition of employees of an organization in terms of age, gender, language, ethnic origin, education, marital status, etc. Managing such diversity is really a challenge to HRM professionals.

According to Moorhead and Griffin – “Workforce diversity is concerned with the similarities and differences in such characteristics as age, gender, ethnic heritage, physical abilities and disabilities, race, and sexual orientation, among the employees of organizations.”

For example, Mastercard consistently makes it into the Top 10 of Diversity Inc's 50 Best

Para 2. A passage on Corporate social responsibility (CSR) was given and it was followed by 4 questions i.e. Q.14 – Q.17

Corporate social responsibility (CSR) is a self-regulating business model that helps a company be socially accountable to itself, its stakeholders, and the public. By practicing corporate social responsibility, also called corporate citizenship, companies can be conscious of the kind of impact they are having on all aspects of society, including economic, social, and environmental.

To engage in CSR means that, in the ordinary course of business, a company is operating in ways that enhance society and the environment instead of contributing negatively to them.

(This is a recreated passage and not the exact one asked in the exam)

Q.14) As per section 135 of the companies Act, every company having net worth of rupees _____ crore or more will be eligible for CSR activities?

Static or Current – **Static**

1 marker or 2 marker – **2 marker**

Finance or Management – **Management**

Difficulty Level – **Moderate**

Topic – **Corporate Governance**

Covered in EduTap course – **Yes**

Options:

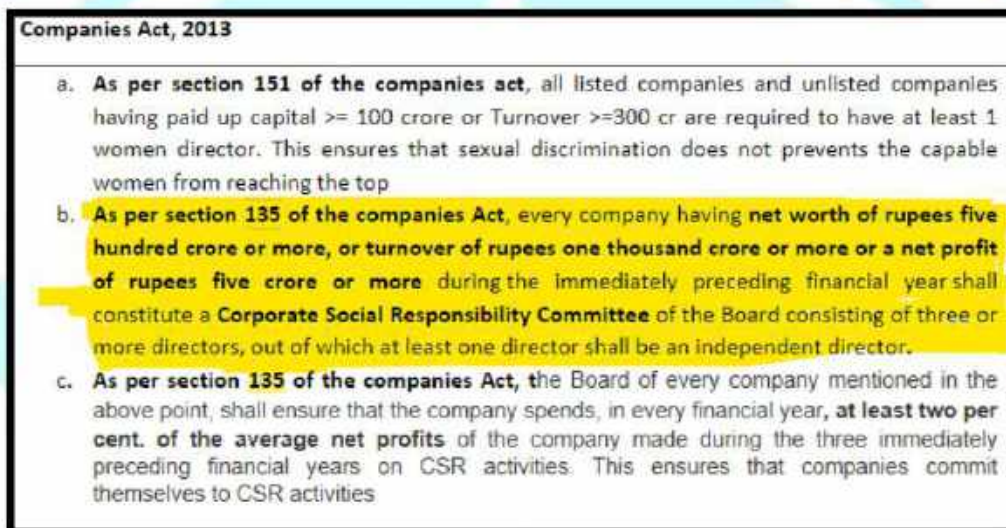
- A. 50 Crore
- B. 500 Crore
- C. 10 Crore
- D. 100 Crore
- E. None of the above

Answer: B) 500 Crore

Explanation:

As per section 135 of the companies Act, **every company having net worth of rupees five hundred crore or more**, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year.

Screenshot directly taken from our main course/lectures/marathon sessions.



Q.15) As per section 135 of the companies Act, every company having net profit of rupees _____ crore or more will be eligible for CSR ? (2 marks)

Static or Current – **Static**

1 marker or 2 marker – **2 Marker**

Finance or Management – **Management**

Difficulty Level – **Moderate**

Topic – **Corporate Governance**

Covered in EduTap course – **Yes**

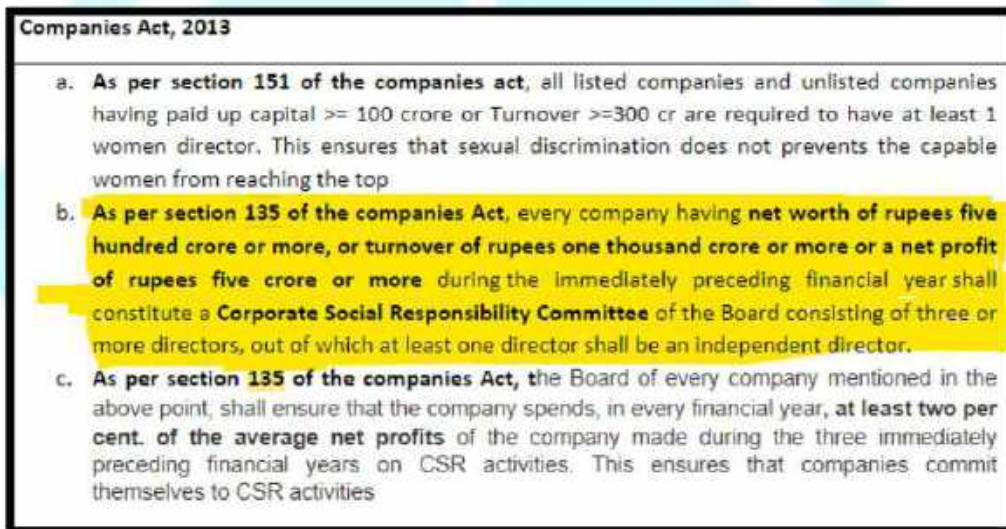
Options:

- A. 5 Crore
- B. 10 Crore
- C. 15 Crore
- D. 20 Crore
- E. None of the above

Answer: (A) 5 Crore

As per section 135 of the companies Act, every company having net worth of rupees five hundred crore or more, or **turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year** shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director.

Screenshot directly taken from our main course/lectures/marathon sessions.



Q.16) According to SEBI, Companies eligible for CSR shall constitute a Corporate Social Responsibility Committee of the Board consisting of _____ "A" _____ or more directors, out of which at least _____ "B" _____ shall be an independent director. (2 marks)

Identify "A" from the following given options.

Static or Current – **Static**

1 marker or 2 marker – **2 Marker**

Finance or Management – **Management**

Difficulty Level – **Moderate**

Topic – **Corporate Governance**

Covered in EduTap course – **Yes**

Options:

- A. 1
- B. 2
- C. 3
- D. 4
- E. None of the above

Answer: (C) 3

Explanation:

As per section 135 of the companies Act, every company having net worth of rupees five hundred crore or more, or **turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year** shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director.

Screenshot directly taken from our main course/lectures/marathon sessions.

Companies Act, 2013

- a. As per section 151 of the companies act, all listed companies and unlisted companies having paid up capital ≥ 100 crore or Turnover ≥ 300 cr are required to have at least 1 women director. This ensures that sexual discrimination does not prevents the capable women from reaching the top
- b. As per section 135 of the companies Act, every company having **net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more** during the immediately preceding financial year shall constitute a **Corporate Social Responsibility Committee** of the Board consisting of three or more directors, out of which at least one director shall be an independent director.
- c. As per section 135 of the companies Act, the Board of every company mentioned in the above point, shall ensure that the company spends, in every financial year, **at least two per cent. of the average net profits** of the company made during the three immediately preceding financial years on CSR activities. This ensures that companies commit themselves to CSR activities

Q.17) According to SEBI, Companies eligible for CSR, shall constitute a Corporate Social Responsibility Committee of the Board consisting of _____ "A" _____ or more directors, out of which at least _____ "B" _____ shall be an independent director. (2 marks)

Identify "B" from the following options.

Static or Current – **Static**

1 marker or 2 marker – **2 Marker**

Finance or Management – **Management**

Difficulty Level – **Moderate**

Topic – **Corporate Governance**

Covered in EduTap course – **Yes**

Options:

- A. 1
- B. 2
- C. 3
- D. 4
- E. NONE OF THE ABOVE

Answer: (A) 1

As per section 135 of the companies Act, every company having net worth of rupees five hundred crore or more, or **turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director.**

Screenshot directly taken from our main course/lectures/marathon sessions.

Companies Act, 2013

- a. As per section 151 of the companies act, all listed companies and unlisted companies having paid up capital ≥ 100 crore or Turnover ≥ 300 cr are required to have at least 1 women director. This ensures that sexual discrimination does not prevents the capable women from reaching the top
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- c. As per section 135 of the companies Act, the Board of every company mentioned in the above point, shall ensure that the company spends, in every financial year, at least two per cent. of the average net profits of the company made during the three immediately preceding financial years on CSR activities. This ensures that companies commit themselves to CSR activities

Para 3. A passage on Commercial Paper was given and it was followed by 4 questions i.e. Q.18 – Q.21

Commercial paper is an unsecured, short-term loan taken by a corporation, typically for financing accounts receivable and inventories. It is usually issued at a discount, reflecting current market interest rates. It is also called unsecured promissory note since in this issuer makes a promise to pay back the face value after the maturity period, but that promise is unsecured in the sense there is no guarantee that your money will come back.

For the most part, commercial paper is a very safe investment because the financial situation of a company can easily be predicted over a few months. Furthermore, typically only companies with high credit ratings and credit worthiness issue commercial paper.

(This is a recreated passage and not the exact one asked in the exam)

Q.18) Commercial Paper can be issued for a minimum of _____ number of days (2 marks)

Static or Current – **Static**

1 marker or 2 marker – **2 Marker**

Finance or Management – **Finance**

Difficulty Level – **EASY**

Topic – **Primary and Secondary Markets (Debt Market)**

Covered in EduTap course – **Yes**

Options:

- A. 2 days
- B. 7 days
- C. 15 Days
- D. 14 Days
- E. NONE OF THE ABOVE

Answer: (B) 7 Days

Explanation:

Commercial Paper (CP) was introduced in India in 1990 to allow highly rated corporate borrowers to diversify their sources of short-term borrowings and to provide an additional instrument to investors. Subsequently, primary dealers and all-India financial institutions were also permitted to issue CP to enable them to meet their short-term funding requirements for their operations.

CP can be issued for **maturities between a minimum of 7 days and a maximum of up to one year** from the date of issue. However, the maturity date of the CP should not go beyond the date up to which the credit rating of the issuer is valid.

CP can be issued in denominations of Rs. 5 lakh or multiples thereof.

Screenshot directly taken from our main course/lectures/marathon sessions.

What is the minimum & maximum period of maturity?

CP can be issued for maturities between a minimum of 7 days and a maximum of up to one year from the date of issue. However, the maturity date of the CP should not go beyond the date up to which the credit rating of the issuer is valid.

What are the rating requirements?

Eligible participants/issuers shall obtain credit rating for issuance of CP from any one of the SEBI registered CRAs. The minimum credit rating shall be 'A3' as per rating symbol and definition prescribed by SEBI. The issuers shall ensure at the time of issuance of the CP that the rating so obtained is current and has not fallen due for review. No approval from RBI is required to issue CP's

In what denominations a CP can be issued?

CP can be issued in denominations of Rs. 5 lakh or multiples thereof.

Q.19) Commercial Paper can be issued for a maximum duration of _____ days?

Static or Current – **Static**

1 marker or 2 marker – **2 Marker**

Finance or Management – **Finance**

Difficulty Level – **Easy**

Topic – **Primary and Secondary Markets (Debt Market)**

Covered in EduTap course – **Yes**

Options:

- A. 366 Days
- B. 365 Days
- C. 150 Days
- D. 225 Days
- E. None of the above

Answer: (B) 365 Days

Explanation:

Commercial Paper (CP) was introduced in India in 1990 to allow highly rated corporate borrowers to diversify their sources of short-term borrowings and to provide an additional instrument to investors. Subsequently, primary dealers and all-India financial institutions were also permitted to issue CP to enable them to meet their short-term funding requirements for their operations.

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Screenshot directly taken from our main course/lectures/marathon sessions.

What is the minimum & maximum period of maturity?

CP can be issued for maturities between a minimum of 7 days and a maximum of up to one year from the date of issue. However, the maturity date of the CP should not go beyond the date up to which the credit rating of the issuer is valid.

What are the rating requirements?

Eligible participants/issuers shall obtain credit rating for issuance of CP from any one of the SEBI registered CRAs. The minimum credit rating shall be 'A3' as per rating symbol and definition prescribed by SEBI. The issuers shall ensure at the time of issuance of the CP that the rating so obtained is current and has not fallen due for review. No approval from RBI is required to issue CP's

In what denominations a CP can be issued?

CP can be issued in denominations of Rs. 5 lakh or multiples thereof.

Q.20) In India commercial paper are issued in denominations of Rs. _____ lakh or multiples.

Static or Current – **Static**

1 marker or 2 marker – **2 MARKER**

Finance or Management – **FINANCE**

Difficulty Level – **EASY**

Topic – **Primary and Secondary Markets (Debt Market)**

Covered in EduTap course – **Yes**

Options:

- (a) 1 Lakh
- (b) 2 Lakh
- (c) 3 Lakh
- (d) 4 Lakh
- (e) 5 Lakh

Answer: (E) 5 Lakh

Explanation:

Commercial Paper (CP) was introduced in India in 1990 to allow highly rated corporate borrowers to diversify their sources of short-term borrowings and to provide an

additional instrument to investors. Subsequently, primary dealers and all-India financial institutions were also permitted to issue **CP to enable them to meet their short-term funding requirements for their operations.**

CP can be issued in denominations of Rs. 5 lakh or multiples thereof.

Screenshot directly taken from our main course/lectures/marathon sessions.

What is the minimum & maximum period of maturity?

CP can be issued for maturities between a minimum of 7 days and a maximum of up to one year from the date of issue. However, the maturity date of the CP should not go beyond the date up to which the credit rating of the issuer is valid.

What are the rating requirements?

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In what denominations a CP can be issued?

CP can be issued in denominations of Rs. 5 lakh or multiples thereof.

Q.21) Commercial paper are issued in India in which of the following forms ?

Static or Current – **Static**

1 marker or 2 marker – **2 Marker**

Finance or Management – **Finance**

Difficulty Level – **EASY**

Topic – **Primary and Secondary Markets (Debt Market)**

Covered in EduTap course – **Yes**

Options:

- A. Participatory Notes
- B. Promissory Note
- C. Debt bills
- D. Equity Bills
- E. None of the above

Answer: (B) Promissory Note

Explanation:

Commercial Paper (CP) was introduced in India in 1990 to allow highly rated corporate borrowers to diversify their sources of short-term borrowings and to provide an additional instrument to investors. Subsequently, primary dealers and all-India financial institutions were also permitted to issue CP to enable them to meet their short-term funding requirements for their operations.

Commercial paper is an unsecured, short-term loan taken by a corporation, typically for financing accounts receivable and inventories. It is usually issued at a discount, reflecting current market interest rates. It is also called unsecured promissory note since in this issuer makes a promise to pay back the face value after the maturity period, but that promise is unsecured in the sense there is no guarantee that your money will come back

Screenshot directly taken from our main course/lectures/marathon sessions.

5.2.4 Commercial Paper

For many corporations, borrowing short-term money from banks is often a laborious and annoying task. The desire to avoid banks as much as possible has led to the widespread popularity of **commercial paper**

Commercial paper is an unsecured, short-term loan taken by a corporation, typically for financing accounts receivable and inventories. It is usually issued at a discount, reflecting current market interest rates. It is also called unsecured promissory note since in this issuer makes a promise to pay back the face value after the maturity period, but that promise is unsecured in the sense there is no guarantee that your money will come back

For the most part, commercial paper is a very safe investment because the financial situation of a company can easily be predicted over a few months. Furthermore, typically only companies

Para 4. A passage on Outsourcing of Financial Services by banks was given and it was followed by 3 questions i.e. Q.22 – Q.24

The world over, banks are increasingly using outsourcing, as a means of both reducing cost and accessing specialist expertise, not available internally and achieving strategic aims.

Outsourcing' may be defined as a bank's use of a third party (either an affiliated entity within a corporate group or an entity that is external to the corporate group) to perform activities on a continuing basis that would normally be undertaken by the bank itself, now or in the future.

(This is a recreated passage and not the exact one asked in the exam)

Q.22) Typically outsourced financial services include applications processing, loan origination, credit card and _____ ?

Static or Current – **Static**

1 marker or 2 marker – **2 Marker**

Finance or Management – **Finance**

Difficulty Level – **Tough**

Topic – **Banking and Financial System**

Covered in EduTap course – **No**

Options:

- (a) Document processing
- (b) Investment management
- (c) Supervision of loans
- (d) Data processing
- (e) All of the above

Answer: (E) All of the above

Explanation:

Typically outsourced financial services include applications processing (loan origination, credit card), document processing, investment management, marketing and research, supervision of loans, data processing and back office related activities etc.

Here is the link to the RBI notification -

<https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=2655>

Q.23) There are certain activities which cannot be outsourced by bank, some of them are _____ "A" _____ and _____ "B" _____.

Identify A from the following option ?

Static or Current - **Static**

1 marker or 2 marker – **2 Marker**

Finance or Management – **Finance**

Difficulty Level – **Tough**

Topic – **Banking and Financial System**

Covered in EduTap course – **No**

Options:

- A. Investment management
- B. Core management functions
- C. Marketing and research
- D. Supervision of loans
- E. None of the above

Answer: (B) Core Management Functions

Explanation:

Banks cannot outsource core management functions like corporate planning, Organisation, management and control and decision-making functions like **determining compliance with KYC norms for opening deposit accounts, according to sanction for loans and management of investment portfolio.**

Banks cannot outsource core management functions like corporate planning, Organisation, management and control and decision-making functions like **determining compliance with KYC norms for opening deposit accounts, according to sanction for loans and management of investment portfolio.**

Here is the link to the RBI notification -

<https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=2655>

Q.24) There are certain activities which cannot be outsourced by bank, some of them are _____ "A" _____ and _____ "B" _____.

Identify B from the following option ?

Static or Current – **Static**

1 marker or 2 marker – **2 Marker**

Finance or Management – **Finance**

Difficulty Level – **Tough**

Topic – **Banking and Financial System**

Covered in EduTap course – **No**

Options:

- A. Investment management,
- B. Determining compliance with KYC norms
- C. Data processing
- D. Document processing
- E. None of the above

Answer: Determining compliance with KYC norms

Explanation:

Banks cannot outsource core management functions like corporate planning, Organisation, management and control and decision-making functions like **determining compliance with KYC norms for opening deposit accounts, according to sanction for loans and management of investment portfolio.**

Banks cannot outsource core management functions like corporate planning, Organisation, management and control and decision-making functions like **determining compliance with KYC norms for opening deposit accounts, according sanction for loans and management of investment portfolio.**

Here is the link to the RBI notification -

<https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=2655>

Para 5. A passage on regarding different needs of an individual and it was followed by 3 questions i.e., Q.25 – Q.27

Ram is currently working in the XYZ company, and he is employed in company for a long period of time. Another company which is very much in the news is ABC company. ABC company is operating on small scale, and it has huge growth potential. Ram got fascinated by the growth prospectus of the ABC company and thereby he decided to join the ABC company.

ABC company offered a high reputed job position to Ram and thereby Ram accepted the job offer.

Soon after joining the ABC company, the colleagues of his ABC company was not happy with Ram, because Ram was directly recruited from outside and straight away, he was promoted to the senior most position.

Moreover, after some time Ram complained about poor working conditions of the Air Conditioner (AC), Desk and chair in the office, but the office authorities didn't pay any attention to the Ram's complain and after getting frustrated Ram decided to leave ABC company and he decided to start his own venture.

(This is a recreated passage and not the exact one asked in the exam)

Q.25) As Ram complained about poor working conditions of the Air conditioners, desk, and chair. As per Clayton Herzberg theory, which of the following need of Ram is not met ?

Static or Current – **Static**

1 marker or 2 marker – **2 Marker**

Finance or Management – **Management**

Difficulty Level – **Moderate**

Topic – **Motivation**

Covered in EduTap course – **Yes**

Options:

- (a) Satisfiers needs
- (b) Hygiene needs
- (c) Motivating needs
- (d) Growth needs
- (e) None of the above

Answer: (B) Hygiene needs

Herzberg's Two Factor Theory is also known as the Motivation Hygiene Theory. It states two different facets of motivation, the first being 'hygiene' factors or job context. The second factor is 'satisfiers or job content, i.e., the intrinsic qualities of the job.

It's clearly given that Ram is not happy with the poor performance of ACs, desk and chairs, which means Ram is not happy with the working conditions and **as per Herzberg's Two Factor Theory, working conditions are an example of Hygiene factors.**

Screenshot directly taken from our main course/lectures/marathon sessions.

1. **SATISFACTION (MOTIVATION):** According to Herzberg, the hygiene factors cannot be regarded as motivators. The motivational factors yield positive satisfaction. These factors are inherent to work. These factors motivate the employees for a superior performance. These factors are called satisfiers. These are factors involved in performing the job. Employees find these factors intrinsically rewarding. The motivators symbolized the psychological needs that were perceived as an additional benefit. Motivational factors include:

- Achievement
- Recognition
- Work itself
- Responsibility
- Advancement
- Growth and Promotion

2. **DISSATISFACTION (HYGIENE):** Hygiene factors also known as maintenance factors are not intrinsic part of the job but are related to conditions under which job is performed. Hygiene factors are those factors which when adequate/reasonable in a job, pacify the employees and do not make them dissatisfied but do not motivate them. But if these factors are absent / if these factors are non-existent at workplace, then they lead to dissatisfaction. These factors are extrinsic to work. Hygiene factors are also called as dissatisfiers or maintenance factors as they are required to avoid dissatisfaction. These factors describe the job environment/scenario. The hygiene factors symbolized the physiological needs which the individuals wanted and expected to be fulfilled. Hygiene factors include:

- Company policy
- Administrative policies
- Supervision
- Salary
- Interpersonal relations
- Working conditions
- Job Security

Herzberg also says that it is not only these factors but the personality of the individual also

Q.26) As Ram shifted from XYZ company to the ABC company, this change of job can be explained by which of the following Theory of motivation ?

Static or Current – **Static**

1 marker or 2 marker – **2 Marker**

Finance or Management – **Management**

Difficulty Level – **Moderate**

Topic – **Motivation**

Covered in EduTap course – **Yes**

Options:

- A. Existence needs – Alderfer Theory of motivation
- B. Achievement needs – David McClelland Theory of motivation
- C. Belonginess Needs – Maslow Theory of Motivation
- D. Growth Needs - Alderfer Theory of motivation
- E. None of the above

Answer: (D) Growth Needs - Alderfer Theory of motivation

It's clearly given the question that ABC company is having a huge growth potential, which could have attracted Ram and thereby **Growth needs of Alderfer Theory of motivation, clearly explains the movement of Ram from XYZ company to the ABC company.**

Screenshot directly taken from our main course/lectures/marathon sessions.

4.3 Alderfer's Hierarchy of Motivational Needs

Clayton P. Alderfer's believed that the original need hierarchy was not quite accurate in identifying and categorizing human need. As an evolutionary and **criticism to hierarchy theory**, Alderfer proposed **ERG theory** in 1969 which condenses Maslow's five human needs into three categories: **Existence, Relatedness and Growth**.

Maslow's and Alderfer's Needs Theories

- Existence** refers to our concern with basic material existence requirements, what Maslow called physiological and safety needs.
- Relatedness** refers to the desire we have for maintaining interpersonal relationships, like Maslow's social/love need.
- Growth** refers to an intrinsic desire for personal development, Maslow's esteem need, and self-actualization.

Q.27) As Ram is very talented employee, what could ABC company could have provided to Ram, so that Ram can be retained back in the Organisation ?

Static or Current – **Static**

1 marker or 2 marker – **2 Marker**

Finance or Management – **Management**

Difficulty Level – **Moderate**

Topic – **Motivation**

Covered in EduTap course – **Yes**

Options:

- A. Interpersonal relationships
- B. Autonomy
- C. Higher pay
- D. Social Environment
- E. None of the above

Answer: (D)

There is very clear and straight forward mention that present employees of the ABC Ltd, were not happy with Ram, which means that Ram was not able to have good interpersonal relations with the fellow team members, **however the presence of word social environment would be good option to choose, because social environment will include interpersonal relations. Therefore, the correct answer for this question should be option D, which is social environment.**

Please be informed that Autonomy will not be the correct answer because autonomy majorly deals with the freedom to do the task and the key words related to Autonomy are also missing.

Para 6. A passage on regarding communication was given and it was followed by 3 questions i.e. Q.28 – Q.30

Communication is one of the main principles of organization. It has been considered as an effective tool for achieving the goals of an organization. All organizations may be small or big, simple, or complex, general, or technical, have the necessity of communication network. It plays a vital role, as functioning of all other Important principles of the organization depends upon its availability and effectivity. Effective Communication is considered as foundation of sound management. Chester Barnard a famous American executive once remarked "The first executive function is to develop and maintain a system of communication".

The communication cycle refers to the steps through which communication takes place between the sender and the receiver. This process starts with conceptualizing of an idea or _____ "A" _____ by the sender and then encoding of message takes place, then sender selects the medium of the channel and then sender transmits the message to the receiver.

At the receiver's end the decoding of the message takes place and at last, a loop is formed wherein the receiver shares _____ "B" _____ with the sender.

(This is a recreated passage and not the exact one asked in the exam)

Q.28) The above-mentioned passage indicates which of the following aspect of communication ?

Static or Current – **Static**

1 marker or 2 marker – **2 Marker**

Finance or Management – **Management**

Difficulty Level – **Easy**

Topic – **Communication**

Covered in EduTap course – **Yes**

Options:

- A. Communication dynamics
- B. Communication Process
- C. Communication terminology
- D. Communication physiology
- E. None of the above

Answer: (B) Communication Process

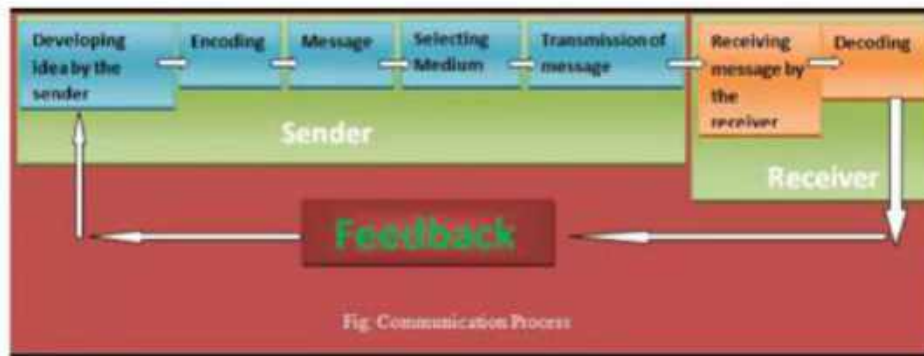
It's clearly evident from the above-mentioned passage that it's about the communication process, **which starts from the sender and ends when receiver gives the feedback to the sender.**

The communication **process refers to the steps through which communication** takes place between the sender and the receiver. This process starts with conceptualizing of an idea or message by the sender and ends with the feedback from the receiver.

Screenshot directly taken from our main course/lectures/marathon sessions.

2 Communication Process

The following diagram represents the communication process



The communication process refers to the steps through which communication takes place between the sender and the receiver. This process starts with conceptualizing an idea or message by the sender and ends with the feedback from the receiver. In details, communication process consists of the following eight steps:

Q.29) Read the above-mentioned passage and identify “_____A_____” from the following options.

Static or Current – **Static**

1 marker or 2 marker – **2 Marker**

Finance or Management – **Management**

Difficulty Level – **Easy**

Topic – **Communication**

Covered in EduTap course – **Yes**

Options:

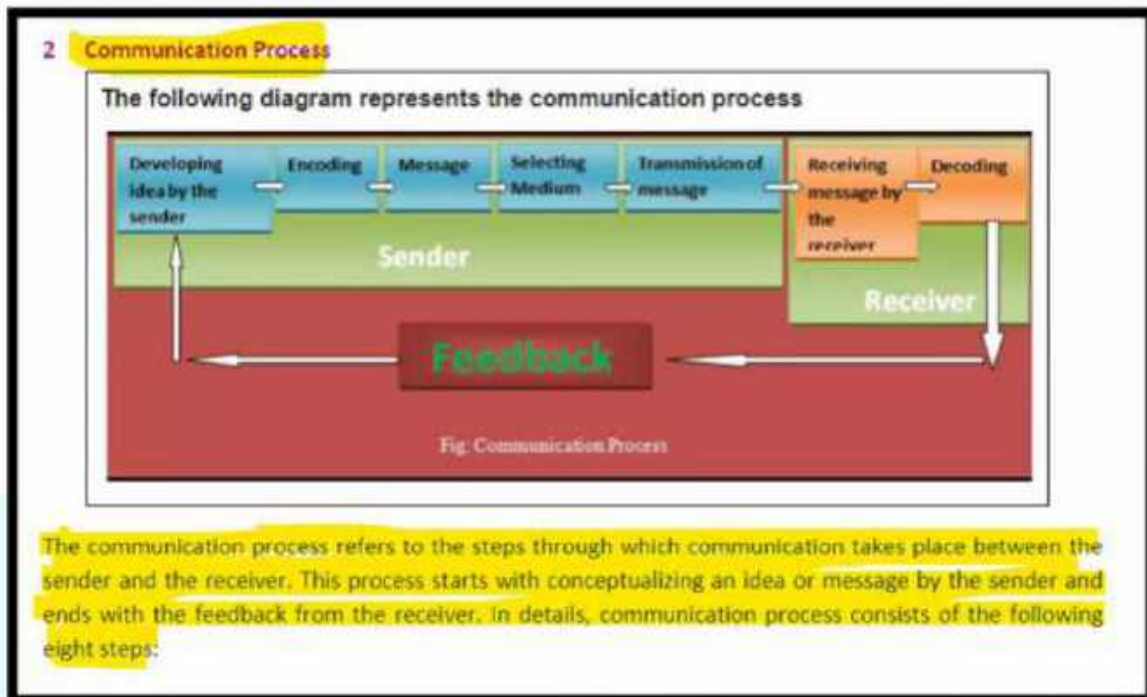
- A. Key element of communication
- B. Message
- C. Encoding
- D. Feedback
- E. None of the above

Answer: (B) Message

It's clearly evident from the above-mentioned passage that it's about the communication process, **which starts from the sender and ends when receiver gives the feedback to the sender.**

The communication **process refers to the steps through which communication** takes place between the sender and the receiver. This process starts with conceptualizing of an idea or message by the sender and ends with the feedback from the receiver.

Screenshot directly taken from our main course/lectures/marathon sessions.



Q.30) Read the above-mentioned passage and identify “ ____ B ____ ” from the following options.

Static or Current – **Static**

1 marker or 2 marker – **2 Marker**

Finance or Management – **Management**

Difficulty Level – **Easy**

Topic – **Communication**

Covered in EduTap course – **Yes**

Options:

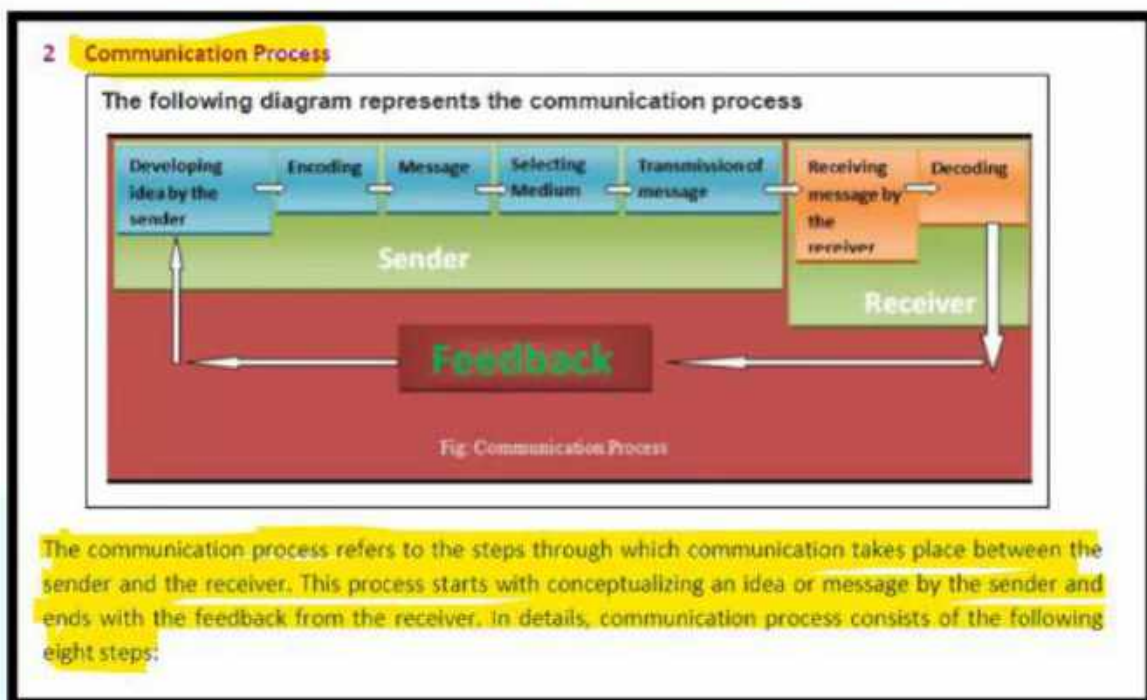
- A. Key element of communication
- B. Message
- C. Encoding
- D. Feedback
- E. None of the above

Answer: (D) Feedback

It's clearly evident from the above-mentioned passage that it's about the communication process, **which starts from the sender and ends when receiver gives the feedback to the sender.**

The communication **process refers to the steps through which communication** takes place between the sender and the receiver. **This process starts with conceptualizing of an idea or message by the sender and ends with the feedback from the receiver.**

Screenshot directly taken from our main course/lectures/marathon sessions.



Question Paper Analysis: OBJECTIVE

TABLE 1

Question #	Marks	FINANCE & MANAGEMENT	Topic	Static or Current	Difficulty Level
1	1	Finance	NA	Current	Easy
2	1	Finance	NA	Current	EASY
3	1	Management	General Management – part 1	Static	EASY
4	1	Finance	NA	Current	Moderate
5	1	Management	Organisation Change	Static	Moderate
6	1	Management	Personality and Perception	Static	EASY
7	1	Finance	NA	Current	Moderate
8	1	Management	Ethics	Static	Moderate
9	1	Management	Communication	Static	Easy
10	1	Finance	NA	Current	East
11	2	Management	Fundamentals of organizational behaviour	Static	Easy
12	2	Management	Fundamentals of organizational behaviour	Static	East
13	2	Management	Fundamentals of organizational behaviour	Static	Easy
14	2	Management	Corporate Governance	Static	Moderate
15	2	Management	Corporate Governance	Static	Moderate
16	2	Management	Corporate Governance	Static	Moderate
17	2	Management	Corporate	Static	Moderate

			Governance		
18	2	Finance	Primary and Secondary (debt market)	Static	Easy
19	2	Finance	Primary and Secondary (debt market)	Static	Easy
20	2	Finance	Primary and Secondary (debt market)	Static	Easy
21	2	Finance	Primary and Secondary (debt market)	Static	Easy
22	2	Finance	Banking and Financial System	Static	Difficult
23	2	Finance	Banking and Financial System	Static	Difficult
24	2	Finance	Banking and Financial System	Static	Difficult
25	2	Management	Motivation	Static	Moderate
26	2	Management	Motivation	Static	Moderate
27	2	Management	Motivation	Static	Moderate
28	2	Management	Communication	Static	Easy
29	2	Management	Communication	Static	Easy
30	2	Management	Communication	Static	Easy

TABLE 2

SUBJECT	TOTAL NUMBER OF QUESTIONS ASKED	TOTAL ALLOCATED MARKS
FINANCE	12	19
MANAGEMENT	18	31

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TABLE 3

DIFFICULTY LEVEL	TOTAL NUMBER OF QUESTIONS ASKED
EASY	16
MODERATE	11
DIFFICULT	3

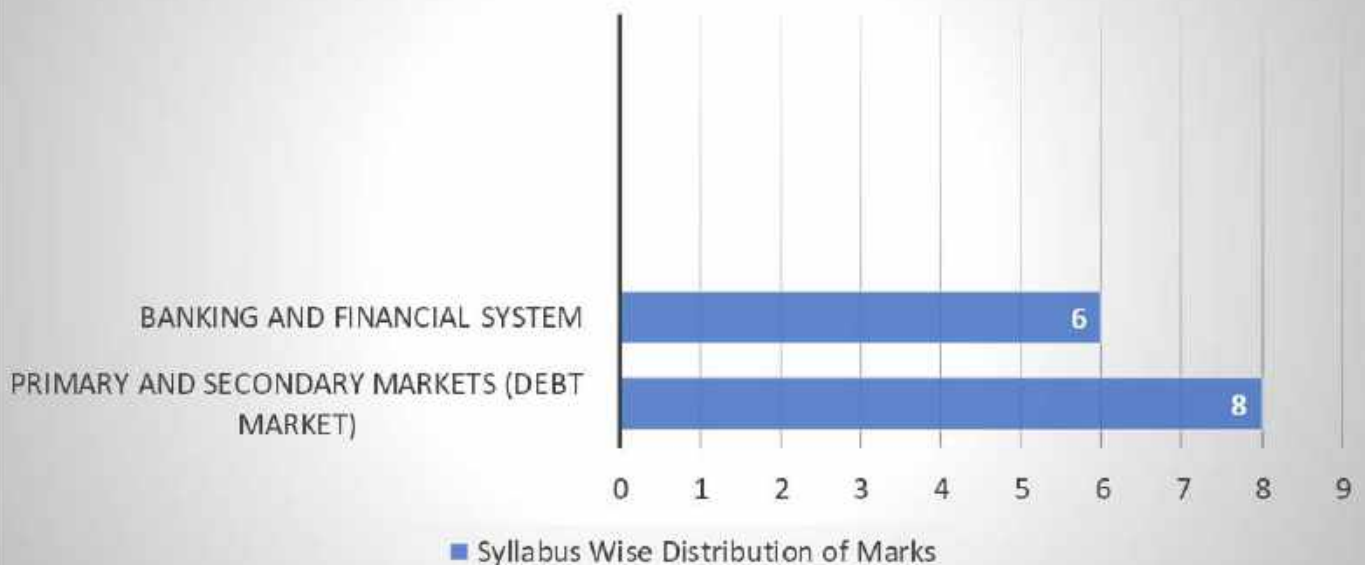
Important take away from Table 1,2 and 3

- ❖ Management was given more weightage (62%) than finance (38%).
- ❖ Overall objective paper was on easy to moderate side.
- ❖ There were many questions, wherein a student could have taken a calculated risk. Like in the questions related to the outsourcing activities of the bank.

Finance Analysis



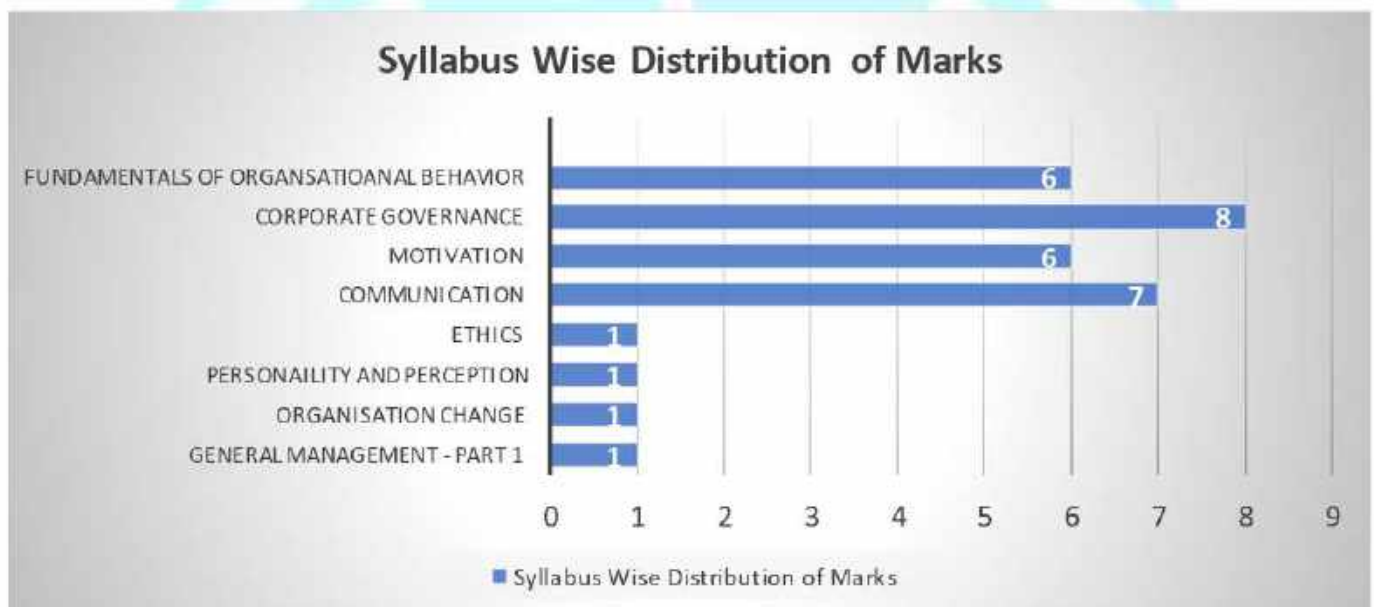
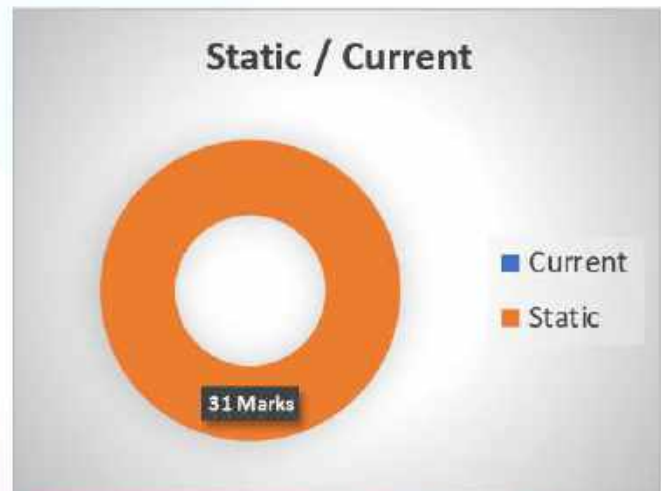
Syllabus Wise Distribution of Marks



Important take away from Finance Analysis.

- ❖ Current Affairs were given less weightage as compared to the previous year.
- ❖ There was no question related to budget and Economic survey.
- ❖ No Numerical asked
- ❖ In objective part, no questions on newly added topics like Global Financial Crisis, Global Financial Markets, and International Banking
- ❖ Most of the static questions were very easy/moderate and direct, however some questions equally tough too.
- ❖ RBI this time concentrated only on some key chapters of finance and they didn't opted for diversification of the topics.
- ❖ RBI in news and RBI notifications contributed a lot to the current affairs part of the objective questions.

Management Analysis



Important take away from Management Analysis.

- ❖ Whole management was completely static in nature
- ❖ Unlike, finance there is a diversification of topics in management.
- ❖ No question have been asked from leadership.
- ❖ Management questions were slightly on the application side and the overall level was easy to moderate.

DESCRIPTIVE TYPE QUESTIONS

Question-1: What are Long Term Repo Operation ? (400 words, 10 marks)

Static or Current – **Current**

10 marker or 15 marker – **10 Marker**

Finance or Management – **Finance**

Difficulty Level – **Moderate**

Topic – **NA**

Covered in EduTap course – **Yes**

Model Answer –

The LTRO is a tool under which the central bank provides one-year to three-year money to banks at the prevailing repo rate, accepting government securities with matching or higher tenure as collateral. The Reserve Bank of India (RBI) has decided to introduce long-term repo operations (LTRO) to facilitate the transmission of monetary policy actions and the flow of credit to the economy. The central bank has conducted long-term repos of one- and three-year tenors of appropriate sizes for up to a total amount of Rs 1,00,000 crore at the policy repo rate. It was introduced to fulfil various objectives.

Objectives of LTRO:

1. As banks get long-term funds at lower rates, their cost of funds falls. In turn, they reduce interest rates for borrowers. LTRO helped RBI ensure that banks reduce their marginal cost of funds-based lending rates, without reducing policy rates.
2. LTRO helped RBI ensure that banks reduce their marginal cost of funds-based lending rates, without reducing policy rates.
3. LTRO also showed the market that RBI will not only rely on revising repo rates and conducting open market operations for its monetary policy but also use new tools to achieve its intended objectives.

Mechanism of LTRO operation

1. LTROs conducted under this scheme will be in addition to the existing LAF and MSF operations.
2. LTROs will be conducted on CBS (E-KUBER) platform. The operations would be conducted at a fixed rate. Banks would be required to place their requests for the amount sought under LTRO during the window timing at the prevailing policy repo rate. Bids below or above the policy rate will be rejected.

3. In case of an over-subscription of the notified amount, the allotment will be done on a pro-rata basis.
4. The minimum bid amount would be Rupees one crore and multiples thereof. The allotment would be in multiples of Rupees one crore. There will be no restriction on the maximum amount of bidding by individual bidders.
5. The reversal of these operations would take place at the 'start of day on the day of maturity.
6. The eligible collateral for LTROs and the applicable haircuts will remain the same as applicable for LAF.

LTRO will enhance liquidity in the banking system. Since the interest rate is comparatively low, there will be downward pressure on short-term lending rates but it will result in a slightly easy Monetary Policy. RBI just needs to focus on its implementation so that desired result can be attained.

Coverage in EduTap course –

RBI Annual Report:

In India, the Reserve Bank undertook a bouquet of unconventional liquidity management measures in 2020 to ensure normal flow of finance into the economy, and enable better transmission of monetary policy impulses in the wake of the unprecedented situation created by the COVID-19 pandemic:

- a. The Reserve Bank conducted long-term repo operations (LTROs) of one-year and three-year tenors and allotted a total amount of ₹1,25,117 crore at the policy repo rate. LTRO is a tool in which central bank offers money to banks for a period of one to three years at the prevailing repo rate. The banks in turn offer government securities with same or higher tenure as a collateral to the central bank. Long Term Repo Operation is basically a mechanism to inject liquidity into the banking system as well as to ensure the smooth transmission of monetary policy actions and flow of credit into the economy. After RBI went for repo rate cuts, there was a question about the effective transmission of those rate cuts to the customers. So, by going for LTRO the RBI ensured effective transmission of the monetary policy decisions. Simply speaking, under LTRO the RBI provides longer term loans, ranging from one year to three years, to banks at the prevailing rate. The resultant of this is the reduction in the cost of funds, as banks get long term funds at lower rates
- b. The Reserve Bank introduced another unconventional liquidity management tool - Targeted Long-Term Repo Operations (TLTROs) under which liquidity availed by banks was to be deployed in investment grade corporate bonds, commercial paper and non-convertible debentures. It is just like LTRO as it lets banks borrow one to three-year funds from the central bank at the repo rate, by providing government securities with similar or higher tenure as collateral. But in Targeted LTRO the money borrowed can only be invested in specific sectors as mandated by RBI by purchasing good quality corporate bonds of these companies

Question-2: Describe India's response in 2008 Global Financial Crisis (400 words, 10 marks)

Static or Current – **Static**

10 marker or 15 marker – **10 Marker**

Finance or Management – **Finance**

Difficulty Level – **Moderate**

Topic – **Global Financial Crisis**

Covered in EduTap course – **Yes**

Model Answer -

The failure of Lehman Brothers in mid-September of 2008 was followed in quick succession by several other large financial institutions coming under severe stress. This made financial markets around the world uncertain and unsettled. This later on led to the Global Financial Crisis of 2008. This contagion spread to emerging economies, and to India too. Both the Government and the Reserve Bank of India responded to the challenge in close coordination and consultation. The major policy response to the crisis came in the form of loosening the monetary policy and administering fiscal stimulus packages.

Steps taken by the Reserve Bank of India

The Reserve Bank's policy response was aimed to achieve two main objectives i.e., to maintain a comfortable rupee liquidity position and to augment foreign exchange liquidity. Various steps were taken to achieve stated objectives like -

1. The Reserve Bank of India (RBI) acted aggressively from mid-October to ease the situation by a series of rate cutting and liquidity injecting measures till April 2009.

2. Through successive steps, the RBI brought down

- a) Cash reserve ratio (CRR) from 9 to 5 percent,
- b) Statutory liquidity ratio (SLR) from 25 to 24 percent,
- c) The repo rate from 9 to 4.75 percent and
- d) The reverse repo rate from 6 to 3.25 percent.

3. Special steps were taken like:

- a) The RBI opened a special window for banks to lend to mutual funds, non-banking financial companies (NBFCs), and housing finance companies.
- b) The central bank opened refinance facilities for banks, the Small Industrial Development Bank of India (SIDBI), the National Housing Bank (NHB), and the EXIM Bank.

4. The RBI made dollar swap arrangements for branches of Indian banks in the US and Europe facing a shortage of dollar funds with the seizing up of the inter-bank markets there.

After discussing the response of the RBI to the 2008 Global Financial Crisis, it is also necessary to understand the Government's response regarding the same.

Steps taken by the Government of India

Recognizing the depth and extraordinary impact of this crisis, the Central Government invoked the emergency provisions of the Fiscal responsibility and Budget Management Act to seek relaxation from the fiscal targets. The Central Government announced three successive fiscal stimulus packages one in early December 2008, the second one in early 2009, and the last one in early March 2009. The total fiscal burden for these packages amounted to 1.8 percent of GDP. It includes:

- a) Reduction in central excise duty by 4 percentage points.
- b) Additional plan spending of Rs. 200 billion.
- c) Additional borrowing by the State Government of Rs. 300 billion for plan expenditure.
- d) Assistance to certain export industries in the form of Interest subsidy on export finance.

India was insulated from Global Financial crisis in 2008 because India has got limited exposure to the U.S. mortgage market directly or through derivatives and also to the failed and financially-stressed global financial institutions. Economists are free to draw their lessons from financial crises but the world is ultimately shaped by political and business interests, not by economists. Therefore, the regulations must address growth in credit as well as the flow of credit into sectors such as real estate will avoid such Global Crisis in coming year ahead.

Coverage in EduTap course –

Both the Government and the Reserve Bank of India responded to the challenge in close coordination and consultation. The major policy response to the crisis came in the form of loosening of the monetary policy and administering fiscal stimulus packages.

1.5.2.1.1 Changes in monetary policy and Liquidity:

The Reserve Bank's policy response was aimed to achieve three main objectives:

- to maintain a comfortable rupee liquidity position,
- to augment foreign exchange liquidity.

3. The Reserve Bank of India (RBI) acted aggressively from mid-October to ease the situation by a series of rate cutting and liquidity injecting measures till April 2009.

4. Through successive steps, the RBI brought down cash reserve ratio (CRR) from 9 to 5 per cent, statutory liquidity ratio (SLR) from 25 to 24 per cent, the repo rate from 9 to 4.75 per cent and reverse repo rate from 6 to 3.25 per cent.

5. Special steps by RBI:

- a) The RBI opened a special window for banks to lend to mutual funds, non-banking financial companies (NBFCs) and housing finance companies.
- b) The central bank opened refinance facilities for banks, the Small Industrial Development Bank of India (SIDBI), the National Housing Bank (NHB), and the EXIM Bank.
- c) The RBI also introduced a liquidity facility for NBFCs through a special purpose vehicle (SPV), and increased export credit refinance.

The steps taken to augment foreign exchange liquidity

1. The RBI made dollar swap arrangements for branches of Indian banks in the US and Europe facing shortage of dollar funds with the seizing up of the inter-bank markets there.

**Question-3: Describe Manager's role in encouraging ethical behavior in an Organisation
(400 words, 10 marks)**

Static or Current – **Static**

10 marker or 15 marker – **10 Marker**

Finance or Management – **Management**

Difficulty Level – **Easy**

Topic – **Ethics**

Covered in EduTap course – **Yes**

Model Answer –

Ethics in the workplace is defined as the moral code that guides the behavior of employees with respect to what is right and wrong in regard to conduct and decision making. Ethical decision making in the workplace takes into account the individual employee's best interest and also takes into account the best interest of those impacted. Managers play a key role in encouraging ethical behavior in an organization, managers along with other board members are the flagbearers of the ethical principles. Following are some key roles initiated by manager for having an ethical business environment –

A – Managers helps in building the Ethical Culture - managers throughout the organization are the single most influential factor in establishing and maintaining a healthy ethical culture. Managers, by default of their elevated roles, become the most accessible models for how to succeed and advance employee career path within an organization

B – Ethical leadership – Leaders and managers set the tone, shape the climate and define the standards. If managers are trustworthy and trusted, if their motivations are honorable and their expectations crystal clear, and if they're paying attention to ethics as an integral element of every business decision, then ethical problems will be rare.

C – Manager as an Ethics officer – A good manager develops the vision statement, value Statement and he also develops the Organizational code of ethics. A Manager also acts like an ethics officer, who ensures that the ethics systems are in place and functioning. This person monitors the organization to determine if it's making a good faith effort to abide by its stated values, that the code of conduct supports those values and that violations of those values are prevented or detected and addressed.

D – Other roles of manager in creating ethical business environments

1. Establish organizational roles to manage ethics
2. Schedule ongoing assessment of ethics requirements
3. Establish required operating values and behaviors
4. Align organizational behaviors with operating values
5. Develop awareness and sensitivity to ethical issues

6. Integrate ethical guidelines to decision making
7. Structure mechanisms to resolving ethical dilemmas
8. Facilitate ongoing evaluation and updates to the program
9. Training the employees and values and ethics of the organization
10. Rewards and Punishment to be in line with the behavior being ethical or not

Above discussed best practices can prevent the vast majority of ethics violations, large and small, if they're systematically and systemically applied. Nothing has proven effective in preventing the rogue employee from perverting any system. But these practices can ensure that an organization is doing nothing to encourage good people to do bad things. Therefore we can conclude that, managers play a pivotal and an integral role in creating the ethical behaviour in an organization.

Coverage in EduTap main course –

Q.1] What is an Ethics Programme? Discuss the best practices to develop an Ethical programme in an organisation.

Structure

Approach

Introduction: Start with explaining what an ethics programme is.

Body: Discuss the best practices in an ethics programme.

Conclusion: Conclude in a forward looking manner and on a positive note highlighting the importance of these practices.

Answer:

An ethics program helps communicate your company's business philosophy to employees, vendors, investors and customers. A good ethics program can help strengthen your relationships with employees and customers and improve your company's reputation. Although your employees might be familiar with your company's informal stance on ethics, instituting a program eliminates any confusion and provides everyone with the same information regarding ethical business behavior.

Best practices are the working standards or ethical guidelines that provide the best course(s) of action in a given situation. In order to develop best ethical programme, an organization can follow the following practices:

1. Vision statement: A vision statement defines the long-term, most desirable future state for the organization. An ethical program needs to have a clear vision statement that gives employees and managers a first screening test for decisions. Example: When setting performance goals you should question whether the goals further the

Q.2] Discuss, how the board of directors of a company can set the tone for an ethical culture in an organization.

Structure

Approach

Introduction: Start with an example and explaining the role of Board of Directors in Corporate culture.

Body: Discuss the different ways by which Board of Directors can set the tone for an ethical culture in an organization.

Conclusion: Conclude with forward looking manner.

Answer:

One defining feature of 2017 has been seeing corporate directors and officers being held personally responsible for illegal behavior at their companies. For example: Oliver Schmidt, the highest-ranking Volkswagen officer residing in the United States, was sentenced to seven years in prison and ordered to pay \$400,000 for his role in the VW diesel emissions scandal.

Question-4: Identify barriers to impersonal or interpersonal communication and how a manager can reduce it? (600 words, 15 marks)

Static or Current – **Static**

10 marker or 15 marker – **15 Marker**

Finance or Management – **Management**

Difficulty Level – **Moderate**

Topic – **Communication**

Model Answer –

Communication is a two-way process which involves transferring of information or messages from one person or group to another. However, Effective communication is about more than just exchanging information. It's about understanding the emotion and intentions behind the information. As well as being able to clearly convey a message, you need to also listen in a way that gains the full meaning of what's being said and makes the other person feel heard and understood.

Effective communication can also be affected by various barriers of the impersonal communication. Some of them are discussed below –

A - Psychological barriers: Psychological barriers also known as “emotional barriers”, they emerge because of psychological state of message receiver. For example: the Feud between the Rata Tata and Cyrus Mistry was not only a legal battle which took its own course through legal actions but was also a psychological one. The two have different approach regarding how to manage the Tata group which ultimately created a psychological barrier between the two and ultimately resulted in the ousting of Cyrus Mistry who used to be the blue-eyed boy of Ratan Tata.

B - Gender barriers- Most communicators whether aware or not, often have a set agenda. This is very notable among the different genders. For example, many women are found to be more critical in addressing conflict. It has also been noted that men are more than likely to withdraw from conflict when in comparison to women

C - Halo Effect: The halo effect is the tendency to use a general impression based on one or a few characteristics to judge other characteristics of that same individual. For example: A manager might identify one trait of an employee, such as an excellent attendance record, and perceive that the employee's productivity and quality of work must also be outstanding.

D - Stereotyping: In social psychology, a stereotype is any thought widely adopted about specific types of individuals or certain ways of behaving intended to represent the entire group of those individuals or behaviours as a whole. These thoughts or beliefs may or may not accurately reflect reality.

E - Ideological barriers or Perceptual Errors: The members of the organization do not share the same ideological perspectives and orientation. Differences in background education and expectation result in different social and political views. People have different perceptions, and they receive information from their own point of view. According to Pfiffner, these are probably the greatest handicaps to effective communication and probably the most difficult to overcome.

The mention mentioned communication barriers can reduce the overall effectiveness of organization, however timely actions taken by manager can again re-ignite the whole organization, following are some measures which can be taken by manager to reduce the present level of communication barriers –

A – Employee Developmental programmes - Employee development programs can help staff members build essential communication skills to accomplish their objectives without hindrances.

B – Formal channels - Setting up a formal, accounted-for communication channel will inevitably lead to streamlined interactions and engagement among employees.

C – Proper Feedback - Establishing proper feedback channels, performance management systems and cyclical modes of communication help teams bond, build rapport and trust.

D – Partial Surveys - Organization-wide, anonymous surveys can help management identify where the problem lies and come up with creative solutions to resolve it.

E – Open Door Policy - An open-door policy can also help employees feel comfortable with their seniors, without holding back or getting scared to put their ideas on the table.

Striking a balance between informal and formal communication channels is one of the most effective ways to overcome communication barriers. Organizations can take concrete and well-researched steps to create a more cohesive, united workforce. Not unlike technical skill development, communication skill development is a continuous process that requires attention and by doing so, organizations will achieve economies of scale and it will also reap handsome returns in future.

Coverage in EduTap Main course -

Q.11 "Discuss the role of communication in an organization. What are the barriers to effective communication?"

Approach:

Introduction: Explain significance of communication in management of organization.

Body: Can divide answer into 2 parts. First part will contain role of communication in organization and second will contain barriers.

Conclusion: Conclude on the note that how minimizing barriers will improve Corporate Communication.

Answer:
According to Paul J Meyer, *Communication- the Human Connection*- is the key to personal and career success and growth of any organization.

9. BARRIERS TO COMMUNICATION
There are certain factors which come in the way of smooth flow of communicative process. With the result, the communication becomes ineffective.

9.1. Semantic Barriers
Semantics is science of meaning. All communications use words, pictures or actions that suggest certain meanings. These barriers arise from the limitations in symbols with which we communicate.

1. **Symbols with Different Meanings:** Communication symbols usually have different meanings. These happens when the communicators (sender and the receiver) do not attach the same symbols, meanings to their words. For example- first floor is used for toilets, but somebody might perceive it as a store room. Word/face may mean reading a book or feeding a tiger.

HOW TO MAKE COMMUNICATION EFFECTIVE?

There is need to overcome some of these limiting factors and make the communications effective. The following **Principles of Communication** are given for the purpose:

Principles of effective communication

1. **Clarity-** Communication should be clearly and precisely stated
2. **Objective:** The objective of the communication must be clear before we transmit the message
3. **Consistency-** Information in the communication should be consistent with the plans, policies the enterprise. This will increase the credibility of the Communication
4. **Adequacy or Completeness-** Information in the communication should be sufficient, neither too little nor over burdening
5. **Timeliness-** communication should be timely, neither early nor too late
6. **Uniformity-** Communication should not be discriminatory
7. **Flexibility-** Communication should not be rigid, either in form or character
8. **Acceptability-** Communication should stimulate acceptance and positive response in the receiver
9. **Feedback:** Feedback is must and it must be addressed properly

Question-5: People and organisation are resistant to change. Describe measures to eradicate it (600 words, 15 marks)

Static or Current – **Static**

10 marker or 15 marker – **15 Marker**

Finance or Management – **Management**

Difficulty Level – **Moderate**

Topic – **Organisation Change**

Covered in EduTap course – **Yes**

Model Answer –

It is a very old adage that, "People don't resist change, they resist being changed" as cited by Peter Senge. Change is constant and unavoidable. However, human behavior has repeatedly shown a resistance to change in the existing methods and ways of doing work. Organizations for the advancement of business processes, require constant adaptation to changes. However, organizational resistance to change acts as a major hindrance in the path of development and success of an organization. Such resistance to organizational change brings in the need for defined change management. Example: Several BSNL central trade unions observed, All India Protest to oppose the announcement regarding privatization of BSNL.

According to Kotter and Schlesinger (1979) proposed six crucial techniques for overcoming the resistance to change.

A - Education and Communication: One of the easiest techniques to overcome resistance to change is to educate people, train them to adopt change, counsel them, and communicate then the various stages of change. Management can change the attitude of people by training and psychological counselling. This type of effort helps people to visualize the need and logic of the change, they will appreciate it in a much better way and will accept it easily.

B - Participation and Involvement: People who are resisting change may be involved in some aspect of design and implementation of change so that they do not block the change and treat change as their own effort. For Example: TATA motors facing huge losses, decided to bring in organizational changes which needed a lot of restructuring within the organization and in order to prevent the resistance to change, Action Planning Workshops and team-level interventions to enhance engagement with employees was done. Parivartan, an online listening post was created for employees to share their comments, feedback, and suggestions on the existing system as well as the new system to be conceptualized to make them a part of organizational change.

C - Agreement & Negotiation: This technique is effective when it involves exchanging something valuable for reducing the resistance towards the change. This is one of the most convenient techniques

for avoiding any kind of major resistance. For Example: In order to exist in the market, long competitors Vodafone and Idea merged keeping aside their conflict of interest so that they can compete with the telecom giant like Jio and Airtel. Moreover, the transformation was easy as both the entities came into an agreement after a well thought out negotiation even after facing small resistance from a few sections of employee opposed to the merger.

D - Co-optation & Manipulation: This technique involves getting the support, persuading or influencing the employees in favor of the change. Manipulation involves covert attempts from the managers by withholding painful information, twisting or distortion of the information for making it more appealing for the staff members or spreading false rumors across the organization in order to compel the employees to accept the change manipulatively.

E - Coercion (Explicit & Implicit): It is a technique of persuading someone to do something by using force or threats. Example: Thoothukudi Massacre denotes events that took place on 22 and 23 May 2018 in Thoothukudi, Tamil Nadu, India. Sterlite Corporation in Thoothukudi town, was facing a resistance against the proposed expansion of its copper smelter plant due to environmental concerns. In order to overcome the resistance, Police opened fire on the protesters, killed 13 people and left 102 injured. Thus, coercion should be avoided in all the possible situation and if required must be used only as the last possible resort.

F - Leadership: It is the process of influencing and supporting others to work willingly to bring the intended results. After being named CEO of Microsoft in February 2014, Satya Nadella undertook a major restructuring of the tech giant to eliminate its destructive internal competition. He regularly sent genuine and emotional email to employees that gained him trust and aroused commitment from employees. Nadella started holding a monthly "ask me anything" session with employees where he transparently discusses issues, answers their questions, and eases their concerns. All this helped Nadella in making Microsoft a Trillion dollar company.

Resistance to change is normal within any organization. Resistance may occur at every stage of the organization. People oppose change due to the worries about security and safety. Various internal and external forces affect each organization in different ways. Organizations can use various models, such as Kotter and Lewin to help implement change. Organizational development can help start the transition between implementing change and managing resistance from the employees.

Coverage in the EduTap Course

Q.3) Suggest measures that can be used to overcome resistance to change in an organization? (400 words, 10 Marks)

Approach

Introduction: Start with a quote and then define change with an example.

Body: Discuss the techniques for overcoming the resistance to change.

Conclusion: Conclude it by highlighting the importance of change.

Answer

"People don't resist change, they resist being changed" - Peter Senge

Change is constant and unavoidable. However, human behavior has repeatedly shown a resistance to change in the existing methods and ways of doing work. Organizations for the advancement of business processes, require constant adaptation to changes. However, organizational resistance to change acts as a major hindrance in the path of development and success of an organization. Such resistance to organizational change brings in the need for defined change management. **Example:** Several BSNL central trade unions observed, All India Protest to oppose the announcement regarding privatization of BSNL.

Question-6: Will block-chain disrupt banking ? (600 words, 15 marks)

Static or Current – **Static**

10 marker or 15 marker – **15 Marker**

Finance or Management – **Finance**

Difficulty Level – **Easy**

Topic – **FinTech**

Covered in EduTap course – **Yes**

Model Answer –

By 2027, at least 10 percent of the GDP will be blockchain-related, according to the World Economic Forum. A blockchain is an electronic ledger that maintains a record of all the transactions from the time the first unit of the cryptocurrency – the seed - was mined. Blockchain can validate the integrity of all the units of currency at any given point in time. As a protocol, each new block contains the hash of the preceding blocks, and this phenomenon links the previous blocks to the new block, thus forming a chain of blocks. Blockchain may have taken birth as a means to support cryptocurrency but the technology has its applications spread out far and wide today.

Blockchain technology is reshaping the lending ecosystem by allowing the lender and borrower to establish a direct deal through decentralized financing. Blockchain technology and DLT have a massive opportunity to disrupt the \$5T+ banking industry by disintermediating the key services that banks provide, as discussed below.

A - Ease of Payments: By establishing a decentralized ledger for payments (e.g., Bitcoin), blockchain technology could facilitate faster payments at lower fees than banks.

B - Reduce Cost of Clearance and Settlement: Distributed ledgers can reduce operational costs and bring us closer to real-time transactions between financial institutions.

C - Timesaving, secure and cost-effective: People often wait for a long time for financial institutions to approve loans and transactions. Other than charging a huge fee for the same, institutions have the ultimate authority to approve or reject transactions between a sender and a receiver. However, with blockchain technology in place, the role of an intermediary is eliminated which makes the approval time reduced to less than a day. Therefore, the technology is economic, secure, and fast when compared to banks. Blockchain also reduces the dependency on physical documentation which can often invite fraudulent activities while smart contracts cut service and administration costs.

D - Traditional vs Modern lending: The traditional lending scenario involves an intermediary i.e., if a borrower wants money, he will approach a bank and receive a loan in exchange for jewellery or property, etc. On the other hand, a bank would earn interest.

Blockchain has made financial management bank less with digital wallets, lending, and payments. Supported by blockchain, digital wallets are fully secure as they come integrated with private keys while their unique public address lets them make transactions efficient. While in a traditional scenario, banks have the responsibility of securing money, under blockchain technology, wallet holders with private keys can fully own, manage, and control their assets.

E - Ease in trade finance: Many trade finance activities, even in today's disruptive age of technology, still include a lot of paperwork. Every middleman in international trade prepares all documents on their own to keep their ledger up to date.

A single ledger may be maintained and viewed by all parties engaged in a transaction, and it can be updated in real-time. By eliminating time-consuming paperwork and bureaucracy, blockchain-based trade finance can streamline the entire trading process.

F - Preventing Risks and Frauds: In the last 24 months, 46% of surveyed organizations reported experiencing fraud, corruption, or other economic crimes, according to the PWC's Global Economic Crime and Fraud Survey 2022. Financial organizations usually save their data in a central database, making themselves extremely prone to cyberattacks. But blockchain being a decentralized ledger, allows real-time fraud analysis and prevention.

This is because every block comes with a timestamp, securing blocks of distinct transactions while possessing a link to a previous block. This makes the system foolproof from cybercrime. Thus, the lending industry needs full implementation of blockchain technology to make it secure, efficient, and transparent.

As we step into the future, there is a strong need to innovate and upgrade the centralized banking ecosystem and pave way for a futuristic, secure, reliable, transparent, and efficient way of taking and receiving credit. It is also time to upgrade the rules which are in tune with the current technology and trends which have the potential to bring about a change in the current credit industry. Also, blockchain can be well implemented in the banking process which in turn may facilitates erosion of banking frauds.

Coverage in EduTap course -

1.6.3 Blockchain and Cryptocurrency

Running parallel to fintech is the birth of **cryptocurrency and blockchain**. Though both are different technologies considered outside the realm of fintech, there are **complimentary applications** in which all three can work together to deliver new kinds of financial services.

- Blockchain is currently actively used in many areas of the financial sector like **forex**.
- Blockchain can help in ranges of work from **easy verification of identities**, to **speeding up regular everyday transactions**, to **enabling customers to use their mobile phones more comfortably as part of the purchasing process**.
- Blockchain has the potential to be **highly transformative to any company that processes payments**. It can **eliminate the need for intermediaries** that are common in payment processing today.
- A blockchain powered crowdfunding campaign seeks to **secure investment for a new project from an interested community**. But in this instance, funding is most likely to come in the form of bitcoin or other cryptocurrencies.
- Blockchain can also simplify document attestation and verification.
- FinTech companies also uses Blockchain to build smart contracts.
- In the area of **financial record keeping**, blockchain and distributed ledger technology (DLT) are **creating new ways to record, track, and store transactions** for financial assets.



Blockchain Technology

A Blockchain is a **digitized, decentralized, public ledger**. It is an **incorruptible digital ledger** of transactions that can be programmed to record **virtually everything** of value.

- Each list of record in a blockchain is called block. So a blockchain is a **continuously growing list** of records called blocks, which are **linked and secured**.
- Blockchain Technology was invented by **Satoshi Nakamoto in 2008** for use in the cryptocurrency **bitcoin**, as its public transaction ledger.
- Blockchain technology **discards the need** of any third-party or **Central authority** for peer-to-peer transactions.

Cryptocurrency

A cryptocurrency is a **tradable digital asset** or digital form of money, built on blockchain technology that **only exists online**. Cryptocurrencies use **cryptography** to verify and secure transactions.

- Cryptocurrencies such as Bitcoin use codes to encrypt transactions and stack them up in blocks, creating Blockchains. It is the use of codes that differentiates cryptocurrencies from other virtual currencies.
- These digital currencies are **not issued or regulated** by a central authority.
- The commonly used cryptocurrencies are **Bitcoin, Gridcoin, Litecoin, Ripple, Next, Dash** etc.
- Facebook has announced a **digital currency called Libra** that will roll out for use in 2020 and allow the platform's billions of users across the globe to make financial transactions online.

Cryptocurrencies and India:

- The Reserve Bank of India (RBI) had **barred banks and financial institutions** from dealing with cryptocurrencies.
- **Inter-Ministerial Committee on Virtual Currencies (2019)** headed by finance secretary **Subhash Chandra Garg** has submitted its report to the government recommending ban on all forms of Cryptocurrencies.
- It noted that the **RBI Act of 1934** has the enabling provisions to permit the Central government to approve a **"Central Bank Digital Currency"** (CBDC) as legal tender in India.

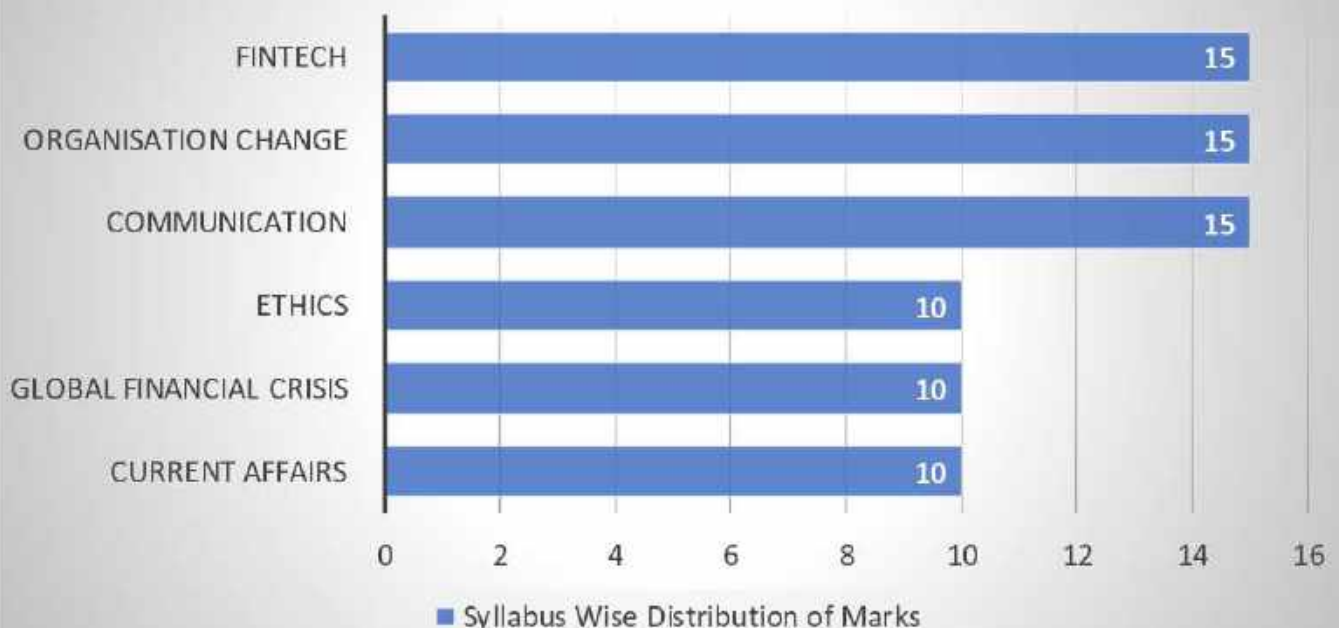
Descriptive Type Question Paper Analysis

Question Type	Management	Finance
15 Marker (600 words)	2	1
10 Marker (400 Words)	1	2
Total	3	3

Marks Distribution, total 75 marks**



Syllabus Wise Distribution of Marks



****Please be informed that, for holistic coverage, the above-mentioned analysis is done for whole descriptive component (75 marks), by which we mean that all the 15 markers (15*3=45 marks) and all the 10 markers (10*3=30 marks) are considered for the analysis.**

However, a student only have to attempt the descriptive component of worth 50 marks only.

Important take Away

- ❖ **Question asked in the descriptive section were direct and easy.**
- ❖ For example, the first direct questions which a student can pick first is the Manager role in the creating ethical behavior. Writing general points and by complementing the answer with appropriate example, would have fetch good marks to the student.
- ❖ Moreover, among the 10 markers, a question TLTRO and a question of GFC, could have been attempted accordingly. TLTRO was very much in the news and by reading RBI annual report, a student could have completed the answer within required word limit.
- ❖ Among the 15 markers, student could have opted to write on blockchain, using general points and by giving example of neo banks and CBDC and writing as per the required word limit, could have fetch good marks.
- ❖ In the same manner, other 2 questions of the 15 markers are completely based on the management static part and it's been very clear that, the question based on the chapter organization change has been clearly given in the Model Question and Answer, as provided by us. Thereby, a sincere reading of the course, could have provided a major boost to your preparations.
- ❖ Overall, the descriptive paper was easy to moderate, and it was scoring too.