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RBI GRADE B

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INTERVIEW QUESTIONS AND TRANSCRIPTS

2023

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Interview Questions and Transcripts 2023

Candidate #1

Candidate Background- Worked at CAG

Chairman:

1. What are AT- 1 bonds and which bank was in the news regarding AT- 1 bonds? (*Yes bank*).
2. What was the high court decision and why according to you was this decision taken?

Member 1:

1. What are risks related to RBI's Balance sheet exposure?
2. From where did RBI give money to any bank if all the money from the market and all reserves of RBI are gone?
3. Why can't the RBI print unlimited money?
4. What ratios are used in the RBI Balance sheet?
5. Which are the two ratios showing P&L condition and two ratios showing balance sheet condition of any bank?
6. What is the total amount of forex reserves in RBI? and convert it into rupees.

Member 2:

1. RBI balance sheet is liability driven or asset driven and why?
2. What is the biggest asset in RBI's Balance sheet?
3. What are RBI's Covid measures for MSMEs? How would you help MSMEs after coming to RBI?
4. What are CAG's recent observations on RBI? (*since I am working in CAG*)

Member 3:

1. Which songs do you prefer to listen to and who is your favourite singer? (*since I have written about my hobbies- as singing and listening to music*)
2. In which dept would you like to work and why?
3. Why do you want to come to RBI?

Candidate #2

Chairman:

1. What is the current GDP and how much time will it take to double it?
2. What is the formula of compound interest?
3. How did you prepare for the interview?

Member 1:

1. Since you are working in a bank, define a bank.

Member 2:

1. Questions asked about the blue economy.
2. Give 4 points regarding why RBI is focusing on CBDC. (*Only satisfied with my one point*)
3. What is the CAFRAL report? (I talked about CAR of NBFC is higher than the norms, but he denied that this is not in the report, I said one more point but he denied that too) F1
4. What is Financial Inclusion?
5. What have you studied in ESI?

Member 3:

1. Question asked about KCC (*related to profile*).

Candidate #3

Chairman:

1. Under which act banks, NBFCs and cooperative banks are regulated?
2. How many attempts of UPSC have you given?
3. How can a qualified CA be idle for 5 years just for preparing for government exams?

Member 1:

1. Questions asked about my article ship experience and post qualification experience.
2. What are the names of the big four?

Member 2:

1. How are you upgrading yourself regularly?
2. What is the difference between a bank audit and other company audit?
3. What is the value of forex reserves with RBI and components of forex reserves?

Member 3:

1. What is an inverted yield curve and what does it signal?
2. What is the news about the USA in newspapers recently?

Member 4:

1. What are the parameters to check whether banks are doing good or not?
2. What are various steps taken by RBI to reduce NPAs Again?
3. What are the telegram channels you were following for RBI and UPSC preparation?

Candidate #4

Candidate Background- Agriculture background.

Chairman

1. How did you prepare for the interview?
2. What is the meaning of your name?
   (*Sub questions like Samudra Manthan, 14 Ratna etc.*)
3. Questions asked related to state PCS.

Member 1:

1. Tell us about Maharashtra's economy and GDP contribution.
2. A question on the diverse farming scenarios of Maharashtra. (*As I had divided Maharashtra farm in 4 parts*)
3. Tell us about two pros and cons of farm bills.

Member 2:

1. A question on price stability vs financial stability statement by MD Patra Sir.
2. What are the variety of risks that banks face?

Member 3:

1. A question on recent amendments to RBI act and follow up question.
2. What is financial market and what comes under it?
3. What is the difference between OMO and LAF?

Member 4:

1. Tell us about the Green revolution and its later impacts.

Candidate #5

Chairman:

1. What is the current size of GDP? How long will it take to double? How will you calculate this time?
2. How did you prepare for this interview?
3. Which department would you like to work in CO? Why?
4. Which area of supervision would you choose?

Member 1:

1. What are Capital adequacy norms and what are their components?
2. Any bank recently in the news due to the AT 1 Capital deficiency? (*Didn't know then they started talking about Yes bank*)
3. A question about the interest rate on loans from RIDF.

Member 2:

1. Which is the statutory body responsible for development of the corporate bond market?
2. What is the difference between FMRD and FMOD?
3. What are the effects of bonds inclusion in JP Morgan?
4. A question about inclusion of Green bonds under FAR.
5. What is the difference between forged notes and original notes?

Candidate #6

Candidate Background- Education qualification- B.Sc. (PCM), M.A. Sociology. Medium of interview- Hindi

Chairman:

1. Why did you opt for sociology after B.Sc?
2. How did you prepare for the RBI Interview?
3. Which department would you like to work in RBI? (*I told financial Inclusion and development)*
4. What are the steps taken by RBI regarding Financial inclusion since the 1960s?

Member 1:

1. Question asked about RBI and the work done by it.
2. Asked about one report by RBI that is related to agriculture.

Member 2:

1. Which subject is your favourite economics or finance?
2. Explain how repo operations affect the balance sheets of the RBI and commercial banks.

Member 3:

1. Asked question on GDP figure and its growth rate.
2. What is the formula to calculate the time required to double the GDP? (*then he asked me another formula*)

Chairman:

1. Question asked about the growth rate of Indian population.
2. What steps would you take to improve financial inclusion?

Candidate #7

Chairman:
Please have a seat.

Candidate:
Thank you, sir.

Chairman:
How are you today?

Candidate:
I'm good sir, thank you for asking.

Chairman:
You're from HBTI Kanpur. It used to be a very good college in our days. Aaj bhi waisa hi hai ya kuch naam hai aaj bhi?

Candidate:
Replied in Hindi, “Naam hai sir thoda thoda aaj bhi, actually there has been a slight change, it has now been converted into a university”

Chairman:
Tell us about your profile, have you joined IDBI?

Candidate:
Told them about PGDBF course and that I've joined IDBI as AM in relationship manager profile.

Member 1:
Asked questions about the equity market and the settlement process.

Candidate:
By mistake, I mentioned CCIL, but I later clarified and also explained what CCIL is.

Member 2:
Asked about cryptocurrency, its disadvantages. Also asked what is the solution to cryptocurrency.

Candidate:
I told ma'am that data privacy and KYC norms can help ensure it is not misused for the wrong reasons.

Member 2:
Have you heard about CBDC? What are its advantages?
Then asked to compare cryptocurrency and CBDC and explain which is better and why?

Candidate:
I explained that CBDC is better because it offers trust, data privacy, and better management.

Member 2:
But what about a case where financial data has to be shared with PMLA enforcement agencies?

Candidate:
Ma’am if there is actually some data which needs the attention of such agencies, then.... (*mam continued my statement and said*).. “it has to be shared with such agencies. Right.”

Chairman:
What is your favorite subject from the PGDBF course?

Candidate:
Financial planning and wealth management.

Member 3:
What is rule of 72?

Candidate:
Answered.

Member 3:
As a wealth planner, what investment would you suggest today?

Candidate:
I mentioned that bond yields are increasing, and I suggested investing in small-cap funds, though I realize this might not be directly related to the context. I misspoke in the moment. (*They were not satisfied here*)

Member 4:
What are the problems for small cap companies?

Candidate:
Explained.

Member 4:
Can you name any recent conferences that addressed issues related to small-cap companies?

Candidate:
No Sir, I'm sorry I'm unable to recall.
(*He said it's okay.*)

Member 4:
In the end, they asked about the loan I have, its interest rates, and whether I received KFS or not.

Candidate:
Told them in detail about loan process and KFS.

(*They I can go and while leaving, Sir told me the name of the conference and said it was corporate governance.*)
I said thank you sir again for this information, I'll refer it.
Said thanks to all panel members and left.

Candidate #8

Chairman:

1. What is Banking?
2. What are the reasons behind huge current account deficit?
3. What steps can be taken to arrest the growth of the current account deficit (CAD)?
4. Question about GDP and methods to calculate it.

Member 1:

1. Question asked about the latest update of RBI.
2. Under which act does the RBI manage the state government accounts?
3. How do you follow the principles of Mahatma Gandhi? (*I mentioned him as a role model*)
4. What were some of the wrong steps by Mahatma Gandhi?

Member 2:

1. How do you contribute in GDP?
2. What are the recommendations of the UK Sinha Committee?
3. What is the Economic Capital Framework?
4. Questions about Uttar Pradesh (*as I am from UP*)

Candidate #9

Chairman:

1. What's the term used in India when recession is about to happen? Tell us about that.
2. What are the PCA parameters?

Member 1:

1. Who is the Economics Nobel Prize winner, and what is her contribution?
2. How does the RBI regulate banks?
3. How are stagflation and recession different?

Member 2:

1. What is the meaning of your name?
2. How did you develop interest in economics after school? (*as I was from science background*)
3. Some details were asked about my family.

Candidate #10

Chairman:

1. Questions asked about RBI balance sheet, assets, and liabilities.
2. What are reserves, the rupee exchange rate, and the security features of bank notes?

Member 1:

1. Given that you graduated from IIT, why did you choose to work in the Ministry of Home Affairs instead of pursuing a core B. Tech job?
2. Why RBI now?

Member 2:

1. Some economy related questions were asked on concepts like investment, savings, their equalization, aggregate demand and supply.

Candidate #11

Candidate Background- Production Engineer

Chairman:

1. Question about why I was not working in any private company or any other government job since the last 3 years.
2. What is the connection between cricket and the RBI? (As I mentioned cricket in my bio data)
3. What are the functions of RBI?
4. What does RBI produce? (*As I am a production engineer*)

Member 1:

1. What is CBDC?
2. What are the benefits of CBDC?
3. Can reducing the cost of cross-border transactions directly benefit a small farmer? (*As I mentioned this benefit in earlier question*)

Member 2:

1. What is crypto currency?
2. Why is it unstable?
3. Can crypto currency be called as currency?
4. What is RBI's stance on crypto currency?

Member 3:

1. Why did you not appear for the exam in 2021? (*Bio data related question*)
2. Are you preparing for UPSC? (*No*)
3. Why are you not preparing for UPSC?
4. Do you think RBI is an easy exam? (*They grilled me on career choice a lot*)
5. What is the law of demand and supply in relation to the RBI?

Candidate #12

Chairman:

1. Why did you leave your bank PO job?
2. Why is the UCB model not working in banking?
3. Why do we need RBI?

Member 1:

1. What was the reason for the failure of Silicon Valley bank?
2. Tell us about the key sections of the Banking Regulation Act and the RBI Act?
3. Why are the assets and liabilities of the Issue Department and the Banking Department shown separately in the RBI's balance sheet?
4. Why does the RBI conduct inspections?

Candidate #13

Candidate Background- B.com Hons., Hansraj college, DU. No work experience.

Chairman:

1. Why did you not study further? You could have gone for M. Com.
2. Name an entity which can make money out of thin air.
   (*RBI, but definitely not out of thin air*)
3. What factors does the RBI consider when deciding on currency printing and managing the money supply?

Member 1:

1. What is money?
2. Explain the money supply concept.
3. A question about MPC and its mandates.
4. Why do you want to join RBI and why not other regulators? SEBI is also doing a great job.
5. Can we replace CPI with WPI to decide MPC actions? If yes, why? If no, why not?

Member 2:

1. How many times have you appeared for the RBI assistant exam? (*mentioned in DAF – 1*)
2. What is a bank and what are the various functions of a bank?

Member 3:

1. You have mentioned book reading as a hobby. Name your favourite book.
2. What was the name of the author and what have you learnt from that book?
3. Have you seen the balance sheet of any Bank?
   (*Answered - SBI*)
4. What is off-balance sheet exposure for banks, and why is it not a part of the balance sheet?
5. Should the risk of off-balance sheet exposure be considered when calculating Risk-Weighted Assets (RWA)? If not, why?

Member 4:

1. Do you invest in stock market?
   (*said yes, as a long-term investor*)
2. But you are not earning then how you are arranging money to invest?
   (*I answered that I have saving habits since childhood*)
3. What are your backup plans if not selected in RBI?

Candidate #14

Chairman:

1. Tell us about your current job. What have been your learnings in this job?
2. How does the balance sheet of a bank differ from that of a manufacturing company?
3. Where would a building owned by a company be mentioned on its balance sheet?

Member 1:

1. Can you explain the concept of credit cost for banks?
2. What is the difference between banking and finance?
3. Can you tell us something about the Committees of Banking?
4. What are the key indicators in the Multiple Indicators Inflation Targeting framework?

Member 2:

1. Why are central banks required?
2. Tell us what you know about the US banking crisis.

Candidate #15

Candidate Background- Chemical Engineering, IIT Hyderabad and 1 year job in powerplant as Assistant Manager and 4 years gap due to Civil Services.

Chairman:
From where have you prepared for this interview?

Candidate:
Read my notes, from interview transcripts and RBI website.

Chairman:
What you have prepared?

Candidate:
I told them about the Functions of RBI (MPC, Banking regulation and supervision, Forex Management, Issue of currency notes, Payment and Settlement system under the 2007 Act).

Member 1:
How does the RBI collect foreign exchange (Forex)?

Candidate:
I talked about the incoming capital accumulated by the RBI.

Member 1:
Does RBI collect it directly?

Candidate:
Through banks and then further liquidity infusion.

Member 1:
What is the role of FOREX reserves?

Candidate:
During a Current Account Deficit (CAD), FOREX reserves help by issuing credit lines to foreign countries. Also talked about LRS.

Chairman:
Tell us the exact role of FOREX reserves.

Candidate:
Tried to tell that it is reserves for exigencies (*but, it seemed they were expecting a different answer*)

Member 1:
What is LRS scheme? What is the amount permitted?

Candidate:
Told them about Liberalized Remittance Scheme.

Member 1:
Why it is called Liberalized?

Candidate:
I explained that FERA 1976 was replaced by FEMA 1999 after the 1991 economic crisis. Now, the RBI has liberalized foreign exchange rules, allowing individuals to carry out foreign currency transactions more freely.

Member 1:
Why did RBI withdraw the 2000 currency note?

Candidate:
I explained that the 2000-rupee notes were introduced to quickly infuse liquidity into the system. However, the RBI stopped printing them in 2018-19 as there was sufficient liquidity in the system. There were also instances of people hoarding these notes.

Member 2:
How can your work experience be utilized in RBI?

Candidate:
(*I worked in water system operations*) Told them that powerplants buy water and for that they need to provide bank guarantee, so assessment of that and any tax liabilities arising out of it. Then any water plant operations in any of the site of RBI if they had.

Member 2:
What did you study in minor course? (*I had minor in Economics during my B.tech*)

Candidate:
I told them about economics and other subjects.

Member 2:
What did you actually study in them?

Candidate:
Told them about GDP, Banking, Export Import, Financial Institution, Econometrics.

Member 2:
How would you define a bank?

Candidate:
It is a Financial Intermediary which takes deposits from people and lend it to borrower.

Member 2:
Anyone can do the same thing?

Candidate:
They need to take license under the RBI Act and schedule 2.

Member 2:
NBFCs also do same thing.

Candidate:
I told them that only some NBFCs take deposits and they only take time deposit not demand deposit.

Member 3:
Where is the definition of bank given?

Candidate:
Banking and regulation act 1949

Member 3:
What definition is given there?

Candidate:
I told them that I couldn't remember.

Member 3:
Up to what extent can RBI control Banks?

Candidate:
I started telling, that under RBI regulation banks have to maintain CRR, SLR.. *(then sir stopped me*)

Chairman:

The question is, whether this control is from the birth till the death of a bank?

Candidate #16

Chairman:

1. There are so many hiccups in your profile. You are 30 right now and you have 4 job switches including 2 government jobs. Why did you leave your bank job?

Member 1:

(*Do not lose hope, your interview is not over yet. You can still make a difference by answering questions.*)

1. Ok, I will see how much you remember your master's subject. In Political Science, what subjects have you read?
2. I think you have read about Constitution. Tell me what is the philosophy behind Constitution?
3. From where has the Constitution been taken?
4. Which part has been taken from the US Constitution? (*following my answer*)

Chairman:

1. Referring to my profile, he said – you are involved in so many extra-curricular activities with the good marks in all the academics. That is good. Out of those, which activity did you like the most? (*I answered chess*)
2. Great. You have also mentioned other problem-solving puzzles. Tell me in one sentence the difference between Suduko, Kakuro and Hidato.

Member 2:

1. What do you know about RBI?
2. What have you covered about RBI for this interview? Have you seen the RBI website?
3. What is financial inclusion?
4. As you have worked in a bank, tell me what initiatives bank has taken for financial inclusion? What did you do for financial inclusion while working in a bank?

Member 1:

1. For bank, what is assets?
2. (sub question followed) I thought ki yeh buildings bank ka asset hoti hain.

Member 2:

1. What steps has RBI taken for increasing financial literacy?
2. Have you heard about Risk based supervision?
3. Tell me on what basis risk-based supervision has been done.
4. Apart from NBFC, any other example you can mention? ((taken *from the answer to the previous question*)

Member 3:

1. Have you heard about Capital Adequacy ratio? Tell me what it does? And its formula
2. How many types of Risk-Weighted Assets are there, and what are they?
3. Tell me how many types of capital are there?

Member 4:

1. So, you were posted in MP. Can you tell me what is the digitization of Kisan Credit Card? Because, MP is one of the states where this is happening on a pilot basis.
2. What is the benefit of it?

Candidate #17

Chairman:

1. Name the foreign bank that recently failed? (*Silicon Valley Bank*)
2. What were the reasons for failure of Silicon Valley Bank? (*Asset liability mismatch*)

Member 1:

1. Why do we need Banks?
2. Why regulation of banking sector is important?
3. What all financial entities are regulated by RBI?

Member 2:

1. Questions asked related to HR Audit of Bank branches (*Profile related questions*).
2. Challenges related to Performance Management and measures adopted to address them (*Profile related questions).*
3. Questions related to Disciplinary Action Procedure and whether punishment is effective? (*Profile related questions*)

Member 3:

1. What aspects of the RBI's work interest you?
2. RBI conducted a quiz recently? Tell us what you know.
3. What are the benefits of Integrated Ombudsman Scheme?
4. What is shadow banking?
5. What are the visible differences between UPI and CBDC?

Member 4:

1. What is Emotional intelligence and who introduced the concept?

Candidate #18

Candidate Background- B. Tech 2019, 4 yrs gap (civil services preparation). No work experience.

Chairman:

1. What is the meaning of your name?
2. Can cryptocurrency be called a currency? And what are the features of a currency?
3. What is Market price and Factor cost?
4. Why are PSBs recently issuing more CDs?

Member 1:

1. How does Monetary policy affect the society?
2. What is NBFC-AA? Why did RBI introduce this concept?

Member 2:

1. How did u prepare for interview?
2. What is a country's GDP, and what does it represent?

Candidate #19

Chairman:
What was the reason behind the gap before your first job?

Candidate:
I had graduated in 2015 and in Nov 2016 I cleared the exam, there was a case pending on result so joining came late. In the meantime, I appeared for SSB.

Member 1:
What is the biggest risk faced by banks?

Candidate:
Sir, on what parameters you want me to analyze? As per me, If I have to mention the biggest, on the basis of weightage given in CRAR, maximum portion of that capital caters to credit risk.

Member 1:
What was the reason behind the PNB scam?

Candidate:
The head of audit committee was not a financial expert, so it got caught late. That way we can categorize it as operational risk.

Member 2:
You mentioned you have an interest in public speaking, so what is the best quality required, as per you, in a public speaker.

Candidate:
As per my experience, how well he forms the rapport with the listeners before moving to the main subject decided how fruitful the address is going to be.

Member 3:
You have fair experience in a bank so you must have idea. So, tell me why small finance banks are required?

Candidate:
Small finance banks are needed to serve underserved and unserved areas. They are required to spend their initial years focusing on rural and unserved regions before expanding. Additionally, 50% of their loans must be for amounts under 25 lakhs, which helps address the needs of small borrowers.

Member 3:
But other institutions have started giving micro finance as well.

Candidate:
Yes, a recent report shows that most microfinance is provided by NBFC-MFIs, followed by commercial banks, and then small finance banks.

Member 3:
How many Small Finance Banks (SFBs) are there? Do you know about the recent cooperative bank that was converted into an SFB?

Candidate:
Told the number and didn't know which one switched.

Member 4:
Ok based on your experience tell what is the major area of criticism of banking correspondents.

Candidate:
I started comparing based on areas.

Member 4:
Can a person have more than one accounts?

Candidate:
Yes, but they should be linked to same customer information file.

Member 5:
You work in a bank and want to come to the central bank that is regulator. So, tell me what are all the things that RBI regulates in a bank?

Candidate:
It starts from applying for license, then justifying eligibility of capital, after his norms for customer acquisition, walk in customers etc., and then for advances.

Member 5:
What do you mean by adequacy in capital adequacy?

Candidate:
Adequate enough to absorb shocks

Member 5:
What shocks?

Candidate:
To ensure it has enough own capital rather than borrowed capital i.e. deposits to pay for losses.

Candidate #20

Candidate Background- Currently working as assistant manager in SBI as CSO in SME branch.

Chairman:

1. So, you are from Amravati, tell me what is Amravati famous for?

Member 1:

1. So, tell me the different modes of heat transfer with examples.

Member 2:

1. Why RBI does not give license to NBFC for accepting demand deposit?
2. Asked question about some initiatives of fintech department.
3. Why was CBDC introduced?
4. What are SROs and why are they needed?

Member 3:

1. So how do u analyze the creditworthiness of a borrower?
2. Can you explain ratios like DSCR and Debt-to-Equity, and what their permissible ranges are?

Member 4:

1. Question asked about lead bank scheme and service area approach.

Candidate #21

Candidate Background- B. Tech from NIT Silchar in Electrical, 2 years' experience in IT, 2 years gap, currently working in SIDBI from the past four months

Chairman:

1. You have come from Tata Nagar to Mumbai for interview, why?
2. Before that you were in an IT field and then you have gap of 2 years. First of all, you are from NIT, an electrical engineer, and then ending up in business analyst and banking. Why waste a seat where another person interested in engineering could have studied?
3. Why is there a gap of 2 years?

Member 1:

1. You are already in SIDBI, which is a DFI. So why RBI now?
2. Questions about training in SIDBI? What am I currently doing in branch? Questions on the MSME units to whom I have sanctioned loans, overall Jamshedpur industry situation, and also about 4E scheme of SIDBI.
3. Why SIDBI is into direct finance? SIDBI is a development institution, it should be working for development of MSMEs but here you are competing with banks?
4. How does SIDBI play a role in financial inclusion?

Member 2:

1. Questions asked about latest circular on AIFIs regarding BASEL. Asked about SIDBI's capital. How much borrowing is allowed and questions on leverage ratio.
2. Why these Basel guidelines are implemented in AIFIs now whereas for SCBs it was implemented long ago? Why we need it for AIFIs?

Member 3:

1. Tell me about the biggest geopolitical issue currently which can affect the world? (regarding Israel Hamas war)
2. Okay, you mentioned Russia Ukraine war. Compare both the wars, what impacts they had, current status and which is more significant?

3. You were telling about Israel Hamas conflict, tell me its economic impact?

Member 4:

1. Tell me about RBI? How RBI plays development role?
2. Recently RBI governor gave a speech where he told a particular type of loan is the riskiest and it is concerning. What is that loan?
3. RBI governor gave a speech on July that just by controlling demand side inflation we can't do a lot as the current inflation is due to supply side. Do you agree? And what can be the solution to it?

Candidate #22

Candidate Background- B. Tech Graduate 2020, Working since June 2022, Currently RBI assistant.

Chairman:

(*Complimented me for working and studying simultaneously, unlike others who have 4-5 years gap.*)

1. You had Physics in your graduation. Do you still remember the subject? What books did you read?

Member 1:

1. What do you understand by seigniorage?
2. What is Fintech?
3. Do you know about Fintech Department?
4. What are the functions of the Fintech Department?
5. What is HARBINGER? What are the current developments in it?

Member 2:

1. What is Money?
2. What are the characteristics of money?
3. Have you read the annual report and your Issue department manual?
4. Asked question on DCM in annual report.

Member 3:

1. How does RBI distribute coins and notes?
2. How much ID manual have you read?

Member 4:

1. Why are Central Banks required?

Candidate #23

Chairman:

1. What are your subjects in MBA?

Member 1:

1. Difference between profit and loss statement and balance sheet.

Chairman:

1. Are assets and liabilities usually equal or always equal?

Member 1:

1. What is the balancing factor used in the balance sheet?

Member 2:

1. What is the difference between cash credit and overdraft?
2. What is the difference between MSF and SDF?
3. What is the difference between SDF and RRR?

Chairman:

1. Why are G-secs pledged in RRR?

Member 2:

1. What is the LAF and its components?
2. What is the difference between repo rate and MSF?
3. What is the PLI scheme? What are the major PLI introduced?
4. Who are the customers of RBI?

Member 3:

1. What is the difference between plant cell and human cell?
2. What are the common organelles present in plant cell and human cell?
3. Do plants and animals have Krebs cycle?
4. What made you choose UPSC?

5. How can you serve the nation with RBI?
6. What does it mean when monetary policy states that they are allowing or withdrawing accommodative stance?
7. What happens when accommodative stance is allowed? Will the economy get affected? How will the economy get affected?

Member 4:

1. Why should we invest money in projects like Chandrayaan while we have bigger issues in the country?
2. What are the potential benefits that arise from Chandrayaan 3 for India?
3. Which are the areas of technology where the government should invest in the future?
4. Should the government invest or private sector?

Chairman:

1. What is your favourite subject in MBA?
2. What is the net present value?

Member 3:

1. The net present is derived from which value?

Member 5:

1. Why public sector banks are valued below their book price whereas the private sector banks are valued above the book price?
2. Why the P/E values of public sector banks and private sector banks are different?

Chairman:

1. Which classes do you teach?
2. What subjects do you teach?
3. How long have you taught?
4. What was the last physics topic you taught?
5. What is a siphon?
6. What is a barometer?

Candidate #24

Chairman:

1. What UPI app do you use in your day-to-day life, and what are the security features of the same?
2. Discuss recent digital developments.

Member 1:

1. Explain the workings of the Reserve Bank of India (RBI).
2. Mention the recent Digital Credit Index (related to Credit Information Companies).

Member 2:

1. Answered sports-related questions.
2. Responded to a question related to my experience as a physically challenged person.

Candidate #25

Chairman:

1. Suggest your favourite topic.
2. Why computer science?
3. Why civil services after computer science?
4. Why RBI after civil services?
5. Why do you regret choosing to study for civil services exam?

Member 1:

1. Question about BASEL III norms.
2. What is the aim of RBI?
3. What can RBI do to control tomato price?

Member 2:

1. What is quantitative easing?
2. What is the difference between fiscal stimulus and monetary stimulus?
3. What are the ratios under BASEL III?

Candidate #26

Candidate Background- 5 year Corporate (Oracle + Groww till Jan 2022) + CSE (Mains-22 & 23)
After a brief introduction with the chairman, the interview started.

Member 1:

1. Why did you leave such a high paying job and a great career? Don't you regret leaving it? (*I was working at Groww*)
2. Why didn't you go for courses if you wanted to do policy making?

Member 2:

1. What is inflation targeting?
2. When it is breached, and what happened after that?

Member 3:

1. Asked a question about why do prices increase in an economy? What does that exactly mean?

Member 4:

1. What happens when there is zero inflation? Is it good or bad? And why?

Member 1:

1. Came back to my profile and asked how my work experience will help I in RBI?

Chairman:

1. Why was the reason that Groww crossed Zerodha? Why that happened? Did you foresee it? What exactly did Groww do correctly?
   (*I talked about innovation as we used to do continuous hackathon in groww*)
2. Did you build any innovative product?

Member 1:

1. How does RBI maintain its authority on banks?
2. What are the RBI is doing to increase banking in India? (*basic financial products*)

Candidate #27

Candidate Background- B. Tech (ECE) 2017, 2 years gap. Working in RRB bank as office assistant (clerk) Puducherry since 2019, (also prepared for UPSC civil services exam).

Member 1:

1. Why did your parents choose this name for you?
2. Are you currently working in a bank? What is your role there?

Chairman:

1. You are a state topper in your language subject in the matriculation exam. What language was it?

Member 3:

1. Is your city called Pondicherry or Puducherry?

Member 4:

1. People still call it Pondicherry, don't they?

Member 1:

1. Did you prepare for the UPSC exam?

Member 3:

1. Will you appear for UPSC again?

Member 5:

1. How did you prepare for this interview?
2. What questions were asked during your mock interviews?
3. Do you know the RBI's PSL guidelines and the associated sectors?
4. You missed mentioning two important sectors under PSL. What are they?
5. Have you seen the recent circular regarding MSMEs on RBI website?
6. Do you know anything about the MSME portal?

Member 2:

1. Have you studied economics during your preparation?
2. Can you explain the demand-supply curve?
3. Why do people deposit money in banks?
4. You've studied and worked in the same city. Have you ever been outside your city?
5. Why do you want to leave the RRB? (*as mentioned in my biodata*)
6. What skill sets do you have?

Member 3:

1. You said that you work in cash management. Here's a rupee note—explain it to me as if I were a layman.
2. Can you specifically explain the security features of this note?
3. What can you tell us about your state's economic condition?

Member 4:

1. What is one service your bank provides that your sponsor bank doesn't?
2. What is the purpose of starting RRB?

Member 1:

1. Do you know the definitions of gross fiscal deficit and gross primary deficit?
2. Have you heard of SROs (Self-Regulatory Organizations)? Can you name a few?

Candidate #28

Candidate Background- Agriculture, 2021 Graduated, No work experience

Chairman:

Why were you tensed while waiting outside? I noticed it. Don't worry, marks aren't just for correct answers; even if you don't know something, it's okay.

1. What have you been doing for the past two years?

Member 1:

1. What do you know about the farm laws? Why were there protests in Punjab but not in Tamil Nadu?
2. Explain the concept of "export of water" in Punjab.
3. Questions on MSP, A2, FL, and C2.
4. You received the Ambedkar scholarship. Can you explain Dr. Ambedkar's contributions to economics?

Member 2:

1. What percentage of the population is involved in the agriculture sector? What is agriculture's contribution to GDP?
2. What changes would you suggest in agricultural practices to increase its GDP contribution?
3. What steps has the government taken for agricultural marketing? What are your suggestions?
4. Explain the concepts of substitutes and complements in agricultural economics.

Member 3:

1. Can you explain the law of demand and supply in the context of agriculture? These are basic economic concepts, aren't they?
2. What is the current account deficit (CAD)?
3. A question about balance of capital accounts.

4. Can you explain the link between foreign investments and RBI's income?
5. How does RBI earn income from its forex reserves?

Member 4:

1. Have you read about RBI's recent circular relating to PSL and targets for small and marginal farmers?
2. Why didn't you mention foreign banks? Do foreign banks have lending targets for small and marginal farmers?
3. Your father is a farmer. Can you share some insights or experiences related to farming?

Candidate #29

Candidate Background- Electrical Engineering, IIT, Jobs, Startup, UPSC.

Chairman:
You seem fresh and awake. Are you feeling energetic and not sleepy?

Candidate:
Yes sir, thank you.

Chairman:
What is Kirchoff's Law? (*Electrical Engineering Background*)

Candidate:
I don't know, sir. (*Chairman explained the law, and then I replied*) Now I remember, it is about the incoming and outgoing currents, but I couldn't address the question initially.

Chairman:
What did you do during your gap year?

Candidate:
I focused on UPSC preparation, along with pursuing hobbies and other activities.

Chairman:
What is Jagriti Yatra?

Candidate:
It's a 15-day long entrepreneurial train journey aimed at understanding rural India, their challenges, and studying social enterprises like Goonj and Arvind Eye Care.

Chairman:
Why did you leave your previous organization (OYO)?

Candidate:
I wanted better career prospects, with a wider impact, and an opportunity for growth. Job satisfaction was my focus.

Chairman:
But isn't satisfaction mostly derived from money?

Candidate:
I agree, but in the long run, impact matters to me.

Member 1:
How is RBI a non-profit organization despite making profits?

Candidate:
The nature of RBI's functions results in generating profits, which aligns with its role.

Member 1:
What is the nature of RBI?

Candidate:
It regulates the money supply in the economy to ensure financial stability. (*Panel member corrected this, clarifying that this is a function and not the nature of the organization.*)

Member 1:
Is RBI a company?

Candidate:
Initially, it was private, but it was nationalized in 1949. (*could have been mentioned statutory body*.)

Member 1:
What would you bring to RBI if selected?

Candidate:
I would bring my prior job experience and ease with technology. In any department, I would explore how technology can be integrated with functions to improve efficiency and effectiveness.

Member 2:
What do you mean by profit? How does RBI earn money, and what happens to it?

Candidate:
RBI earns from sources like interest, management fees, and seigniorage from issuing currency. RBI's profit of ₹87,000 crore is transferred to the government. (*Mistakenly mentioned gold and currency revaluation reserves as part of income, which is not correct in this context*.)

Member 2:
If the rupee appreciates, would RBI make money?

Candidate:
When the rupee appreciates, the relationship with other currencies changes, which affects the value. However, I am not able to articulate it fully and need to study more.

Member 2:
What is the economic capital framework?

Candidate:
It includes components like contingency risk and asset development fund, etc. (*However, I wasn't sure of the exact definition and didn't want to make an error, so I said I didn't know.*)

Member 2:
Does economic capital have any relation to capital and reserves?

Candidate:
I am not sure, Sir, I need to read more on this to answer it better.

Member 3:
What are the different types of banks?

Candidate:
I listed the types of banks.

Member 3:
What are differentiated banks?

Candidate:
They are banks designed for specific purposes, such as payment banks.

Member 3:
Can you name some types of differentiated banks?

Candidate:
I mentioned a few examples.

Member 4:
Why were payment banks set up? What is their rationale and utility?

Candidate:
Payment banks were introduced due to the recommendations of the Nachiket Mor Committee. They focus on low-cost, high-volume transactions, better financial inclusion, and leverage digital banking to reduce costs.

Member 4:
With the rise of UPI and the existence of payment banks, do you think they are still relevant, or should they change?

Candidate:

I wasn't able to fully explain the relationship between the two. However, I believe having both options in the market can further financial inclusion. (*Panel member corrected me, stating that payment banks play an important role in providing credit information and improving access to finance through CIBIL scores, which is crucial for financial inclusion and digitization.*)

Candidate #30

Chairman:

1. Have you heard of CERSAI?

Member 1:

1. Why do we need a current account? Why can't we have a single account for both savings and current purposes?
2. What is the legal backing for collecting OVDs?

Member 2:

1. What are the credit risk mitigation techniques used by banks?
2. Which organizations do banks report large credit risk exposures to, and what is the basis for this reporting?

Member 3:

1. Why do banks take more time for activities compared to NBFCs? Does the regulatory burden affect banks more?
2. What steps do you think should be taken to propel the economy?

Member 4:

1. What specific sectors would you focus on if you were to take steps to boost the economy?
2. You are from Madurai. Can you tell me which kingdoms historically ruled Madurai?

Member 5:

1. Can you explain what GVA (Gross Value Added) is and how it differs from GDP (Gross Domestic Product)?
2. What are your thoughts on the recent HDFC merger? How do you think it will impact the banking sector?

Chairman:

1. How is demand and supply determined in an economy? Could you explain the key factors that influence them?

Candidate #31

Candidate Background- Chemical engineering + MBA [finance + marketing]. Work experience – 2 yrs in forecasting and data analytics; left in 2021 to prepare for UPSC.

Chairman:
How are you? Please have a seat.

Candidate:
I am doing good, Sir. Thank you!

Chairman:
So, you have done chemical engineering from LIT and then MBA… (After reading the biodata)

Candidate:
Yes, Sir.

Chairman:
Why did you leave your job?

Candidate:
To prepare for competitive exams.

Chairman (*smiling*)**:**
So, the competition bug bit you, UPSC? And what about RBI?

Candidate:
(*I nodded in approval and smiled*.) This is my first attempt for RBI.

Chairman:
Your skills are very valuable to RBI. How much do you remember of data analytics from your job?

Candidate:
I do remember a few things, Sir.

Chairman:
So, tell me, what is the difference between supervised learning and unsupervised learning.

Candidate:
Supervised learning involves human intervention; we need to tell the machine what output is going to be (it requires labelled data), and based on that, the algorithm learns from the training dataset and predicts for the test data. Unsupervised learning, on the other hand, requires no such intervention; it can analyze data and come up with structures on its own.

Chairman:
Tell one method for each type.

Candidate:
Regression can be an example of supervised learning, while K-means clustering is an example of unsupervised learning.

Chairman:
What is K-means?

Candidate:
Sorry, Sir, I do not remember exactly, but it tries to cluster data points based on some distance/standard deviation. Right now, I am unable to recall exact details.

Chairman:
Have you heard of K-nearest neighbors?

Candidate:
Yes, Sir, but I am unable to recall at this moment.

Chairman:
You participated in the RBI policy challenge; what was it?

Candidate:
I explained the competition.

Chairman:
How have you prepared for the interview?

Candidate:
I focused on having a better-informed opinion about the issues, so I used YouTube heavily. I watched podcasts and speeches of eminent personalities, interviews, and backed it up with newspapers. Finally, I also glanced through the RBI website.

Member 1:
So, you mentioned regression, what is GARCH? (*and one more related term she used – unable to recall*)

Candidate:
Madam, I have heard about it but am unable to recall the exact meaning.
(*Chairman encouraged me to think as I might remember if I do so. I was unable to recall and said the same.*)

Member 1:
Okay, leave it. So, you are an MBA in finance. I will ask you some basic finance questions.
What is the difference between a bond and a debenture?

Candidate:
As far as I know, a bond has collateral, but a debenture does not.

Member 1:
What is a mortgage loan? (*Shifts to 2008 crisis*)

Candidate:
It is a kind of home loan where the house/real estate for which the person is taking the loan is set as collateral.

Member 1:
What are mortgage-backed securities?

Candidate:
It is the pooling of mortgage loans into a security, which is then sold to investors. The returns made through the repayment of loans are passed on to the investors.

Member 1:
Who created this security? Banks or...?

Candidate:
It was banks that gave the mortgage loans.

Member 1:
Yes, they created an SPV for that purpose, and that's what I was referring to earlier.

Candidate:
(*Nodded with some surprise.*)

Member 1:
How do you classify securities based on interest rates?

Candidate:
(*Thought for a while but cannot come up with an answer.*) Sorry, Madam, I am unable to recall.

Member 2:
Do you know the relationship between bond yield and price?

Candidate:
Yes, Sir, it is an inverse relationship.

Member 2:
Why does this inverse relationship exist?

Candidate:
Basically, the interest rate (coupon rate) is fixed, while prices can vary as they are traded. So, the yield varies with the price.

Member 2:
That's right, but I am asking why?

Candidate:
If the interest rate increases, then the current bond becomes unattractive, and the price drops, causing the yield to rise. (*Struggled to comprehend the question but tried to answer.*)

Member 2:
(*Interrupts*) What is that term called?

Candidate:
Sorry, Sir, I am not sure about the term.
(*Many panel members jump in and try to help*)

Candidate:
Sir, we can do a discounted cash flow analysis to judge the value of cash flows. The discount rate can be the risk-free rate or a company's hurdle rate to judge the bond's value.

Member 2:
This is right, but it's mostly used for new investments, not bonds.

Candidate:
Nod in agreement.

Member 2:
Let me try to ask it differently – When does buying and selling happen for any security?

Candidate:
(*Still unsure*) Sir, when the price at which the buyer wants to buy and the seller wants to sell matches.

Member 2:
What is that term called?

Candidate:
Sorry, the exact term is not coming to my mind.

Member 2:
What is the policy corridor and why is it important?

Candidate:
It is the corridor of the Liquidity Adjustment Facility. MSF is the ceiling, and SDF is the floor of the corridor. Currently, it is Repo ± 0.25%.

Member 2:
Why is it important? What does it tell?

Candidate:
Although I read about it, I am unable to recall at this moment.

Member 3:
What is the corridor used for?

Candidate:
I am sorry, Sir, unable to recall.

Member 3:
What is the operating target of monetary policy?

Candidate:
It's the WACR – the rate at which banks lend to each other on an overnight basis.

Member 3:
Correct, that's what the corridor is for.

Candidate:
Okay, Sir, I got it. RBI tries to keep the WACR near the repo rate, and this fluctuates between the corridor.

Member 4:
Is the current MPC decision good or bad? If good, why? If bad, why?

Candidate:
I think the MPC stance of keeping the rate unchanged is correct. Currently, the issues we are facing are not demand-side issues, and RBI has little control over things like El Niño, geopolitical issues (Russia-Ukraine), and the US Fed increasing interest rates to fight inflation, leading to capital outflows.
While demand in India is still robust. In fact, today only (*13th Oct news*), the CPI has declined to 5%, and IIP has increased to 10% due to the surge in festive demand.
In this scenario, I think RBI is doing the right thing by adopting a wait-and-watch policy.

Member 4:
What are the factors RBI should look at to check growth/inflation prospects for the Indian economy?

Candidate:
RBI looks at growth in demand (consumption), indicators like IIP, and also at investments, both private and public.

Member 1:
(*intervenes and hints*) What about oil?

Candidate:
Yes, Madam, that is also an important factor. Since 85% of crude oil is imported, it impacts inflation, so we need to monitor oil prices.

Member 4:
You mentioned El Niño, what is it?

Candidate:
Sir, it is the warming of the Southern Pacific Ocean, which disturbs pressure cycles. The Mascarene high basin near Madagascar Island attracts moisture-carrying winds towards the Tibetan plateau, resulting in monsoon rainfall. Due to El Niño, this cycle is disturbed, leading to less monsoon rainfall.

Member 5:
You have done revenue forecasting in Excel. What kind of forecast was it?

Candidate:
I worked for a pharma company, so our forecasts started with the incidence of disease and then narrowed it down through filters like market share, class share. As I worked in the oncology department, we had a variable called "Time on treatment," which was essentially a curve denoting how long a patient stays on our drug, as cancer has no cure, and hence this variable was important. Then we had some more filters like compliance and finally arrived at the revenue.

Member 5:
How much do you know about Excel – he gave 4 levels:
Just knowledge about the formula
Knowledge about pivot charts

Knowledge about macros
Knowledge about VBA (backend coding for Excel)

Candidate:

Sir, I know up to macros. But I also have hands-on experience with VBA as I worked with the VBA coding team, and I also learned a few things.

Member 5:

How will this experience help RBI?

Candidate:

Sir, firstly, the basic Excel skills are needed in every organization, and I can use them for day-to-day work in RBI. Secondly, I have made mathematical models in my previous role, and I can use that experience to create models in RBI as well. (*I further wanted to highlight my experience of running simulations, which can be used for stress testing in RBI, but I was interrupted here.*)

Member 5:

Which department do you think you can contribute the most to with this skill?

Candidate:

Sir, I am not exactly sure since my exposure to various departments of RBI has been very limited, but I think I can contribute to the banking regulation and supervision departments.

Member 5:

Okay, let's say you have to make a model for the banking supervision department, which judges the financial health of banks. What factors will you consider?

Candidate:

Sir, we can look at ratios such as Gross NPA, Net NPA, and slippage ratio.

Member 5:

What is the slippage ratio?

Candidate:
It is the rate at which NPAs are being created.

Chairman:
Rate of new NPAs?

Candidate:
Yes Sir, new NPAs.

Member 5:
Okay, go on.

Candidate:
Do you want me to create a predictive model?

Member 5:
Yes.

Candidate:
Sir, then I can think of some different variables to predict the future health of banks.

Member 5:
Yes, I would like to know those.

Candidate:
I would consider two additional factors. One would be the mix of rural-urban branches of a bank. For the second variable, I would like to give a disclaimer that it is a bit of an absurd variable, but in my opinion, it's worth exploring – that would be looking at the gender ratio, i.e., Male: Female ratio in different branches.
(*This amused many panelists, including a smile from the Chairman*.)

Member 5:
Yes, and how does it indicate financial health?

Candidate:
Sir, these are not indicators like the previous ratios I mentioned, but I believe these variables have a predictive value for future NPAs. For example, the rural-urban ratio can help understand NPAs caused due to distress in rural areas.

Chairman:
We can understand that. What about the second variable?

Candidate:
Yes, Sir, it's a bit absurd, and that's why I gave the disclaimer. (*I smiled at the Chairman, and the Chairman nodded.*)

Member 5:
I would like to know the reason behind the inclusion of that variable.

Candidate:
Yes, Sir, I will tell where my belief is coming from. In Project Manhattan, which was for the creation of the nuclear bomb, they had to run Monte Carlo simulations for the test. Since there were no computers at that time, humans had to be recruited to do thousands of calculations. For this, they recruited only women as they found through research that women were more careful and diligent in conducting calculations and hence less prone to mistakes.
I believe the same applies to credit appraisal for loans, as women have better attention to detail, and that can be an indicator of the financial health of a bank. But I still think it is a bit absurd and might need further checking.
(*The panel seemed satisfied and amused, and Chairman looked at someone and nodded.*)

Member 5:
What is the monetary and fiscal policy mismatch? (*The question was something on these lines.*)

Candidate:
Sir, monetary and fiscal policy should work in tandem because if one is tightened while the other is loose, it will still result in an increase in money supply, which

impacts the economy. Like in the US, we see currently that the Fed is increasing interest rates to control inflation, while the US government is increasing the fiscal deficit, which contradicts each other.

Chairman:
So, do you remember chemical engineering, and what was your favorite subject?

Candidate:
Mass transfer and to some extent, heat transfer.

Chairman:
What do you remember about it?

Candidate:
Sir, I remember the fractional distillation column since I did an internship in a refinery.

Candidate #32

Candidate Background- Working as a divisional accountant pwd.

Chairman:

1. What is the difference between a works account and a monthly account?
2. Why did you choose not to pursue an MCom degree?
3. Can you explain what a bank is?
4. What are some other functions that a bank performs apart from the typical banking services?
5. Can a bank refuse deposits? If yes, under what circumstances?
6. What do you like the most about the RBI's balance sheet?

Member 1:

1. What is a credit default swap, and how does it work?
2. What do you think is the current problem with the corporate debt market in India?
3. How would you suggest improving the transmission mechanism of monetary policy in India?

Member 2:

1. What key indicators should one look at on a bank's Profit and Loss (P&L) statement to assess its profitability?
2. What is the Net Interest Margin (NIM), and how is it important for a bank's performance?
3. Can you name a few books you have read recently? Could you summarize one of them?

Candidate #33

Chairman:

1. The company you worked at is performing well now. Do you have stocks in it?
2. You would have earned a lot if you were there now, right?
3. You are preparing for UPSC. What's your optional?
4. What is 'e' and how is it related to banking?
5. Asked me the formula for compound interest.
6. What's your designation in EPFO?

Member 1:

1. Question regarding the unorganized sector and organized sector
2. Why RBI?
3. Then asked, you are already doing it with EPFO. Why RBI again?
4. What is your role in EPFO?
5. Will you inspect government organizations too?

Member 2:

1. What is your understanding of the economy?
2. How can RBI increase money flow in the economy without printing new notes?
3. How does the Money Multiplier work?

Member 3:

1. What are the different types of money?
2. Do you read the newspaper? (*I said yes*).
3. There is an issue going on about loans. Do you know that?
4. Did you read about the Governor's speech regarding UCBs? (*actually there is no recent speech on UCBs*)

Member 4:

1. We talk about the regulation of banks. What does it do?
2. Why do we regulate banks?

Candidate #34

Chairman:

1. What function of RBI separates it from other central banks?
2. Oldest central bank in the world?
3. What is RegTech?
4. What is Five Eyes Alliance?
5. What is seigniorage?

Member 1:

1. Questions about Favourite subject during your MBA? Name of my Professor. Name of my favourite authors. Favourite branches of study within the subject?
2. Should government employees have the same salary as corporates? If yes, why?
3. Question about the reports released by RBI?

Member 2:

1. Asked about UDGAM?
2. A question about RBI vision statement?

Member 3:

1. Asked other HR questions regarding gap years, motivation to do public service instead of corporates, why such a long time to decide, and hobbies.

Candidate #35

Candidate Background- Mechanical Engineering, 6-month work experience in an FMCG company.

Chairman:

1. Since the company you worked for was a leading sustainability champion, what can other companies or banks could learn from it?
2. What are the Indian government's policies or measures to tackle climate change, especially with a focus on net zero?
3. Can you explain physical risks and transition risks to the finance sector due to climate change?
4. What measures are banks taking to mitigate these risks?

Member 1:

1. How did you prepare for the interview?
2. What are the food security issues India might face due to climate change?
3. Why does only RBI regulate banks and not some other entity?

Member 2:

1. Do you know about Erdoganism? (*Since I hadn't heard the term, they clarified that I didn't need to answer.*)
2. What are the functions of RBI?
3. What are the monetary policy instruments?
4. Wouldn't it be confusing to have so many monetary policy instruments?

Member 3:

1. How does RBI determine what financial stability and instability are?

Member 4:

1. What are your favorite books?
2. How did you get hired for your previous job, and how many people from your college were hired for that position?

Candidate #36

Candidate Background - Computer engineer, currently working in NABARD, worked as RBI assistant previously

Chairman:

1. Why do you think girls are not able to clear the mains exam? Why is the ratio skewed?
2. What can be done for women empowerment?
3. Would the reservation bill help?

Member 1:

1. Tell any 3-4 announcements from the last 1-2 monetary policies.
2. What all activities/beneficiaries are eligible under PIDF?
3. What is withdrawal of accommodation?

Member 2:

1. Why is leverage ratio required if we are already checking CRAR?
2. Can CRAR ever be 100%?
3. What is expected credit loss? How will it help? What is the current practice called?

Member 3:

1. Provide 3-4 use cases of AI/ML in banking.
2. Can machines replace humans in qualitative work?
3. What are the parameters that machines can't analyze?

Member 4:

1. How much is the NBFC portfolio of NABARD?
2. What is the working of NBFC-MFI?
3. Why did you leave RBI? You could have stayed and gotten promoted.

Candidate #37

Candidate Background - B. Tech in Electrical and Electronics Engineering. Work experience of 2 years. And 5 years UPSC gap. Currently not working, but have a job lined up.

Chairman:

1. Last interview. Last but not the least. So, what's the advantage of coming last?
2. How did you prepare for the interview?
3. Did you read any books for preparation like economics or finance?
4. Which area should we ask questions from? Should we ask from macroeconomics?

Member 1:

1. What is the public debt function of RBI?
2. What are CRR and SLR?
3. What does changing the reserve ratio do?

Member 2:

1. In the UK, where there are no reserves, is the money multiplier infinite?
2. What is the use of these reserves?
3. What is inflation targeting?
4. In economics, there are two main economists like Keynes and Friedman. What were their contributions?

Member 3:

1. What is a green bond?
2. Why are we talking about green bonds?
3. What is CBDC, and why do we need it, especially when blockchain is energy-intensive?

Chairman:

1. How do you measure changing sea levels?

Member 4:

1. Which department do you want to join?
2. What does the supervisory department do?
3. Since you don’t have a finance or banking background, why should RBI select you?

Candidate #38

Chairman:

1. What is the role of the Reserve Bank of India (RBI)?
2. What do you expect from RBI?
3. Besides RBI, who else can issue currency?

Member 1:

1. What is the Women Reservation Bill? Is it a bill or an act?
2. Explain delimitation in the context of the bill.
3. Can you tell us about government security bonds?

Member 2:

1. What is the moment of inertia? (*related to civil engineering*)
2. How can you use your civil engineering knowledge in RBI?

Member 3:

1. How did you prepare for this interview?
2. How did you prepare for the mains examination?

Member 4:

1. A question related to my hobbies.
2. A question about any prize or recognition I have received.
3. Can you recite a Kabir doha?

Candidate #39

Chairman:
What is RBI? Tell me the functions of RBI.

Candidate:
It is the central bank of India. Its main function is to maintain price stability in the country while keeping in mind the objective of economic growth.

Chairman:
How does RBI help in the growth of the economy?

Candidate:
Price stability and financial stability are the prerequisites of sustained economic growth, and RBI helps maintain both through its monetary policy. So, in an indirect way, RBI helps in the growth of the economy.

Chairman:
How is growth measured in India? Define it.

Candidate:
Growth is measured through GDP, which is the money value of all the goods and services produced within the territory of India.

Chairman:
What do you know about inflation?

Candidate:
Inflation is the consistent rise in the price of a basket of goods and services, which is currently measured through the Consumer Price Index (CPI).

Chairman:
For a developing country like India, which one is better: low inflation or high inflation?

Candidate:
Both too low and too high inflation are not ideal. A sustainable rate is preferred. That is why, in 2016, RBI introduced flexible inflation targeting with a primary target of 4%, with an upper and lower tolerance rate of ±2%.

Chairman:
You have lived in Delhi for a long time. Tell me about your experience.

Candidate:
I shared my journey through graduation and my learning experiences in Delhi.

Member 1:
Why did you take Spanish as a subject?

Candidate:
There are good opportunities after graduation, and based on suggestions from others, I chose Spanish.

Member 1:
What types of exams have you been taking?

Candidate:
I have appeared for UPSC and RBI exams.

Member 1:
Only those two, or any other exams?

Candidate:
I also appeared for the EPFO exam and reached the interview stage last year.

Member 2:
Asked about my time in Bengaluru?

Candidate:
I was there for 4 years for my academic and professional journey.

Candidate #40

Chairman:

1. What is the difference between balance sheet of RBI vs that of a bank?
2. What is the FI Index?
3. Tell us what you know about the PSL norms.

Member 1:

1. List a few essential qualities of a manger.
2. What is Emotional Intelligence?

Candidate #41

Chairman:

1. You have a degree in polymers. Tell us what are polymers?
2. What are plastics and tell us about its advantages and disadvantages?
3. How can plastic pollution be stopped? Guidelines of single-use plastics and specifications? The different markings on plastic products? How polymer films are made? How is packaging done?
4. Is there any future of plastics?

Member 1:

1. Convince me why climate change is bad? I think climate change is just a fiction.
2. What are the functions of RBI?

Member 2:

1. You have worked in rural development. How can RBI work there?
2. Why does RBI have any role in rural areas when other banks are already working in rural areas?
3. You spoke about priority sector lending, tell us how to reform PSL?

Member 3:

1. A question about the recent inclusion of Indian bonds and its possible impacts?

Chairman:

1. Why do we need RBI at all?

Candidate #42

Chairman:

1. Tell us the meaning of your name?
2. Do you remember your engineering subjects or have you forgotten? (*Then asked a very basic question regarding that topic*)
3. Questions asked related to MPC, monetary policy tools, policy corridor,
4. What is the relation between government expenditure and monetary policy called?

Member 1:

1. What is Fintech? (*Then 1-2 counter questions*)

Member 2:

1. What is a Unicorn with respect to startups?
2. Why is Fintech doing well in India?
3. A question about UNGA statement of S. Jaishankar (*response to terrorism can't be decided by political preference*).

Member 3:

1. What are the components of RBIs Balance sheet? Which departments are there?
2. What is written on the Indian rupee notes? Who signs it?

Candidate #43

Candidate Background - UPSC 3 mains, NABARD interview, IRDAI interview

Chairman:

1. You have a gap year. Can you tell us why?
2. What was your optional subject in UPSC?
3. What is the philosophy of the Bhagavad Gita?
4. But don't you think the Gita is self-contradictory?

Member 1:

1. What is the function of RBI?
2. What is the philosophy of RBI?
3. How your study in philosophy will help RBI?

Member 2:

1. What is financial inclusion?
2. What is CBDC (Central Bank Digital Currency)?
3. Why are banks needed in an economy?
4. How does RBI control the money supply in the economy?
5. What is the difference between price stability and financial stability?

Member 3:

1. What is happening in the USA right now?
2. What is an inverted yield curve?

Member 4:

1. What is the latest update on RBI's website?
   (*It was related to financial inclusion, which was uploaded by 12 PM today. Panel members appeared impressed.*)
2. Indian economy faces several challenges. What is the most significant challenge that can improve India's economy, excluding the banking sector?

Candidate #44

Chairman:

1. What is Turing machine? Have you heard of it?
2. You are doing a PG-level course on the foreign exchange market. What is an option and a future?
3. What is currency appreciation and its consequences?
4. What have you studied till now in the course?

Member 1:

1. You are from Kota. Kota is in the news these days. Were you part of that coaching industry?
2. What was your favourite graduation subject?
3. There is a famous politician by your name. Who's that?
4. What is the RBI doing for the environment? Mention any 3 things.

Member 2:

1. Asked One question on Data Lake concept, gave me 3 statements. Asked which one is the correct definition for it?

Candidate #45

Candidate Background – Graduation in 2017, currently working as an Income Tax Inspector.

Chairman:
You graduated in 2017. What have you been doing since then?

Candidate:
Currently, I am working as an Income Tax Inspector, and I am posted in Bengaluru. Since I got this job recently (after submission of biodata), so I couldn't mention it there.

Chairman:
If banks maintain provisions to cover their losses, why is capital adequacy still necessary?

Candidate:
Sir, capital adequacy is required in case a bank faces sudden losses.

Chairman:
Those are called unexpected losses. You were on the right track but couldn’t quite explain it. That’s okay. Can you tell me how much provisions banks keep on standard assets?

Candidate:
I'm sorry, sir. I'm not aware of it.

Chairman:
No problem. Do you know about floating provisions?

Candidate:
No sir. I'm not aware of it.

Member 1:

You mentioned reading newspapers as a hobby. Do you know about the Israel-Hamas conflict? Why is it happening? And why did Hamas attack Israel?

Candidate:

Ma'am, the conflict dates back to the 1940s when Palestine was under UK. At that time, due to high levels of anti-Semitism, Jews faced discrimination in Europe. They then began claiming that they have a birthright over Palestine. When Jews entered Palestine in large numbers, they excluded the local Arabs from their lands and occupied this area forcefully. So, Hamas, which is a terrorist organization belonging to Palestine, attacked Israel so that Israel doesn't claim Palestine as its own.

Member 1:

Okay. What were the impacts of the Russia-Ukraine conflict on the world?

Candidate:

Ma'am, when the Russia-Ukraine conflict began, the prices of commodities increased since both Russia and Ukraine were major suppliers of commodities like sunflower oil, wheat, and gas. This resulted in inflation across the globe. This led central banks, especially of developed economies, to hike their policy rates. This further resulted in capital flight from developing and emerging economies like ours.

Member 2:

What is the career progression in the Income Tax department, and why do you want to join RBI?

Candidate:

If I stay there, in 8-10 years, I'll be promoted to Income Tax Officer, and in the next 10-12 years, I'll be promoted to Assistant Commissioner.
As far as your second question is considered, sir, I believe my values and RBI's values align. For example, RBI emphasizes the trust of citizens, and I also consider trust as one of the most important qualities of a person. RBI strives towards

professional excellence, and I also aim for the same. That's why I believe I'll be better suited to RBI.

Member 3:
Tell me, why are central banks needed?

Candidate:
Sir, initially, they were set up to buy government securities and fund wars.

Member 3:
If the government also has world-class financial experts, why do we still need central banks?

Candidate:
Sir, financial expertise and long-term vision are needed to manage the economy. These qualities are typically found in central banks.

Member 3:
Why can’t the government perform the same functions as central banks?

Candidate:
Sir, the government, especially in democracies, comes in for a short time (for 4 or 5 years) and prioritizes short-term gains. This could mean that the decisions made by the government may be beneficial for the economy in the short term but can harm it in the long run.

Member 3:
Can you give an example where government actions might harm the long-term economy?

Candidate:
Recently, election campaigning is happening in several states. Various political parties have been promising freebies. While offering freebies may result in winning elections, in the long term, freebies can lead to fiscal disaster.

Candidate #46

Candidate Background – Working in RBI Chandigarh RO (Department of Supervision).

Chairman:

1. Why has the locker agreement been revised? What are the particular reasons?
2. Why are Urban Cooperative Banks (UCBs) reluctant to convert to Small Finance Banks (SFBs)?
3. Why was the differentiated banking model introduced?
4. What is your opinion about the transition of SFBs towards Universal Banks?
5. What do you do in the Department of Supervision (DoS) regarding the supervision of Capital SFBs?
6. What is the size of Capital SFBs?

Member 1:

1. What are the instruments of monetary policy? Explain the process of monetary policy transmission and how it ultimately leads to stable prices.
2. What is the jurisdiction of Chandigarh Regional Office (RO) under the Department of Supervision (DoS)?
3. Why is Mahendragarh Currency Chest (located in South Delhi) being supplied cash by Chandigarh RO and not Delhi RO?

Member 2:

1. Tell us the RBI preamble in Sanskrit. (*I had written that I can read, write, and speak Sanskrit in my biodata.*)
2. What is the size of 'Operating Surplus' in the RBI balance sheet?
3. What are the two funds to which RBI transfers money? (*Contingency Fund and Asset Development Fund*)

Member 3:

1. How much is the contribution of the Chandigarh RO to the profit of RBI?

Candidate #47

Chairman:

1. Asked questions about the organization where I am currently working.
2. What are the other options that you're currently seeking?

Member 1:

1. What are the functions of RBI?
2. Cross-questions on coin minting, minting press's location, and the composition of the coins.
3. Questions based on my educational background.
4. Questions based on my hobby (writing blogs), types of blogs, and recent topics.

Member 2:

1. What is the definition of financial inclusion, and what are the five things that define financial inclusion?
2. What is the percentage of the population financially excluded?
3. Five things to define financial inclusion.
4. Discussion on my blog.
5. Cross-questions on CBDC and Cryptocurrency.

Member 3:

1. How will your engineering degree be helpful in this role?
2. About Finfluencers and recent news in SEBI regarding that.

Member 4:

1. NCFE and its details. Some cross-questioning.
2. What is Asset-liquidity mismatch?

Member 5:

1. CAR and why it is important for banks to maintain? Some in-depth questions regarding that.
2. Questions asked on arrange liquidity, and profitability.

Candidate #48

Candidate Background – B. Tech in Electronics and communication engineering from NIT Trichy, Experience: Engineer, Qualcomm India private Limited, Chennai (2019-2021)

Chairman:

You got a degree from NIT Trichy in 2019 and worked in a top company in semiconductors and suddenly you wanted to switch to public sector. Why?

Candidate:

Sir, the work culture and career progression in Qualcomm is very good. But in my 2 years of work, I have realized that the contributions I make there had very limited and indirect impact on the common people. Working in an organization like RBI will have a greater impact on the middle and low-income sections and give me an opportunity to work at the grassroot level. That's why I have applied for the RBI grade B post.

Chairman:

Cross-questioned on the same asking government is behind semiconductors these days and you could have done much better there.

Candidate:

Answered saying I wanted to work more closely with the public and create a direct impact however small it might be, and being in RBI will give me that opportunity.

Chairman:

Cross-questioned asking you could have joined an RRB if you want to work close to the public.

Candidate:

Being in a central bank will give an opportunity in policy making, which has impacted all banks at all levels, and the reach and impact will be more than working in a single rural bank, and that's why I wanted to be in RBI.

Chairman:
Why do we need a central bank like RBI? Can't the government do these functions?

Candidate:
The government will have conflicting objectives if they want to do the banking functions. Through fiscal policy, it promotes growth through budget and spending, this will come in conflict with monetary policy, as one side it has to act as a facilitator, and on the other side, it has to regulate currency and debt. That is the reason we need a separate central bank to maintain monetary stability.

Chairman:
Have you applied for any other exams other than RBI like civil services since you are keen to work in the government sector?

Candidate:
Wrote civil services mains 2023 last month.

Chairman:
Would you continue civil services preparation if got selected in RBI?

Candidate:
I have not taken any decision regarding that yet. For now, I am happy to work in RBI if I get selected.

Member 1:
Asked Banking questions: Monetary policy objectives, definition of bank etc.

Candidate:
Answered the same.

Member 2:
What is happening with the US economy? Any finance-related issues recently? Asked about how Silicon Valley Bank crisis happened.

Candidate:
Talked about the Silicon Valley bank collapse, US Fed rate hikes, and its impacts on Indian financial markets (FPI exit etc.).

Member 3:
Asked about measures taken by the government to promote India as the third-largest economy.

Candidate:
Creating a robust manufacturing ecosystem, exports promotion, digital economy, formal economy etc.

Member 4:
Asked about my hobbies on cricket as I mentioned it in the biodata.

Candidate:
Answered accordingly.

Candidate #49

Chairman:

1. What were you doing in the gap years?
2. Why RBI?
3. What are the core functions of RBI?

Member 1:

1. What is financial inclusion?
2. Questions related to Cricket world cup (*Hobby*).
3. Other biodata related questions.

Candidate #50

Candidate Background – Graduated in Commerce. Working as Assistant Audit Officer in CAG.

Chairman:

1. What were your sources of preparation?
2. What is the volume and composition of India's foreign trade?
3. What is Business Communication?
4. What are the elements of Business Communication?

Member 1:

1. What would be the impact of rupee appreciation?
2. Will it be good for our economy if the rupee appreciates to 55 ₹/ USD?

Member 2:

1. How are prices determined?
2. How does increasing interest rate control inflation?
3. What are the other ways of controlling inflation?
4. What is Audit?
5. How does audit differ from inspection?

Member 3:

1. What is Going Concern concept?
2. How are the prices of government securities determined? Formula for it.
3. What is Break Even Point? Formula for it.

Candidate #51

Chairman:

1. From where have you prepared for this interview?
2. List some of the functions of RBI?
3. How does it act as banker to the government? (3 ways)
4. How does RBI cater to all the government departments with few branches? Please elaborate.

Member 1:

1. You have read novels... read anything related to banking? (*Overdraft by Urjit Patel*)
2. Speak something about the book "Overdraft" by Urjit Patel.
3. What is the significance of ARQ?
4. What kind of loans are NPA?
5. Why are currency chest branches opened? How do banks benefit from them?

Member 2:

1. What is working capital gap and how do we assess the capital requirement in the absence of WCG?

Member 3:

1. Name your favourite writer and poet.
2. One novel adapted to a movie?
3. Favourite poet?
4. Name one poet from the Victorian era?

Candidate #52

Candidate Background – B.Tech. Working in SBI as assistant manager.

Chairman:

1. B. Tech in engineering physics. Physics mein to research kar sakte the, PhD kar sakte the, bank mein kaha fas gaye?
2. Do you remember anything that you studied in Physics?

Member 1:

1. What do you see in credit appraisal?
2. Tell me the methods of credit appraisal.

Member 2:

1. What are the loans you give in your branch?
2. How do you ensure end use of funds in proposal?
3. What do you do to increase the SME portfolio in your branch?
4. What are the recommendations of UK Sinha committee related to MSME?

Member 3:

1. Suppose you are in RBI and you have to inspect the bank, what are all the parameters that you'll look at?
2. Do you have a cooperative bank in your area of posting?
3. Do Basel norms apply to cooperative bank?
4. What is CAR?

Candidate #53

Candidate Background – B.E. Mechanical, Worked in Wipro as associate for 1 year, In Canara bank as clerk for 1 year and in Indian bank as PO for 2 years.

Chairman:

1. Where did your father work?
2. Why did you leave your job?
3. Which phase do you feel is the toughest?

Member 1:

1. What is hypothecation?
2. Does the possession and ownership both lie with the borrower or does the ownership lie with the bank?
3. What are recent MOUs that RBI signed and with which countries?
4. What is the use of signing those MOUs?
5. How is it useful to the common citizen?
6. Do you know which board maintains the financial stability of the country?
7. Who is the head of the board?
8. Who all are the members of the board? What is the structure of the Financial Stability Development Council?

Member 2:

1. As you said you left your job, what is your backup?
2. How do you prepare for these exams? Do you refer to any books?
3. As you know, the US president has the highest power in the US, then comes the Fed President. In the same way, in India, the RBI governor draws the highest power after the President. Tell me why?
4. Tell me the functions of RBI?

Member 3:

1. So, you have mentioned in your DAF that you worked in financial inclusion campaigns? What did you do?
2. What kind of service should a bank provide to its customer?

3. Consider a pensioner is there in your bank. He is a wealthy person. You earn a high commission if you sell an insurance product to him. Will you sell insurance to him?
4. Tell me about the RBI products for financial inclusion?

Candidate #54

Candidate Background – Presently working in NABARD

Chairman:

1. Why do you want to join RBI?
2. Is Karnataka your home posting?

Member 1:

1. What is scale based regulatory framework for NBFC and why was it introduced?
2. What is the criteria for upgradation of NBFC upper layer to top layer?
3. Explain Financial Inclusion Index. How many indicators are there? What is the latest value? Which is the most difficult parameter to achieve?
4. Explain digital payment index. What is the base year? What is the latest value?
5. Suggest 3 new policy interventions which are required for further financial inclusion.

Member 2:

1. What is the percentage contribution of agriculture to India's GDP (bouncer)? What is the percentage of population involved in agriculture (bouncer)?
2. What are the problems faced by Indian Agriculture?
3. What can be done to address it?

Member 3:

1. What are invisibles in foreign trade?
2. Rs. exchange rate 5 years ago was Rs.73 per USD and today it is Rs.83 per USD, does that mean our economy is weak now? *(Chairman interrupted and asked- Inflation is everywhere, why do you think INR has been valued less than USD)*
3. Benefits of digitization of KCC.

Chairman:

1. If someone demands INR value to be retained at Rs.40 per USD, would that be a sound policy decision? Why or why not?
2. Do you think the price offered to farmers in our country is reasonable?

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