Finance &Management

2 Markers

I.(1-4)Readthefollowingparagraphbelowand answer the questions.

India is the first country in the world to make corporate social responsibility(CSR)mandatory,followinganamendmenttothe CompaniesAct, 2013 inApril 2014. Businesses can invest their profits in areas such as education, poverty, gender equality, and hunger as part of any CSR compliance.
AmidtheCOVID-19(coronavirus)outbreak,theMinistryof CorporateAffairs has notified that companies'expenditures to fight the pandemic will be considered valid under CSR activities. Funds may be spent on various activities related to COVID-19 such as the promotion of healthcare including preventivehealthcareandsanitation,anddisastermanagement.

Q.1)
Accordingtosection135oftheCompaniesAct2013,what should be the minimum net profit of an organization to constitute a CSR committee?

(a) Rs. 2 crores
(b) Rs. 3 crores
(c) Rs. 4 crores
(d) Rs. 5 crores
(e) Rs. 6 crores

Q.2)
WhatshouldbethenetworthaspertheCSR provisions?

(a) Rs. 225 Crores
(b) Rs. 325 crores
(c) Rs. 400 crores
(d) Rs. 350 crores
(e) Rs. 500 crores

Q.3)
Whatistheminimumnumberoftherequirementof directors on the CSR committee?

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

Q.4)
Howmanyindependentdirectorsshouldbethereonthe CSR committee?

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

I.(5-8)Readtheparagraphbelowandanswerthe following questions.

Fran began her job as supervisor of the training department of a metro bank and trust company almost 4 years ago. She wasgenerallypleasedwiththe4trainersandonesecretaryin herunit.Frantookprideinherabilitytocreateahighmorale and high-performance unit. This was particularly pleasing to Franbecausetheywereconstantlybusyandbarelyabletokeep up with the volume of training expected from them.
One day, Fran's secretary, Judy, knocked on Fran's door and asked to see her. Fran liked Judy and considered Judy to be one of her stars. In an effort to develop Judy's talents and abilities, Fran had gone out of her way to give Judy special assignments.Bynow,Judyworkedmoreasanadministrative side than as a secretary.
ItwasclearthatJudywasupsetaboutsomethingassheseated herself in the chair next to Fran's desk. Slowly, Judy placed a job posting application form in front of Fran. She would not look Fran in the eyes.
Franwassurprised,tosaytheleast.AsfarasFranknew,Judy liked both her job and working in the training department. In turn, everyone in the department liked and respected Judy.
Fran looked over the form and said casually, "so you want to postfortheexecutivesecretaryjobinthebranchmanagement division." "Could I ask you for some additional information, Judy? I am kind of surprised."
Judylookedupandsaid,"Inoticedinlastweek'sjobposting that the executive secretary position is graded as a 14. Now that's 2 grades higher than my job."
"YouknowmyfriendMaryJohnsonworksoverthere.Shetold methat half thetime the secretarysitsaround doing nothing."
Judy continued, gathering some anger in her look and resentmentinhervoice."Look,Fran,youknowhowhardI work,howhardweallwork,aroundhere.Imean,I'malways busy. I don't see why I should work in a job graded at a 12 and work twice as hard and yet not be paid the same as that secretary.Thejobrequirementsforthejobarejustalittle higher thanmine, andthe meritraisesyougave melast month hardly helped at all."
Fran listened; then she replied: "It sounds to me, Judy, that you arefeelingangrybecauseyouthinkyoushouldbepaidmorefor theworkyoudoandthatyouwanttoswitchjobsratherthanput up things as they are. Am I right?"
Judy nodded her head in agreement.
Franknew,though,thatthemetrojobevaluationsystemwasup to date and that the executive secretary position to which Judy referred did require additional background experience, skillsand responsibilities beyond what was needed in Judy's current job.Becausehersecretarywassuchagoodemployeeandanice person,Franwasquiteconcerned.Shefeltstronglythatmoving to the executive secretary job would not be what Judy really wanted, and she hated to lose Judy, especially if her decision wasbasedonfaultyreasoningandthemovewouldnotbegood for her.

Q.5)
Money is acting as the motivator for Judy in the above case and therefore she is dissatisfied with the job under thesupervisionofFran.WhichofthefollowingneedsareNOTaccomplishedinthecaseofJudyaspertheHerzberg Model0?

(a) Esteem Needs
(b) Physiological and Security Needs
(c) Social and Security Needs
(d) Self-Actualization Needs
(e) Psychological Needs

Q.6)
Judyisdissatisfiedwiththeoutcomethatsheisgetting whencomparedtotheeffortsthatsheisputtingintoherjob. Which of the following theories of motivation best depicts Judy's state of mind in the above case?

(a) EquityTheory
(b) Theory XandTheoryY
(c) Porter and Lawler
(d) Self-Actualization Needs
(e) HerzbergTwoFactorTheory

Q.7)
Whichofthefollowingtheoriesofmotivationaredirectly affectedintheabovecase?

I) Equity theory
II) Maslow'sneedhierarchytheory
III) Herzberg'sModelofMotivation
IV) Alderfer'sERGmodel

(a) I, II and IV
(b) I and III
(c) II and III
(d) II, III and IV
(e) I, II, III and IV

Q.8)
WhichofthefollowingmotivationaldecisionsshouldFran takeinordertoretainJudyinherpresentdepartment, working as secretary to Fran?

(a) Since Judy is only considered with money, Fran can satisfyherphysiologicalneedtoretainherinthepresent department.
(b) Since Judy is comparing her work, status, and perks with another department within the organisation, Fran must ensureequityamongthecomparedjobstoretainJudyinthe present job.
(c) SinceJudyisonlyconsideredfortheposition(grade12vs grade14),Franshouldtalktothetopmanagementandget Judy's present job graded 14
(d) SinceJudy isacting in an amateur manner and not understanding the small differences between her job and the new job, Fran should make her understand that Judyisnotcapableorqualifiedenoughtobeabletoworkasan executive secretary.
(e) Not enough information provided

Q.9)
Organisational behaviour is concerned with the understanding,predictionandcontrolofhumanbehaviour inorganisations. It isprimarily concernedwiththat aspect of human behaviour which is relevant to organisational performance. It studies human behaviour at which levels?

(a) Individual Level
(b) Group Level
(c) OrganisationalLevel
(d) Both a) and b)
(e) a), b) and c)

Q.10)
AtwhichleveloforganisationbehaviourdoesmotivationAttitude,etc.affecttheorganisationbehaviour?

(a) Individual Level
(b) Group Level
(c) OrganisationalLevel
(d) Both a) and b)
(e) a), b) and c)

I.(11-14)Readthefollowingparagraphbelowand answer the following questions.

Being able to communicate effectively is one of the most important life skills to learn. Communication itself is defined astransferringinformationtoproducegreaterunderstanding.It canbedonevocally(throughverbalexchanges),throughwritten media(books,websites,andmagazines),visually(usinggraphs, charts, and maps), or non-verbally (body language, gestures, pitch of voice, and tone). All these means of communication skills are essential. Having strong communication skills aids in all aspects of life – from professional life to personal life and everythingthatfallsinbetween.Fromabusinessstandpoint,all transactions result from communication. Good communication skills are essential to allow others and yourself to understand information more accurately and quickly in contrast, poor communication skills lead to frequent misunderstandings and frustration.Ina2016LinkedInsurveyconductedintheUnited States, communication topped the list of the most sought-after soft skills among employers followed by Organisation and Teamwork.

Q.11)
When communication is effective, it leaves all parties involvedsatisfiedandfeelingaccomplished.Bydelivering messages clearly, there is no room for understanding or alteration of messages, which decreases the potential for conflict.Effectivecommunicationismeasuredbywhichof the following?

(a) Receiver
(b) Feedback
(c) Sender
(d) Channel

(e) Message

Q.12)
Process of communication involves certain steps, which oneamongthefollowingisthefirststepintheprocessof communication?

(a) Receiver
(b) Feedback
(c) Decoding the message
(d) Encoding the message
(e) Message

Q.13)
Whatdoesitrefertohere?

"Itisthestudyofthebody'sphysicalmovementsforthe purpose of communication".

(a) Kinesics
(b) Proxemics
(c) Chronemics
(d) Haptics
(e) Oculesics

Q.14)
Inwhichofthefollowingtypesofcommunicationnetworks can a person communicate only with adjoining people?

(a) Wheel
(b) Star
(c) InvertedV
(d) InvertedY
(e) Circular

I.(15-16)Readthefollowingpassageandanswerthe questions

Outsourcing is defined as the NBFC's use of a third party (eitheranaffiliatedentitywithinacorporategrouporanentity thatisexternaltothecorporategroup)toperformactivitieson a continuing basis that would normally be undertaken by the NBFC itself, now or in the future.
NBFCshavebeenoutsourcingvariousactivitiesandarehence exposed to various risks Further, the outsourced activities are tobebroughtwithinregulatorypurviewtoprotecttheinterest of the customers of NBFCs and to ensure that the NBFC concerned,andRBIhaveaccesstoallrelevantbooks,records and information available with a service provider.
Somekeyrisksinoutsourcingarestrategicrisk,reputationrisk, compliance risk, operational risk, legal risk, exit strategy Risk, counterparty risk, country risk, contractual risk, access risk, concentration and systemic Risk, etc. It is therefore imperative for the NBFC to outsource its activities to ensure sound and responsiveriskmanagementpracticesforeffectiveoversight, duediligenceandmanagementofrisksarisingfromsuch outsourced activities.

Q.15)
WhichofthefollowingfinancialactivitycannotBe outsourcedbyanNBFCaccordingtolaw?

(a) Loan Origination
(b) Supervision of loans
(c) Document processing
(d) InternalAudit and Compliance
(e) All can be outsourced

Q.16)
Whichofthefollowingfinancialactivitycanbe outsourced byanNBFC?

(a) Core Management Functions
(b) Sanctioning of Loans
(c) Data Processing
(d) Management of investment portfolio
(e) None of theAbove

I.(17-20)Readthefollowingcasestudyand answer the following 4 questions.

Overtheyears,theroleoftheAIFIs(EXIMBank,NABARD, NHB & SIDBI) in the Indian financial system has undergone significant change reflecting the changes in their business models. As the Indian economy grows further, AIFIs are increasingly being seen as key institutions to promote the flow ofdirectorindirectcredittotheeconomicsectorstheycaterto. It has been decided, therefore, to extend the Basel III Capital frameworktotheAIFIsasdetailedinthefollowingparagraphs**.**

Q.17)
What is the minimum Capital Adequacy Ratio (CAR) includingcapitalbuffer,proposedforAllIndiaFinancial Institutions (AIFIs) by RBI?

(a) 10.5%
(b) 11.5%
(c) 12%
(d) 12.5%
(e) 15.0%

Q.18)
Which among the following will not be consideredtier2capitalofAIFIaccordingtotheBaselIIIc apital framework?

I) RevaluationReserves
II) GeneralLoan-lossReserves
III) Capital Reserve
IV) Statutory Reserves

(a) I &II
(b) II &III
(c) III &IV
(d) I &IV
(e) All theAbove

Q.19)
PNCPSareallowedtobeincludedinTier1Capitalunder Basel Norms. What does 'C'in PNCPS stand for?

(a) Cumulative
(b) Capital
(c) Convertible
(d) Currency
(e) Called up

Q.20)
As per recent guidelines by RBI for issuance of Share CapitalbyRuralCo-operativeBanks,whatisthelimitof the outstanding amount of PNCPS and Perpetual Debt Instrumentsalongwithoutstandinginnovativeperpetual DebtInstruments(IPDI)oftotalTier1capitalatanypoint of time?

(a) 5%
(b) 10%
(c) 20%
(d) 35%
(e) 40%

1 Markers

Q.21)
"Communicationistheprocessofpassinginformationand understanding from one person to another"

Everyone organization follows different communication channels/types. In which of the following types of communicationflowsfromthetopleveltothelowerlevelof the organisation whose purpose is to communicate policies, procedures, etc.?

(a) Downward Communication
(b) Upward Communication
(c) Horizontal Communication
(d) Crosswise Communication
(e) Informal Communication

Q.22)
Overcoming resistance to change is a problem of greater importance in introducing planned change in the organisation.KurtLewinhasintroducedamodelofplanned change. In which of the following stages of Kurt Lewin's modeldoweseereinforcementstrategiespracticesbythe management?

(a) Refreezing
(b) Movingto thenewlevel
(c) Freeze to unfreeze
(d) Unfreezing
(e) Breaking the ice

Q.23)
Under the Big Five Traits Model there are five basic dimensionsofpersonality.Readthefollowingstatementand mark the option of a particular personality which is being discussed.
"Rohit works in an IT Co. Because of the complexity of histask,hisworkrequireshimtobemoreorganizedand disciplined.Hehasbeenasincerestudentsincehisschool timeandhisaimwasclearlytobecomeanengineeronlyfor thesame,hehasdonehisgraduationfromIITDelhisothat hecanbeplacedinagoodcompany."
Basedontheaboveparagraph,whichoneofthe personalities does Rohit have?

(a) Conscientiousness
(b) Emotional Stability
(c) Agreeableness
(d) Extroversion
(e) Opennesstoexperience

Q.24)
Whichoftheethicalterminologyisbeingdiscussedinthe following paragraph?
"Itreferstotheminimizationofone'sroleinharmor thedisplacementoftheblameontoothers.Forexample, agovernment-employedtorturerorkillermightreferto himselfassimplyfollowingtheorderofhishigher-ups."

(a) Displacement of responsibility
(b) Diffusionofresponsibility
(c) Ethical Dilemma
(d) Illusion by respect
(e) Euphemistic Labeling

Q.25)
Whatistheinvestmentandannualturnovercriteriaforan enterprise as a 'small enterprise?

(a) Rs.5 crore and Rs.20 crore respectively
(b) Rs.5 crore and Rs.50 crore respectively
(c) Rs.10 crore and Rs.25 crore respectively
(d) Rs.10 crore and Rs.50 crore respectively
(e) Rs.20 crore and Rs.50 crore respectively

Q.26)
ForeignPortfolioInvestors(FPIs)isacommonwaytoinvest in overseas economies. It includes securities and financial assetsheldbyinvestorsinanothercountry.Whatisthelimit for FPI investment in corporate bonds for FY 2022-23 in India?

(a) 2%
(b) 6%
(c) 15%
(d) 18%
(e) 20%

Q.27)
Which of the following is a 20-character global reference number conceived by G 20 that uniquely identifies every entityorstructurethatisapartytoafinancialtransaction, inany jurisdiction?

(a) IEC
(b) LEI
(c) UPI
(d) TAN
(e) PAN

Q.28)
Fill in the blank with correct option. RBI created the PaymentsInfrastructureDevelopmentFund(PIDF)which

intendstosubsidisethedevelopmentofpaymentacceptance infrastructure in the country. The PIDF targets to add _____touchpointsfordigitalpaymentacceptanceevery year.

(a) 5 lakh
(b) 20 lakh
(c) 30 lakh
(d) 50 lakh
(e) 1 Crore

Q.29)
Readthefollowingstatementandfillitwithcorrcet option.

Commercial bank credit to NBFCs for on-lending to the priority sector is allowed up to _____ofthebank'stotal PSL, as per RBI regulations?

(a) 1%
(b) 2.5%
(c) 5%
(d) 7.5%
(e) 15%

Q.30)
Whatdoesitrefertohere?

I) It involves communication between people who are neitherinthesamedepartmentnoronthesamelevelof organizational structure.
II) Itisthe least used channel of communication.
III) Itgenerallytakesplacewhenmemberscannot communicateeffectivelythroughotherchannels.

(a) Downward Communication
(b) Upward Communication
(c) Horizontal/Lateral Communication
(d) Crosswise/Diagonal Communication
(e) Informal Communication

FM - Descriptive

15 Markers

Q.1)
Whatiscommunication?Whatarethecommonbarrierstointerpersonalcommunicationinanorganization?Howcan these barriers be reduced by a manager?

Q.2)
Whyischangeresistedinanorganization?Whatcanthe management do to overcome it?

Q.3)
Whatdoyouunderstandbyblockchaintechnology.Inthe currentera,whereblockchainisatitspeak,willitdisrupt banking?

10 Markers

Q.1)
Whatistargetedlong-termrepooperations(TLTRO)?

Q.2)
DescribeIndia'sresponsetotheGlobalFinancialCrisis 2008.

Q.3)
Whatistheimportanceofethicalbehaviourinsocietyand throw some light on the manager's role in encouraging ethical behaviour in an organization.