

RBI DEPR 2019

Paper 1 is divided in 3 sections

Phase 1
Section 1: 1,2,3 marks
Microeconomics
ICC and Engel curve for Inferior goods
Numerical on cost- calculating- min of AVC
Monopoly question - equilibrium calculation- 3 marks
Calculating elasticity
One numerical on Lerner's Index
Perfect competition equilibrium condition
Conceptual question on AC, AVC and MC diagram
Duopoly question - Cournot model
Consumer surplus- 3 marks
Comparative advantage- based numerical- International Trade
Substitution and Income effect under Hicks and Slutsky
Economic Profit

Section 2
1,2,3 marks
Macro and Indian Economy
At what rate India should grow to achieve the \$5 trillion target by 2024-25
Higgins model
Match the following - matching the theory with author- like neoclassical associated with Sargent
What bank should keep in mind while investing- (diversification)
IMF projected growth rate in April 2019- Economic Survey
Fiscal deficit of 2018-19- Eco survey
GST Council constituted under section 279(1)
Insolvency resolution claims for 2018-19- 173359 - eco survey
Demographic dividend data-based question from eco survey
Sector exempted from GST- electricity, health and education- eco survey
Bank merger-based question
One numerical on Keynesian model- AD=AS concept- 2 sector, 3 sector or 4 sector

One numerical on Keynesian foreign multiplier
Numerical on Golden rule savings rate - Solow model - 3 marks
Two numerical from NI accounting
One conceptual question on Lewis model
One Numerical on IS-LM (solve r , Y)
One Numerical on govt expenditure multiplier under SKM
Match the following - for micro- like- quasi rent, time series- AK Sen

Section 3

1,2,4 marks - Econometrics and Stats

Books Preferred: Basic Econometrics by Gujarati- MCQs at the back of the chapter will be helpful

for matrix questions of 4 marks- refer the appendix of Gujarati to learn how to solve questions.

Matrix method for regression co-efficient calculation, t value and F value- 4 marks each

Calculation of R-sq. using X and Y data points

Calculation of R from the regression equations (2 variable)

Basic concepts of assumptions of CLRM Effects of Heteroscedasticity, Autocorrelation

calculation of t value

Conceptual questions from Multicollinearity, heteroscedasticity, autocorrelation, time series- chapter 17, 20, 21- lagged values

Index number- laspeyres index

Relationship between R-sq. and Correlation coefficient

PHASE II

Section 1
1. How the tax burden and dead-weight loss changes as per the changes in the elasticity of demand and supply? Extreme 4 cases of dead weight loss- perfectly inelastic supply and demand, perfectly elastic supply and demand
2. Mundell Fleming - Monetary and fiscal policy under fully flexible exchange rate with perfect capital and imperfect capital mobility.
3. Short notes on (any four): <ul style="list-style-type: none"> • Inter and Intra industry trade • Ricardian Equivalence • Interest rate parity and exchange rate • Money multiplier • Economic Cooperation • Greenfield and brownfield investments
4. Nominal GDP vs interest regulation for monetary policy. Steps taken to improve the effectiveness of monetary policy
5. Exchange rate intervention
Section 2
6. Steps to be taken to achieve \$ 5 trillion economy by 2024-25 (from eco survey)
7. Use of behavioral economics in public policy in India (from eco survey)
8. Short notes on (any four): <ul style="list-style-type: none"> • GST and tax compliance • Ease of doing business • Bank merger • Challenges to financial stability • Data as a public good (from eco survey)
9. PSU as a foundation to Indian Economy. And measures to improve its efficiency
10. Impact of Agri infra on reducing cost, improving productivity and access to market.

Phase II

INTERVIEW

- Reading good newspaper like Mint will help in the interview
- Significance of interaction term in a regression model
- Is there a flip side to the increased use of data science, AI, ML in macro-economic forecasting?
- Why the central banks discourage expansionary fiscal policy?
- What is marginal propensity to consume? What should be the impact of covid on mpc in India?
- Basic concepts of time series
- What is core inflation?
- Why a central bank should be interested in core inflation?
- What is libor?
- libor transition
- Give a 3-4 min extempore on GST (was in news at the time of interview)
- Why should banks invest their limited resources on govt's financial inclusion program. Financial Stability Dev Council and who are its members?
- Should CRAR in India be reduced to 8% in line with the Basel norms?
- What is your opinion on Covid bonds in Indian context?
- Questions on personal profile like hobbies/extra-curricular, significance of home town, etc. what is ways and means advances
- What is LIBOR Brexit status
- Real Effective Exchange Rate definition Questions related to job profile
- Need for another AQR Main responsibilities of RBI

- Question related to deposit insurance what are dummy variables
- what is financial inclusion, RBI's role preparing for UPSC?
- in which subject do you want to do PhD what is important solvency or liquidity
- Role of microeconomics in Indian economy
- Your view on interest on interest waiver and loan moratorium Horizontal vs vertical integration in a company
- What is real effective exchange rate - grilled a lot on the application - gave an imaginary scenario with
- numbers and asked to interpret the effect on REER (take two countries instead of multiple, if there is inflation in India, would competitiveness improve or worsen?)
- Are monetary stabilisation and currency stabilization same? What is dosanomics? Big Mac index?
- How does RBI control inflation?
- Is MPC relevant?
- Need of bad banks
- Share market is going too high - Is this reflecting the fundamentals of economy presently- if not then can SEBI can do something to control this?
- Financial inclusion - steps taken, is it successful? Need for independent regulator for payment systems Structural and reduced equations
- What will you bring to RBI from your work experience
- If you step in the shoes of Finance Minister, what 3 steps will you take to revive the economy why NPA is increasing in Infrastructure sector
- If high fiscal deficit- Will we be able to adhere to FRBM Act. Operation Twist, Taylors Rule, Optimum currency area,

- Should RBI become lender of last resort for corporates why did you choose JNU over DSE
- significance of F test and its null hypothesis MPhil research topic

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