



ENGLISH TEST 2

ESSAY-

1. What are the reasons behind NBFC crisis in India and how can it be resolved?

Asset Liability Mismatch- NBFCs had borrowed short term from banks and mutual funds while lending to developers of long-term projects, which got held up because of various factors.

Slowdown in Infrastructure Sector

Rising cost of borrowing- Most banks have cleaned up their books and shored up balance sheets but NBFCs, which borrow from banks and mutual funds, are in trouble. Their costs, particularly those of smaller ones, have shot up and they don't have money to lend. Banks want NBFCs to promise higher returns on the loans they buy from them. The squeeze at the NBFC end and the consequently higher interest rates could hurt the construction sector, auto and jewellery firms, and consumption in fast moving consumer goods (FMCG). Maruti Suzuki's car sales fell 18.7% year-on-year in April. Some FMCG firms posted weak volume growth in Q4FY19.

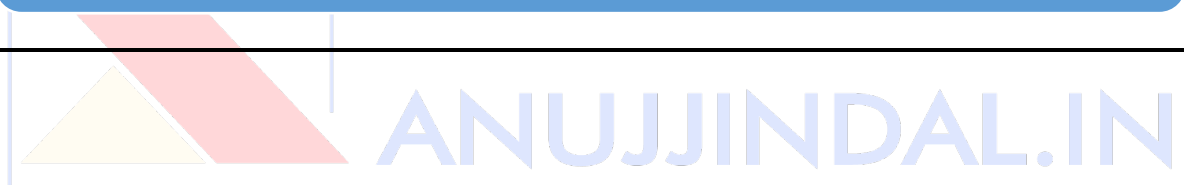
	AIR 1 SEBI RAJENDRAN		AIR 3 RBI ALI		AIR 6 RBI ABHISHEK		AIR 11 RBI ADITYA
	550+ STUDENTS IN RBI PH 1 300+ STUDENTS IN RBI PH 2 26 STUDENTS		AIR 10 RBI SAMEER	400+ STUDENTS IN SEBI PH 1 60+ STUDENTS IN SEBI PH 2 21 STUDENTS			

Liquidity - The central bank has pumped a huge amount of liquidity into the system over the last eight months. It has also eased some norms to give NBFCs more room in fundraising.

Deepen the debt markets to facilitate long-term availability of capital in projects.

to set up a strong regulatory system for Alternate Investment Funds, AIF, which is risk based rather than universal for all kinds of financial institutions

In the insurance space we need to introduce Risk Based Solvency, RBS, based on risk as the name suggests, which will facilitate true comparison across insurance companies based on their financial strength.





2. Draft e-commerce policy - is it the future of data-based economy in India?

It is almost a cliché today that data is the new oil. Unlike in the case of oil, data flows freely across borders. It can be stored or processed abroad and the processor can appropriate all the value. Therefore, India's data should be used for the country's development and Indian citizens and companies should get the economic benefits from the monetisation of data," the draft 'National e-Commerce Policy - India's Data for India's Development' said.



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YES- Considering data as national asset might promote it similar to "communications" sector in India, which uses bandwidth from satellites while it is considered as a national asset

NO- it is a protectionist move which will reduce global competition in setting a digital economy in India. Lack of competition will drive out innovation and come in the way of making India a data based economy.

NO- access of data to government and political parties will empower them to misuse it to rig / influence elections. A data based, undemocratic economy is not a future we want.

YES - establishment of an independent data authority will ensure regulation of data, which will be the driving force for Indian economy in the future

YES- setting up infrastructure for data storage in India

3. Green revolution to evergreen revolution- what are the important changes required in Indian agriculture, to make it productive and efficient?



Focus on Farmers

Focus on local production and local distribution

Focus on sustainability- soil health, quality of seeds, usage of chemicals

creating agriculture climate resilient

research and education in agriculture

Monoculture to multiple agriculture, based on features of the location

penetration of advanced technologies in agri

formalisation of agri to make it a part of formal economy