

WHO MOVED MY INTERVIEW DATE?

PREPARING FOR THE CENTRAL BANK THROUGH THREE TURBULENT MONTHS

Hello, this is Naveen Karthik from Coimbatore, TamilNadu. Cleared RBI Grade B in my first attempt and it was a surprise for me as well, since I started my preparation only after the notification. I neither belong to the coveted IIT/IIM tag, nor an UPSC aspirant.

The Notification Day

July 18- RBI released the notification for Grade B Officers with 163 vacancies. I learnt about the exam two weeks earlier on July 1, while browsing for something else and was wondering what would be the pattern of the exam. After going through the syllabus, I thought I have wasted half an hour reading it. Kept myself away from it for a few hours but the thought of becoming an Officer came back to haunt me frequently throughout the day. In the battle of **'ego and reality'**, ego won it and I decided to write the exam.

Initial Plan for Preparation

The Phase II exam was exactly two months away from the date of Notification. I decided to work on Phase II directly considering that Phase I was much similar to SBI PO exam, which I cleared. Gyan for **Phase I: Follow our Prime Minister Narendra Modi closely**, you are halfway through. Add it with **Affairscloud monthly PDFs**. I will talk more on Phase II. I started with first understanding each topic of the syllabus in Economic and Social Issues. The books I used were **Mishra&Puri, Ramesh Singh** for basic understanding. But let me tell one truth, **you will not get any questions from these books** and it applies to other books mentioned in the notification like Uma Kapila, et al. So, why do we need to study them? **It just forms the first layer of your understanding which is necessary to comprehend current events related to them.**

Second Layer of Learning

Learning current events based on syllabus is like catching a fish from a big ocean. Once you have learnt the basic concepts, **your mind must be like a magnet**. It attracts Iron and ignores other metals, however precious it is. Similarly, your mind must **attract what is relevant to the syllabus and leave out everything else, however luring the headline is**. It's difficult to filter but that makes the difference on how you spend your time. As I had only two months of time, I applied this to each and everything I studied, which eventually saved a lot of time.

What forms the Second Layer?

The three most important documents, which you must have known by now are Economic Survey, Budget and Newspaper. Let's go one by one.

You will know the value of **Economic Survey and Budget**, only when you see the Phase II question paper. At least 30-40 marks will directly come from the Survey and Budget. It is not that Economic Survey and Budget will keep you ahead of others. If you are not studying it, you will right away lose out on the competition. Because, there are 1000s of UPSC aspirants already sitting on top completing the Survey (Hope I see a smile on the face of UPSC aspirants). To mix a theory from our Management portion, it is like Hertzberg's two factor theory. **These two documents will not necessarily take you to the top but it will help you not being pushed to the bottom.**

The reading of newspaper is the most underrated part of the preparation. ***Relying on monthly PDFs for Phase II is like a Doctor blindly relying on the patient's words for the Operation, rather than taking the necessary Scans for analysing.*** You are going to write the exam. You should see the information first hand in the newspaper and not read the diluted form of monthly PDFs. You might feel it takes a lot of time in doing so. This is where your role as a magnet comes in. Before reading any article, see the syllabus, if it does not fit under any topic, treat it as garbage. On the other hand, if it is relevant, treat it as a diamond, read each line and take notes. I preferred Business Standard, Financial Express, Indian Express and LiveMint (Online). These papers do the first line of screening themselves.

Third Layer of Preparation

We are done with Economic Survey, Budget and Newspapers. The third layer which completes the preparation is knowing the ***various schemes of the Government***. As easy it may seem, it could well become the most time consuming process of your preparation but worth it. Again, do not google 'Schemes of the Government'. I strongly believe that this makes the difference between the selected ones and others. Many questions were asked based on the schemes but ***only in short form***. Example: VKY instead of Vanbandhu Kalyan Yojana. The best way to prepare is browsing through 'ALL' the websites of the Central ministries. Example: Ministry of Women and Child Development, Urban Development, Tribal Development and so on. You will get all the schemes from these websites and ***note the short form of each scheme and under which ministry***. If you want to get ahead of others in ESI, this is your Brahmastra.

You can add some spices from Yojana and Kurukshetra, which will form a bedrock of your preparation for schemes.

Finance and Management

This is the most feared portion, where I get a lot of queries. Again, let's take them separately. Preparation for Finance is like while walking in the dark night, you see a snake and stand still till it goes away. It does not. You still stand with fear. All through the night. Then the sun rises giving light. Finally you realize, it is just a rope. And then ***walk over with a regret of waiting for so long***.

Is it only possible for the Management students to crack this portion? What is the sunlight that we are looking for? To me, ***Internet has made the world of preparation a level-playing field***. Numerical problems from each topic is covered sufficiently well in YouTube videos, which is not properly utilized. The main areas here are ***Balance Sheet (including Ratios), P&L Statement (including BEP) and Pricing of Bond, YTM***. I followed ***Prasanna Chandra book***, which requires some basic understanding already. To understand them, just go through some ***YouTube videos on each topic*** and then practice all the problems from all the sources where you find valid question related to them. You can also use ***Accounting & Finance book used for JAIIB*** for practising each topic. Before all of that, you need to trust that it is just a rope and not fear a snake. Example: Many still fear for Bond Pricing but they are strong in Quantitative ability topics like Compound Interest. Those who have walked over the rope know that ***Bond Pricing is just the reverse of Compound Interest*** and all that you need to do is practice one sum to master it. Gyan: Use YouTube wisely, Prasanna Chandra, JAIIB Accounting books to the fullest.

The other topics like Finance Commission, GST, FRBM are sufficiently covered in Mishra & Puri and Ramesh Singh. Try to learn ***heads and members of various committees*** that RBI and Finance Ministries forms in the last one year. Primary and Secondary market basics can be learnt from NCERT. One of the most beautiful things about Finance is that you will find a speech in ***RBI Speeches Section***

in each topic. Ex: Changing landscape in Banking Sector, Risk Management in Banking, Financial Inclusion, etc. **You are getting information from the most authentic source.** Do not miss them.

Let's turn to Management. The most misleading advertisement in the world is in the RBI's notification under syllabus of Management, '**The questions on this section will be basic in nature**'. This section consists of questions of three kinds. You can answer, You can try to answer, You dare try to answer. Let's leave the third part, which is around 10 marks, because if anyone says they can tell you how to prepare for those 10 marks, they are God. Some questions are prepared to show the prowess of the exam and don't fall into the trap of thinking I will answer everything that is asked. It's okay not to know something because it is a competitive exam. **There will be only two types of people, those who know they cannot answer those 10 marks and leave it and others who want to answer everything and sit on negative marks.** I am stressing this because you should know you cannot learn everything and it is okay to leave a few questions in the exam.

Let's come to the first two parts which is asked for around 40 marks. RBI has a love for theories in Management and most of them are asked from Motivation and Leadership. The source of books is not exhaustive and not independent since most of the theories are decades old. I have learnt mostly from the book '**Organizational Behaviour**' by **SP Robbins (The most important Book)**. You need to learn the basics from any book like **Koontz or NCERT** before jumping into SP Robbins. You can make a difference in Management by actually inculcating the theories than reading it. The questions were framed to test your conceptual understanding than how many theories you know. I will try in the future, to find a way to teach you the theories and concepts I know in the management part. I can do it boldly because these theories remain the same for decades, irrespective of the year of examination. Eventually the whole of Management comes under 5 topics, **Planning (Vision, Mission), Organizing (Departmentalisation), Staffing (Recruitment, Training), Leading (Motivation, Leadership), and Controlling (Performance Appraisal)**. The underdog which gave surprise this year is Corporate Governance, for which we need to learn the laws and acts relating to it. One of the most important website to learn management is www.managementstudyguide.com, from which I have benefitted immensely, you need to see it to believe it. It almost replicates the syllabus with additional theories that can't be found in traditional books. You can thank me later for telling you this.

English

Though ESI, F&M gets the limelight in preparation, one forgets the importance of English in final selection. Isn't it interesting to know that the 200 word essay can fetch you more marks than the entire Numerical part in F&M and Economic Survey in ESI. Still, we give very less importance to this due to the 'I know it already' syndrome. Though there cannot be a standardised approach, personally it is best to think of yourself as an editor of a newspaper like Mint or Business Standard and mirror your expectations. Precis writing can be practised from the editorials and this year, reading comprehension was asked as a bonus. Keep your answers short at around 40 words per question, which eventually will lead to 200 words for 5 questions (Matches essay limit). An essay a day, keeps the marks higher than others, very high in fact. The topic can be as simple as 'Why RBI is my career choice?' I chose a topic in the exam which was a risky one but I thought I was prepared to write one. I am reproducing the essay I wrote and leave it to your judgement. The word limit was 200 words.

Question: '**Should the company suffer for the sins of the flamboyant promoter? Is the promoter solely responsible for the success and failure of the company? Explain with live examples**' My essay is as below,

Company: Is it only about the promoter?

A company is the collection of various stakeholders including promoter, employees, customers and the society at large. The ideals of the promoter plays a major role in determining the values of the company.

Kingfisher Airlines, promoted by a flamboyant entrepreneur, Vijay Mallya, was all set to transform the airline industry. But few years later, the company was reeling under pressure to pay salary to employees and repay loan to the banks.

The operational loss might be due to flying a low cost carrier in primary routes. But celebrating with a lavish party when the company is in distress makes people lose faith in the system.

It is not only about the promoter. The responsibility must be shared by all of them involved in the decision-making process, who often turn a blind eye to the implications of the decisions they support.

The law must take its course to set the directions right. The management of the company must be changed and allowed to continue, with the help of the government. This is to keep up our philosophy of not punishing anyone who has not committed a mistake.

Interview

Interview will depend on the bio-data you fill after Mains exam and you can eventually drive the interview. If you do not know something completely, do not write it on the bio-data. There is a reason for the heading '**Who moved my interview date?**' My interview was initially scheduled to be held on Dec 14, 2016 which was postponed to February 8, due to Cyclone Vardah. There was a political breakout at Marina a day before my interview which threatened to postpone it again but eventually happened. That gave a surprising start to my interview. I prepared Economics of Dr. Raghuram Rajan and Dr. Amartya Sen but we ended up discussing Politics. You will see the reason in my transcript. I am reproducing my interview and leave the judgement to you whether to learn anything from it or leave it alone.

08/02/2017

Chennai

Chairman- Your father has a popular name? (Paneer Selvam)

Me: (Unexpected) Yes Sir, growing popularity since yesterday

C: Not from yesterday

Me: Among youth since yesterday

C: Tell me, are we distorted in our thinking due to TV news

Me: Possible Sir, but this one was largely due to social media (I regretted for using this word later)

C: I agree that even TV is quoting social media. But do you think there is quality in social media news?

Me: There is no quality but we can get a sense of what is going around and then verify them with other sources.

C: How can we sense?

Me: Through polls and trends

C: Who uses social media most?

Me: Youngsters aged 15-35

*C: Urban or rural
Me: Urban sir*

Over to Bakshi Sir

B: How do you think social media affected US elections

Me: I didn't follow US elections that closely (Just to put an end to this topic. Phew...)

B: Did you follow budget?

Me: Yes Sir

B: Tell me three four things about housing in budget

Me: Infra status to housing which will lead to inflow of funds

B: For all housing?

Me: No Sir, up to 60 sq ft

B: Yes correct, What is it called?

Me: Don't know the term Sir

B: It's called affordable housing right

Me: Yes Sir, couldn't recollect the term

B: What were you doing since 2014?

Me: Joined SBI as PO recently and prior to that preparing for Bank exams

B: Only for banks or IAS?

Me: Only banks Sir

C: You joined SBI at the wrong time (During Demonetisation)

Me: One of the motives with which I joined SBI is to open more accounts in villages which I was able to do during Demonetisation and I was happy doing it.

Over to Karuppaswamy Sir

K: Tell me the global risks for Indian economy

Me: Increasing oil prices can widen fiscal deficit

K: Then?

Me: US Fed hike leads to outflow of funds

K: Why they raised int rate?

Me: They didn't raise for 10 years and maintaining close to 0% added too much liquidity in the system

K: (Again)So why they raised?

Me: (Looked like was that not the answer) Don't know Sir

K: Tell me why RBI raises int rate?

Me: If inflation rises

K: That's the answer. What other risk?

Me: Couldn't recollect Sir

K: Trumponomics

Me: Growing protectionism which led to HIB hike to be doubled which will affect our IT industry profitability

(Even if we don't know answers, he somehow takes it from us)

Over to Lady Madam

L: What are the different banks?

Me: Payment banks, small finance, local area banks

L: Local are banks, why we need them?

Me: They understand local people better and service them better (Blabbered something like that)

L: What about Cooperative banks?

Me: They are helpful in extending loans to agriculture Mam

L: Even banks do that

Me: Banks do 40% PSL but co-op do 75% PSL

L: Who regulates co-op?

Me: Urban co-op by RBI and rest by state government

Over to Fourth Panel member

F: One peculiar thing about your profile. You have mentioned reading books, football as hobby, done MBA and then asked increments for MBA+extra-curricular activities?

Me: I think RBI does not give increment for MBA or any degree but for the learning we had. I have learnt a lot through competitions (Wrote 10 of them in bio-data)

C interrupted

C: What have you learnt?

I usually attend Best Manager events and they happen for 2-3 days. I have had days when I was in the bottom in day one and went on to win. It taught me never to give up

F: How does it help RBI?

Me: If any task looks unachievable, I will not give up, Will give my best even if results do not favour

F: Can it be applied for HR? (I did HR in MBA)

Me: There is growing conflicts among people and HR must not lose hope on tackling them, no action should be half-hearted

Chairman: Thank you

Common Mistakes

- i) Thinking that this exam is only for IIT/IIM or UPSC aspirants
- ii) Spending more time on collecting resources than learning from the collected ones
- iii) Internet is a double-edged sword. If you are searching for a specific answer, do not click on anything else. It kills your time
- iv) If you are ignoring Economic Survey, Budget, Daily Newspaper, you are not preparing for Grade B at all
- v) Dreaming of what you would do after joining RBI instead of working on it
- vi) Trying to prove yourself as a person of knowledge in Social Media with what you know, rather than working on what you do not know
- vii) Phase I is as important as Phase II, there is no use of being prepared for Phase II when you can't clear Phase I
- viii) Being doubtful on your selection. If you are not confident of becoming an Officer, there is no reason why RBI should

I have learnt a lot from many good souls and it is time to pay back. As I said above, I will try to teach the management theories and Finance numerical since they stay the same. I got requests from multiple groups and personal requests. I decided to make a common platform for sharing and guiding at www.facebook.com/groups/journeytorbi. Request only serious aspirants to join and make use of it.

The three most important and happiest days in my life are RBI Phase I result date, Phase II result date and the Final result date (17/02/2017). Wish you all these three days.

I learnt through the process that *'it is not the years of life you give for the preparation, it is the life in the preparation that helps you achieve your dream.'*