Argasia Education PVT. Ltd. (GST NO-09AAPCA1478E1ZH)
Address: Basement C59 Noida, opposite to Priyagold Building gate, Sector 2, Pocket I, Noida, Uttar Pradesh 201301,
CONTACT NO- 8448440231

1.Very good Mohit.Good writing skill
2.Very well explained.
3.Try to write in good hand writing so that it is readable easily to examiner .
4.Try to write impressive end of the question.
5.Rest is fine. Keep it up.

1. the National Strategy for financial Education are its key recommendations that explains nificance & expected outcomes? (250 words)

→ l strategy for financial Education (NSFE) national strategy which aims to creating al awareness among the public & to d empowered India.

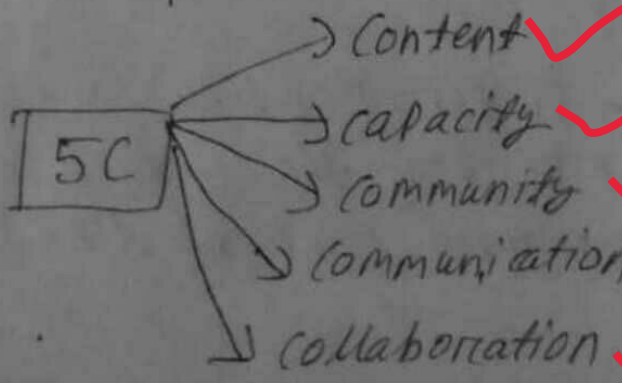
→ It also aims to creat a protective & self dependent measures & measuring risk at various stages of life through suitable insurance coverage to the senior citizen of the country as well as the weaker section of the societies.

→ NSFE was released by Reserve Bank of India (RBI) & it is the second phase of NSFE which is implement in next five year (2020-25).

→ The first NSFE has released in (2013-18).

Key Recommendation of NSFE

→ NSFE has adopt "5C" approach for achieving the financial awareness & financial inclusion among all section of society in India.



good
Well good

1. Content :- It means to know about the process & purpose of various schemes & government planning for the wellbeing of the society.
→ financial literacy content must be provided for school children, teachers, women, men, senior citizen, disabilities & illiterate people.

2. Capacity :- capacity must be develop in various intermediaries, who has act as an intermediate between the govt. & the people to provide the financial literacy.
→ Do developed a code of conduct for financial education provider.

3. Community led approach :- The financial literacy provider take an approach for the maximum participation of the people in their campaign. This can be done through community led approach.

4. Communication :- Specific period has been fixed in a year & in this period spread of awareness among the citizen can be don in a rapid & more focused manner through financial education content in school, colleges, BEd/ MEd programmes, various professional & vocational courses.

5. Collaboration :- Proper monitoring & evaluation of the programme & check the progress of the particular programme must be done.

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Significance & expected outcomes

→ It is expected that through implementation of various programme it developed the credit discipline & encourage availing of credit from financial institutions. good

→ popularised the Digital India Programme by improving the usage of digital financial service in a safe & secure manners.

→ It also manage the risk of various life stages through relevant & sustable insurance cover & plan for old age & retirement by covering pension yojana.

NSFE is a bold step taken by the govt. of India through RBI for the financial literacy & financial inclusion of the country. It is an approach to provide all the financial facilities from the grass root level to upper section of the society. If NSFE is success then all section of people get benefit of the govt. schemes such as PMAPY – Pradhan mantri Atal pension Yojana. Mudra Yojana etc. V. good

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2.Q→ Explain the objective of 'National centre for financial education'? (150 words)

→ National centre for financial Education is a section 8 Not for Profit company under the companies Act, 2013.

→ Section 8 applicable to formation of companies with charitable objectives.

→ NCFE is promoted by Reserve Bank of India (RBI), Security & Exchange Board of India (SEBI), Insurance Regulatory & Development Authority of India (IRDAI), & pension fund Regulatory & Development Authority (PFRDA).

Objectives of NCFE

→ NCFE provides financial education all over the India to aware the citizen of India to creat financial stability.

→ financial institutions individually & collectively being able to deliver their functions properly, avoiding internal weakness & withstanding the external shocks.

→ To creat financial awareness & empowered India through financial education.

→ To prepare appropriate financial literature for target based audience on financial digital mode & financial market for improving financial literacy.

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→ This step is taken to improve the knowledge, understanding, skills & competence in finance of the citizen of India.
which is helped to build empowered India.

→ NCFE also helps people in managing the money more effectively to achieve financial well being.

To provide financial eduction from the grassroot level of the society government can implement it properly to reach all the people of India & it is expected that through this programme lot of people living in rural India can be benefited. Then it can be achieved its goal.

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3. Q.→ What are the recommendation of K.V. kamath committee. Why these measures were necessary? How serious is the debt problem? (250 words).

→ K.V. kamath is the chairman & director of BRICS led New Development Bank (NDB) & also the former chief executive of ICICI Bank.

→ Under his chairmanship RBI formed a five member committee to make recommendation on financial parameters to be consider in the restructuring of loans impacted by this devastating pandemic situations.

→ This committee recomendation act as an incentive for those who have borrowers, small & biz, who were being charged compound interest, extended the monatorium period which is expire on 31st August 2020.

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Recommendation of K.V. kamat committee

→ RBI had asked the committee with giving sector specific recommendation on loan restructuring & recommend a list of financial parameter.

→ There are five parameter set by the committee by analysing 26 sectors discuss below :—

1. Total outstanding liability divided by adjusting net worth.
This ratio gives an accurate picture on the business reliance on debt leverage.

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2. Total debt divided by EBITDA earning. it means the amount of income generated & available to pay debt without the deduction of interest, tax, depreciation & amortization expenses.

3. Debt service coverage ratio (DSCR) is a measurment of firm available cash flow to pay current debt obligation.
It shows whether a company has enough cash flow to pay the debt. It takes short term consideration to repay the loan.

4. Average Debt service coverage Ratio (ADSCR) shows whether a company has sufficient cash flow to repay its loan completely.
It takes long term consideration to repay loan.

5. The current ratio measures a company's ability to pay short term obligation within one year. W.R.t. its availability asserts & pending liabilities.

These measures were need of the hour due to some reasons. They are :—

→ The corporate sector debt worth RS.15.52 lakh crore has come under stress after pendemic.
→ while another RS 22.20 lakh crore was already under stress before the pendemic.
→ This means RS.37.72 lakh crore remains under stress which is 72% of banking sector debt

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to the industry.

Due to this economic scenario & debt problem, government of India & RBI formed a committee to sort out this problem.

The debt problem has very serious consequences if proper measures were not taken at the right time. As debt problem ruined the economy of a country by converting an assets to a liabilities.. Recent example of debt trap policy of china's 'one road one Belt' initiative. china developed its industries & expand it in under developed & developing country & trap them in a debt. So this can be a devastating effect if they were not overcome this problem.

So India will take a bold step to revive the economy after the pendemic situation & I think it act as a good incentive for the banking sector. Because banking sector is the backbone of the economy so proper step is to be taken to secure this financial sector..

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