Q63

Consider the following statements: 1. In India, credit rating agencies are regulated by Reserve Bank of India. 2. The rating agency popularly known as ICRA is a public limited company. 3. Brickwork Ratings is an Indian credit rating agency. Which of the statements given above are correct (a) 1 and 2 only (b) 2 and 3 only (c) 1 and 3 only (d) 1, 2 and 3 Official key: B.

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Explanation

(a)

1 and 2 only. Credit-rating agencies for securities are SEBI-regulated, not RBI.

(b) Official key

2 and 3 only. ICRA is a listed public limited company; Brickwork is an Indian CRA. RBI is the wrong regulator for this market.

(c)

1 and 3 only. Statement 1 fails.

(d)

All three. SEBI, not RBI, is the CRA regulator under the 1999 regulations.

Summary

Official key is (b) 2 and 3 only. SEBI regulates credit rating agencies. ICRA is a public limited company. Brickwork Ratings is an Indian CRA. RBI regulates banks, not this CRA window.

Related possible facts

These can be asked in a future Prelims paper.

SEBI CRA Regulations, 1999
Registration and code of conduct for rating agencies.

ICRA
Associate of Moody's; listed in India.

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