

6. Which of the following are considered as 'Revaluation Reserves' under the RBI's Economic Capital Framework?

1. Interest accrued on loan given to banks
2. Strengthening of foreign currency holdings with the RBI
3. Increase in gold prices
4. Dividends on government securities

Select the correct answer from the code given below:

- (a) 1 and 2 only
- (b) 2 and 3 only
- (c) 1, 2 and 4 only
- (d) 1, 3 and 4 only

7. With reference to the quantitative tools for controlling liquidity, consider the following statements:

1. Bank rate is the rate at which the Reserve Bank is ready to buy or rediscount bills of exchange or other commercial papers.
2. Under the Marginal Standing Facility (MSF), banks can borrow additional amounts of overnight money from the Reserve Bank by dipping into their Cash Reserve Ratio (CRR).
3. The Liquidity Adjustment Facility (LAF) allows banks to borrow money through repurchase agreements (repos) or to make loans to the RBI through reverse repo agreements.

Which of the above given statement(s) is/are correct?

- (a) 1 and 2 only
- (b) 1 and 3 only
- (c) 2 and 3 only
- (d) 1, 2 and 3

8. With reference to Non-Banking Financial Company (NBFC), consider the following statements:

1. A NBFC is a company engaged in the business of loans and advances, industrial activity and acquisition of shares/stocks/bonds/debentures/securities issued by Government or local authority or other marketable securities.
2. Recently, RBI has proposed a four-layered regulatory framework to move from a general approach of light touch regulation to one that monitors larger players almost as closely as it does banks.

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

9. With reference to the status of Indian Judiciary, consider the following statements:

1. The legislature is not involved in the process of appointment of judges.
2. The judiciary is financially independent of both the legislature and the executive.
3. Since independence, the Supreme Court has always followed the Principle of Seniority, whereby the senior-most judge of the Supreme Court has always been appointed as the Chief Justice of India.

Which of the statements given above is/are correct?

- (a) 1 and 2 only
- (b) 2 and 3 only
- (c) 3 only
- (d) 1, 2 and 3