## Questions

- 1. Liberalization requires low level of regulation whereas occurrence of financial crisis demands a high level of regulation. How do you think a central bank needs to balance these extremes?
- 2. How does regulation help banks in managing risk?
- 3. What are the new norms and standards arising out of Basel committee recommendations?
- 4. What are the recommendations of Basel II committee on managing operational risk?
- 5. What are the three pillars of supervision?
- 6. What are the measures initiated by Reserve bank of India to improve and strengthen bank's risk bearing capacity?
- 7. Discuss disclosure requirements of banks.
- 8. What are the changes in the financial reporting of banks on account of Basel committee recommendations?
- 9. Differentiate Tier I and Tier II capital.
- 10. Explain the computation of capital adequacy as per Basel II norms.