Basel Norms and Global Banking Standards

Your total score is 0/5

1 2 3 4 5

1. What is the primary objective of Basel norms in the banking sector? (**Marks:** 0)

- To promote retail banking
- To ensure banks operate profitably
- ✓ To strengthen the regulation, supervision, and risk management of banks
- To reduce competition among banks

2. Basel I primarily focused on: (**Marks:** 0)

- ✓ Capital adequacy based on risk-weighted assets
- Liquidity requirements
- Market risk management
- Credit default swaps

3. Which of the following risks was specifically addressed by Basel II?

(**Marks:** 0)

- ✓ Operational risk
- Inflation risk
- Sovereign risk
- Interest rate risk

4. The minimum capital adequacy ratio (CAR) prescribed under Basel III for Indian banks is: (**Marks:** 0)

- 6%
- 8%
- ✓ 10.5%
- 12%

5. In Basel III, the leverage ratio is defined as: (**Marks:** 0)

- Tier 1 capital to total risk-weighted assets
- ✓ Tier 1 capital to total assets
- Tier 2 capital to total risk-weighted assets
- Tier 2 capital to total assets