

Notes on Role and Functions of CIBIL , Fair Practices Code for Debt Collection- Codes of BCSBI

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Unit: 2. Modern Services in Banking

**Module Name: Role and Functions of CIBIL ,
Fair Practices Code for Debt Collection- Codes of BCSBI**

Module No: 16

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The Banking **Codes** and Standards Board of India (**BCSBI**) is an independent banking industry watchdog that protects consumers of banking services in India. The board oversee compliance with the "**Code** of Bank's Commitment to Customers". It is not a compensation mechanism and looks into an individual complaint only to the extent it points to any systemic compliance failure. The [Reserve Bank of India](#) extended financial support to the Board, meeting its expenses for the first five years.

Main aims

- To plan, evolve, prepare, develop, promote and publish voluntary,comprehensive Code and Standards for banks, to provide fair treatment to their customers.
- To function as an independent and autonomous watchdog to monitor and ensure that the Codes and Standards are adhered to.
- To conduct and undertake research of Codes and Standards currently in use around the world.
- To enter into covenants with banks on observance of codes and standards and to train employees of such banks about the Codes.
- To help people affected by natural calamities.

CIBIL stands for Credit Information Bureau (India) Limited. It is India's first Credit Information Company, which was founded in August 2000. After establishment, **CIBIL** played vital **role** in Indian Financial System. It helps in collection and maintaining records of Individual payment affecting loans and Credit Card. The member bank and all the credit institution submit their records to CIBIL on monthly basis. The information received from banks and credit institutions would be used to create Credit Information Report and Credit Score that are provided to credit institution to help in evaluation and approving loan applications.

Objectives of CIBIL

- It takes pride in having the topmost credit information sharing in India that makes enable the credit grantor in accepting payment and information backed decisions.

- CIBIL has gained knowledge, experience and expertise to offer data and technology backed solutions.
- Wide gamut solutions were developed diligently for helping our customers in making intelligent decision in entire stage of customer life cycle.

Functions of CIBIL

- The Consumer Bureau of CIBIL keep its dynamic information repository of India for providing its member comprehensive risk management tools
- Consumer Credit Information is important tool used by credit grantor at the time of new customer acquisition.
- Portfolio Review provides the credit grantor with a comprehensive view of their borrower's credit relationships across multiple lenders.