20 True or False

Decide, then check the answer and reason below each statement.

Question 1

BCSBI has framed two main codes for member banks.

TRUE

The two codes are the Code of Bank's Commitment to Customers and the Code for MSEs.

Question 2

BCSBI codes are mandatory for all banks to adopt.

FALSE

The codes are voluntary for member banks to adopt, though binding once adopted.

Question 3

The MSE code extends fair terms to Micro and Small Enterprises.

TRUE

It gives small business borrowers transparent terms, fair pricing and faster grievance redressal.

Question 4

The paying bank is liable for compensating delays in cheque collection.

FALSE

BCSBI clarified that the collecting bank, not the paying bank, compensates the depositor for delays.

Question 5

Banks must give customers a three-month advance notice before an account is classified dormant.

TRUE

This is one of the customer-first clarifications issued by BCSBI on dormant accounts.

Question 6

Form 15G/15H can be submitted only at the branch, even for FDs booked online.

FALSE

BCSBI ruled that if an FD is booked online, the related tax forms must also be accepted online.

Question 7

Banks must give free monthly statements to customers who opted for statements over a passbook.

TRUE

This is required under RBI norms as clarified in the BCSBI code.

Question 8

BCSBI stands for the Banking Codes and Standards Board of India.

TRUE

BCSBI is the body that framed India's retail banking service-standard codes.

Question 9

Recovery agent details need be shared with customers only via the bank's website.

FALSE

BCSBI clarified banks must also provide these details at the branch on request.

Question 10

The payee's name need not be shown on cheque debit entries in a statement.

FALSE

BCSBI ruled banks must modify systems so the payee's name appears, since such entries are fraud-prone.

Question 11

BCSBI framed its codes in collaboration with RBI rather than the Indian Banks' Association.

FALSE

BCSBI worked with the Indian Banks' Association (IBA) to frame the codes.

Question 12

The collecting bank owns liability for delay in cheque collection.

TRUE

BCSBI clarified the depositor's relationship is with the collecting bank, which bears the delay liability.

Question 13

Bank systems must capture the addresses of all joint account holders, not only the first holder.

TRUE

This ensures all joint holders can be properly notified about account status.

Question 14

Service standards for retail banking is considered a low-yield topic rarely tested in CAIIB.

FALSE

The article describes it as a high-yield, low-effort scoring area for CAIIB and IIBF exams.

Question 15

Once a bank adopts a BCSBI code, it is expected to honour it in practice.

TRUE

Adoption is voluntary but the commitments become binding once adopted.

Question 16

BCSBI codes replace RBI's customer-protection regulations entirely.

FALSE

BCSBI codes sit alongside RBI regulations and the ombudsman mechanism, not in place of them.

Question 17

Transparency and fair compensation are recurring themes in BCSBI's clarifications.

TRUE

BCSBI's rulings consistently favour transparency, convenience, fair compensation and timely communication.

Question 18

The banking ombudsman mechanism works alongside BCSBI and RBI to protect customers.

TRUE

Together BCSBI, RBI and the ombudsman form a layered safety net for depositors.

Question 19

There is only a single combined BCSBI code covering both retail customers and MSEs.

FALSE

BCSBI has two separate codes, one for retail customers and one for MSEs.

Question 20

The Code of Bank's Commitment to Customers governs everyday touchpoints like statements and deposits.

TRUE

This code acts as the general retail customer charter for such routine banking interactions.