

THE GENERAL MANAGER-OPERATIONS

RENEWAL OF POLICY

The Memorandum submitted by your department for renewal of the policy

“Cheque Collection Policy”

was approved by the Board on 14-08-2026 for annual renewal with the Memorandum of Changes submitted.

We return herewith the original Memorandum and the annexures



Board Secretary

Dated: 01-09-2026



CHEQUE COLLECTION POLICY



**MEGHALAYA
RURAL BANK**

DEPARTMENT: Accounts Department

Version Control:

Date of Approval/Review	Version at start of Review	New Version
16.07.2024	V-1	V-2
18.07.2025		V-2

INDEX

SL. No.	Chapters	Page No.
1.	Introduction	1
2.	Objectives & Guiding Principles	1
3.	Scope and Applicability	2
4.	Definitions	3
5.	Roles and Responsibilities	4
6.	General Presentation Rules	5
7.	Collection Framework & Operational Processes	7
8.	Timelines, Grievance and protection	12
9.	Frequent dishonour of Cheque Policy	16
10.	Force Majeure	20
11.	Customer Service and Grievance Redressal	21
12.	Internal Control, Monitoring, and Review	22
13.	Policy Review and Amendment	22
14.	Annexure I	23
15.	Annexure II	25
16.	Annexure III	26
17.	Annexure IV	27
18.	Annexure V	27

1. INTRODUCTION

The Bank is committed to providing efficient, transparent, fair and customer-centric cheque collection services in accordance with the principles of responsible banking, sound risk management and high standards of customer service. The collection of cheques and other negotiable instruments is a core banking function that directly influences customer confidence, operational efficiency and the integrity of the payment system.

This Cheque Collection Policy establishes the principles, standards and operational framework governing the collection of cheques and other negotiable instruments handled by the Bank. The Policy seeks to ensure uniformity and consistency in collection practices across all branches and offices of the Bank while balancing customer convenience with prudent risk management, operational efficiency and regulatory compliance.

The Policy prescribes the procedures for the acceptance, collection, realization, return and handling of dishonoured cheques and other negotiable instruments. It also lays down the Bank's standards relating to customer service, compensation for delays in collection, service charges, grievance redressal, internal controls and monitoring mechanisms to ensure transparency, accountability and consistency in the cheque collection process.

This Policy has been framed in accordance with the applicable provisions of the **Reserve Bank of India (Regional Rural Banks – Responsible Business Conduct) Directions, 2025** (updated up to July 1, 2026), the **Reserve Bank of India guidelines on the Cheque Truncation System (CTS)**, the **Reserve Bank of India guidelines on the Positive Pay System (PPS)**, the **Banking Regulation Act, 1949**, the **Negotiable Instruments Act, 1881**, the **Payment and Settlement Systems Act, 2007**, the **Information Technology Act, 2000**, the **CTS-2010 Standards and Specifications** issued by the Reserve Bank of India, and other applicable laws, regulations, circulars and regulatory instructions issued from time to time governing cheque collection, customer service and payment systems.

The Bank shall ensure that all cheque collection activities are carried out in a fair, transparent, timely and consistent manner, safeguarding the interests of customers as well as the Bank, while ensuring full compliance with applicable legal and regulatory requirements.

2. OBJECTIVES AND GUIDING PRINCIPLES

This Policy establishes a comprehensive, uniform and transparent framework for the collection of cheques and other negotiable instruments across all branches and offices of Meghalaya Rural Bank. It aims to ensure that cheque collection services are delivered efficiently, fairly and consistently while safeguarding the interests of customers and the Bank through effective operational controls, prudent risk management and compliance with applicable legal and regulatory requirements.

In implementing this Policy, the Bank shall be guided by the following objectives and principles:

- To establish standardised procedures for the collection of local, CTS, outstation and other negotiable instruments, ensuring consistency in practices across all branches and offices of the Bank.
- To provide customer-centric cheque collection services by ensuring prompt, efficient and reliable processing of instruments and by keeping customers adequately informed regarding collection procedures, expected realisation timelines, applicable

charges, immediate credit facilities, compensation for delays and grievance redressal mechanisms.

- To ensure transparency by making available all material terms and conditions relating to cheque collection, including service standards, collection charges, compensation norms and customer rights, through appropriate communication channels.
- To ensure fair and equitable treatment of all customers without discrimination, with decisions relating to the acceptance, processing, collection or return of instruments being based solely on applicable laws, regulatory requirements, operational considerations and prudent banking practices.
- To prescribe uniform service standards and timelines for the presentation, collection, realisation and credit of instruments, with a view to minimising delays and enhancing operational efficiency.
- To strengthen internal controls and operational risk management by implementing appropriate safeguards, including maker-checker controls, system-based validations and other measures to minimise the risks of fraud, forgery, operational errors, duplicate presentation, loss or wrongful handling of instruments.
- To ensure compliance with the applicable directions, guidelines and instructions issued by the Reserve Bank of India, statutory provisions, clearing house rules and the Bank's internal policies and operating procedures. Where any regulatory requirement is amended, the revised provisions shall prevail until this Policy is correspondingly updated.
- To provide a transparent framework governing immediate credit, delayed collection, customer compensation and recovery of collection charges in accordance with applicable regulatory requirements.
- To establish an effective, accessible and time-bound grievance redressal mechanism for resolving customer complaints relating to cheque collection services and to continuously improve customer service standards through periodic review and monitoring.

3. SCOPE AND APPLICABILITY

This Policy applies to all branches, administrative offices, and departments of Meghalaya Rural Bank engaged in the acceptance, processing, clearing and collection of negotiable instruments.

The Policy applies to all categories of customers, including individual customers, proprietorship concerns, partnership firms, companies, trusts, societies, Government departments and institutional customers, unless specific regulatory instructions provide otherwise.

Nothing contained in this Policy shall override any statutory requirement, RBI instruction or court order. In the event of any inconsistency, the applicable law or RBI direction shall prevail.

4. DEFINITIONS

For the purpose of this Policy, unless the context otherwise requires, the following terms shall have the meanings assigned to them herein. Terms not specifically defined shall have the meanings assigned under the applicable statutes, Reserve Bank of India directions or other regulatory instructions.

Cheque means a cheque as defined under the Negotiable Instruments Act, 1881, including CTS-compliant cheques accepted for clearing through the Cheque Truncation System.

Cheque Truncation System (CTS) means the image-based cheque clearing system introduced by the Reserve Bank of India wherein the physical movement of cheques is substituted by the electronic transmission of cheque images and related data.

Collecting Branch means the branch that receives the cheque or negotiable instrument from the customer for collection.

Collecting Bank means Meghalaya Rural Bank acting as the bank entrusted by the customer with the responsibility of presenting the instrument for payment and collecting the proceeds.

Customer means any individual or legal entity maintaining an account with the Bank or otherwise entitled to avail cheque collection services in accordance with the Bank's policies.

Immediate Credit means credit afforded by the Bank to the customer's account before actual realization of the proceeds of the instrument, subject to the eligibility criteria, limits and conditions prescribed in this Policy.

Local Cheque means a cheque payable through the clearing arrangements of the clearing house or CTS grid in which the collecting branch participates.

Outstation Cheque means a cheque payable at a location outside the clearing jurisdiction of the collecting branch and requiring collection through another branch or correspondent bank.

Positive Pay System (PPS) means the framework prescribed by the Reserve Bank of India whereby the issuer of specified high-value cheques shares key cheque details with the Bank prior to presentation for additional verification.

Working Day means a day on which the concern offices of the Bank and the applicable clearing house are open for banking transactions.

5. ROLES AND RESPONSIBILITIES

Board of Directors

The Board of Directors shall approve this Policy and review it periodically to ensure continued compliance with RBI directions and evolving banking practices.

The Board shall satisfy itself that adequate systems, internal controls and customer protection measures are in place for efficient cheque collection.

Head Office

The Operations Department shall be responsible for implementation, interpretation and administration of this Policy.

Head Office shall:

- issue operational guidelines consistent with this Policy;
- monitor compliance by branches;
- review operational performance;
- analyse complaints relating to cheque collection;
- implement regulatory changes;
- arrange staff training and awareness programmes; and
- place periodic compliance reports before the appropriate management committees.

Branches

Every branch shall:

- comply with this Policy and operational instructions;
- ensure timely presentation of instruments;
- safeguard instruments received from customers;
- maintain proper records of collection and returns;
- provide prompt credit upon realization;
- resolve customer grievances efficiently;
- report operational lapses and lost instruments immediately; and
- comply with all regulatory reporting requirements.

Every branch employee handling cheque collection shall exercise due diligence and maintain confidentiality of customer information.

6. GENERAL PRESENTATION RULES

The Bank shall accept cheques and other negotiable instruments for collection only if they comply with the provisions of the Negotiable Instruments Act, 1881, RBI guidelines, CTS standards and the Bank's internal procedures. The Bank reserves the right to refuse acceptance of any instrument that is irregular, incomplete, altered or otherwise unsuitable for collection.

6.1 Validity of Cheques

- Cheques shall be presented within their period of validity, which is currently **three months** from the date of issue.
- Stale cheques shall not be accepted for collection.
- Post-dated cheques may be accepted but shall be presented for clearing only on or after the date mentioned on the cheque.

6.2 Completeness of Instrument

Before accepting a cheque for collection, the Bank shall ensure that:

- Date is properly mentioned.
- Payee's name is clearly written.
- Amount in words and figures agree.
- Drawer has signed the cheque.
- No mandatory field is left blank.
- Instrument is free from obvious defects.

6.3 Material Alterations

A cheque containing any material alteration shall not ordinarily be accepted unless the alteration has been authenticated by the drawer in accordance with applicable law and RBI guidelines. Material alterations include changes relating to:

- Date
- Amount
- Payee's name
- Crossing
- Any other material particulars

6.4 Crossing of Cheques

The Bank shall collect crossed cheques in accordance with the provisions of the Negotiable Instruments Act. This includes:

- General Crossing
- Special Crossing
- Account Payee Crossing
- Not Negotiable Crossing

6.5 Account Payee Cheques

Account Payee cheques shall ordinarily be collected only for credit to the account of the named payee. Credit of such cheques to third-party accounts shall not be permitted except in exceptional circumstances approved in accordance with applicable law, regulatory instructions and the Bank's approved internal policy.

6.6 Endorsements

Where endorsement is required, the Bank shall ensure that:

- The endorsement is regular.
- The chain of endorsements is complete.
- There is no apparent irregularity.

6.7 CTS Compliance

- The Bank shall accept CTS-compliant cheques in accordance with RBI guidelines.
- Non-CTS instruments, where permitted, shall be handled in accordance with RBI instructions applicable from time to time.

6.8 Mutilated or Defective Instruments

The Bank may decline collection of cheques that are:

- Torn
- Mutilated
- Illegible
- Defaced
- Incomplete
- Suspected to have been tampered with

unless such instruments are acceptable under applicable law and RBI guidelines.

6.9 Government Cheques and Other Instruments

Government cheques, demand drafts, pay orders, dividend warrants, interest warrants and other negotiable instruments shall be accepted for collection subject to the conditions applicable to such instruments.

6.10 Customer Identification and Due Diligence

The Bank may carry out appropriate verification before accepting instruments for collection, particularly where:

- the transaction is unusual,
- the amount is substantial,
- the instrument is presented by a new customer,
- or additional verification is considered necessary under regulatory or internal risk management requirements.

6.11 Right to Refuse Collection

The Bank reserves the right to refuse collection of any instrument where:

- statutory or regulatory requirements are not complied with;
- the instrument is irregular or defective;
- fraud, forgery or tampering is suspected;
- acceptance would expose the Bank to legal, operational or reputational risk.

7. COLLECTION FRAMEWORK AND OPERATIONAL PROCESSES

7.1 COLLECTION OF CHEQUES AND OTHER NEGOTIABLE INSTRUMENTS

The Bank shall accept eligible negotiable instruments for collection from its customers subject to applicable laws, Reserve Bank of India (RBI) guidelines, clearing house regulations and the Bank's internal policies and operational procedures. All instruments accepted for collection shall be subject to necessary verification to ensure that they are complete, valid, free from material alterations (unless duly authenticated) and otherwise compliant with applicable legal and regulatory requirements.

The Bank shall accept the following negotiable instruments for collection:

- Local Cheques
- CTS cheques
- Payable-at-Par Cheques
- Demand drafts
- Banker's cheques
- Pay orders
- Dividend/ Interest/ Refund/ Pension Warrants
- Government payment instruments and other eligible warrants;
- Bills of Exchange and other negotiable instruments accepted by the Bank

Before accepting an instrument for collection, the Bank shall verify, wherever applicable:

- Date of the instrument.
- Amount in words and figures.
- Signature(s) of the drawer.
- Endorsement(s).
- Crossing instructions.
- Payee details.
- Material alterations and their authentication.
- Depositor's endorsement or signature, wherever required.
- Any other particulars considered necessary under applicable regulations.

Instruments received within the prescribed clearing cut-off time shall ordinarily be presented in the same clearing cycle. Instruments received after the prescribed cut-off time shall be processed in the next available clearing session subject to the clearing schedule prescribed under CTS. The Bank shall process cheque collection through the RBI-authorised Cheque Truncation System (CTS) and any other clearing mechanism notified by RBI from time to time. Cheque clearing and settlement shall be carried out in accordance with the prevailing CTS operational guidelines issued by RBI.

For high-value cheques, the Bank may implement the Positive Pay System (PPS) in accordance with RBI guidelines. Customers should be advised to submit cheque details in advance wherever PPS is applicable to facilitate secure processing and minimise the risk of fraud.

The Bank reserves the right to refuse collection of any instrument where there are reasonable grounds to suspect fraud, forgery, material irregularity, money laundering, financing of unlawful activities, or any circumstance requiring enhanced due diligence under

applicable laws or regulatory directions. Such action shall be taken in accordance with the Bank's internal compliance procedures and applicable regulatory requirements.

Branches shall ensure that all accepted instruments are securely handled, properly recorded in the Bank's systems, and transmitted to the appropriate clearing channel without avoidable delay. Appropriate records of receipt, processing, and realization shall be maintained in accordance with regulatory and audit requirements.

7.2 Cheque Drop Box Facility

The Bank shall provide customers with both:

- a cheque drop box facility; and
- the facility to tender cheques at the regular collection counter and obtain an acknowledgement.

No branch shall compel customers to deposit cheques only through the cheque drop box. Customers shall be permitted to tender cheques at the branch counter and obtain an acknowledgement on the pay-in-slip or any other prescribed acknowledgement.

The following message shall be prominently displayed on every cheque drop box in English, Hindi and the concerned regional language:

"Customers can also tender the cheques at the counter and obtain acknowledgement on the pay-in-slips."

The Bank shall establish adequate and foolproof controls for opening, recording and accounting for instruments deposited in cheque drop boxes so that the number of instruments collected is properly accounted for, disputes are avoided and customers' interests are protected.

7.3 Collection through Cheque Truncation System (CTS) and Continuous Clearing

The Bank shall participate in the Cheque Truncation System (CTS) implemented by the Reserve Bank of India for the electronic clearing and settlement of cheque transactions. Under CTS, physical movement of cheques between collecting and paying banks is replaced by the secure electronic transmission of cheque images and associated data, thereby facilitating faster realisation, improved operational efficiency, enhanced security and reduced settlement risk.

Cheque collection through CTS shall be governed by the operational guidelines, technical standards, security requirements and clearing procedures prescribed by the Reserve Bank of India, the National Payments Corporation of India (NPCI), the designated Clearing House and the Sponsor Bank, as applicable. The Bank shall ensure compliance with such instructions, as amended from time to time.

The Bank shall process CTS-compliant instruments within the timelines prescribed under the Continuous Clearing and Settlement on Realisation framework and shall endeavor to provide credit to Customers' accounts on the date of settlement/realisation or, where operationally not feasible, by the next working day in accordance with the applicable regulatory guidelines.

Instruments received after the prescribed cut-off time shall be processed in the next available clearing session. The Bank shall also participate in **special clearing sessions** notified by RBI/NPCI or the designated Clearing House, wherever applicable to facilitate timely realisation and settlement of instruments.

Cheques that do not conform to the prescribed CTS standards or other applicable validation requirements may not be presented for clearing until the deficiencies are rectified and may

be returned to the customer or otherwise dealt with in accordance with the applicable regulatory instructions and Clearing House procedures.

The Bank shall maintain appropriate system and controls to ensure secure, efficient and compliant processing of CTS transactions and shall preserve records in accordance with applicable statutory and regulatory requirements.

7.4 Collection of Local Cheques

Local cheques presented for collection shall ordinarily be processed through the Cheque Truncation System (CTS) under the Continuous Clearing framework prescribed by the Reserve Bank of India. All CTS-compliant instruments payable at branches participating in CTS shall be presented electronically to the designated clearing house in accordance with the prescribed clearing schedules, operational guidelines and cut-off timings.

Branches shall ensure that local cheques accepted within the prescribed cut-off time are processed and presented in the appropriate clearing session on the same business day. Instruments received after the prescribed cut-off time or on non-clearing days shall ordinarily be presented in the next available clearing session. The Bank shall endeavour to minimise delays and ensure timely processing of all instruments accepted for collection.

The proceeds of local cheques shall be credited to the customer's account immediately upon receipt of final settlement from the clearing house or the paying bank, as applicable. Where the Bank permits withdrawal against uncleared effects in accordance with its internal policy, such facility shall be governed by the terms and conditions prescribed by the Bank and shall not affect the Bank's right to recover the amount in the event of subsequent dishonour of the instrument.

Where a cheque presented through CTS is returned unpaid, the customer shall be informed promptly through appropriate communication channels. The returned instrument or its electronic equivalent, together with the return memo specifying the reason for dishonour, shall be made available to the customer without undue delay.

The Bank shall ensure compliance with all clearing house rules, settlement timelines, return disciplines and operational standards prescribed by the Reserve Bank of India, the National Payments Corporation of India (NPCI), the designated Clearing House and the Sponsor Bank, as applicable.

7.5 Collection of Outstation Cheques

Although the implementation of the Cheque Truncation System has substantially reduced the need for physical collection of cheques, the Bank may continue to receive certain instruments that are not covered under CTS or which require collection outside the normal clearing arrangements. Such instruments shall be treated as outstation cheques and shall be collected through the Bank's own branches, Sponsor Bank branches, correspondent banks or any other arrangement approved by the Bank.

Before accepting an outstation cheque for collection, the branch shall verify that the instrument is complete in all respects, legally valid, properly endorsed wherever required and accompanied by appropriate collection instructions. The branch shall ensure that the instrument is handled with due care throughout the collection process.

Outstation instruments shall be dispatched through secure and approved channels with adequate controls to ensure safe custody, proper acknowledgement and end-to-end tracking until realization or return. Branches shall maintain appropriate records relating to dispatch,

receipt, realization and return of such instruments in accordance with the Bank's record retention requirements.

The time required for realization of an outstation cheque shall depend upon the location of the paying bank, the availability of clearing arrangements, the mode of collection and other operational factors beyond the Bank's control. Nevertheless, the Bank shall make all reasonable efforts to ensure expeditious collection and shall credit the proceeds to the customer's account immediately upon realization.

Where any abnormal delay is noticed in the collection process, branches shall keep the customer appropriately informed regarding the status of the instrument, wherever such information is available. In the event of delay attributable to the Bank, compensation shall be paid in accordance with the Bank's Board-approved Compensation Policy and the applicable regulatory instructions.

Where an outstation cheque is returned unpaid, the customer shall be informed promptly and the instrument, together with the return advice indicating the reason for dishonour, shall be made available to the customer without undue delay.

7.6 Bills for Collection

The Bank may undertake the collection of demand bills, usance bills, bills discounted and other negotiable instruments entrusted by customers for collection, subject to applicable laws, regulatory instructions and the Bank's internal operational guidelines.

Bills for collection, including bills discounted, which are required to be collected through another bank at the realising centre shall be forwarded directly by the forwarding office to the realising office to facilitate expeditious realisation and avoid unnecessary delay.

Branches shall ensure that all bills accepted for collection are complete in all respects, legally valid, accompanied by appropriate collection instructions and duly endorsed wherever required. The Bank shall maintain adequate records of bills received, forwarded, realised and returned, together with dispatch particulars and acknowledgements, wherever applicable.

The proceeds of the bill shall be credited to the customer's account immediately upon receipt of realised funds, after recovery of applicable charges, if any. Where a bill remains unrealised or is dishonoured, the customer shall be informed promptly, and the instrument shall be returned together with the advice or return memo received from the collecting or paying bank.

The Bank shall exercise due care and diligence in handling bills entrusted for collection and shall endeavour to ensure their prompt realisation. Where delay is attributable to the Bank, compensation shall be governed by the Bank's Board-approved Compensation Policy and applicable regulatory instructions.

7.7 Collection of Cheques Drawn in the Name of Karta

As a general principle, the Bank shall not collect an account payee cheque for any person other than the payee named therein.

However, cheques drawn in the name of the **Karta** may be collected for credit to the account of the **Hindu Undivided Family (HUF)** where the Bank has obtained an appropriate mandate from the authorised account holders, as applicable, either at the time of opening the HUF account or subsequently.

Such mandate shall expressly authorise the collection of cheques drawn in favour of the Karta for credit to the HUF account and, where applicable, the collection of cheques drawn

in favour of the HUF for credit to the account operated by the Karta in accordance with the Bank's mandate and applicable legal provisions.

Before collecting such instruments, the Bank may carry out such verification and obtain such additional documents or confirmations as it considers necessary to satisfy itself that the proceeds of the cheque rightfully belong to the HUF and that the collection is in accordance with the mandate and applicable law.

7.8 Purchase of Local Cheques, Demand Drafts and Other Negotiable Instruments during Suspension of Clearing

Where clearing operations are suspended and such suspension is expected to continue for a prolonged period, the Bank may, at its discretion, provide temporary accommodation to its constituents, including borrowers and depositors, by purchasing local cheques, demand drafts and other negotiable instruments deposited for collection.

The decision to extend such facility shall be based on a prudent assessment of the associated risks and the Bank's internal credit and risk management policies. While considering such requests, the Bank shall take into account, inter alia, the customer's relationship with the Bank, creditworthiness, financial standing, integrity, past conduct, nature of business or occupation, previous transaction history and the standing of the drawer or issuer of the instrument so as to mitigate the risk of subsequent dishonour.

Special consideration may be accorded to instruments issued by Government departments, Government agencies and other entities of established standing and reputation.

8. TIMELINES, CUSTOMER GRIEVANCE AND PROTECTION

8.1 POSITIVE PAY SYSTEM (PPS)

The Bank has implemented the **Positive Pay System (PPS)** with effect from January 1, 2021, in accordance with the Reserve Bank of India Circular RBI/2020-21/41, DPSS.CO.RPPD.No.309/04.07.005/2020-21 dated September 25, 2020, as amended from time to time. The Positive Pay System is an additional security measure designed to minimise cheque fraud by enabling verification of critical cheque details before payment. Under this system, customers issuing eligible high-value cheques may submit prescribed cheque particulars electronically through the Bank's approved channels, such as Internet Banking, Mobile Banking, SMS, ATMs or any other channel made available by the Bank, prior to presenting the cheque for payment.

The facility shall be available for CTS cheques of **₹50,000 and above**, enabling customers to furnish key cheque details, including the cheque number, date, payee name and amount. These particulars shall be matched with the cheque presented under the Cheque Truncation System (CTS), and any discrepancy identified during the verification process may be subjected to additional scrutiny before payment is authorised. The Bank may prescribe mandatory Positive Pay confirmation for cheques of **₹5,00,000 and above**, or such other threshold as may be stipulated by the Reserve Bank of India from time to time.

The Bank shall undertake appropriate customer awareness initiatives through SMS alerts, branch displays, ATMs, the Bank's website, Internet Banking, Mobile Banking and other communication channels to promote the use of the Positive Pay System. The Bank shall ensure compliance with all applicable directions issued by the Reserve Bank of India, the National Payments Corporation of India (NPCI), and other regulatory or operational guidelines governing the Positive Pay System.

8.2 TIME NORMS FOR COLLECTION

The Bank shall endeavour to realise cheques and other negotiable instruments within the shortest possible time by adhering to the timelines prescribed under the Cheque Truncation System (CTS), including Continuous Clearing and Settlement on Realisation framework of the Cheque Truncation System (CTS), the Reserve Bank of India guidelines, Clearing House Regulations and the Bank's internal operational procedures. While the actual realisation period depends upon the clearing arrangements, settlement cycles and the paying bank, every branch shall make all reasonable efforts to ensure prompt processing and credit of proceeds.

The proceeds of instruments successfully realised through CTS shall ordinarily be credited to the customer's account **on the day of settlement/realisation** or, where operationally not feasible, **by the next working day**. Instruments received after the prescribed cut-off time shall be processed in the next available clearing session.

Where instruments are sent for collection outside the CTS environment, the collecting branch shall ensure their dispatch on the same day or the next working day, depending upon the time of receipt. Branches shall monitor the progress of collection, initiate appropriate follow-up wherever abnormal delays are noticed and keep customers informed, wherever required.

The Bank shall process instruments in accordance with RBI guidelines issued from time to time and participate in **special clearing sessions** notified by RBI/NPCI or the Clearing House, wherever applicable.

The indicative service standards of the Bank are as follows:

Type of Instrument	Expected Time for Realisation*
CTS / Local Clearing Cheques	As per clearing the applicable clearing cycle; credit on the date of settlement day/realisation or where operationally not feasible by the next working day
Instruments received after cut-off time	Next available clearing session
Outstation Instruments	Subject to correspondent bank/clearing arrangements
Government Instruments	As per applicable RBI and Government guidelines
Foreign Instruments	Subject to foreign bank and international clearing arrangements

*The above timelines are indicative and may vary depending upon clearing house schedules, holidays, operational disruptions, statutory restrictions or circumstances beyond the Bank's control.

The Bank shall periodically review its collection performance and take appropriate corrective measures wherever avoidable delays are identified.

8.3 DELAY IN COLLECTION AND CUSTOMER COMPENSATION

The Bank recognises that prompt collection of cheques, bills and other negotiable instruments is an essential component of quality customer service. Where delay in collection is attributable to the Bank, the customer shall be compensated in a fair, transparent and non-discriminatory manner in accordance with the applicable Reserve Bank of India instructions, the Bank's Board-approved Compensation Policy and this Policy.

Compensation shall ordinarily be paid **suo motu**, without requiring the customer to make a separate claim, wherever the Bank determines that the delay is attributable to its own acts or omissions.

Compensation shall generally be payable by way of interest for the period of delay beyond the prescribed collection period. The applicable rate of interest, method of computation, minimum amount payable and other operational aspects shall be governed by the Bank's Board-approved Compensation Policy, as amended from time to time.

There shall ordinarily be no distinction between instruments drawn on the Bank's own branches and those drawn on other banks for the purpose of payment of compensation, unless otherwise prescribed by the Reserve Bank of India.

Compensation shall not ordinarily be payable where the delay is attributable to circumstances beyond the Bank's reasonable control, including disruption of clearing operations, failure of communication networks, payment system outages, acts or omissions of the paying bank, Government restrictions, judicial orders, or force majeure events such as natural disasters, fire, civil commotion, war, strikes, lockouts or other events beyond the reasonable control of the Bank. Such cases shall be dealt with in accordance with the Bank's Compensation Policy.

Where the customer establishes that additional financial loss has been suffered directly due to negligence or deficiency in service on the part of the Bank, the Bank may consider payment of suitable compensation after examination of the facts and subject to approval by the competent authority.

8.3.1 Compensation for Delay in Collection of Local Cheques

Local cheques processed through the Cheque Truncation System (CTS) shall normally be collected within the service standards prescribed by the Bank. Where the collection is delayed due to reasons attributable to the Bank beyond the prescribed turnaround time, compensation shall be paid in accordance with the Bank's Compensation Policy.

8.3.2 Compensation for Delay in Collection of Outstation Cheques

Where the collection of an outstation cheque is delayed beyond the normal collection period due to reasons attributable to the Bank, compensation shall be paid in accordance with the Bank's Compensation Policy. The rate of compensation shall vary according to the period of delay and shall be determined in accordance with the Bank's Board-approved Compensation Policy and applicable regulatory instructions.

8.3.3 Compensation for Delay in Collection of Bills

Where there is a delay in the collection of bills attributable to the Bank, the bank shall compensate the customer by paying interest for the period of delay at 2% per annum above the rate of interest applicable to Savings Bank accounts. The period of delay shall be determined after excluding the normal transit period allowed for dispatch of the bill, presentation of bills to the drawees, remittance of proceeds and credit of the proceeds to the customer's account. Where the delay is attributable to another bank involved in the collection process, the Bank may recover the interest so paid from such bank, wherever permissible.

8.3.4 Collection of Foreign Cheques

The Bank shall endeavour to realise cheques drawn on banks situated outside India as expeditiously as possible through its correspondent banking arrangements. However, since the realisation period depends upon the laws, banking practices and clearing arrangements prevailing in the foreign country, the Bank shall not be liable to compensate customers for delays in collection unless such delay is directly attributable to the Bank's own negligence or deficiency in service.

8.3.5 Loss of Instruments during Collection

The Bank shall exercise the highest degree of care while handling instruments entrusted to it for collection. Every branch shall establish appropriate controls to minimise the possibility of loss, theft, destruction or misplacement of cheques and other negotiable instruments during receipt, storage, transmission and clearing.

Where an instrument is lost while in the custody of the Bank or during transit arranged by the Bank, the concern branch shall immediately initiate an investigation to ascertain the circumstances leading to such loss.

Upon confirmation of the loss, the branch shall:

- immediately inform the customer in writing or through any other recorded communication;
- advise the customer to obtain a duplicate instrument, wherever permissible;
- notify the drawer bank where considered necessary;
- extend all reasonable assistance to the customer in obtaining a duplicate instrument;
- record the incident in the prescribed register and report the matter to the Controlling Office.

The Bank shall bear the reasonable expenses incurred by the customer for obtaining a duplicate instrument where the loss is attributable to negligence on the part of the Bank.

If the loss results in financial loss to the customer due to proven negligence of the Bank, appropriate compensation shall be considered in accordance with applicable law and the Bank's compensation policy.

The Bank shall also undertake a root cause analysis of every such incident and implement corrective and preventive measures to avoid recurrence. Serious incidents shall be reported to the competent authority and included in operational risk monitoring reports.

8.3.6 Collection and Service Charges

The Bank shall levy charges for the collection of cheques and other negotiable instruments in a fair, transparent and non-discriminatory manner. All collection charges shall be approved by the competent authority and shall form part of the Bank's Schedule of Service Charges, which shall be displayed at all branches and hosted on the Bank's official website.

Charges shall be reasonable and commensurate with the nature of the service rendered. The Bank shall ensure that customers are informed of the applicable charges before accepting instruments for collection wherever such charges are recoverable from the customer.

The Bank may levy charges for the collection of outstation instruments, foreign instruments, special collection services or any other collection activity requiring additional operational effort, subject to the applicable regulatory framework.

Where a cheque sent in clearing or collection is returned unpaid due to reasons attributable to the customer, including insufficiency of funds, the Bank may recover cheque return charges from the customer's account for each instrument returned, in accordance with the Bank's approved Schedule of Service Charges and subject to the applicable regulatory framework. Cheques returned over the counter shall also be recorded in the Bank's system as rejected transactions and the applicable service charges shall be recovered in accordance with the Bank's extant instructions on Service Charges.

No charges shall be levied where the Bank is required by law, RBI instructions or Government directives to provide the service free of cost. Similarly, where delay in collection or return of an instrument is attributable to the Bank's negligence or operational lapse, the Bank shall not recover any collection charges from the customer and shall compensate the customer in accordance with Bank's Compensation Policy.

9. FREQUENT DISHONOUR OF CHEQUE POLICY

The Bank shall ensure that all cheque returns and dishonour of negotiable instruments are handled in a fair, transparent, prompt and legally compliant manner. Every cheque or negotiable instrument presented for payment shall be examined in accordance with the provisions of the Negotiable Instruments Act, 1881, the Payment and Settlement Systems Act, 2007, the Uniform Regulations and Rules for Bankers' Clearing Houses (URRBCH), the Cheque Truncation System (CTS) Regulations, applicable NPCI operational guidelines, the Reserve Bank of India (Regional Rural Banks – Responsible Business Conduct) Directions, 2025 (as amended from time to time), and other applicable statutory and regulatory instructions.

9.1 Returning time for dishonored cheques:

The dishonored instruments are required to be returned/dispatched to the customer by registered post, speed-post, and courier promptly without any delay in any case within T+1 working days of the dishonour.

Cheques and other negotiable instruments may be returned unpaid for reasons including, but not limited to, insufficiency of funds, excess over sanctioned arrangement, signature mismatch, incomplete or irregular signature, material alteration requiring authentication, stale cheque, post-dated cheque, payment stopped by the drawer, attachment order, court order, account closure, transfer of account, irregular endorsement, mutilated instrument, image quality deficiencies, technical defects, or any other reason recognised under applicable law, CTS regulations or clearing house rules.

The Bank shall ensure that the reason for dishonour is accurately recorded in the Core Banking System and reflected in the return memo using the applicable CTS return reason code prescribed by the clearing house.

9.2 Procedure for return/dispatch of dishonoured cheques

- a) The Bank shall return/ dispatch the dishonoured instruments to the customer promptly without delay, in any case within 24 hour.
- b) In relation to cheques presented direct to the paying bank for settlement of transaction by way of transfer between two accounts with that bank, it should return such dishonoured cheques to payees / holders immediately.
- c) In case of dishonor / return of cheques, the paying bank should clearly indicate the return reason code on the return memo / objection slip which should also bear the signature / initial of the Bank official as prescribed in Rule 6 of the Uniform Regulations and Rules for Bankers' Clearing Houses (URRBCH).
- d) Cheques returned should be entered in "Cheques Referred and Returned Register maintained in branch.
- e) In case of technical issue where the Bank cannot complete the Return of dishonoured cheques, immediate communication through emails or phone calls should be intimated to the Sponsor Bank for Cheque Clearing for return of the cheques. Failure to respond within specified time will result in our parking account being debited even in invalid cheques resulting in loss for the Bank.

9.2 Dealing with frequent dishonour of Cheques/ Failed NACH

- a) With a view to enforce financial discipline among the customers, a condition for operation of Savings Bank/ Current Account (SB/CA) account with cheque facility will be incorporated that in the event of failed Standing Instruction for Loan Repayment/dishonour of a cheque/NACH due to lack of funds/insufficient funds drawn on a particular account of the drawer on 4 occasions during the financial year, no fresh cheque book would be issued from any of the channels. In case of unintended dishonour of cheques, the branch concerned will analyze such cases to ensure that it does not result into penalizing the customer for such unintended dishonour of cheques.
- b) The branch may consider closing Savings Bank account/Current account at its discretion, after proper notice to the customer recording the reason of closure of account with reporting to Controller at monthly intervals. However, in respect of advances accounts such as cash credit account, overdraft account, the accounts may be treated as stressed accounts and dealt with accordingly. The decision for issuance of cheque book and/ or continuation of credit facilities may be taken by the sanctioning authority.
- c) For the purposes of introduction of the condition mentioned at (a) and (b) above in relation to operation of the existing accounts, branch may, at the time of issuing new cheque book, obtain a letter from the constituents regarding acceptance of the new condition for operation of account. In case, request for issuance of cheque book is raised through INB/CINB, the system will be amended to make provision for accepting the conditions before final submission. The condition may also be incorporated in the Account Opening Forms as declaration from the constituent.
- d) If a cheque is dishonoured for a 3rd time during a financial year in respect of cheques mentioned in para (a) above on a particular account of the drawer, a system generated Cautionary Advice will be sent to the concerned constituent by SMS on his registered mobile number or email and also a system generated letter on his recorded address drawing his/her/their attention to aforesaid conditions, advising him/her/them about the consequential stoppage of cheque facility in the event of cheque being dishonoured on next occasion on the same account during the financial year.
- e) If an account is having cheque book facility and NACH mandate is also registered, then the incidents of dishonour will be taken into account for both dishonour of cheque and failed NACH for computing the number of dishonour of cheques and failed NACH.
- f) Branch may consider closing the account after serving 30 days notice to the customer in the event of subsequent dishonour of cheque/ NACH mandate in the account.
- g) Weekly and monthly MIS reports (as a part of CBS reports) containing extract of all incidents of cheque/NACH dishonored for 3rd time and 4th time, in a financial year will be generated by CBS and sent to the Controllers as per format given in Ann. III, IV&V. Controllers will follow up with the branches and submit compliance report at quarterly

9.3 Dishonour of NACH (Debit) Mandate (Section 25 of the Payment and Settlement System Act 2007)

- a) National Automated Clearing House (NACH) is a payment system operated by National Payments Corporation of India (NPCI) on the lines of ECS, where Corporations and Banks are members. The physical mandates are obtained by Corporate/ Sponsor Banks and sent to NPCI through Mandate Management System (MMS). The destination Banks receive the mandates through MMS and authorize the same in their CBS. On the strength of the mandates, the future debits are raised by Sponsor Banks. Acceptance of ECS mandates is now stopped by Banks and only NACH mandates are accepted. As ECS system is migrated to NACH by RBI.
- b) As per Section 25 of the Payment and Settlement Systems Act, 2007, where an electronic funds transfer initiated by a person from an account maintained by him cannot be executed on the ground that the amount of money standing to the credit of that account is insufficient to honour the transfer instruction or that it exceeds the amount arranged to be paid from that account by an agreement made with a bank, there is provision to prosecute such person as per the above Act.
- c) The above Act accords the same rights and remedies to the payee (beneficiary) against dishonour of electronic fund transfer instructions under insufficiency of as are available under Section 138 of Negotiable Instruments Act, 1881. Considering the protection available, there is no need to obtain additional cheques, if any, from customers in addition to ACH Debit mandates.
- d) NPCI has further advised that as migration of ECS to NACH has been completed at all locations across India, banks should not accept PDC or Security PDC from its customer and all existing PDCs/Security PDCs may be converted into NACH (Debit) Mandates.
- e) **Procedure for handling failed NACH:** If a Destination Branch (the bank branches where the Destination Account holders maintain their bank account from which NACH utility payments are debited.) is not in a position to debit a particular transaction for insufficiency of funds, it should report the same with a Return Reason to the Service Branch/Main Branch on the same day with the details of failed NACH, in any case not later than T+1 working days of the returned /undebited processed in the Clearing House.
- f) It would be the responsibility of the Sponsor Bank (Branch) (refer to the bank/branch which had agreed to act as the agent of the User company i.e. utility companies, insurance/corporations/Collection Service Provider/ Govt. departments, or any institution receiving/collecting payments from a large number of branches/ credit banker etc) to advise the User regarding failed NACH.
- g) If a User makes use of NACH mechanism for receiving payment from the same set of beneficiaries every quarter/month or at more frequent intervals, and there is frequent return of debit NACH, in such cases, after return of the NACH, the Sponsor Bank has the responsibility to intimate the User in addition to the Destination Account Holders regarding termination of NACH mandate.
- h) In case of failed NACH due to insufficiency of funds, a communication from the Destination branch is to be sent to the customer (Destination Account Holder) intimating him that in case of failed NACH for 4 times in a financial year or

otherwise, the branch at its sole discretion may advise the sponsor bank/branch for cancellation of all mandates given for the particular account in case of SB/CA, whereas for Cash Credit accounts, a review may be put up to appropriate authority higher than the sanctioning authority in the matter. The branch should also send the caution memo after 3rd NACH failure in a financial year to the concerned User of NACH for whom the NACH was registered.

- i) Branch may consider for closing of account after serving 30 days' notice to the customer after subsequent NACH failure, even though the account is not having any cheque book facility and only NACH has been registered.
- j) Branch has to ensure compliance of above procedure so that no laxity is allowed in delayed reporting of such failed NACH. In case of any findings of such circumstances and non-compliance / non-adherence of instructions/ guidelines stated hereinabove, suitable disciplinary action will be initiated against the erring staff as per the service conditions governing them.
- k) Information / documentary proof of failed NACH should be provided, if requisitioned by any court/ consumer forum.

9.4 Information on Dishonoured Cheques/ Failed NACH

- a) Data in respect of each dishonoured cheque for amount of ₹1 crore and above, should be made part of Bank's MIS on constituents and concerned branches should report such data cheque wise & account wise to their respective controller separately.
- b) Data in respect of cheques drawn in favour of stock exchanges and dishonoured shall be consolidated separately by the Bank irrespective of the value of such cheques as a part of its MIS relating to broker entities should be reported to their respective Head.
- c) Data in respect of all failed NACH should be made part of Bank's MIS on constituents and concerned branch should report to their respective controllers.
- d) Reporting: The information is to be reported to the Controller on respective format as per **Annexure- III, IV & V**. Branches will send such consolidated report to HO at quarterly intervals.
- e) The Bank shall, every quarter, prepare and present a consolidated report on dishonoured cheques covering the above points to its Audit / Management Committee.

9.5 Framing Appropriate Procedure for Dealing with Dishonoured Cheques

- a) The appropriate procedure for dealing with dishonoured cheques have been devised with inherent preventive measures and checks to prevent any scope for collusion of the staff of the bank or any other person, with the drawer of the cheque for causing delay in or withholding the communication of the fact of dishonour of the cheque to the payee/ holder or the return of such dishonoured cheque to him/her.
- b) For the purpose of recording dishonour status of the cheque, every cheque received at the paying branch/Service Branch must be recorded in the system, whether balance is available in the account or not and in no case, it should be returned without referring cheques to the "Cheque referred & returned Register" where cheque is being returned for insufficient balance in the account.

- c) Branches will clear the cheques on the basis of clear balance available at the time of presentation. In no case, return of cheques at paying branch/Service Branch should be withheld till deposit of suitable balance by account holder /party concerned to meet the fund requirement of the cheque.
- d) Branches/ Controllers have to ensure compliance of above procedure so that no laxity is adopted / no internal collusion of staff in concealing the dishonour of the cheque or delayed reporting/returning of the cheque. In the event of finding of any such circumstance, the internal guidelines for dealing with staff accountability for dereliction in duty by the staff will be dealt with. Accordingly, Officers and staff should be cautious enough to adhere to such guidelines and ensure strict compliance thereof to achieve aforesaid objective of effective communication and delivery of dishonoured cheque to the payee.

9.6 Documentary Evidence of Dishonour

For the purpose of adducing evidence to prove the fact of dishonour of cheque on behalf of a complainant (i.e. payee / holder of a dishonoured cheque) in any proceeding relating to dishonoured cheque before a court, consumer forum or any other competent authority, the Bank shall extend full cooperation, and furnish documentary evidence of the fact of dishonour of cheque(s) in accordance with applicable laws, regulatory guidelines and the Bank's internal procedures.

10. FORCE MAJEURE

The Bank shall not be liable for any delay or failure in the collection, processing, clearing, realization or payment of cheques and other negotiable instruments where such delay or failure is caused by force majeure events or circumstances beyond the reasonable control of the Bank. Such events include, but are not limited to, civil commotion, sabotage, lockout, strike or other labour disturbances, accident, fire, flood, earthquake, cyclone, epidemic or pandemic, war, terrorism, acts of Government or regulatory authorities, failure or disruption of payment systems, clearing houses, communication networks, power supply, information technology infrastructure, or damage to the Bank's or its correspondent bank's systems, communication channels or other facilities, as well as other events commonly referred to as *Acts of God*, which prevent the Bank from performing its obligations within the prescribed service delivery standards.

During the continuance of such events, the Bank shall make reasonable efforts to minimise disruption to its cheque collection services and restore normal operations at the earliest practicable opportunity.

11. CUSTOMER SERVICE AND GRIEVANCE REDRESSAL

The Bank is committed to providing efficient, courteous and transparent cheque collection services. Every customer shall be treated fairly and with due respect while availing collection services at any branch of the Bank.

Branches shall ensure that customers receive clear information regarding:

- collection procedures;
- expected realization period;
- applicable service charges;
- immediate credit facility, wherever available;
- compensation for delays attributable to the Bank;
- reasons for return or dishonour of instruments; and
- grievance redressal mechanism.

Any complaint relating to collection of cheques or negotiable instruments shall be acknowledged promptly and examined objectively. The grievance redressal mechanism shall comprise the following levels:

Level I – Branch Level

The Branch Manager shall be the first authority responsible for resolving customer complaints relating to cheque collection. Every effort shall be made to resolve complaints within **seven working days** from the date of receipt.

Level II – Regional/Administrative Office

Where the customer is not satisfied with the decision of the Branch or the complaint remains unresolved, the matter may be escalated to the concerned Regional/Controlling Office for examination and resolution.

Level III – Centralized Grievance Redressal Cell (CGRC)/Head Office

Complaints not resolved at the Regional Office level may be escalated to the Head Office, Operations Department/Customer Service Department, which shall examine the matter and communicate its decision within the prescribed timeframe.

Level IV – Reserve Bank Integrated Ombudsman Scheme

If the customer remains dissatisfied after exhausting the Bank's internal grievance redressal mechanism, or where the Bank fails to resolve the complaint and communicate its decision within **30 days** from the date of receipt of the complaint, the customer may lodge a complaint under the **Reserve Bank of India Integrated Ombudsman Scheme**, as amended from time to time.

The details of the grievance redressal mechanism shall be prominently displayed in all branches and on the Bank's website.

12. INTERNAL CONTROL, MONITORING AND REVIEW

The Bank shall establish a robust internal control framework for cheque collection operations to ensure accuracy, efficiency and regulatory compliance.

The internal control framework shall include:

- maker-checker controls;
- system-generated audit trails;
- secure custody of instruments;
- monitoring of pending collections;
- reconciliation of clearing transactions;
- exception reporting;
- operational risk monitoring;
- periodic branch inspections;
- concurrent audit;
- internal audit and compliance review.

The Operations Department shall periodically analyse turnaround time, return rates, compensation paid, operational losses, fraud incidents and customer complaints to identify areas requiring improvement.

The Bank shall ensure that all employees engaged in cheque collection receive periodic training regarding RBI guidelines, operational procedures, fraud prevention and customer service standards.

Any material operational incident involving cheque collection shall be reported promptly to the competent authority and dealt with in accordance with the Bank's operational risk management framework.

13. POLICY REVIEW AND AMENDMENT

This Policy shall be reviewed annually or earlier, if warranted by changes in applicable laws, regulations, directions or guidelines issued by the Reserve Bank of India (RBI), other statutory or regulatory requirements, operational needs or the Bank's business requirements.

Where any provision of this Policy is inconsistent with any applicable law or any direction, guideline or instruction issued by the Reserve Bank of India or any other competent statutory or regulatory authority, such law, direction, guideline or instruction shall prevail to the extent of such inconsistency until the Policy is reviewed and amended accordingly.

Any amendment to this Policy shall be placed before the Board of Directors for approval.

The Bank shall communicate significant amendments to this Policy through appropriate internal circulars, operational instructions and, wherever required, through its website or other suitable customer communication channels.

ANNEXURE-I**List of Reasons for dishonour of cheque**

CODE NO.	REASON FOR RETURN
1	Funds insufficient
2	Exceeds arrangement
3	Effects not cleared, present again.
4	Refer to drawer
5	Kindly contact Drawer/Drawee Bank and please present again.
10	Drawer's signature incomplete
11	Drawer's signature illegible
12	Drawer's signature differs
13	Drawer's signature required
14	Drawer's signature not as per mandate
15	Drawer's signature to operate account not received
16	Drawer's authority to operate account not received
17	Alteration requires drawer's authentication
20	Payment stopped by drawer
21	Payment stopped by attachment order
22	Payment stopped by court order
23	Withdrawal stopped owing to death of account holder
24	Withdrawal stopped owing to lunacy of account holder
25	Withdrawal stopped owing to insolvency of account holder
30	Instrument post dated
31	Instrument out dated/stale
32	Instrument undated/ without proper date
33	Instrument mutilated; requires Bank's guarantee
34	Cheque irregularly drawn/ amount in words and figures differs
35	Clearing House stamp/ date required
36	Wrongly delivered/ Not drawn on us
37	Present in proper zone
38	Instrument contains extraneous matter
39	Image not clear, present again with paper
40	Present with document
41	Item listed twice
42	Paper not received
50	Account closed
51	Account transferred to another branch
52	No such account
53	Title of account required
54	Title of account wrong/ incomplete
55	Account blocked (situation covered in 21-25)
60	Crossed to two banks
61	Crossing stamp not cancelled

62	Clearing stamp not cancelled
63	Instrument specially crossed to another bank
64	Amount in protective crossing incorrect
65	Amount in protective crossing required/illegible
66	Payee's endorsement required
67	Payee's endorsement irregular / requires collecting bank's confirmation
68	Endorsement by mark/ thumb impression requires attestation by Magistrate with seal
70	Advice not received
71	Amount / Name differs on advice
72	Drawee bank's fund with sponsor bank insufficient
73	Payee's separate discharge to bank required
74	Not payable till 1st proximo
75	Pay order/ cheque requires counter signature
76	Required information not legible/ correct
80	Bank's certificate ambiguous/ incomplete/ required
81	Draft lost by issuing office/ confirmation required from issuing office
82	Bank/Branch blocked
83	Digital Certificate Validation failure
84	Other reasons-connectivity failure
85	Alterations on instrument- Other than "Date" field (Alteration/correction on instruments are prohibited under Cheque Truncation System. Return reason code applicable to instruments presented in CTS)
86	Fake/Forged/Stolen-draft/cheque/cash order/interest warrant/dividend warrant
87	'Payee's a/c credited'- Stamp required
88	Other reasons (Please specify)
92	Bank Excluded

ANNEXURE-II

Illustrative but not exhaustive list of objections where customers are not at fault
(Applicable for instrument and image-based Cheque Clearing as detailed in Annexure D to Uniform Regulations and Rules for Bankers' Clearing Houses)

Code No.	Reason for Return
33	Instrument mutilated; requires bank's guarantee
35	Clearing House stamp/date required
36	Wrongly delivered/ not drawn on us
37	Present in proper zone
38	Instrument contains extraneous matter
39	Image not clear ; present again with paper
40	Present with document
41	Item listed twice
42	Paper not received
60	Crossed to two banks
61	Crossing stamp not cancelled
62	Clearing stamp not cancelled
63	Instrument specially crossed to another bank
67	Payee's endorsement irregular/ requires collecting bank's confirmation
68	Endorsement by mark/ thumb impression requires attestation by Magistrate with seal
70	Advice not received
71	Amount/ Name differs on advice
72	Drawee bank's fund with sponsor bank insufficient (applicable to sub-members)
73	Payee's separate discharge to bank required
74	Not payable till 1st proximo
75	Pay order/cheque requires counter signature
76	Required information not legible/correct
80	Bank's certificate ambiguous/ incomplete/required
81	Draft lost by issuing office; confirmation required from issuing office
82	Bank/ Branch blocked
83	Digital Certificate validation failure
84	Other reasons-connectivity failure
87	'Payee's a/c Credited'-Stamp required
92	Bank excluded

ANNEXURE-III

INFORMATION ON DISHONOURED CHEQUES RETURN FOR THE QUARTER ENDED

A. DISHONOUR OF CHEQUES OF ₹.1 CRORE AND ABOVE WITH THE REASON 'INSUFFICIENT FUNDS'.

Sl. No.	Date of Return	Cheque No.	Amount	Drawer Name/AC. No.	Payee	Collecting Bank/Branch	Paying Bank/Branch	Remarks

B. DISHONOUR OF CHEQUES OF BELOW ₹.1 CRORE WITH THE REASON 'INSUFFICIENT FUNDS'

Sl. No.	Date of Return	Cheque No.	Amount	Drawer Name/AC. No.	Payee	Collecting Bank/Branch	Paying Bank/Branch	Remarks

ANNEXURE-IV

INFORMATION ON DISHONOURED CHEQUES RETURN
FOR THE QUARTER ENDED

DISHONOUR OF CHEQUES IN FAVOUR OF STOCK EXCHANGES WITH THEREASON 'INSUFFICIENT
FUNDS'

Sl. No.	Date of Return	Cheque No.	Amount	Drawer Name/AC. No.	Payee	Collecting Bank/Branch	Paying Bank/Branch	Remarks

ANNEXURE-V

INFORMATION ON FAILED NACH/ ECS TRANSACTIONS FOR THE QUARTER ENDED

Sl. No.	Date of Return	Cheque No.	Amount	Drawer Name/AC. No.	Payee	Collecting Bank/Branch	Paying Bank/Branch	Remarks