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**Bank's Policy on 'Collection of Cheques & Instruments'
for the year 2015-16**

Bank's Policy on '*Collection of Cheques and Instruments*' for the year 2014-15 has been revised. The Board at its meeting held on 17.04.2015, has approved the policy on '*Collection of Cheques and Instruments*' for the financial year 2015-16.

The revised Board approved policy is attached as *Annexure 1*. The policy is also available in the Intranet under the Menu "Policies".

Please ensure compliance of the policy guidelines.

R BALASUBRAMANIAN
Deputy General Manager /
Department Head (RMD/O&M/NID/Bancassurance)

Annexure 1**Policy on Collection of Cheques and Instruments for the year 2015-16****1. Preamble**

1.1 Keeping in view the technological progress in payment and settlement systems and the qualitative changes in operational systems and processes that have been undertaken by a number of banks, RBI has observed that prescription of a single set of rules may not be appropriate.

1.2 Pertinently, in most countries banks are obliged to develop their own individual policy / procedures relating to collection of cheques and also provide due disclosures to the customers on the bank's obligations and the customers' rights.

1.3 Hence, efficiencies in collection of proceeds and providing funds to customers in time are best achieved through a spirit of competition among the banks rather than through issue of guidelines by RBI.

1.4 The withdrawal of the earlier guidelines viz., Immediate credit of Local / Outstation instruments, the relative time frame for collection of such instruments and interest payment for delayed collection by RBI was expected to enable the market forces of competition to come into play to improve efficiencies in collection of cheques and other instruments.

1.5 This cheque collection policy of the Bank is a reflection of our on-going efforts to provide better service to our customers and set higher standards for performance. The policy is based on principles of transparency and fairness in the treatment of customers. The Bank is committed to increased use of technology to provide quick collection services to its customers.

2. Scope of the Policy

2.1 This policy document covers the following aspects:

- a. Collection of cheques and other instruments at centres within India and abroad, which are payable in India.
- b. Commitment regarding time norms for collection of instruments.
- c. Payment of interest in cases where the Bank fails to meet the time norms for realisation of proceeds of outstation instruments.
- d. Collection instruments lost in transit.
- e. 'payable at par' cheques drawn on our Bank.

3. Issue of 'Payable at par' Cheques

3.1 Bank issues 'payable at par' cheques to all the eligible customers irrespective of the risk categorisation done vide "Know Your Customer (KYC) / Anti Money Laundering (AML) / Combating Financing of Terrorism (CFT) Policy" of the Bank.

3.2 In case of such cheques drawn on any of our branches, either presented for collection or received for payment (including cheques received under clearing) at any of our branches, the host branch itself entertains such cheques, if otherwise in order, and effects the transactions by observing the below mentioned guidelines:

3.2.1 without levying any charges for any type of transactions.

3.2.2 without any ceiling on the number of instruments and on the upper limit for the amount, in case of transfer and clearing transactions.

3.2.3 with a per occasion ceiling of ₹ 50000/- for Savings Bank / CA / CC / OD accounts in case of cash withdrawals to self (to the account holder alone ie. only self cheques).

✍ Note: In case of Multicity account, both self and third party cash payment can be made at host branches up to ₹.50000/- per occasion, irrespective of SB / CA / CC / OD account.

3.3 Cash withdrawals to a third party will not be entertained, even in case of such cheques being a 'bearer' cheque payable to self or not.

3.4 Wherever Co-operative Banks has arrangements with our Bank to open current accounts and to use the cheque book facility for issue 'at par' cheques to their constituents and walk-in-customers for facilitating their remittances and payments, Bank monitors and reviews such arrangements to assess the risks including credit risk and reputational risk arising there from. For this purpose, bank retains the right to verify the records maintained by the client Co-operative Banks / Societies for compliance with the extant instructions on KYC and AML under such arrangements.

4. Collection of Cheques and other instruments

4.1 Local Cheques

4.1.1 All cheques and other negotiable instruments payable locally or marked as "payable at par / multi-city" would be presented through the clearing system prevailing at the centre.

4.1.2 Cheques deposited at branch counters and in collection boxes within the branch premises before the specified cut-off time will be presented for clearing on the same day. Cut-off time may vary from branch to branch depending upon the stipulated clearing time at that centre.

4.1.3 Cheques deposited after the cut-off time and in collection boxes outside the branch premises including off-site ATMs will be presented in the next available clearing at the centre.

4.1.4 Bank Branches display the cut-off time for acceptance of cheques which is applicable for all cheques including those received towards government taxes.

- 4.1.5 As a policy, branches would give credit to the customers' accounts on the same day in which the clearing settlement takes place. Withdrawal of amounts so credited would be permitted as per the cheque return schedule of the Clearing House of that centre.
- 4.1.6 Where no Clearing House exists in a centre, branches would present local cheques to drawee banks across the counter and it would be the Bank's endeavour to credit the proceeds at the earliest.
- 4.1.7 Branches having clearing facility shall display a Notice Board in the banking hall containing the following so that the customers can have a clear picture of the clearing process:
- a. The cut-off time upto which the cheques received at their counters and in collection boxes would be sent in the same day clearing,
 - b. The time when the customer's account gets credited with the relative proceeds and
 - c. When the customers would be able to utilise these proceeds.
- 4.1.8 Cheque return charges would be levied only in cases where the customer is at fault and is responsible for such returns. The illustrative, but not exhaustive, list of returns, where the customer is not at fault is given in **Appendix I**.
- 4.1.9 Cheques that need to be re-presented without any recourse to the payee, will be made in the immediate next presentation clearing not later than 24 hours (excluding holidays) with due notification to the customers of such re-presentation through SMS alert, to their registered mobiles.
- 4.1.10 However, non-CTS 2010 cheques will be presented in the immediately next available special session of clearing.

4.2 Speed Clearing

- 4.2.1 Speed Clearing is a facility by which cheques drawn on any outstation CBS branch of a Bank, which is a member of the local MICR clearing house, can be presented by other banks through local clearing. Utilising the CBS network, branches would process such cheques, treating them as local cheques.
- 4.2.2 All terms and conditions applicable for local clearing instruments will also apply to Speed Clearing.

4.3 Outstation Cheques

- 4.3.1 Cheques drawn on other banks at outstation centres, other than those covered under Speed Clearing (refer para no.4.2 above), and also which is not marked

as “payable at par / multi-city”, will normally, be collected through our branches at those centres.

- 4.3.2 Where our Bank does not have a branch, the instrument would be sent for collection through a correspondent bank or directly through the drawee bank itself.

4.4 Account Payee cheques

- 4.4.1 Bank collects ‘account payee’ cheques only to the credit of payee constituent accounts.
- 4.4.2 Bank collects ‘account payee’ cheques drawn for an amount not exceeding Rs.50000/- to the account of co-operative credit societies, if the payee of such cheques is the constituents of such co-operative credit societies.

4.5 Cheques payable in Foreign Countries

- 4.5.1 Cheques payable at foreign centres where our Bank has branch operations (or banking operations through a subsidiary, etc.) will be collected through that office. The services of correspondent banks will be utilised in countries/centres where the presence of our correspondents exists.
- 4.5.2 Cheques drawn on foreign banks at centres where the bank or its correspondents do not have direct presence will be sent direct to the drawee bank or any bank situated in the centre with instructions to credit proceeds to the respective Nostro Account of the Bank maintained with one of the correspondent banks.

4.6 Collection / Remittance of the proceeds through RTGS / NEFT

- 4.6.1 Branches while sending local / outstation cheques / instruments for collection would request the remitting Bank branch to remit the proceeds through RTGS / NEFT only. Branches would furnish their IFS code in the covering schedule to the remitting Bank branch, along with other details, to enable them to remit the proceeds through RTGS / NEFT. Similarly, branches would remit the proceeds of the instruments received from other Banks through RTGS / NEFT.

5. Cheque Truncation System (CTS)

- 5.1 Truncation is the process of stopping the flow of the physical cheque issued by a drawer to the drawee branch. The physical instrument will be truncated at some point enroute to the drawee branch and an electronic image of the cheque would be sent to the drawee branch along with the relevant information like the MICR fields, date of presentation, presenting banks etc.

5.2 Uniqueness of the Cheque

- 5.2.1 The images captured at the presenting bank level would be transmitted to the clearing house and then to the drawee branches with digital signatures of the

presenting bank. Thus, each image would carry the digital signature, apart from the physical endorsement of the presenting bank, in a prescribed manner.

- 5.2.2 In order to ensure only images of requisite quality reach the drawee branches, there shall be a quality check process at the level of the Capture Systems and the Clearing House Interface.

5.3 Process flow in the CTS

- 5.3.1 Bank while presenting the cheques would capture the data & images of the cheques using the Capturing System, meeting the specifications and standards prescribed for data and images.
- 5.3.2 Bank while presenting the cheques would send the captured images and data to the central clearing house for onward transmission to the payee/drawee bank ensuring security, safety and non repudiation of the Public Key Infrastructure (PKI) across the system.
- 5.3.3 The drawee bank Capture System would be responsible for the process of the inward data and images and generate the return file for unpaid instruments.

5.4 Image Specifications in the CTS

- 5.4.1 Bank complies with Reserve Bank of India guidelines for Standardisation and enhancement of security features in cheque forms (CTS-2010 Standard) which outlines mandatory security features, which can be leveraged by presenting bank while scrutinizing cheques of drawee banks.

5.4.2 Presenting branch verifies the CTS cheques through the CTS scanner in which Ultra Violet Lamp is in built and affixes the stamp confirming that it has done such verification, before presenting the cheques in clearing.

5.5 Responsibility of the Presenting Bank in CTS

- 5.5.1 As the payment processing is done on the basis of cheque images, the onus of due diligence shifts to the Presenting Banker, as provided under explanation II to Section 131 of Negotiable Instruments Act.
- 5.5.2 Branches would enforce stipulated Know Your Customer (KYC) norms issued from time to time. Branches would observe all precautions which a prudent banker observes under normal circumstances e.g., to check the apparent tenor of the instrument, physical feel of the instrument, any tampering visible to the naked eye with reasonable care etc.
- 5.5.3 The presenting branch will be fully responsible for collecting the instrument on behalf of the intended payee and exercises due diligence as per the conditions laid down in the amended Negotiable Instruments Act.
- 5.5.4 All the local and intercity cheques can be presented in the CTS. The Cheques drawn on our bank would not be presented in the CTS.

- 5.5.5 The physical instruments would be stored for a required statutory period as specified in the Policy of our Bank on '*Document Handling and Retention*'. It would be obligatory for the presenting branch to warehouse the physical instruments for such statutory period.
- 5.5.6 In case a customer desires to get a paper instrument back, the instrument can be obtained from the presenting bank through the drawee bank, through P2F.
- 5.5.7 Branches while collecting cheques would not accept cheques with any changes/ corrections (other than for date validation purposes, if required) for presentment in Cheque Truncation System (CTS). If any change / correction are found in the Cheque in the payee's name, courtesy amount (amount in figures) or legal amount (amount in words), etc., fresh cheque would be obtained from the customers.

5.6 Paper to Follow (P2F) in CTS

- 5.6.1 The drawee bank can request for the physical instrument in case of any doubt or suspicion about the nature of instrument. This operational convenience is called Paper to Follow (P2F).
- 5.6.2 In case the image received for processing is not clear, branch would request the presenting bank for the physical instrument.

5.6.3 *With respect to Government Cheques, Paper to follow is mandatory only till such time RBI implements the revised procedure.*

5.6.4 *Thereafter, the drawee bank will send the payment scrolls, monthly DMS etc., to Government Department along with the respective images of paid cheques (by way of cash, clearing and transfer) by way of electronic media or through a CD depending upon the volume on daily / weekly / monthly basis. In case of cheques paid in clearing, the same should be supplied to Government, whenever demanded, within a reasonable period after obtaining from the presenting bank.*

5.6.5 *It is the responsibility of the presenting bank to comply with the requirement of the Government for any physical cheque and furnish the same to the respective drawee bank.*

5.7 Issuance of CTS-2010 Standard Cheques

- 5.7.1 Presently, all cheques issued by the bank conforms to CTS-2010 standard.
- 5.7.2 All residual non-CTS-2010 cheques with customers would be valid and accepted in all clearing houses [including the Cheque Truncation System (CTS) centers].
- 5.7.3 Branches while issuing cheque books to the existing customers, would withdraw the non-CTS-2010 Standard cheques in circulation. Branches also create awareness among customers, in this regard.

- 5.7.4 Branches would not accept Fresh Post Dated Cheques (PDC) / Equated Monthly Installment (EMI) cheques (either in old format or new CTS-2010 format) in locations where the facility of ECS/RECS (Debit) is available. Bank would convert existing PDCs in such locations into ECS/RECS (Debit) by obtaining fresh mandates from the borrowers.
- 5.7.5 Bank will not charge savings bank account customers for issuance of CTS-2010 standard cheques when they are issued for the first time. However, branches would follow the existing guidelines with regard to charges for issuance of additional cheque books.
- 5.7.6 Cheques complying with CTS-2010 standard format alone would be obtained in locations, where the facility of ECS/RECS is not available.
- 5.7.7 However, non CTS-2010 cheques would also be collected till such time the RBIs special session of Non-CTS clearing is in operation.

5.8 *Clearing arrangements for Residual Non CTS – 2010 Standard cheques*

- 5.8.1 Bank would adhere to the arrangements put in place by the Reserve Bank of India, with regard to clearing of residual non-CTS-2010 standard cheques, which are as follows:
- i. Separate clearing session introduced by RBI, in the three CTS centers (Mumbai, Chennai and New Delhi), for clearing of such residual non-CTS 2010 instruments (including PDC and EMI cheques) would operate thrice a week (Monday, Wednesday and Friday) up to April 30, 2014. Thereafter, the frequency of such separate sessions will be reduced to twice a week up to October 31, 2014 (Monday and Friday) and further to weekly once (every Monday) from November 1, 2014 onwards.
 - ii. Return sessions for the above clearing will be conducted on the following day of the Non-CTS cheque is presented ie. on Tuesdays, Thursdays and Saturdays respectively, upto April 30, 2014. Thereafter, upto October 31, 2014 return session will be on Tuesdays and Saturdays and from November 01, 2014 on Tuesdays.
 - iii. If the identified day for clearing non-CTS-2010 instruments falls on a holiday under the Negotiable Instruments Act, 1881, presentation session on such occasions will be conducted on the previous working day.
 - iv. Branches would follow the Operational instructions in this regard as conveyed by the respective CTS centers.
 - v. Upon the commencement of the above mentioned special session for non-CTS-2010 standard instruments, drawee banks would return the non-CTS-2010 instruments, if any, presented in the regular CTS clearing, under the reason code '37-Present in proper zone'.
 - vi. Such returned instruments will have to be re-presented by the collecting bank in the immediate next special clearing session for non-CTS-2010 instruments.

- 5.8.2 Branches had notified the proposed arrangement for clearing of such non-CTS instruments at less frequent intervals and would also educate the customers of the likely delay in realisation of non-CTS-2010 standard instruments.
- 5.8.3 CO: BOD / Customer Service Cell of the Bank would address customer complaints received, if any.
- 5.8.4 Branches may continue to present such non-CTS-2010 instruments in MICR Cheque Processing Centres till such time the special session CPCs are in operation.
- 5.8.5 During the transition period the existing clearing arrangements will continue. Since RBI monitors the volume of instruments processed in the three CTS Centers in all clearing sessions with respect to the non-CTS-2010 instruments presented by banks, all cheque issuing branches would make all out efforts to withdraw the non-CTS-2010 Standard Cheques in circulation.

6. Immediate Credit of Local/Outstation Cheques/Instruments

6.1 Branches and Extension Counters of the Bank can afford immediate credit of outstation cheques/ instruments upto an aggregate value of ₹ 15000/- tendered for collection by individual account holders subject to satisfactory conduct of such accounts.

6.2 A satisfactorily conducted account shall be the one

- a. which is opened at least 6 months earlier and complying with KYC norms,
- b. conduct of which has been satisfactory and the branch had not noticed any irregular dealings,
- c. where no cheque/instrument for which immediate credit afforded earlier was returned unpaid for financial reasons and
- d. where the branch had not experienced any difficulty in recovery of any amount advanced in the past including cheques returned, after giving immediate credit.

6.3 Immediate credit will be provided against such collection instruments at the specific request of the customer or as per prior arrangement.

6.4 Wherever '*payable at par*' arrangement with any Institutions is there, branches would afford immediate credit for such instruments. Branches would also afford immediate credit for DDs issued by our Bank drawn on any of the branches in India.

6.5 The facility of immediate credit would also be made available in respect of local cheques at centres where no formal clearing house exists.

6.6 The facility of immediate credit will be offered on Savings Bank, Current and Overdraft accounts of individuals subject to recovery of charges as per CO circular.

6.7 For extending this facility there will not be any separate stipulation of minimum balance in the account.

6.8 The customer's account should be in his/her personal name and should not contain transactions relating to business. Such accounts may be in the single or joint name/s.

6.9 Trading concerns whether proprietary, partnership or company and accounts not in the names of individuals are not eligible.

6.10 This facility is also not available to minors, non-residents and individuals who are ineligible for any credit facility in general viz., insolvent, lunatic etc.

6.11 Prepaid instruments like Demand drafts, Interest/Dividend warrants shall be treated on par with cheques under this policy.

6.12 Endorsed cheques are not acceptable under this facility.

6.13 Customers shall have to use only the prescribed pay-in-slip containing the request clause for availing this facility.

6.14 In the event of dishonour of a cheque against which immediate credit was provided, interest will be recovered from the customer for the period the Bank remained out of funds at the rate applicable for overdraft limits sanctioned for individual customers.

6.15 Bank will levy normal collection charges and out of pocket expenses as per extant guidelines while providing immediate credit against outstation instruments tendered for collection. Exchange charges applicable for cheque purchase will not however be charged.

6.16 The facility of immediate credit would not be applicable to cheques collected under Speed Clearing arrangements.

7. Purchase of local/outstation cheques

7.1 A cheque deposited by a customer can be purchased by the branch provided the customer has a sanctioned limit or makes a specific written request. Besides satisfactory conduct of the account, the standing of the drawer of the cheque will also be a factor to be considered while purchasing a cheque.

7.2 The request can be considered by the Branch Manager on a case-to-case basis as per the discretionary powers delegated to him or after obtaining permission from the Zonal Office/Corporate office.

8. Time Frame for Collection of Local/Outstation Cheques/Instruments

8.1 For Local Cheques presented in clearing, credit will be afforded as on the date of settlement of funds in clearing and the account holder will be allowed to withdraw funds as per return clearing norms ranging from 48 to 72 hours (in the normal circumstances) depending on the location of the branch.

8.2 In case of Out Station Cheques and other instruments sent for collection to centres within the country the following time schedule would be adhered to for realisation by branches:

State Capitals	Maximum period of 7 days
Major Cities (other than those of North Eastern States and Sikkim)	Maximum period of 10 days.
In all other centres	Maximum period of 14 days

8.3 **Cheques payable in Foreign Countries**

- 8.3.1 Such instruments are accepted for collection on the *quickest and most efficient manner*. The Bank may enter into specific arrangement with its correspondent bank for speedy collection of such instruments. Branches would give credit to the parties only on receipt of the proceeds to the credit of the Bank's Nostro Account with the correspondent bank, after taking into account the cooling period as applicable to the country concerned, viz. 21 days for USD denomination cheques which are payable at USA.
- 8.3.2 Bank assumes no responsibility for the genuineness of the instruments tendered by the customers and accepted by it for collection.
- 8.3.3 The above time norms are applicable irrespective of whether cheques/instruments are drawn on the banks own branches or branches of other banks.

9. **Payment of Interest for delayed Collection**

9.1 **Local Clearing Cheques**

- 9.1.1 For Local Cheques presented in clearing, the Bank would pay interest to the customer on the amount of collection instruments in case there is delay in giving credit beyond the time frame mentioned in para 8.1.
- 9.1.2 Interest for the delayed collection will be paid at savings bank interest rate for the corresponding period of delay beyond the time frame stipulated.
- 9.1.3 Such interest will be paid without any demand from the customers in all types of accounts.

9.2 **Outstation Cheques**

- 9.2.1 Bank will pay interest to the customer on the amount of collection instruments in case there is delay in giving credit beyond the time frame mentioned in para 8.2. Such interest will be paid without any demand from the customers in all types of accounts.
- 9.2.2 There would be no distinction between instruments drawn on the bank's own branches or on other banks for the purpose of payment of interest on delayed collection.
- 9.2.3 Interest for delayed collection would be paid at the following rates:
- Savings Bank rate for the period of delay beyond 7/10/14 days as the case may be in collection of outstation cheques.

- ii. Where the delay is beyond 14 days interest will be paid at the rate applicable to a term deposit of the respective period.
- iii. In case of extraordinary delay (i.e. delays exceeding 90 days), interest will be paid at the rate of 2% above the corresponding Term deposit rate.
- iv. In the event of the proceeds of cheque under collection is to be credited to an overdraft/loan account of the customer, interest will be paid at the rate applicable to the loan account. For extraordinary delays, interest will be paid at the rate of 2% above the rate applicable to the loan account.

9.2.4 The interest payment as given under para 9.2.3 above would be applicable only for instruments sent for collection *within* India.

10. Cheques/Instruments lost in transit/clearing process or at paying branch

10.1 If a cheque or an instrument accepted for collection is lost in transit or in the clearing process or at the paying bank's branch, the bank would immediately on coming to know the loss, bring the same to the notice of the account holder so as to enable him to inform the drawer to record stop payment. This would also facilitate the payee to take care of those cheques, if any, issued by him/her are not dishonoured due to non-credit of the amount of lost cheques/instruments.

10.2 Bank would provide necessary and reasonable assistance to the customer to obtain a duplicate instrument from the drawer of the cheque.

10.3 Bank would compensate the account holder in respect of instruments lost in transit as under:

10.3.1 If the intimation of loss of instrument is conveyed to the customer beyond the time limit stipulated for collection (7/10/14 days as the case may be), interest will be paid for the period exceeding the stipulated collection period at the rates specified above.

10.3.2 In addition, Bank will pay interest on the amount of the cheque for a further period of 15 days at Savings Bank rate to provide for likely further delay in obtaining a duplicate cheque/instrument and collection thereof.

10.3.3 Bank will also compensate the customer for any reasonable charges he/she incurs in getting a duplicate cheque/instrument upon production of receipt, in the event the instrument is to be obtained from a bank/institution who would charge a fee for issue of duplicate instrument.

10.4 In case a cheque/instrument lost in transit by the bank, charges if any, for recording Stop Order will be borne by the bank.

10.5 In case of loss of a cheque which was discounted by the Bank, the charges for obtaining a duplicate may be borne by the Bank, only on realisation of such duplicate cheque. In case of return, the customer has to bear the charges in addition to commission, interest on the amount of the cheque and other handling charges like postages etc.

10.6 The onus of such loss lies with the collecting banker and not the account holder.

10.7 If the cheque/instrument has been lost at the paying bank's branch, the collecting banker would have a right to recover the amount reimbursed to the customer for the loss of the cheque/instrument from the paying banker.

11. Force Majeure

11.1 Bank will not be liable to compensate customers for delayed credit if some unforeseen event (including but not limited to civil commotion, sabotage, lockout, strike or other labour disturbances, accident, fires, natural disasters or other "Acts of God", war, damage to the bank's facilities or of its correspondent bank(s), absence of the usual means of communication or all types of transportation, etc) beyond the control of the Bank which may prevent it from performing its obligations within the specified service delivery parameters.

12. Charging of Interest on cheques returned unpaid where Instant Credit was given

12.1 If a cheque sent for collection for which immediate credit was provided by the Bank is returned unpaid, the value of the cheque will be immediately debited to the account. The customer will not be charged any interest from the date immediate credit was given to the date of return of the instrument, unless the Bank had remained out of funds on account of withdrawal of funds. Interest where applicable will be charged on the notional overdrawn balances in the account had credit not been given initially.

12.2 If the proceeds of the cheque were credited to the Savings Bank account and were not withdrawn, the amount so credited will not qualify for payment of interest when the cheque is returned unpaid.

12.3 If the proceeds were credited to an Overdraft/Loan account, interest will be recovered at the rate of 2% above the interest rate applicable to the Overdraft/Loan from the date of credit to the date of reversal of the entry if the cheque/instrument was returned unpaid to the extent the Bank was out of funds.

13. Procedure for return / despatch of dishonoured cheques

13.1 The dishonoured instruments will be returned/ dispatched to the customer promptly without delay, in any case within 24 hours.

13.2 The paying bank would return dishonoured cheques presented through clearing houses strictly as per the return discipline prescribed for respective clearing house in terms of Uniform Regulations and Rules for Banker's Clearing houses. The collecting bank on receipt of such dishonoured cheques would despatch it immediately to the payees/holders.

13.3 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 would return such dishonoured cheques to payees/holders immediately.

13.4 In case of dishonour / return of cheques, the paying banks would clearly indicate the return reason code on the return memo/objection slip which would also bear the signature/initial of the bank officials as prescribed in Rule 6 of the Uniform Regulations and Rules for Bankers' Clearing Houses (URRBCH).

14. Service Charges

14.1 For all Collection services, branches would recover appropriate service charges as prescribed and communicated by Corporate Office from time to time.

Appendix I

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 required 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 1 st proximo
75	Pay order 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