

Cheque Collection Policy

Date: November 14, 2017.
Version: 1



Table of Content

1. Policy Content.....	2
2. Document Control	6
3. Revisions to the Policy.....	7
4. Persons & Departments involved.....	7
5. Glossary	7
6. Appendix.....	8

1. Policy Content

All personnel carrying out their duties with regard to the Cheque Collection function should ensure that they comply with the requirements of this policy. All Appendix referenced in this section - content mentioned to be moved into the body of the policy aside from Appendix I

For Frequently Asked Questions (FAQs) regarding this policy please refer to Appendix II

With reference to the RBI regulation guidelines detailed in Appendix I and the model cheque collection guidelines as detailed by IBA the following policy will be followed by Fincare Small Finance Bank:

1.1. With reference to Points 1, 6,7,15 in Appendix I, the arrangements for Collection and instant credit of cheques payable locally, would be followed as detailed below.

- All cheques and other negotiable instruments payable locally would be presented through the clearing system prevailing at the centres.
- 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. The cut off timings varies from branch to branch.
- The applicable cut off timings is displayed on the cheque drop box and in branches for the benefit of customers.
- 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 clearing cycle.
- The Bank would give credit to the customer account on the same day or maximum by the subsequent working day, from the time clearing settlement takes place.
- Withdrawal of amounts so credited would be permitted Post the cheque return and communication from clearing house to the bank

1.2. With reference to Point 1, 6,7,15 in Appendix I, the arrangements for Collection and instant credit of cheques at outstation centres within India and abroad would be followed as detailed below. Immediate credit shall be provided against outstation collection instrument at the specific request of the customer or as per prior arrangement and as per the criteria mentioned below.

- Cheques drawn on other banks at outstation centres will normally be collected through bank's branches at those centres.
- Where the bank does not have a branch of its own, the instrument would be directly sent for collection to the drawee bank or collected through a correspondent bank.
- The bank would also use the National Clearing Services offered by RBI at centres where such collection services exist.
- Cheques drawn on bank branches at outstation centres will be collected using inter-branch arrangements in vogue.

- Cheques drawn on Metro / Non-metro cities where the Bank has a branch, credit will be given on receipt of clear funds. Funds will be credited to the client account once in a day.
- Collection of other Bank cheques between
 - Main metros (Mumbai, Chennai, Kolkata, New Delhi) and state capitals (other than those of North Eastern states and Sikkim): 7 working days for collection.
 - Major cities: Maximum period of 10 working days.
 - In all other centres where we have branches: maximum period of 14 working days.
- Cheques drawn on non-branch locations where we have a tie-up with correspondent bank, and where we do not have tie up with correspondent bank: maximum 14 working days. Charges will be applicable on the above as defined from time to time in the Schedule of Charges for each of the products.

*Working Days - Working Days means excluding Sundays and bank holidays at the respective centres.

Payable at par Cheque books

Payable at par / multi-city CTS 2010 standard cheques will be issued to all customers. There will be no value cap for PAP cheque issuance and no charges will be levied for payment of PAP cheques.

Delayed clearing cycle for non-CTS 2010 standard cheques: The cheques will be presented as per RBI directions

Immediate Credit of Outstation Cheques

A) Eligibility Criteria

1. Value of cheque shall not exceed Rs.5000/-.
2. The beneficiary account shall be at least one-year old
3. NIL cheque returns in the account issued by customer in the last 6 months.
4. Average Quarterly Balance as per product offering maintained for the last 2 quarters.
5. Immediate credit facility will not be given to overdraft/loan account.
6. No cheque purchased under immediate credit earlier should be outstanding/pending for collection or returned unpaid.
7. The cheque should be tendered at the base branch of the customer

B) The facility will be provided only for those cheques that are drawn on Fincare branch locations.

Normal cheque collection charges will be applicable. Cheque returns and charging of interest on cheques returned unpaid where immediate credit was given:

- a) If the cheque is returned unpaid, the value of the cheque will be immediately debited to the account along with MCLR rate plus 2% for the period i.e. from the date of immediate credit to the date of debit to the account.
- b) 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

Cheque return charges applicable for outstation cheques will be levied.

- 1.3.** With reference to Point 6, 7, 15 in Appendix I, please refer below for compensation policy regarding payment of Interest for delayed collection of Local and Outstation Cheques and for Immediate Credit of Local cheques during suspension of Clearing.

Payment of Interest for Delayed Collection of Local Cheques

Interest at 3.5% p.a. will be paid to the customer on the amount of the clearing instrument and for the period of the delay in case there is delay in giving credit beyond the time period mentioned above after the cheque is presented in clearing subject to the cheque being otherwise in order.

The interest shall be paid without any demand from customers. However, bank will not be liable for compensation if clear funds are delayed due to unavoidable circumstances like riots, bandh, delay in return presentation by drawee bank, suspension of Clearing house etc.

Payment of Interest for Delayed Collection of Outstation Cheques

As part of the compensation policy, interest will be paid to the customer on the amount of the collection instrument in case there is delay in giving credit beyond the time period mentioned above. The interest shall be paid without any demand from customers.

- a) A rate of 3.5% p.a. for the period of delay beyond the normal stipulated time of 7/10/14 days as the case may be in collection of outstation cheques.
- b) Where such delay is beyond 14 days interest will be paid at a rate of 3.5% p.a. applicable for the respective period.
- c) In case of extraordinary delay, i.e. delay exceeding 90 days interest will be paid at the rate of corresponding to the Term Deposit rate.

At certain locations where bank has no branches, the instrument would be directly sent for collection to the drawee bank or collected through a correspondent bank. On account of any unjustified delays on part of the drawee bank in sending the proceeds to the collecting bank i.e. Fincare Small Finance Bank, would not be liable to pay any compensation to the customer, beyond 14 working days.

Bank would share/notify customers on demand, of the cheques that are delayed by the drawee banks.

- 1.4.** In the event 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 policy and procedure followed as detailed in below.

- Whenever clearing house operations are suspended for a prolonged period for reasons beyond the control of authorities, bank customers are put to a great hardship as this affects prompt realization of their cheques that are deposited at banks belonging to the affected areas.

- In order to minimize the inconvenience faced by customers and also to maintain good customer service, the Bank will consider to temporarily accommodating customers to the extent possible by purchasing the local cheques / drafts deposited in their accounts for collection.
- Special consideration will be shown for cheques drawn by Government departments and companies of good repute as also to demand drafts drawn on local banks. While extending this facility, the bank will take into consideration factors such as credit worthiness, integrity, past dealings, etc. to safeguard itself against any possibility of such instruments being dishonoured subsequently.

In event of loss

- The bank shall immediately on coming to know of the loss bring the same to the notice of account holder.
- The bank would provide all assistance to the customer to obtain a duplicate instrument from the drawer of the cheque like giving a certificate that it was lost etc.
- The bank will compensate the customer in respect of instrument lost in transit in the following way:
 - In case intimation regarding 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.
 - In addition, bank will pay interest on the amount of the cheque for a further period of 15 days at 3.5% p.a. to provide for likely further delay in obtaining duplicate cheque/instrument and collection thereof.
 - The bank would also compensate the customer for any reasonable charges (up to Rs Five Hundred) that he/she incurs in getting duplicate cheque/instrument upon production of receipt, in the event the instrument is to be obtained from a bank/ institution that would charge a fee for issue of duplicate instrument. If the cheque or instrument has been lost at the paying bank's branch, the collecting banker should have a right to recover the amount reimbursed to the customer for the loss of the cheque/ instrument from the paying banker.

1.5. Bank may, at its discretion, purchase local/outstation cheque tendered for collection at the specific request of the customer or as per prior arrangement. Besides satisfactory conduct of account, the standing of the drawer of the cheque will also be a factor considered while purchasing the cheque. All branches will follow the internal guidelines as per the extant delegation of authority given on purchase of cheques. This policy has been framed with reference to Point 2 in Appendix I.

1.6. Reserve Bank of India has prohibited banks from crediting "account payee" cheque to the account of any person other than the payee named therein. Fincare Small Finance Bank does not collect account payee cheques for any person other than the payee constituent. This policy has been framed with reference to Point 8 in Appendix I.

1.7. The bank shall 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 prevents

it from performing its obligations within the specified service delivery parameters. This policy has been framed with reference to Point 9 in Appendix I.

1.8. With reference to Points 10 - 15 in Appendix I, the policy and procedural details in case of dishonour of cheque have been mentioned below.

- In case a cheque accepted for collection is returned unpaid, the bank will immediately debit the value of the cheque to customer account. As per various arrangements with the customer, bank shall recover interest for the period wherein bank was out of funds and/or per instrument rate which is applicable to customer as return charges.
- The bank will hand over or dispatch the return cheque on the basis of the arrangement with the customer along with return memo and return statement containing the transaction level details within two working days from the date of debit.
- Cheque return charges shall be levied only in case where the customer is at fault and is responsible for such returns. Cheques that need to be re-presented without any recourse to the payee shall be made in the next presentation clearing not later than 24 hours (excluding holidays).

Procedure for return/ dispatch of dishonoured cheques

The paying bank should 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 Bankers' Clearing Houses. The collecting bank on receipt of such dishonoured cheques should dispatch it immediately to the payees / holders.

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.

In case of dishonour / return of cheques, the paying banks should clearly indicate the return reason code on the return memo / objection slip which should 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)

2. Document Control

Compliance Department will be the custodian of this Policy.

The contents of this Policy are confidential and are intended for internal use by Fincare only.

This Policy should always be kept in a safe place and must not be copied or revealed to third parties (i.e. persons not employed by Fincare) without the express written permission from Compliance & Secretarial Department.

Distribution of this Policy, in whole or in part, should come through an official request to the Head of Compliance & Secretarial Department.

3. Revisions to the Policy

Revision of this Manual is the principal way of formalizing changes and adjustments in the Cheque Collection function at Fincare Small Finance Bank. Such revisions provide flexibility to the Cheque Collection function at Fincare Small Finance Bank and ensure that the Policy remains relevant at all times.

This policy should be reviewed every XX years / months unless some changes occur in the Cheque Collection function which requires immediate changes to be made in the Policy.

The Cheque Collection Department will review change requests and either recommend / reject any proposed revisions. The Cheque Collection Department Head / Committee / Board will review the recommendation and either accepts / rejects the proposed revision. If accepted, the Compliance & Secretarial Department will ensure that appropriate revisions are incorporated and a new version is circulated to relevant users.

4. Persons & Departments involved

The policy outlined here is mandatory and must be adhered to by all departments involved in the Cheque Collection function at Fincare Small Finance Bank. No deviations from the policy will be permitted unless:

1. The policies are in compliance with the Reserve Bank of India regulations.
2. Statutory or other regulatory requirements.

The contents of the Policy are strictly proprietary and confidential and should not be disclosed to any person outside Fincare Small Finance Bank.

5. Glossary

1. **Clearing System:** A system established to settle payments among banks or, in relation to the markets, to facilitate transactions such as the transfer of ownership of securities. In the markets, the clearing process is performed by a clearing house.
2. **Core Banking Solution (CBS):** It is networking of branches, which enables Customers to operate their accounts, and avail banking services from any branch of the Bank on CBS network, regardless of where he maintains his account. The customer is no more the customer of a Branch. He becomes the bank's Customer
3. **Cheque Truncation System (CTS):** is a cheque clearing system undertaken by the Reserve Bank of India (RBI) for faster clearing of cheques. As the name suggests, truncation is the process of stopping the flow of the physical cheque in its way of clearing.
4. **PDC and EMI Cheques:** Post-Dated Cheques (PDC) or Equated Monthly Instalment (EMI) cheques
5. **URRBC:** Uniform Regulations and Rules for Bankers' Clearing Houses.

6. Appendix

Appendix I

Sr No.	Regulation Authority	Circular/Regulation Date	Registration Code	Paragraph Reference	Compliance obligation summary
1	RBI	July 1, 2015	DBR No.Leg.BC.21/09.07.00 6/2015-16	3.2	<p>Master Circular on Customer Service in Banks:</p> <p>Banks should formulate a comprehensive and transparent policy taking into account their technological capabilities, systems and processes adopted for clearing arrangements and other internal arrangements for collection through correspondents. The policy should cover the following three aspects:</p> <ol style="list-style-type: none"> 1.Immediate Credit for Local / Outstation Cheques 2.Time frame for Collection of Local / Outstation Instruments 3.Interest payment for delayed collection
2	RBI	July 1, 2015	DBR No.Leg.BC.21/09.07.00 6/2015-16	5.5	<p>When clearing house operations are suspended, Banks may temporarily accommodate both borrowers and depositors by purchasing the local cheques, drafts, etc., deposited in their accounts for collection, with special consideration for cheques drawn by Government departments/companies of good standing and repute, and also demand drafts drawn on local Banks. When extending this facility, Banks should take into consideration such factors as creditworthiness, integrity, past dealings and occupation of the constituents, so as to guard themselves against any possibility of such instruments being dishonoured subsequently.</p>

3	RBI	July 1, 2015	DBR No.Leg.BC.21/09.07.00 6/2015-16	7.4	Non-cash transactions should be undertaken by Banks during the extended hours, i.e., up to one hour before the close of working hours. The concerned Banks should give to their constituents due notice about the functions to be undertaken during the extended Banking hours. Banks can have evening counters at the premises of existing branches in urban/metropolitan centres, provided the concerned clearing house is informed.
4	RBI	July 1, 2015	DBR No.Leg.BC.21/09.07.00 6/2015-16	12.1	Banks should ensure that any remittance of funds by way of demand drafts/mail transfers / telegraphic transfers or any other mode and issue of travellers cheques for value of ₹ 50,000/- and above is effected only by debit to the customer's account or against cheques or other instruments tendered by the purchaser and not against cash payment.
5	RBI	July 1, 2015	DBR No.Leg.BC.21/09.07.00 6/2015-16	13	<p>Banks should have a drop box facility and a facility for acknowledgement of cheques at regular collection counters. No branch should refuse to give an acknowledgement if the customer tenders the cheques at the counters and customers should not be forced to drop the cheques in the drop-box.</p> <p>Banks should invariably display on the cheque drop-box itself that "Customers can also tender the cheques at the counter and obtain acknowledgment on the pay-in-slips". The above message is required to be displayed in English, Hindi and the concerned regional language of the State.</p>

					Banks are also advised to make absolutely fool proof arrangements accounting for the number of instruments each time the box is opened so that there are no disputes and the customer's interests are not compromised.
6	RBI	July 1, 2015	DBR No.Leg.BC.21/09.07.00 6/2015-16	14.1.2	<p>Banks should have policies concerning</p> <ol style="list-style-type: none"> 1.Immediate Credit for Local / Outstation cheques 2.Time frame for Collection of Local / Outstation Instruments 3.Interest payment for delayed collection <p>Banks have been advised to reframe their Cheque Collection Policies to include compensation payable for the delay in the collection of local cheques. In case, no rate is specified in the CCP for delay in realisation of local cheques, compensation at savings Bank interest rate should be paid for the corresponding period of delay.</p> <p>Banks are advised that non CTS-2010 standard instruments will be cleared at less frequent intervals in the CTS clearing centres. Banks may educate and notify their customers of the likely delay in realisation of non-CTS-2010 standard instruments in view of the arrangement for clearing of such instruments at less frequent intervals. Banks' Cheque Collection Policies (CCPs) may also be modified suitably to reflect this change.</p>

7	RBI	July 1, 2015	DBR No.Leg.BC.21/09.07.00 6/2015-16	14.1.2	<p>Banks are advised to comply with the final order on 'timeframe for collection of outstation cheques' passed by the National Consumer Disputes Redressal Commission in case no. 82 of 2006.</p> <p>(i) Banks shall reframe their Cheque Collection Policies (CCPs) covering local and outstation cheque collection as per the timeframe prescribed by the Commission.</p> <p>(ii) For local cheques, credit and debit shall be given on the same day or at the most the next day of their presentation in clearing. Ideally, in respect of local clearing, Banks shall permit usage of the shadow credit afforded to the customer accounts immediately after closure of relative return clearing and in any case withdrawal shall be allowed on the same day or maximum within an hour of commencement of business on the next working day, subject to usual safeguards.</p> <p>(iii) Timeframe for collection of cheques drawn on State Capitals / major cities / other locations to be 7/10/14 days respectively. If there is any delay in collection beyond this period, interest at the rate specified in the CCP of the Bank, shall be paid. In case the rate is not specified in the CCP, the applicable rate shall be the interest rate on Fixed Deposits for the corresponding maturity. The timeframe for collection specified by the Commission shall be treated as outer limit and credit shall be afforded if the process gets completed earlier.</p>
---	-----	--------------	---	--------	---

					<p>(iv) Banks shall not decline to accept outstation cheques deposited by its customers for collection.</p> <p>(v) Banks shall give wide publicity to the CCP by prominently displaying salient features thereof in bold and visible letters on the notice board at their branches.</p> <p>(vi) A copy of the complete CCP shall be made available by the branch manager, if the customers require so.</p>
8	RBI	July 1, 2015	DBR No.Leg.BC.21/09.07.00 6/2015-16	14.2	<p>Banks are prohibited from crediting 'account payee' cheque to the account of any person other than the payee named _____ therein. Where the drawer / payee instructs the Bank to credit the proceeds of collection to any account other than that of the payee, the instruction being contrary to the intended inherent character of the 'account payee' cheque, Bank should ask the drawer / payee to have the cheque or the account payee mandate thereon withdrawn by the drawer. In order to facilitate collection of cheques from a payment system angle, account payee cheques deposited with the sub-member for credit to their customers' account can be collected by the member Bank (referred to as the sponsor member) of the Clearing House. Under such arrangements, there should be clear undertaking to the effect that the proceeds of the account payee cheque will be credited to the payee's account only, upon realization.</p> <p>Collecting Banks may consider</p>

					collecting account payee cheques drawn for an amount not exceeding ` 50,000/- to the account of their customers who are co-operative credit societies if the payees of such cheques are the constituents of such co-operative credit societies. Banks should have a clear representation in writing given by the co-operative credit societies concerned that, upon realization, the proceeds of the cheques will be credited only to the account of the member of the co-operative credit society who is the payee named in the cheque. Banks may note that the above instructions shall also extend to drafts, pay orders and Bankers' cheque.
9	RBI	July 1, 2015	DBR No.Leg.BC.21/09.07.00 6/2015-16	14.3.2	Banks should levy cheque return charges only if customer is at fault. In cases where the cheques need to be re-presented without any recourse to the payee, such re-presentation should be made in the immediate next presentation clearing not later than 24 hours(excluding holidays) with due notification to the customers of such representation through SMS alert, email etc.
10	RBI	July 1, 2015	DBR No.Leg.BC.21/09.07.00 6/2015-16	15.1	Banks are required to implement the recommendation of the Goiporia Committee that dishonoured instruments are returned / despatched to the customer promptly without delay

11	RBI	July 1, 2015	DBR No.Leg.BC.21/09.07.00 6/2015-16	15.2	<p>(i) The paying Bank should 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 Bankers' Clearing Houses. The collecting Bank on receipt of such dishonoured cheques should despatch it immediately to the payees / holders.</p> <p>(ii) 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.</p> <p>(iii) In case of dishonor / return of cheques, the paying Banks should clearly indicate the return reason code on the return memo / objection slip which should 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).</p>
12	RBI	July 1, 2015	DBR No.Leg.BC.21/09.07.00 6/2015-16	14.3.2	<p>Banks should levy cheque return charges only if customer is at fault. The illustrative, but not exhaustive, list of returns, where the customers are not at fault are indicated in the Annex VI.</p> <p>In cases where the cheques need to be re-presented without any recourse to the payee, such re-presentation should be made in the immediate next presentation clearing not later than 24 hours(excluding holidays) with due notification to the customers of such</p>

					representation through SMS alert, email etc.
13	RBI	July 1, 2015	DBR No.Leg.BC.21/09.07.00 6/2015-16	15.5	Banks should have a Board approved policy and need to take appropriate action in those accounts where cheques of value less than Rs.1 Crore are dishonored. The policy should also deal with matters relating to frequent dishonor of ECS mandates.
14	RBI	July 1, 2015	DBR No.Leg.BC.21/09.07.00 6/2015-16	15.6	Banks should extend full co-operation on behalf of a complainant in any proceeding relating to dishonoured cheque. Banks should place before their Audit/ Management Committee, every quarter, consolidated data of the same
15	RBI	July 1, 2015	DBR No.Leg.BC.21/09.07.00 6/2015-16	15.7	Banks should adopt, with the approval of their respective Boards, appropriate procedure for dealing with dishonoured cheques 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 dishonor of the cheque to the payee/ holder or the return of such dishonoured cheque to him Banks should also lay down requisite internal guidelines for their officers and staff and advise them to adhere to such

					guidelines and ensure strict compliance thereof.
16	IBA	February 23,	D.O.BCSBI.NO.1585/03 .01.001/2006-07	NA	<p>Model Policy on Cheque Collection:</p> <p>The document mentions the model policies for</p> <ol style="list-style-type: none"> 1. Collection of cheques and other instruments payable locally, at centres within India and abroad. 2. Time norms for collection of instruments. 3. Policy on payment of interest in cases where the bank fails to meet time norms for realization of proceeds of outstation instruments. 4. Our policy on dealing with collection instruments lost in transit. <p>BCSBI has made certain Immediate Credit should be afforded to all eligible account holders up to a specified amount subject to satisfactory conduct of such accounts.</p>

Appendix II

Frequently Asked Questions:

1. What are the time taken for realization of local and outstation cheques and compensation payable?

Local Cheques

Local cheques are payable within the jurisdiction of the clearing house and will be presented through the clearing system prevailing at the centre. Credit arising out of local cheques shall be given to the customer's account as indicated in the Cheque Collection Policy (CCP).

Outstation Cheques

Maximum timeframe for collection of cheques drawn on state capitals/major cities/other locations are 7/10/14 days respectively.

If there is any delay in collection beyond this period, customer is entitled to receive compensation at the rate specified in the Cheque Collection Policy (CCP) of the bank.

2. What if the bank charges a large sum of money for cheque collection? Is there any remedy?

Local Cheque collection charges are decided by the concerned bank from time to time and communicated to customer through their Cheque Collection Policy as part of the Code of Bank's Commitment to Customers.

Banks will not charge more than the following for outstation cheques:

Up to and including Rs.5000 – Rs.25 per instrument + GST;

Above Rs.5000 and Up to and including Rs.10, 000 – not exceeding Rs.50 per instrument+ GST;

Above Rs. 10,000 and up to and including Rs.1, 00,000 – not exceeding Rs.100 per instrument + GST; Rs.1, 00,001 and above – left to the banks to decide.

No additional charges such as courier charges, out of pocket expenses, etc., will be levied.

It may be noted, no outstation cheque collection charges to be levied if the collecting bank and the paying bank are located within the jurisdiction of the same CTS grid even though they are located in different cities.

3. My bank refuses to accept outstation cheques for collection. Is there any remedy?

The bank will not refuse to accept outstation cheques deposited for collection or refuse to offer its products to customers.

4. Can I know a bank's Cheque Collection Policy?

The bank has developed their own individual policy / procedures relating to collection of cheques. The customer is entitled to receive due disclosures from the bank on the bank's obligations and the customers' rights.

Broadly, the policies formulated by banks should cover the following areas:

Immediate credit for local/outstation cheques, Time frame for collection of local/ outstation instruments and compensation payable for delayed collection.

5. What are the other means of transfer of funds?

They are RTGS (Real Time Gross Settlement) & NEFT (National Electronic Fund Transfer).

For more details visit the FAQs on RTGS under the link <http://rbi.org.in/scripts/FAQView.aspx?Id=65> and NEFT under the link <http://rbi.org.in/scripts/FAQView.aspx?Id=60>.

In addition to the above, Immediate Payment Service (IMPS) is offered by National Payments Corporation of India (NPCI). For more details the website of NPCI under the link http://www.npci.org.in/imps_product.aspx may be visited.

6. Am I entitled to receive an acknowledgement for cheque deposited in a bank for collection?

Bank will provide both the cheque drop box facility and the acknowledgement facility at their collection counters.

7. What do I do if I still have a grievance?

If any customer has a complaint against a bank due to non-payment or inordinate delay in the payment or collection of cheques, complaint can be lodged with the bank concerned. If the bank fails to respond within 30 days, a complaint with the Banking Ombudsman may be lodged. No fee is levied by the office of the Banking Ombudsman for resolving the customer's complaint. A unique complaint identification number will be given for tracking purpose.

Complaints have to be addressed to the Banking Ombudsman within whose jurisdiction the branch or office of the bank complained against is located. Complaints can be lodged simply by writing on a plain paper or online at www.bankingombudsman.rbi.org.in or by sending an email to the concerned Banking Ombudsman. Complaint forms are available at all bank branches also.

Complaint can also be lodged by authorised representative (other than a lawyer) or by a consumer association/forum acting on customer's behalf. If the complainant is not satisfied with the decision of the Banking Ombudsman, an appeal can be made to the appellate authority in the Reserve Bank of India (Deputy Governor of Reserve Bank of India in charge of Consumer Education and Protection Department).