

Cheque Collection Policy

Introduction

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. This collection policy is a reflection of the Bank's 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 increase use of technology to provide quick collection services and convenience to its customers. This policy document covers the following aspects:

- Collection of cheques and other instruments payable locally, at centers within India and abroad.
- The Bank's commitment regarding time norms for collection of instruments.
- Policy on payment of interest in cases where the bank fails to meet time norms for realization of proceeds of outstation instruments.
- The Bank's policy on dealing with collection instruments lost in transit.

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1. Local cheques

All CTS Compliant cheques and other negotiable instruments which are payable under a grid system will be presented through the clearing system prevailing at the respective centers. 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. Cheques deposited after the cut-off time and in collection boxes outside the branch premises including off-site ATM will be presented in the next clearing cycle. The Bank will give credit to the customer account 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.

The bank branches situated at centers which are not members of any CTS Grid or where no clearing house exists, would present local cheques on drawee banks across the counter and it would be the Bank's endeavor to credit the proceeds at the earliest.

CTS grids have been implemented at three locations; Delhi, Chennai and Mumbai. The clearing of various cities has been linked to the CTS grid at these three locations. Reserve Bank of India will continue to issue directions to include clearing of additional cities to the three grid locations.

Cheque return charges shall be levied only in cases where the customer is at fault and is responsible for such returns. The illustrative list of reasons for returns, where the customers are not at fault is attached as Annexure 1.

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. Under grid-based CTS clearing, all cheques drawn on the bank branches falling in the grid jurisdiction will be treated and cleared as local cheques.

1(a) Clearing for Non-CTS cheques:

The separate Non-CTS clearing session has been discontinued from December 31, 2018. Banks can, however, continue to present such instruments in Express Cheque Clearing System (ECCS) centers.

Customers should make note of the above guideline while depositing the cheque as the non-CTS 2010 instruments will be credited/debited to accounts as per the outstation cheque collection process.

1(b) Timing for acceptance

Cheques would be accepted during business hours of the Bank branch. Alternatively, cheques can be deposited at ATM centers round the clock, wherever collector boxes are installed.

Collection timings for local cheques drawn on other banks (local clearing) The cut-off time for sending cheques for collection would be worked out for each location/ branch based on cut-off time afforded by clearinghouse at each location. The cut-off timings would be displayed at branches/ATM for customers.

1(c) Transfer Cheques (Drawn on own branches of the bank)

Collection timings for local cheques drawn on own branches of the bank (transfer cheques):

- Cheques deposited across the counter: Same working day
- Cheques deposited in Branch/ATM drop box: As per the cut off timings of the respective drop box
- Cheques collected by Doorstep Banking agency from customer's location: Next working day.
- Cheques drawn on the Bank's own branches at outstation centers will be collected using the inter-branch arrangements in vogue. Branches, which are connected through a centralized processing arrangement and are offering anywhere banking services to its customer will provide same day credit to its customers in respect of outstation instruments drawn on any of its branches in the Core Banking Solution network if received in the branch up to specified time and as per the cut off timings of the respective drop box if deposited / dropped in collection box outside the branch premises including the offsite ATMs.

2. Outstation cheques

Bank as a part of its normal banking operations, undertake collection of cheques deposited by their customers, some of which could also be drawn on non-local bank branches. Such cheques are called Outstation Cheques. Cheques drawn on other banks at outstation centers will normally be collected through the Bank's branches at those centers. 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 correspondent bank.

The definition of outstation cheques excludes demand drafts, banker cheques, CMS I-multipay instruments (IPAY), interest warrants, dividend warrants drawn on the Bank itself. Outstation cheque charges would be applicable only for inter-grid cheques under CTS clearing.

2(a) Time Frame for Collection of Outstation Cheques / Instruments:

For cheques and other instruments sent for collection to centers within the country the following time norms shall be applied:

- Cheques payable at state capitals: Maximum period of 7 days.
- Cheques payable at major cities: Maximum period of 10 days
- Cheques payable at other locations: Maximum period of 14 days.

3. Policy on collection of foreign cheques/instruments

3(a) Timing for acceptance of cheques:

Foreign currency cheques/instruments would be accepted during business hours of the Bank branch.

3(b) Time frame for collection of instruments

Cheques drawn on foreign countries are accepted for collection on the 'best effort' basis. The bank is committed to ensuring that the instruments drawn in foreign currencies and payable outside India are collected in the quickest and most efficient manner. Towards this the Bank may enter into specific collection of such instrument(s). Bank would give credit to the party upon realization credit of proceeds into the banks NOSTRO Account with the correspondent bank after taking into account cooling periods as applicable to the countries concerned.

3(c) Arrangements for collection

Cheques payable at foreign centers will be collected (realized) using services of correspondent banks. Cheques drawn on foreign banks at centers where the Bank does not have cheque collection arrangement with its correspondent banks will be sent directly to the drawee bank for collection with instructions to credit proceeds to the respective nostro account of the bank maintained with one of the correspondent banks. The cheque collection would be conducted within following parameters:

- Instruments with value greater than the limits mentioned below will be accepted for processing, to ensure that the charges are always lower than the value of the cheque/instrument. For currencies not mentioned herein, the limits applicable will be USD equivalent. These limits can be reviewed and modified by the Bank.

Currency Code	FCC Currency	Account Type	
		Saving	Current
USD	US Dollar	10	50
GBP	Great Britain Pound	10	50
AUD	Australian Dollar	10	100
CAD	Canadian Dollar	10	300
EUR	Euro	10	100
SGD	Singapore Dollar	10	100
CHF	Swiss Franc	100	100
KWD	Kuwaiti Dinar	100	100
OMR	Omani Riyal	100	100
NZD	New Zealand Dollar	100	100
JPY	Japanese Yen	10000	10000
Others	Other than above	500	500

- The mode of collection for foreign currency cheques/instruments will depend on the currency, drawee location and the amount of the instrument and would be informed to customer by the Branch. The customer can also refer ICICI Bank website for applicable modes of collection.
- The date of credit to account will be reckoned considering the value date of credit to Nostro account or credit to the Nostro account plus applicable cooling period.
- The exchange rate prevailing on the day of processing will be applied to the customer's transaction.
- The charges applicable would depend on the mode of collection under which the cheque/instrument is sent for collection and as mentioned in Schedule of Charges duly updated in our website and with Branches.

3(d) Modes of collection for Foreign Currency Cheques and time frame for Credit

Cash Letter arrangement: Under this arrangement, multiple cheques are attached as part of a "Cash Letter" and sent to the correspondent bank for clearing. The correspondent bank offers provisional credit in ICICI bank's nostro account held with it

and it is subject to return at a later date. To mitigate the risk of return, ICICI bank passes on the credit to the customer after observing a cooling period 8 days for cheques upto 350 currency units and 15 days for cheques above 350 currency units and value date the credit with the date on which the provisional credit been received in the Bank's nostro account, thereby being eligible for interest. The cooling period commences from the day the cheque is lodged by the central processing center with our correspondent bank. The cooling period may be reviewed and modified by the bank and would be notified to the customers in advance with 30 days' notice. Cheques deposited into Individual accounts only will be processed under Cash letter arrangements & cheques deposited into Current account will be processed in the subsequent arrangement mentioned below.

Cheques drawn in the following currencies and countries below a particular threshold (as specified and renewed from time to time) are sent for realization under this arrangement. The current maximum threshold limits to process the instrument under cash letter arrangements is 10,000 currency units.

- USD in USA
- GBP in UK
- EURO in EU
- AUD in Australia
- SGD in Singapore
- CAD in Canada

Provisional credit on sighting of funds in Nostro

For cheques sent under Cash Letter Arrangement, the Bank may at its discretion, extend credit on sighting funds in the Bank's nostro account.

Branches of the Bank will extend such provisional credit for foreign currency cheques/instruments subject to the Bank's parameters on customer's relationship size, vintage of the account and satisfactory track record in respect to cheque returns.

Cheques sent under final collection service arrangement: This arrangement is available only for cheques/instruments beyond a threshold (that could be reviewed from time-to-time) drawn on USD & GBP where the payable location is in USA and UK respectively. Cheques/Instruments above USD 10,000 upto USD 350,000 and above GBP 10,000 (no maximum limits set for GBP) are processed in this arrangement. For USD cheques drawn on New York, Philadelphia and Pennsylvania, the confirmed credit

is provided to ICICI Bank after 6 international working days from the date of receipt of cheque in the US. For other states in US the credit is received after 15 international working days from the day the cheque is received by the US correspondent bank. For GBP cheques/instruments the credit is received after 15 international working days from the time the cheque is received by the correspondent bank in UK. The transit time between receipt of such cheques from branch and the correspondent Bank is approximately 3-4 international working days.

'International Working days' excludes Saturdays, Sundays any public or declared holidays in USA, UK and India.

Kindly note that the following item types are no longer eligible for FCS processing in FCS arrangement (USD):

- a) Checks without a pre-printed maker name and city, state or province and country address. This includes blank or "starter" checks.
- b) Checks with the payee or maker name written only non-Western characters such as Arabic, Chinese, Cyrillic, Japanese, Korean, etc. (However, checks with the payee name or names written in both English and non-Western characters are acceptable.
- c) Remotely-Created Checks (RCC's) without a maker signature, as defined by the U.S. Federal Reserve Bank in Regulation CC.
- d) Checks without a pre-encoded bank routing number, also known as the FRB/ABA number

Cheques sent under pure collection basis: Any cheque/instrument that does not qualify to be sent under any of the afore-mentioned arrangements are sent for collection to the drawee bank. Credit in such cases is given when the Bank realizes the same. Though, there is no definite time period for collection of such cheques, as per our analysis it takes approximately 30 - 40 days for realizing the credit depending on the country on which the cheque is drawn.

For currencies where ICICI Bank does not have nostro arrangements, the funds would be received in our USD nostro for subsequent conversion to INR. Currently, ICICI Bank has nostro arrangement for cheque collection in the following currencies:

AED, AUD, CAD, CHF, DKK, EUR, GBP, HKD, JPY, NOK, NZD, QAR, SEK, SGD, USD, ZAR.

The Bank reserves the right to send the cheques/instruments under any of the above arrangements depending on the threshold limit and correspondent banking arrangement.

For current account holders, credit for foreign currency cheques will be extended on the date the credit is sighted in the Bank's Nostro account based on the mode of collection.

3(e) Charges applicable for foreign currency cheques

The charges levied for foreign currency cheques depend on the mode of collection for such cheques. The charge schedule is available at the Bank's branches and duly updated on the Bank's website. For foreign currency cheques sent on collection, correspondent bank charges and courier charges as incurred will be additionally levied, wherever applicable.

Effective July 1, 2017, GST is applicable on all foreign currency conversions and commission value. GST applicable is updated on the Bank's website.

In all the above scenarios, in case of any returns, the applicable return charges charged by the correspondent bank, courier charges and any other applicable charges, borne by ICICI Bank, would be debited from the account in which the cheque has been deposited. The charges would be as approved by the concerned Business Head from time to time based on cost of operations, market practice, etc.

3(f) Instant credit of foreign currency cheques/instruments

The Bank may, at its discretion, provide instant credit for foreign currency cheques/instruments tendered for collection at the specific request of the individual customers, which meet all of the following criteria with respect to the cheque/instrument and the account.

- i. The upper limit of such instant credit would be USD 300 or equivalent.
- ii. Instant credit would be offered only for cheque/instrument denominated in USD, GBP, EURO, AUD, SGD, CAD currencies.
- iii. Minimum vintage of account should be at least 1 year from the date of account activation.

- iv. No cheque returns issued by the customer in the account in the last 12 months.
- v. The account status should not be "Inactive" or "Dormant".
- vi. This facility will not be given to overdraft/loan account.
- vii. No earlier "immediate credit" should be outstanding for collection or returned unpaid.

The Bank would levy nominal charges for this facility.

In case of subsequent return of such instruments, the amount of the cheque along with all relevant charges would be recovered by debit to customers' account on the day of receipt of the return instrument or intimation of return.

The policy of instant credit would be reviewed annually considering the amount of losses, frauds, customer issues, etc.

3(g) Compensation for delayed credit

The Bank would not compensate the customer for delays in collection of cheques designated in foreign currencies sent to foreign countries as the bank would not be able to ensure timely credit from overseas banks. It is the bank's experience that time for collection of instruments drawn on banks in foreign countries differ from country to country and even within a country, from place to place. The time norms for return of instruments cleared provisionally also vary from country to country. Bank however, may consider upfront credit against such instrument by purchasing the cheque/instrument, provided the conduct of the account has been satisfactory in the past. However, the bank will compensate the customer for undue delays in affording credit once proceeds are credited to the Nostro Account of the Bank with its correspondent.

Such compensation will be given for delays beyond one week from the date of credit to Nostro Account/ due date after taking into account normal cooling period stipulated. The compensation in such cases will be worked out as follows:

- Interest for the delay in crediting proceeds as indicated below.
- Compensation for any possible loss on account of adverse movement in foreign exchange rate.

In case of delay beyond the date when the amount is due for credit, interest will be paid to the customer. For delay up to 14 days' interest will be paid at Savings Bank rate and where the delay is beyond 14 days' interest will be paid at the rate applicable to

for term deposit for the respective period. 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.

In the event the proceeds of cheque under collection was 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.

3(h) Instruments lost in transit/in clearing process or at paying bank's Branch

In the event the Bank is notified of an instrument being lost in transit or during collection, the Bank shall notify the account holder. The Bank will also provide necessary assistance to the customer to obtain a duplicate instrument.

For cheques lost prior to receipt by the correspondent, the Bank will bear the stop payment charges on customer producing the relevant document. Compensation for Foreign currency cheques would be applicable only if the Bank or its correspondent bank loses the cheque. The compensation in such cases would be as follows:

- In case intimation regarding loss of instrument is conveyed to the customer beyond the time limit stipulated for collection, interest will be paid for the period exceeding the stipulated collection period at the rates specified above.
- In addition, the 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 duplicate cheque/instrument and collection thereof.
- The Bank would also compensate the customer for any reasonable charges 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.

3(i) Return of foreign currency cheque/instrument

If the instrument sent for collection is returned unpaid at any time for any reason whatsoever including but not limited to "insufficient funds", "account closed", "fraudulent cheque" etc., the returning and other applicable charges would be recovered from the account in which the cheque has been deposited along with the value of the instrument if already credited.

Similarly, if any instrument for which immediate credit has been afforded or provisional credit given is returned unpaid, ICICI Bank will recover from the account the amount so credited together with other charges, if any, at the prevailing exchange rate along with applicable interest rates as may be decided by ICICI Bank.

The customer instructing the Bank to perform services shall be bound by and liable to indemnify the Bank against all obligations and responsibilities imposed by foreign laws and usages. Customers depositing cheques drawn on foreign centers are expected to be aware of usage/practices and laws related to cheques collection prevailing in drawee countries.

The cheques sent for collection by the collecting bank can be returned by the Banks located in any foreign country (after their presentation in clearing/collection) due to fraud/financial reasons. The fraudulent cheques can be returned by the banks in foreign countries at any time after their presentation.

In case of returned cheques, no protection is available to the collecting bank. Since the foreign bank recovers the amount of returned cheques earlier credited into account of collecting bank by debiting its nostro account, the collecting bank will not be able to provide any compensation to the depositor for cheques returned on fraud/financial reasons.

Further, the Bank has right to recover the proceeds of the cheques credited in depositor's account (at the ruling exchange rate equivalent to foreign currency amount debited by foreign bank to the nostro account of the collecting bank) along with the interest from the date of credit of proceeds till the date on which amount is recovered.

The various articles as detailed in the International Chamber of Commerce, Uniform rules for collection (ICC-522) will be applicable for collection of cheques.

4. Immediate credit of local/outstation cheques/instruments

Branches/extension counters of the Bank will grant immediate credit for outstation cheques/instruments up to the aggregate value of 15,000 tendered for collection by individual account holders subject to satisfactory conduct of such accounts. The facility of immediate credit would also be made available in respect of local cheques at centers where no formal clearing house exists.

Under this policy, value received instruments like Demand Drafts, Interest/Dividend warrants shall be treated at par with cheques.

In the event of dishonor of cheque against which immediate credit was provided, interest shall be recoverable from the customer for the period the Bank remained out of funds at the rate applicable for clean overdraft limits sanctioned for individual customers.

This immediate credit facility shall be subject to the account fulfilling the following criteria:

- Operating accounts of individuals (NRO (savings), NRE (savings) accounts, Minor accounts, Young Star and Bank@campus accounts shall not eligible)
- The account should be in Indian Rupees
- The cheque/DD should be drawn on a scheduled commercial bank, payable in India (excluding a co-operative bank)
- The facility shall be extended to a customer at his/her base branch only
- The account should have been opened more than one year back. In case of the I-kit accounts the period shall be considered from the date of activation
- Cheques shall not be postdated/out of date/nearing out of date (to avoid risk of return in clearing). The cheque must be deposited at least 7 working days from the date of expiry of the cheque
- The account shall not have been charged for non-maintenance of Quarterly/Monthly Average Balance in last three months / one quarter
- The account shall not be "inactive" or "dormant"
- The account shall not have had any cheque return charges – both for Inward & outward clearing in last three months preceding the Immediate credit request
- The amount of immediate credit, whether for a single or multiple cheques/DDs, shall not exceed ₹15,000 in an eligible account, at any point in time
- There should be no partial immediate credit of a cheque/DD
- The cheque shall not be the customer's own cheque from another account i.e. not a self-drawn cheque
- This limit of ₹15,000 for immediate credit is exclusive of the normal powers delegated to the Branch Head for cheque purchase
- Immediate credit will be provided against such collection instruments to customers on deposition of cheques
- The facility of immediate credit will be offered on savings bank/current/cash credit accounts of the customers. Operating accounts of individuals (NonResident Ordinary (savings), Non-Resident External (savings) accounts, minor accounts, Young Star and Bank@campus accounts shall not be eligible).

- Where the bank has not experienced any difficulty in recovery of any amount advanced in the past including cheques returned after giving immediate credit.

The Bank shall levy normal collection charges and out of pocket expenses while providing immediate credit against outstation instruments tendered for collection. Exchange charges applicable for cheque purchase will not, however be charged.

The facility of immediate credit would not be applicable to cheques collected under speed clearing arrangements.

The policy of immediate credit would be reviewed annually considering the amount of losses, frauds and customer issues.

5. Purchase of local/outstation cheques

The 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 the account, the standing of the drawer of the cheque will also be a factor considered while purchasing the cheque. The facility of purchase of outstation cheques will not be applicable to cheques collected under speed clearing arrangements.

Time frame for collection of local/outstation cheques/instruments:

Sr.No.	Cheque Type	Time Norms	Remarks
1	Local Cheque	on Settlement of funds	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 cycle is complete and clear credit is available in customer account.
2	Outstation cheques where cheque is drawn on a state capital	Seven working days	Working days shall not include Bank Holidays and days when clearinghouse is not operational. Working days will be considered only if it is working day at both the ends/centers.

Sr.No.	Cheque Type	Time Norms	Remarks
3	Outstation cheques where cheque is drawn on a major city	Ten working days	
4	Outstation cheques where cheque is drawn on any other location in India	Fourteen working days	
5	Cheque drawn on foreign countries	Best effort basis	Bank would give credit to the party on credit of proceeds to the Bank's Nostro Account with the correspondent bank after taking into account cooling periods as applicable to the countries concerned.

The above time norms (except cheques drawn branches in foreign countries) are applicable irrespective of whether cheques/instruments are drawn on the bank's own branches or branches of other banks if they participate in clearing house at the drawee location.

6. Payment of Interest for delayed collection of local/outstation cheques

The Bank will pay interest to its customer on the amount of collection instruments in case there is a delay in giving credit as per the matrix below:

6(a) Local Cheques:

Compensation at savings bank interest rate shall be paid for the corresponding period of delay.

6(b) Outstation Cheques:

S.No.	Scenario	Applicable Interest Rate
Cheque Deposited in Operative Account		
1	Drawn on State Capitals, Major Cities, and any other location	For a period of delay up to 14 days, Savings Bank rate of interest and for delay beyond 14 days, applicable term deposit rate of interest will be paid. Delay beyond 90 days - interest will be paid at the rate of 2% above the corresponding Term Deposit rate (applicable for period of delay. FD interest would be compensated from 1st day of delay)
Cheque Deposited in Loan Account		
1	Any delay beyond regular collection	Where the delay is beyond the regular collection period up to 90 days, interest will be paid at the rate applicable to the loan account for the respective period. Delay beyond 90 days – interest will be paid at the rate of 2% above the rate applicable to the loan account (Interest would be compensated from 1st day of delay).

Period of delay, for the purpose of payment of interest, will be calculated as the gap between the defined date of credit of cheque and the actual date of credit. Such interest shall be paid without any demand from customers in all types of accounts. The defined date of credit is typically defined at the time of collection of cheque for each channel. There shall 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. It may be noted that the interest payment would be applicable only for instruments (drawn in INR) sent for collection within India where ICICI Bank has a branch or cheque is collected by correspondent bank. In case of any claims raised by the customer on account of delayed interest payments the bank would settle the claim within 90 days of receipt.

6(c) Cash Management Services:

For customers availing Cash Management Services (CMS), collection of instruments is carried out as per the terms of the bilateral agreement between the bank and customers. Penalties, if any, will be payable as per the terms of the bilateral agreement.

7. Cheques/Instruments lost in transit/in clearing process or at paying bank's branch

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 Bank shall immediately on coming to know of the loss, bring the same to the notice of the account holder so that the account holder can inform the drawer to record stop payment and also take care that cheques, if any, issued by him/her are not dishonored due to non-credit of the amount of the lost cheques/instruments. The Bank would provide all assistance to the customer to obtain a duplicate instrument from the drawer of the cheque. This will be applicable only to instruments drawn in INR payable within India.

If the Bank loses the cheque, the Bank will bear the stop payment charges on customer producing relevant document.

The compensation in such cases would be as follows:

- In case intimation regarding loss of instrument is conveyed to the customer beyond the time limit stipulated for collection 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 Savings Bank rate 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 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.

8. Miscellaneous:

- RBI has directed that no changes/corrections should be carried out on the cheques. For any changes in the payee's name, currency amount (amount in figures) or legal amount (amount in words) etc. fresh cheque forms should be

used by customers. This will help Banks to identify and control fraudulent alterations.

- Cheques which are deposited with wrong account number mentioned on the Pay-in slip, Bank will return such cheques to the customers on the address mentioned within 48 working hours however in cases with incomplete address, incomplete phone number, no phone number mentioned on the Payin slip, the bank will keep these instruments for a maximum period of 3 months.
- Cheques received back unpaid will be returned by post/ courier etc. to the customer within 24 working hours on the address recorded in Bank's database. However, these will be kept in the Bank for returning to the customer over the counter if he/she makes a request for the same. If not collected by the customer within 15 days' bank will send them back at the recorded address by post or courier.
- Where the 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 will not collect account payee cheques for any person other than the payee constituent.

9. Force majeure

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.

10. Charging of interest on cheques returned unpaid where instant credit was given

If a cheque sent for which immediate credit was provided by the Bank is sent for collection and 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 would be charged on the notional overdrawn balances in the account had credit not been given initially.

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. If proceeds were credited to an overdraft/loan account, interest shall 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 were returned unpaid to the extent the bank was out of funds.

11. RBI communication

The cheque collection policy will be reviewed annually.

12. Service Charge

For all collection services the Bank will recover appropriate service charges as decided by the Bank from time to time and communicated to customer as indicated in the code of banks commitment to customers adopted by the Bank and published on website.

Annexure 1

Illustrative but not exhaustive list of objections where customers are not at fault

(Applicable for Instrument and Image-based Cheque Clearing to Uniform Regulations and Rules for Bankers' Clearing Houses)

S. No.	Cheque return Code No.	Reason for Return
1	33	Instrument mutilated; requires bank's guarantee
2	35	Clearing House stamp/date required
3	36	Wrongly delivered/not drawn on us
4	37	Present in proper zone
5	38	Instrument contains extraneous matter
6	39	Image not clear; present again with paper
7	40	Present with document
8	41	Item listed twice
9	42	Paper not received
10	60	Crossed to two banks
11	61	Crossing stamp not cancelled
12	62	Clearing stamp not cancelled
13	63	Instrument specially crossed to another bank
14	67	Payee's endorsement irregular/requires collecting bank's confirmation
15	68	Endorsement by mark/thumb impression requires attestation by Magistrate with seal
16	70	Advice not received
17	71	Amount/Name differs on advice
18	72	Drawee bank's fund with sponsor bank insufficient(applicable to sub-members)
19	73	Payee's separate discharge to bank required
20	74	Not payable till 1st proximo
21	75	Pay order requires counter signature
22	76	Required information not legible/correct
23	80	Bank's certificate ambiguous/incomplete/required
24	81	Draft lost by issuing office; confirmation required from issuing office
25	82	Bank/Branch blocked

S. No.	Cheque return Code No.	Reason for Return
26	83	Digital Certificate validation failure
27	84	Other reasons-connectivity failure
28	87	'Payee's a/c Credited' – Stamp required
29	92	Bank excluded

Last Reviewed date: 31st January 2022.