

F. Bank's Cheque Collection Policy

F (1) : Preamble

The said policy is formulated as per guidelines issued by the Reserve Bank of India circular RBI/2008/2009/353/UBD(PCB) BPD Cir No.34/09.39.000/2008-09 dated 20 January 2009.

As per National Consumer Dispute Redressal Commission, the timeframe prescribed by the Commission be followed as:

- i. For local cheques, credit & debit shall be given on the same day or at the most on the next day.
- ii. Outstation cheques collection, the timeframe be followed:

Cheques drawn on	Day on which credit to be given
State Capital	On 7 th Day
Major cities	On 10 th Day
Other Locations	On 14 th Day

If there is any delay in collection of the said cheques beyond this period, interest at the fixed deposit rate, or at a specified rate as per the respective policy of the banks, is to be paid to the payee of the cheques. In case the rate is not specified in the Cheque Collection Policy (CCP), the applicable rate shall be interest rate on Fixed Deposits for the corresponding maturity. The timeframe for collection specified by Commission shall be treated as outer limit and credit shall be afforded if the process gets completed earlier. The UCBs shall not decline to accept outstation cheques deposited by their customers for collection.

The collection period of outstation cheques and interest payable thereon in case of delay shall be published on the notice board in a precise manner in bold/visible letters at conspicuous place in every branch.

The Cheque Collection Policy of the Bank is formed as based on the above directives

The bank is '**Direct member**' of clearing houses at various States where bank has its operations. As the bank is providing anywhere banking facility, customer can deposit cheques at his nearest branch.

For giving credit within prescribed timeframe, the cheques be presented through National clearing, Speed Clearing

The cheques can be presented through any of the following types of clearing for realization:

F (2): Local clearing

Bank is having Direct membership of clearing houses at its operational area. Customers can deposit their cheques in the branch and the credit is given on realization immediately, depending up on the MICR/NON-MICR clearing at various centers of the bank, as follows :

F (2.a): For MICR cheques

On the next day of the cheque deposit date if deposited within prescribed timings of clearing or third working day from date of deposit of cheque if deposited after prescribed timing of clearing.

(E.g. if a cheque is deposited on 01.03.09 within prescribed time limit, the clearing date will be 02.03.09 or on 03.03.2009 on which credit will be given to account).

F (2.b): For Non- MICR cheques

On Third working day of deposit date of cheque if deposited within prescribed timings of clearing.

(E.g. if a cheque is deposited on 01.03.09 within prescribed time limit, the clearing date will be 03.03.2009 on which credit be given to customer).

F (2.c): Immediate Credit of Local cheques

Cheques upto Rs.5000/- will be immediately credited, only if the customer demands subject to following conditions

- The account should be at least one year old.
- There should not be any cheques return for last one year.
- The account balance should not be less than Rs.5000/- at any time for last one year.
- Charges of Rs.25/- will be applied for each cheque.
- Necessary documents to be executed by the account holder.

F (2.d): Speed clearing

The bank is participating in Speed Clearing at its operational area, where Speed Clearing System is implemented by clearing houses. Under this system, outstation cheque deposited by customer be sent for collection through local clearing if drawee

bank's branch is CBS enabled. Same day clearance be given to all outstation cheques drawn on participated banks/branches.

F (3): Outstation Bills Collection

The bank is having tie up with HDFC bank for OBC collection as well as the cheques are presented through the branches where the bank is having its own branches. In case, if cheques presented through bank's branch, credit should be given on at the most 6th working day from deposition of cheques through intersol transactions. Normally time required for collection of outstation cheques through OBC Collection scheme of HDFC Bank is 8 to 10 working days depending upon locations. The bank gives credit to the customers immediately on the next day after realization of cheque through intersol transactions.

F (3.a): Immediate Credit of Outstation Cheques

Outstation Cheques upto the value of Rs.5000/- deposited by individual account holders will be credited immediately subject to the compliance of following conditions,

- The account should be at least one year old.
- There should not be any cheques return for last one year.
- The account balance should not be less than Rs.5000/- at any time for last one year.
- Regular cheques collection charges will be applicable.
- Necessary documents to be executed.

If there is any delay in the specified period mentioned above, interest at the rate of 2 % p.a. will be paid to the payee of the cheque for delayed period. The said penal interest will be paid by the Bank without any claim from the customer.

F (4): Clearing Charges

Charges will be applicable as declared from time to time.
