



CHEQUE CLEARING POLICY

In conformity with instructions / guidelines issued from RBI vide circular No.2012-13/165/DPSS. Co CHD No.284/03.06.03/ 2012-13 dt.13.08.2012, Bank is formulating cheque / instrument clearing policy to make the qualitative changes in operational system. The policy will reflect the on-going efforts of the Bank for setting higher standards for performance resulting in better services to our customers.

The policy takes into consideration the standard time limit for collection of local as well as outstation cheques and stipulates the compensation to customer for delay, over the standard time, in clearance.

LOCAL CHEQUES -

In case of Direct Clearing Membership :

- * All cheques and other Negotiable Instruments payable locally would be presented through the clearing system prevailing at the center.
- * 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 ATMs will be presented in the next clearing cycle.
- * As a policy, bank will give credit to the customer account on the same day after clearing settlement takes place.
- * Withdrawal of amounts so credited would be permitted as per the cheque return schedule of the clearing house.
- * Wherever applicable, facility of high-value clearing (same day credit) will be extended to customers

IN CASE OF CLEARING SUB MEMBERSHIP :

- * Where our Branches are not direct clearing members, the Branch will give Credit to the customer account on the second day of clearing settlement subject to cheque return schedule of the clearing house.

OUTSTATION CHEQUES :

- * Cheques drawn on other Banks at outstation centers will normally be collected through 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 a correspondent Bank.
- * Cheques drawn on Bank's own Branches covered under CBS network at outstation centres will provide same day credit to its customers.
- * Timeframe for collection of cheques drawn on cities locations where Bank is having its Branches shall be 7 days for other locations 14 days.

PURCHASE OF LOCAL / OUTSTATION CHEQUES -

- * Bank may, at its discretion, and as permitted by the regulatory authorities purchase local / outstation cheques 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.

INTEREST TO BE PAID FOR DELAYED CLEARANCE (COLLECTION) :

- * In all cases of delay in collection of outstation cheques and other instruments, the Banks will pay interest at Saving Bank rate for delayed collection of outstation cheques/instruments drawn on outstation Branches of other (drawee) Banks and sent for collection, even if not demanded by customers.
- * If the proceeds are not realized / credited to the customers' accounts or the unpaid instruments are not returned to customers within the period specified from the date of their lodgment, and if the delay is abnormal (i.e. above 30 days) Bank will pay interest at the rate as applicable for appropriate tenor of fixed deposit for the period of delay beyond the specified period for collection of outstation instruments.

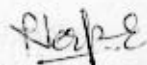
LOSS OF CHEQUE / INSTRUMENTS IN TRANSIT / IN CLEARING PROCESS OR AT THE BRANCH OF PAYING BANK :

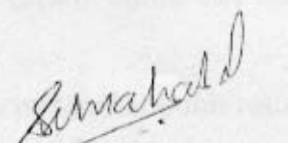
In the event a cheque or an instrument accepted for collection is lost in transit or in the clearing process or at the paying Bank's Branch, the Bank shall immediately on coming to know of the loss, bring the same to the notice of the account holder so that the account holder can inform the drawer to record stop payment.

- * The Bank would provide all assistance to the customer to obtain a duplicate instrument from the drawer of the cheque.
- * The Bank will compensate the account holder 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 who would charge a fee for issue of duplicate instrument.

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 preventing it from performing its obligations within the specified service delivery parameters.)


Manager
[P&D]


General Manager
[Admin.]


Chief Executive Officer


Chairman