

This collection policy of the Bank is a reflection of the 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 to its customers. This policy document covers the following aspects:

1. Collection of cheques and other instruments payable locally, at centers within India and abroad.
2. Policy on providing immediate credit
3. Purchase of local/ outstation cheques
4. Our commitment regarding time norms for collection of instruments.
5. Policy with regards to clearing of non-CTS-2010 Standard cheques
6. Policy on payment of interest in cases where the bank fails to meet time norms for realization of proceeds of outstation instruments.
7. Our policy on dealing with collection instruments lost in transit.
8. Procedure to be followed in case of cheques dishonored.

Collection of Cheques and other instruments payable locally, at centers within India and abroad

Local Cheques: 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 would give credit to the customer account on the same day clearing settlement takes place. Withdrawal of amounts so credited would be permitted as per the cheque return schedule of the clearinghouse. Wherever applicable, facility of high-value clearing (same day credit) will be extended to customers. Bank branches situated at centers 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.

The cut-off time for sending cheques for collection would be worked out for each location/branch based on cut-off time afforded by clearing house at each location. The cut-off timings would be displayed at branches/ATM drop boxes for customers

For local cheques the time lines for local clearing will apply. The account holder is allowed to withdraw funds after the cut-off time as per return clearing norms in vogue at the center

For local cheques drawn on own branches of bank (Transfer cheques), the account will be credited on the same day (in case of a working day) or the next working day if the cheque had been deposited across the counter in a branch or in a cheque drop box in the branch/ on-site ATMs

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. The bank would also use the National Clearing services offered by the Reserve Bank of India at centers where such collection services exist. Cheques drawn on 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 customers will provide same day credit to its customers in respect of outstation instruments drawn on any of its branches in the CBS network.

Cheques payable in Foreign Countries: The Bank may choose to partner with other banks for cheque payment in foreign countries. The services of such correspondent banks will be utilized in country/centers where the correspondent has presence. Cheques drawn on foreign banks at centers where the bank or its correspondents do not have direct presence will be sent direct to the drawee bank with instructions to credit proceeds to the respective Nostro Account of the bank maintained with one of the correspondent banks.

Providing Immediate Credit

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.

The bank shall ensure the following time norms for credit to account based on collection of cheques:

Type of collection	Time norm for credit to account
Local cheques presented in clearing	Date of settlement of funds in clearing
Cheques presented at any of the four major Metro Centers (New Delhi, Mumbai, Kolkata and Chennai) and payable at any of the other three centers	Max: 7 days
Cheques presented at other Metros and State Capitals (other than those of North Eastern States and Sikkim)	Max: 10 days
Cheques presented in all other centers	Max: 14 days
Cheques drawn on foreign countries	On a best efforts basis

For cheques drawn on foreign countries, the Bank may enter into specific collection arrangement with its correspondent bank for speedy collection. The Bank shall 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 timeframe specified above for collection shall be treated as the outer limit and credit shall be afforded earlier if the process of collection gets completed earlier.

The above time norms are applicable irrespective of whether cheques/instruments are drawn on the bank's own branches or branches of other banks.

Policy with regards to clearing of Non-CTS-2010 Standard Cheques

1. Non-CTS-2010 standard cheques (including PDC and EMI cheques) shall be sent for the next clearing session as scheduled by the CTS center, with at least a gap of 1 working day from the date of cheque deposit.
2. 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.
3. The Bank will return the non-CTS-2010 instruments, if any, presented in the regular CTS clearing. Such returned instruments will be re-presented by the Bank in the immediate next special clearing session for non-CTS-2010 instruments.

Payment of Interest for Delayed Collection of Local/ Outstation Cheques

The Bank shall pay interest to the customer on the amount of collection instruments in case there is delay in giving credit beyond the specified time period. Such interest shall be paid without any demand from customers in all types of accounts. 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.

The rate of interest to be paid shall be decided based on Board-approved Compensation Policy of the Bank

Cheques/Instruments Lost in Transit/in clearing process or at paying bank's branch

In the event of 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 about 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 shall provide all assistance to the customer to obtain a duplicate instrument from the drawer of the cheque.

The compensation to be paid, if any, shall be decided based on Board-approved Compensation Policy of the Bank

Procedure to be followed in case of Cheques Dishonored

A return advice shall be prepared wherein the reason for return of cheque shall be indicated. The advice along with the cheque shall be sent to the customer by registered post, local delivery or other suitable means without delay.

Service Charges

For all collection services the Bank shall 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

Force Majeure

The Bank shall not be liable to compensate the 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 prevents it from performing its obligations within the specified service delivery parameters.