

**Credit Control and Other Measures**  
**January 2000**

**Selected circular issued by the Reserve Bank of India during January 2000 is reproduced below.**

Ref. UBD No. DS.PCB.CIR.21/13.05.00/1999-2000 dated January 17, 2000.

**The Chairmen**

**All Primary Cooperative Banks**

**Customer Service – Collection of Outstation Cheques**

Please refer to our Circular UBD.NO.DS (PCB) CIR.66/13.05.00/94-95 dated June 30, 1995 advising the banks, *inter alia*, the time schedule for collection of outstation cheques. In terms of para 3 thereof, it has been reiterated that banks should ensure that where delays in collection of outstation cheques occur, the account holders are paid **penal interest without their making request therefor.**

2. It has now been brought to our notice that banks are not giving automatic credit of interest for delayed collection of outstation cheques, but they comply with the same only if the matter is brought to their notice.

3. In view of the foregoing, we advise that necessary instructions may be issued to your branches with a view to ensuring strict compliance of our instructions for automatic credit of interest in respect of delayed collection of outstation cheques so as to avoid any room for representations / complaints from public.