



भारतीय रिज़र्व बैंक

RESERVE BANK OF INDIA

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RBI/2012-13/444

DPSS.CO.CHD.No. 1622/ 04.07.05 / 2012-13

March 18, 2013

The Chairman and Managing Director / Chief Executive Officer
All Scheduled Commercial Banks including RRBs /
Urban Co-operative Banks / State Co-operative Banks /
District Central Co-operative Banks/Local Area Banks

Madam / Dear Sir

Standardization and Enhancement of Security Features in Cheque Forms/Migrating to CTS 2010 standards

A reference is invited to our [circular DPSS.CO.CHD.No. 955/04.07.05/2012-13 dated December 14, 2012](#). On a review of the progress made by banks so far in migration to CTS-2010 standard cheques and in consultation with a few banks and Indian Banks Association, it has been decided to put in place the following arrangements for clearing of residual non-CTS-2010 standard cheques beyond the cutoff date of March 31, 2013.

- a. All cheques issued by banks (including DDs / POs issued by banks) with effect from the date of this circular shall necessarily conform to CTS-2010 standard.
- b. Banks shall not charge their savings bank account customers for issuance of CTS-2010 standard cheques when they are issued for the first time. However, banks may continue to follow their existing policy regarding cheque book issuance for additional issuance of cheques, in adherence to their accepted Fair Practices Code.
- c. All residual non-CTS-2010 cheques with customers will continue to be valid and accepted in all clearing houses [including the Cheque Truncation System (CTS) centers] for another four months up to July 31, 2013, subject to a review in June 2013.
- d. Cheque issuing banks shall make all efforts to withdraw the non-CTS-2010 Standard cheques in circulation before the extended timeline of July 31, 2013 by creating awareness among customers through SMS alerts, letters, display boards in branches/ATMs, log-on message in internet banking, notification on the web-site etc.
- e. A progress report in this regard to be submitted to this department in the format prescribed in the annex, enabling monitoring of the progress made by banks in respect of migration to CTS-2010 standard cheques.
- f. In addition, the bank-wise volume of inward clearing instruments processed in the Cheque Processing Centers will be monitored with respect to the CTS-2010 / non-CTS-2010 standard cheques presented on them.
- g. No fresh Post Dated Cheques (PDC)/Equated Monthly Installment (EMI) cheques (either in old format or new CTS-2010 format) shall be accepted by lending banks in locations where the facility of ECS/RECS (Debit) is available. Lending banks shall make all efforts to convert existing PDCs in such locations into ECS/RECS (Debit) by obtaining fresh mandates from the borrowers.

2. The above instructions are issued under section 18 of the Payment and Settlement Systems Act 2007 (Act 51 of 2007).

3. Please acknowledge receipt and confirm compliance.

Yours faithfully,

(Vijay Chugh)
Chief General Manager

Encl: Annex

Annex**Report showing the progress made in the issuance of CTS-2010 standard cheques and replacement of non-CTS-2010 standard cheques for the month of**

(Consolidated report to be submitted by the corporate/head office of all cheque issuing banks to the Department of Payment and Settlement Systems, Central Office, Reserve Bank of India, Mumbai before 10th of the succeeding month)

1. Name of the Bank :
2. Date with effect which the bank has commenced issuing CTS-2010 Standard cheques across all branches :
3. Number of accounts to which CTS-2010 standard instruments are yet to be issued
 - a) Savings Bank Accounts :
 - b) Business Accounts :
4. Briefly describe the efforts taken by the bank to replace the non-CTS-2010 standard cheques with the CTS-2010 standard compliant cheques :