



भारतीय रिज़र्व बैंक

RESERVE BANK OF INDIA

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RBI/2011-12/121

DPSS.CO.CHD.No. 120 / 03.06.01 / 2011-12

July 25, 2011

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

Madam / Dear Sir,

Dishonour / Return of Cheques - Need to Sign / Initial the Cheque Return Memo

Please refer to our [circular DPSS. CO. CHD. No. 485 / 03.06.01 / 2010-11 dated September 1, 2010](#) on Dishonour / Return of Cheques - Need to Mention the 'Date of Return' in the Cheque Return Memo, wherein citing the criticality of the document in case of recourse to legal action, it has been indicated that instruments returned unpaid should have a signed / initialed objection slip on which a definite and valid reason for refusing payment must be stated, as prescribed in Rule 6 of the Uniform Regulations and Rules for Bankers' Clearing Houses (URRBCH).

Certain instances of banks not signing the Cheque Return Memos stating that the Memos are computer generated and therefore no signature is necessary, have been brought to our notice. Such practices are violation of instructions contained in Uniform Regulations and Rules for Bankers' Clearing Houses (URRBCH) which is issued under Payment and Settlement Systems Act 2007 read with Payment and Settlement Systems Regulations 2008.

Banks are, therefore, advised to strictly adhere to the instructions and sign/initial the Cheque Return Memos as laid down in Rule 6 of URRBCH.

Yours faithfully,

(Pankaj Ekka)
Deputy General Manager