



Introduction of Continuous Clearing and Settlement on Realisation in the Cheque Truncation System

In accordance with the new directives from the Reserve Bank of India (RBI) vide Circular No. **RBI/2025-26/73CO.DPSS.RLPD.No.S536/04-07-001/2025-2026** dated August 13, 2025, the Cheque Truncation System (CTS) will be transitioning from the current approach of batch processing to a **Continuous Clearing with Settlement on Realisation** framework.

This transition is set to replace the current cheque clearing cycle of up to two working days, with a new and faster process, wherein cheques will be cleared within a few hours of presentation.

The transition will be implemented in two phases as mentioned below:

Phase 1 (October 4, 2025 – January 2, 2026): CTS clearing cheques will be processed continuously and presented to clearing house from 10:00 AM to 4:00 PM on working days. Payments will be credited to the customer's account on the same day, subject to the realisation of cheques.

Phase 2 (Effective from January 3, 2026): A shorter confirmation window of T+3 hours will be followed for cheques presented to clearing house from 10:00 AM to 4:00 PM on working days, where T refers to the time of presentation of the cheque to the clearing house. *(For example, the cheques being presented between 10:00 AM and 11:00 AM will receive a positive or negative confirmation by 2:00 PM (3 hours from 11:00 AM)).* This will facilitate faster collection of clearing cheques, subject to the realisation of cheques.

Benefits for the customer:

- **Faster access to funds:** Cheques deposited during business hours will be processed on a continuous basis, and payments will be credited to the customer's account upon realisation, but no later than one hour from successful settlement in either phase.
- **Reduced delays:** This new system minimises delays and provides a faster, more predictable timeline for the transactions made by the customers.
- **Greater convenience:** This approach enhances overall convenience for customers.

The transition will be managed seamlessly by the Bank. You may please continue to deposit your cheques as you normally would. Please ensure that the cheque is in order and your account has sufficient balance to cover any issued cheques, as the accelerated clearing process means funds will be debited from your account within a few hours.

For any further queries or assistance, please contact the branch or call us at 18002588181.