



भारतीय रिज़र्व बैंक  
RESERVE BANK OF INDIA  
[www.rbi.org.in](http://www.rbi.org.in)

RBI/2020-21/107

DPSS.CO.RPPD.No.SUO 21102/04.07.005/2020-21

March 15, 2021

The Chairman and Managing Director / Chief Executive Officer  
All Scheduled Commercial Banks including Regional Rural Banks /  
Urban Co-operative Banks / State Co-operative Banks /  
District Central Co-operative Banks / Local Area Banks / Payment Banks /  
Small Finance Banks / National Payments Corporation of India

Madam / Dear Sir,

**Extension of Cheque Truncation System (CTS) across all bank branches in the country**

Please refer to the [Statement on Developmental and Regulatory Policies dated February 5, 2021](#) wherein Reserve Bank of India (RBI) had announced pan-India coverage of CTS by bringing all branches of banks in the country under image-based CTS clearing mechanism.

2. The CTS is in use since 2010 and presently covers around 1,50,000 branches. All the erstwhile 1219 non-CTS clearing houses (ECCS centres) have been migrated to CTS effective September 2020. It is, however, seen that there are branches of banks that are outside any formal clearing arrangement and their customers face hardships due to longer time taken and cost involved in collection of cheques presented by them.

3. To leverage the availability of CTS and provide uniform customer experience irrespective of location of her/his bank branch, it has been decided to extend CTS across all bank branches in the country. To facilitate this, banks shall have to ensure that all their branches participate in image-based CTS under respective grids by September 30, 2021. They are free to adopt a model of their choice, like deploying suitable infrastructure in every branch or following a hub & spoke model, etc. and concerned banks shall coordinate with the respective Regional Offices of RBI to operationalise this.

भुगतान और निपटान प्रणाली विभाग, केंद्रीय कार्यालय, 14वीं मंजिल, केंद्रीय कार्यालय भवन, शहीद भगत सिंह मार्ग, फोर्ट, मुंबई - 400001

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हिंदी आसान है, इसका प्रयोग बढ़ाइए

4. Banks are advised to inform us ([helpdpss@rbi.org.in](mailto:helpdpss@rbi.org.in)) the roadmap to achieve pan-India coverage of CTS and submit a status report before April 30, 2021.

5. This directive is issued under Section 10 (2) read with Section 18 of Payment and Settlement Systems Act, 2007 (Act 51 of 2007).

Yours faithfully

(P Vasudevan)  
Chief General Manager