

### **Sub: Prohibiting alterations / corrections on cheques – Regarding**

With a view to identify and control fraudulent alterations on cheques, Reserve Bank of India vide its guideline DPSS.CO.CHD.No.1832//01.07.05/2009-10 dated 22<sup>nd</sup> February 2010 has prohibited the drawer of an instrument from making any alterations or corrections on the cheques and has also advised banks that it would be proper to return such instruments bearing alterations / corrections with the reason **“Alteration not allowed”**. This prohibition in alteration **is effective from 1<sup>st</sup> July 2010 onwards.**

We furnish hereunder the extant guidelines of RBI for return of cheques with alterations in :

1. Payee Name
2. Amount in figures (courtesy amount)
3. Amount in words (legal amount)

#### **Important Note**

- Ø Cheques can be returned irrespective of availability of authorized signatures for alteration in the mentioned details.
- Ø Altered / Modified cheques can be returned with the reason **“Alteration not allowed”** from 1<sup>st</sup> July 2010 onwards.
- Ø Alteration in date is allowed and the banks may pass the cheques if authorized signatories have signed and the cheque is otherwise in order.

**The above provision is applicable for centers where Cheque Truncation Clearing is in place. This image based clearing technology service is presently in use at Delhi and will be followed shortly at Chennai.**