

**Electronic Clearing Service (Debit Clearing)
Procedural Guidelines**

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Department of Payment & Settlement Systems
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Mumbai**

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SCHEME OF ELECTRONIC CLEARING SERVICE (DEBIT CLEARING)

1. Introduction

With the widespread bank / branch network and increase in volume of banking operations, MICR technology was brought into the clearing operations since 1986 using High Speed Reader Sorters driven by a powerful IBM computer system. As years of successful clearing operations passed, the banks have speedily developed a much wider range of financial services for the benefit of their constituents including members of the general public. Computerisation is the next development leading not only to greater efficiency, but also to new services for customers such as round-the-clock banking with Automated Teller Machine (ATM), off-line inter-bank payment system and cashless transactions.

In this scenario, the Reserve Bank of India has implemented an off-line electronic funds transfer system allowing paperless direct debit and credit transactions by banks, viz. Electronic Clearing Service. After successful implementation of ECS-Credit scheme, Reserve Bank of India initiated the ECS-Debit, a facility of payment of pre-authorised debits through ECS. ECS Debit Clearing Scheme approved by Committee on Technology Issues in Banking Industry (Payment System and Cheque Clearing System) under the chairmanship of Shri W.S. Saraf, the then Executive Director, Reserve Bank of India, was introduced.

2. Short title of the Scheme

The Scheme shall be called "Electronic Clearing Service (Debit Clearing)" and will be referred to as ECS (Debit Clearing) hereinafter.

3. Date of effect

At present the scheme is in operation at 15 RBI centers (where Clearing Houses are managed by Reserve Bank of India) and other centres managed by various Public Sector Banks managing the clearing houses. The list of centers managed by RBI and other banks is given in Annexure. The Annexure will be updated as and when Scheme is extended to more centres.

4. Objective

The objective is to provide an alternative method of effecting payment transactions in respect of the Utility-bill-payments such as telephone bills, electricity bills, insurance premia, card payments and loan repayments, etc. which would obviate the need for issuing and handling paper instruments and thereby facilitate improved customer service by the banks/companies/corporations/government departments collecting / receiving the payments.

5. Definitions

i) User - "User" shall refer to the utility-companies, insurance / corporations / Collection Service Provider and government departments or any other institution receiving / collecting payments (Collection Service Providers) from a large number of customers/subscribers, under the scheme.

ii) Sponsor Bank - It would refer to the bank which had agreed to act as the agent of the User company and will submit the data on a magnetic media or on the network containing debit instructions prepared by the User to the Clearing House along with an undertaking / mandate to the effect that the standing instruction mandates of the concerned customers / subscribers mentioned in the data have already been collected from the utility-users (consumers etc.) and have been forwarded to the respective destination bank branches enabling them to debit the accounts of those customers for collecting and to credit the account of the sponsor bank with the sum mentioned therein. The mandate will also authorise RBI to debit sponsor bank's current account maintained with them to the tune of undebited returns.

iii) Clearing House (CH)- It would be a functional unit of the local Bankers' Clearing House or such other agency to be created by RBI which shall process the instructions for debit payment received on magnetic tape/floppy from the Sponsor Bank which maintains the settlement account of the Clearing House. The data will be validated and after full satisfaction of the same, CH will generate relevant ECS-Debit-clearing settlement reports for debit/credit of the current accounts maintained at RBI/Settlement bank. The institutional arrangements made by RBI shall be final.

iv) Destination Account Holders - would refer to the utility-consumers such as Telephone and electricity users, Insurance policy holders, debtors, etc., under the Scheme who would opt for making payments to the User company directly by way of

debit to their bank accounts as indicated by them in the individual mandate/s submitted by them to the utility company and also to their bank/branch.

v) Destination Bank Branches - would refer to the bank branches where the Destination Account Holders maintain their bank accounts from which ECS utility payments are debited.

vi) Electronic Media - would refer to softcopy of data in any media such as floppy / CD / Pen Drive, etc., or the data being put through a network on the web-site hosted by the CH.

6. Coverage

The Scheme shall cover transactions of the following characteristics:

i) Repetitive payment collections like periodic (monthly/bimonthly/quarterly/half-yearly/yearly) payments of telephone bills / electricity bills / loan installments / insurance premia, etc. by companies / corporations / government departments, banks and such other organisations defined as "User". It could also cover Collection Service Provider, providing collection services to utility companies, which should obtain a specific mandate from the users/subscribers to raise a debit in their destination accounts at the request of such service organizations.

ii) The transactions relating to collections by a single User from a large number of Destination Account Holders;

iii) The debit transactions should pertain to the Destination Bank Branches which fall under the jurisdiction of the local Bankers' Clearing Houses; (Note : The jurisdiction of the local Clearing Houses at the centres given in the Annexure would be known from the Compendium of Code Numbers issued by RBI).

iv) The debit instructions from the User would be on electronic media and would form the basis for the Sponsor Bank to credit the User's account and the Destination Bank branches to debit the Destination Account Holder's Accounts. However, it shall be the responsibility of the destination branches to ensure appropriate mandates from their customers authorizing them to debit their accounts exist on their records. If such mandates are not available on their record, they would not be entitled to get any legal protection and are not authorised to effect such debits to the customers' accounts.

v) Individual debit authorisation as specified by the destination account holder; the individual mandate may or may not specify any amount or may cap the maximum debit that can be raised under the relative mandate, if he so desires, for meeting the concerned payment, based on their past experience; and

Such other payment transactions involving a single total-credit to a User's account with sponsor bank and multiple debits to a large number of beneficiaries' accounts at many bank branches (Collecting/Destination-banks) to be specified by local CH from time to time.

7. Procedural Details

- (i) Institutional Arrangements
- (ii) Registration of User
- (iii) Input Preparation
- (iv) User's Responsibility to ensure accuracy of input data
- (v) Responsibilities of Destination Bank
- (vi) Safeguards against fraudulent change of data in transit
- (vii) Input submission
- (viii) Submission of input files for Settlement at Outstation Centres
- (ix) Validation of Input Files
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- (xiv) Clearing Settlement and output data for Destination Banks
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- (xvi) Return of Processed User Status Files / floppies
- (xvii) Clearing Settlement and supply of User Status Files/reports to banks
- (xviii) Late Submission of tape or floppy after day
- (xix) Sponsor Bank crediting proceeds of unrecovered (not debited to Customer's A/c, items to User Company's A/c)
- (xx) Preservation Period of User Status File
- (xxi) Advice to the Destination Account Holders
- (xxii) Destination Account Holder's right to information on ECS
- (xxiii) Minimum and Maximum Number of Transactions

i) Institutional Arrangements: The processing CH would be responsible for processing the duly validated input data received from the Sponsor Bank on behalf of its User and for arranging to supply the relevant clearing reports to the Sponsor Bank, Destination Banks and Settlement Bank for accounting of the ECS-debit clearing settlements. It would monitor the performance of all the constituents in ECS clearing to ensure that the time schedule for various activities under ECS Process Cycle as explained at Appendix - I are adhered to.

CH will have a Steering Committee comprising not more than 10 and not less than 5 member banks to aid and advise it on operational issues. Such steering committees shall be constituted annually and its term shall be one year. The President of the Local Clearing House will be the ex-officio chairman of the committee. The Committee shall meet at least once in a quarter.

RBI shall provide the settlement service by way of debiting / crediting the accounts of Destination Banks and the Sponsor Bank in the books of its Deposit Accounts Department on the basis of settlement figures advised by the CH. At such centres where the settlement service is being provided by any other bank, that bank shall provide the settlement service for this clearing also. The settlement rules for clearing pertaining to minimum balance and withdrawal of favourable balance in clearing as explained in the Uniform Regulations and Rules for Clearing Houses would also be applicable to the settlement under ECS Debit.

ii) Registration of User: Institutions who would like to avail of the ECS facility shall get themselves registered with the CH. A format of the application form to be submitted by the User through their sponsor bank is given at Appendix IV - Part A. The sponsor bank will forward the application form to the CH with their recommendations, which inter-alia should contain information on the conduct of the account with the sponsor bank in Part - B. The User number allotted by the CH will be communicated to the User through the sponsor bank. The registration number would be a 7 digit number, the first 3 digits being the city code number of the city (e.g. Bombay - 400), the next digit being the number allotted for the transaction being put through and last 3 digits being the User number allotted to the User. In case of Collection Service Providers registered as a User, they shall give a specific undertaking to the CH that they will ensure collection of mandates

from the consumers/subscribers authorising the destination branches to raise debits in their accounts. They should also undertake to maintain a copy of the mandate on their record for verification by the CH, if so required at any time.

iii) Input Preparation: The media and the record layout of the input file would be in a standard format to be specified by RBI from time to time. (Guidelines for Input Preparation and input Submission are at Appendix - II).

iv) User's Responsibility to ensure accuracy of input data:

(a) The User would ensure the accuracy of the input data with reference to the information received from the Destination Account Holders in the form of a mandate duly authenticated by the destination bank branch.

(b) Since this facility would be generally used for regular collection of dues from its customers, it will be the responsibility of the user to ensure that the items returned by the destination banks with reason codes 1, 2 or 3 are not resent/ represented without carrying out the necessary corrections after obtaining the correct details from the Destination Account Holders/ Destination Banks. Sponsor Bank may obtain an undertaking from the user in this regard before forwarding in the input data to the CH.

(c) Further, on receipt of withdrawal instructions from its customer, it is obligatory on the part of the user institution not to include the transaction pertaining to such customers in the ECS input file provided withdrawal instruction is received 15 days prior to the date of submission of ECS file to the CH. In case a debit record is repeatedly presented despite such withdrawal / non-existence of mandate, for more than three ECS runs, the clearing house may consider not entertaining the future ECS runs of that particular user institution.

v) Responsibility of the Destination Banks: The ECS Debit works on the strength of the mandates given by the destination account holders to the user institution for effecting payment from their accounts. The mandates are required to be authenticated (primarily for signature verification of the bank's customer) by the respective bank branches within a period of seven days from the date of receipt of such requests. After authentication, the branch would retain a copy for its record, and the customer would submit the other copy to the user institution.

At the time of authenticating the mandates, the destination branches should ensure the nomenclature of the accounts vis-à-vis those appearing in the mandates.

The destination branches can debit their customers' account only on the basis of the mandates given to them. The account holder / customer is also entitled to withdraw the mandate / ECS Debit instructions from its banker without involvement of the user institution, The withdrawal instructions of a customer would be treated equivalent to a 'stop payment' instruction in cheque clearing system. The user institution should stop including the relative transaction in the ECS file, after receipt of such countermanding by the customer.

The destination account holder may also be given the facility of putting an upper limit for each individual transaction in the mandate, and/or a time limit for operations of a particular ECS mandate (life of a mandate) by the user/ destination banker.

The destination branch may also allot a unique identification number to the mandate, which could be referred to by the ECS User in all the transactions. The number could include a reference to the branch identity, the type of account and a reference to the customer's account, the purpose of the debit, etc. This would also serve the destination branch as a control reference tool to monitor the ECS debits being received through the clearing house.

vi) Safeguards against fraudulent change of data in transit: The Sponsor Bank shall not make any changes in the input data received from the User without obtaining his prior consent in writing. The input files will be submitted by the sponsor bank in a sealed cover on magnetic media duly encrypted in consultation with the CH, to prevent any attempt for fraudulent change of data in transit. The banks may also use the facility offered by some CHs of secure on-line submission / retrieval of data like a secured web-site, etc.

vii) Input Submission: Input Submission would be carried out in two stages - (a) Test Submission (for validation process) and (b) Settlement Submission (for final settlement of accounts).

(a) Test submission is required to verify whether input preparation has been made as per the standards prescribed by RBI and also to give reasonable opportunity to the User to repair the data before working out the clearing settlement. CH would validate this Test Input as per validation routine explained at sub-paragraphs VIII to XI and furnish a report called "Data Validation Report" (DVR) along with the validated Tape/Floppy. This report would contain the list of rejected Debit Records and the revised particulars of total number and amount in the DEBIT CONTRA Record.

(b) The User has to subject the data for validation exercise carried out at CH and decide as to whether to confirm the validations and resubmit the Tape/Floppy for the final settlement process. In case of need the incorrect data can be taken back for editing/repairing the input file and resubmitting the same as a fresh Test input.

viii) Submission of Input Files for Settlement at Outstation Centres:

Sponsor Bank's request for centralised receipt of User's data tapes meant for settlement at more than one ECS centres with the CH at the receiving centre taking the responsibility of transmission of data would be considered, if the volume for each centre is substantially high and the data tapes are submitted centre-wise. CH at the receiving centre would validate the data and furnish separate Data Validation Reports for each centre. Once the Data Validation Report is confirmed by the Sponsor Bank, CH would arrange to transmit the same to other CH at the destination centres for settlement processing.

ix) Validation of Input Files: All files received duly encrypted would be subjected to an initial level of validation to determine whether the file can be accepted or not. It shall be checked with reference to the User name, User number (allotted by the NCC / CH), Sponsor Bank-Branch sort code, and other user defined parameters.

User details (sort-code, User number and User name) should be uniform on all data records in the file. The purpose of repeating the User information on all data records is to make each data record self-contained. Therefore, the debit record with the details different from the one recorded on the 'DEBIT CONTRA' record will be rejected.

The destination account details would have two parts the destination sort code and the destination account number. The code number of the branch of the bank where the individual account holders i.e. subscriber/ payer maintain their accounts and to which the debit would be applied is the destination sort code. ECS validation routine checks whether the code indicated in the data record is a valid MICR sort code listed in the compendium of Code Numbers. (Master Code file of member bank-branch).

In the absence of a specific request from sponsor bank, records with outstation destination sort codes would be rejected as detailed in para 7 (viii).

The account number particulars are an essential field in the data record. Account numbers will have a maximum length of 15 digits as indicated at item 7 under 'Debit Records' in Appendix II. Records with no information on the account number field would be rejected.

There will be no outer limit for individual debit record.

The decision for rejection of a file/record would depend on the following:-

- File:
1. Defects in the magnetic media,
 2. DEBIT CONTRA record (ECS transaction code 55) missing or the value indicated in the DEBIT CONTRA record exceeding the value given in the Sponsor Bank's mandate to RBI to credit its account.
 3. Invalid Sponsor Bank sort code, or incorrect User number and User name details in the DEBIT CONTRA record.

- Record:
1. Absent or invalid destination sort code
 2. Absence of account number or account name

x) Duplicate Records: More than one debit transaction against the same debit reference (i.e. Telephone number or electricity meter number or policy number or any other unique identifying number for the subscriber / payer as indicated at item 10 under '**User debit reference**' under debit records in Appendix II) would not be permitted. User shall take due care about this before presenting the Input

file and ensure that the 'User debit reference' is not repeated in any other debit record in the input file.

xi) Debit Records: With no Ledger Number/Ledger Folio Number, the debit records without the Ledger Number/ Ledger Folio number of the account of the subscriber / payer beneficiaries at the Destination Bank branches would not be rejected, because at some branches the account numbers can uniquely identify the accounts irrespective of whether the Ledger Number./Ledger Folio Number is given or not. In the clearing reports for Destination Bank Branches, these accounts would, however, be shown against the "Miscellaneous Ledger".

xii)Data Validation Report (DVR): When an input file passes the ECS File Acceptance/Validation checks, CH will provide an advice of acceptance or otherwise to the Sponsor Bank. This would be done through a Data Validation Report (DVR) (format at Appendix - IX) along with the Validated Tape/Floppy. The DVR would indicate the details of errors encountered during the validation process and total number and value of records accepted from the file. If the total value of accepted debit records generated during the validation process are different from the ones indicated in the balancing credit record (i.e. the DEBIT CONTRA Record), DEBIT CONTRA Record would be modified and the fact of this modification in the input file would be indicated in the DVR.

The Sponsor Bank would arrange to get the DVR and the validated Tape/Floppy verified by the User. Field number 13 of 10 digits in the Debit Records would have contained coded information representing the checksum of the record so as to detect modification, if any, made in the file subsequent to validation process at the CH. Besides, to facilitate easy identification of rejected debit records, the CH would have changed the transaction code to 33 and the Item Sequence Number field filled with '9999999999'. User would have to take into account these records while confirming the DVR or deciding to edit/repair the input file for resubmission. If the records are edited / repaired, the cycle of Test Submission and Data Validation would be restarted. In case, however, the rejected records are only a few in number and the DVR is confirmed by the Sponsor Bank by way of resubmission of the validated Tape/Floppy duly encrypted, ECS Process cycle would commence. The encrypted Tape / Floppy should be submitted by the

Sponsor Bank along with a mandate to operate upon its accounts accompanied with a certificate from the Sponsor Bank to the effect that only those debit records have been included in the input file for which the mandates to debit the destination accounts have been received from the clients, duly verified from the destination banks and respective bank accounts can be debited at the Settlement Bank. The mandate should also be signed by an official of the Sponsor Bank having authority to operate the Bank's account with the Settlement Bank. This day of submission of validated and encrypted Tape/Floppy with a mandate would be taken as the DAY-0 of the ECS Cycle.

xiii) Request for withdrawal/modification of input data: Once the DVR is confirmed by the Sponsor Bank and the settlement process begins at the CH, withdrawal/modification of file/record shall not be permitted except when, in the opinion of RBI, the transactions cannot be settled on the due date by the banks.

xiv) Clearing Settlement and output data for Destination Banks: On Day-1 the CH would generate the following output data only in magnetic media (tape or floppy) or host in a designated web site. The description of the magnetic media, the record lay out of the output file and also the naming convention for the output file are given at Appendix III.

i) Destination Bank Settlement Report (format at Appendix - XI)

ii) Destination Branch Reports (format at Appendix-XII)

iii) Destination Ledger Reports (format at Appendix-XIII)

(For accounts with no ledger folio numbers a "Miscellaneous Ledger Report" would be generated under each account type).

In addition, the CH would also generate two hard copies of the ECS Control Report (Format in Appendix - X) bank wise.

The output data as indicated above would be delivered to the Destination Bank on magnetic media (floppy or tape) or over network duly encrypted subject to all safeguards relating to accuracy and authenticity.

These files/tapes/floppies the ECS Control Report (Appendix-X) will be delivered to the Service /Main branches of Destination Banks on the morning of Day-1 in a

sealed cover along with the MICR Clearing Reports of the previous evening. In such of those centres, where secured web-servers have been hosted by the Clearing Houses, the relative reports may be hosted on the web-sites. The Service branches of Destination Banks should make their internal arrangements immediately on receipt of the tapes/floppy/ downloaded data to send to their concerned branches the Destination branch Reports and Destination Ledger Reports mentioned above on the same/following day so that the Destination Account Holders' accounts are debited on day 1(i.e. settlement date mentioned in the reports) without fail. On the day of settlement (day 1 of ECS cycle) the CH would credit the Sponsor Bank's account with the amount indicated in the mandate given by the latter (Appendix V) and debit the accounts of the various destination banks with the amounts due from them.

xv) Settlement Report to Sponsor Bank: On Day-1, Sponsor Bank will also be supplied by the CH with two copies of the User-wise Settlement Report (format at Appendix-XIV) which would indicate the volume and value of transactions for which Destination banks would be debited and the amount for which Sponsor Bank would be credited. The Sponsor Bank would forward one copy of the report to the User. The reports would be authenticated by the CH and would act as the evidence of credits having flowed from the Destination Banks to the Sponsor Bank for a specific number of debit transactions on behalf of a specific User. It would be User's responsibility to verify the accuracy of the Report with reference to the input data. Discrepancy, if any, in the summary data should be brought to the notice of the CH immediately.

xvi) Return of processed User Status Files/floppies : If a Destination Bank branch is not in a position to debit a particular transaction for reasons like "Account closed/Transferred", "No such Account", "Account description does not tally", "Insufficient funds" etc., it should report the same with a Return Memo (format at Appendix - VI). The same would be forwarded to its Service Branch / Main Branch on the same day along with the unpaid MICR cheques of the day. On receipt of the undebited items from all the concerned branches, the Service branch of the Destination Bank would flag off or mark off the relevant debit items in the tape or floppy as unpaid, by means of a code '0' and all other items by

means of a code '1' in the blank column provided at field No. 14 of the debit record. The responsibility for ensuring accuracy in incorporating the above information in the tape or floppy lies with the Destination Banks.

After incorporating the information relating to debited/ undebited items, the tape or floppy would be returned to the CH on the evening of day 1. The floppy diskette should be accompanied by a hard copy output of the input file duly signed by the Destination Bank. Adjustment of the excess debit received by the Destination Bank Branches will be effected through a clearing settlement on the basis of data of undebited items reported through floppy. The CH would generate the reports on Day-1 evening presuming that the concerned bank has debited all the subscribers/payers accounts and there are no undebited items to be taken for final settlement.

On receipt of the tape or floppy from the Destination banks, the CH would reprocess the ECS transaction processed earlier by way of modifying the transaction codes of the undebited records to "44" from "66". The Checksum Total of the relative records would undergo corresponding changes with the software used at the CH. Any change in the data file thereafter would result in erroneous data codes which can be easily noticed by a validation routine run by the CH.

xvii) Clearing Settlement and Supply of User Status File / Reports to banks:

After reprocessing the ECS transaction, the CH shall work out a clearing settlement whereby the Destination Banks' accounts would be credited and the Sponsor Bank's account debited. Settlement of accounts would take place on day-1 itself. On the same day, the CH shall provide the following:

- Combined List of Undebited items - a consolidated list of all undebited items reported by all Destination Banks to be given to Sponsor Bank (format at Appendix-XV)

- User Status File - a report on electronic media containing the details of all transactions (valid, rejected and returned undebited - all items to be suitably flagged/marked off) to be given to Sponsor Bank for verifying the correctness

of the clearing data and for passing on one copy thereof to the User for necessary action.

-Sponsor Bank Final Report - a report showing the amount originally credited, subsequently debited as undebited items and the final amount credited for ECS Debit Clearing (format at Appendix - XVI).

-Destination Bank Final Report - Destination - bank - wise summary report showing branch-wise initial debit and subsequent credit (format at Appendix - XVII).

The Checksum Total value in the User Status File would be generated by the CH in such a way that any subsequent correction on the User Status File by any unauthorised person would throw an error message during subsequent processing.

xviii) Late submission of tape or floppy after day-1 The destination bank which fails to submit tape or floppy on Day 1 should submit the list of undebited items over the counter of the Sponsor Bank Branch and claim the amount from them at the earliest, **in any case not later than 24 hours of the returned / undebited item processing in the CH**, as such delayed reporting cannot be incorporated by the CH in the Output Tape and also cannot be included in the clearing settlement for Undebited Items. Payment settlement for such items would have to be worked out between the Sponsor Bank and the Destination Bank concerned.

The President of the Clearing House has the power to grant 24 hour extension to any member bank for submitting returns, in the same way, as is done in regular cheque clearing system.

The failure of the destination bank to submit the returned items data to the CH in time, repeatedly on several occasions could attract penal action, which may include non acceptance of such delayed returns, as decided by the CH.

xx) Preservation Period of the User Status File: The Sponsor Bank and the User shall preserve the User Status File for a minimum period of 3 years. A copy of the User Status File would be preserved at the CH also for 3 years.

xxi) Advice to the Destination Account Holders: It would be the responsibility of the User to advise the Destination Account Holders of the ECS debit. Immediately after the receipt of the User Status File, the User would issue Payment Advices to the Destination Account Holders indicating the particulars of payment and the date on which payment has taken place. Care need to be taken by the User to ensure that Payment Advices are sent only for those items (transaction code 66) which could finally be debited to Destination Account Holders' accounts. Rejected Items (transaction code 33) and Undebited Items (transaction code 44) should be perused by the User. The Destination Account Holders whose accounts could not be debited should also be advised by the User with reasons therefore and payments arranged through alternate means.

If a User makes use of the ECS mechanism for receiving payments to the same set of beneficiaries every quarter/month or at more frequent intervals, and there is no likelihood of any debit item being returned undebited, an advance one-time intimation can be issued on yearly basis indicating the dates on which ECS settlement would take place. This would replace issuance of payment advice on every occasion. This procedure is most suitable for collection of monthly/quarterly interest payments or insurance premia or loan installments of companies / corporations where the modifications in the data file are minimum and likelihood of returns is almost "Nil".

The entry in the Statement of Account / Pass Book of its customers, made by the destination bank branches, should be clear enough to indicate that the transaction in question was through ECS debits; and may be referred to as 'ECS-DR-(name of the user institution)...' in the pass book entry. The relevant information may be picked up from the field "user name" of 20 alpha-numeric characters in the ECS file. In order to provide useful feedback to the destination account holders, the user institutions may standardize the information that may be captured in this field, so that the details recorded by the destination branches in the pass books would reveal the correct picture of the debits.

The Destination Bank would not be liable to issue separate advice to the Account Holders. If a Sponsor Bank / User wish to send the payment advices through the Destination Bank Branches, a separate arrangement outside the ECS framework would have to be worked out.

xxii) Destination Account Holder's right to Information on ECS: When the User invites option from the Destination Account Holders, the User should inform the Destination Account Holders, in a readily understandable written statement that the proposed mode of making the payment is purely voluntary and the Destination Account Holder would have the right to withdraw the same after giving an advance notice of 15 days. (Specimen at Appendix VII).

The Destination account holder is entitled to withdraw the mandate / ECS Debit instructions after giving due notice to the User institution and the destination bank/branches. The withdrawal instructions of a customer to the destination bank/branch would be treated equivalent to a 'stop payment' instruction in cheque clearing system. The withdrawal instructions of a customer would be treated equivalent to a 'stop payment' instruction in cheque clearing system. The user institution should stop including the relative transaction in the ECS file, after receipt of such countermanding by the customer. However, as mentioned at rule 7(xxii) above, the customer has to notify the User institution 15 days prior to an ECS run.

A model letter from a prospective User to a customer/ payer is given at Appendix -VII and a model Mandate Form given at Appendix - VIII. The sort-code (i.e. city-bank-branch code) information would be available by seeing the MICR code line of the cheque book issued by his/her banker. The form on which the Destination Account Holders would furnish the information would be clear and free of ambiguities. To make sure the authenticity of the bank details furnished, the banker must certify the correctness, verify the customer's signature by putting his own to the mandate The User may use formats of their choice provided the materials contained in the Model Letter / Model Mandate Form are included.

Information furnished by a beneficiary to the User shall not be utilised by the User for purposes other than transfer of funds through ECS without the consent of the beneficiaries. This should be indicated by the User while inviting options from the beneficiaries.

xxii) Minimum and Maximum Number of Transactions: There would be no stipulation on the minimum number of transactions to be put through.

8. Service Charges:

In September 1999, RBI deregulated all Service Charges levied by sponsor banks. As regards Processing Charges levied by RBI and other banks managing the clearing houses, the same has been waived till further orders (till March 31, 2008 as of today). However, RBI reserves the right to make any changes in the service charges at any time later.

The Destination Banks should not claim any additional service charges from the Destination Account holders for making payments by debiting their accounts.

9. Amendment to Procedural Guidelines:

The Procedural Guidelines can be amended only on the approval of RBI. The CH may forward their suggestions for amendment after a debate on the suggestions at the Steering Committee Level. RBI may also, by issuance of a circular, amend the procedure.

10. Dispute Redressal

In cases of disputes, the decision of the President of the respective Clearing House would be final. In case the dispute could not be settled by the Clearing House, the same may be referred to Department of Payment and Settlement Systems, Central Office, RBI whose decision in the matter would be binding on all concerned.

Sl. No.	Centre	City Code	Managing Bank	Address	Phone Nos of the centre	Fax No.
10	Bhubaneshwar	751	Reserve Bank of India	NCC Pandit Jawaharlal Nehru Marg Post Bag No. 16 Bhubaneshwar 751 001	0674- 2395706 2393580 2401070 2401119	
11	Chandigarh	160	Reserve Bank of India	NCC Central Vista Sector 17,Post Bag no.2 Chandigarh 160017	0172- 2721507	0172- 2706236
12	Chennai	600	Reserve Bank of India	NCC Shakti Towers 766 Anna Salai Chennai 600 002	044 – 28551007 28521986/8 7 28520868	044 - 28523140
13	Coimbatore	641	Bank of Baroda	BOB Building 82, Bank Road Coimbatore - 641018 Tamilnadu	0422 2303345 2303346 2303347	0422 – 2303345
14	Dehradun	248	State Bank of India	4 Convent St Dehradun-248001	0135- 2714166 2714161	0135- 2651843
15	Erode	638	Punjab National Bank	Jawans Bhawan 106, Gandhiji Road Erode	0424- 2260039 0989460273 5	
16	Ernakulam	682	State Bank of Travancore	Door No.XL 8529 ENKAY Chambers, 1st Floor Gopala Prabhu Road Ernakulam, Kochi 682035 Kerala	0484 2371625 2371659 2371790	0484 2371636
17	Gorakhpur	273	Punjab National Bank	Dharamshala Bazar Behind Hotel Kailash, Gorakhpur- 273001	0551 - 2204773 2204687	0551- 2204687
18	Gwalior	474	State Bank of India	Officer-In-Charge MICR Centre State Bank of India Maharaj Bada, Gwalior Pin- 474020	0751- 2447518 2447511 2447594 2326465	0751- 2323905
19	Guwahati	781	Reserve Bank of India	NCC P B No 120, Stn. Rd., Pan Bazar Guwahati 781 001	0361- 2517107 2517109	0361- 2636374

Sl. No.	Centre	City Code	Managing Bank	Address	Phone Nos of the centre	Fax No.
20	Hubli	105	State Bank of India	Ground Floor, Left Wing, Zonal Office, Sholapur Road Hubli - 580 023	0836-2363981 09341222773	
21	Hyderabad	500	Reserve Bank of India	NCC 6-1-56, Secretariat Road Hyderabad - 500 004	040-23242049 23237726 22463669 22329677	040-23237726
22	Indore	452	State Bank of Indore	125, Ada Bazar Indore 452 004	0731-2340842 2342676	0731-2343754
23	Jabalpur	482	State Bank of India	C/o Service Branch, SBI Buld. Vijay Nagar, Jabalpur - 484002 (MP)	07612641681 2641679 2541611	07612644969
24	Jaipur	302	Reserve Bank of India	NCC Ram Bag Circle Post Bag No.12, Tonk Road Jaipur – 302 004	0141-2560799 2562258	0141-2573277
25	Jalandhar	144	Punjab National Bank	3rd floor Old Railway Road Jalandhar - 144 001 (Punjab)	01812456632 2221198 2232388	01812232388
26	Jamshedpur	831	Union Bank of India	N.Road Cold storage Building Bistupur, Jamshedpur - 831001	0657-2434906 2428941	
27	Jammu		Punjab National Bank	MICR CPC 221 Palace Rd Kachi Chhawani Jammu	01912560731	
28	Jodhpur	342	State Bank of India	Main Branch, High Court Campus Jodhpur - 342006 (Rajasthan)	0291-2553685/93	0291-2545178
29	Kanpur	208	Reserve Bank of India	NCC, Establishment Section Post bag No.82 Kanpur - 208 001	0512-2304099 2306032	
30	Kolhapur	416	Punjab National Bank	"Gemstone", 3rd Floor Near CBS, Shahupuri Kolhapur 416001	0231-2650208	0231-2560203

Sl. No.	Centre	City Code	Managing Bank	Address	Phone Nos of the centre	Fax No.
31	Kolkata	700	Reserve Bank of India	National Clearing Cell 6 Royd Street Kolkata 700 016	033 – 22656664	033-22463673
32	Kozhikode (Calicut)	673	State Bank of India	Mananchira, Bank Road Kozhikode (Calicut) - 673001 W.B.	0495-2727276 2720330	0495-2722040
33	Lucknow	226	Punjab National Bank	1st Floor, 94, M.G. Road Lucknow - 226001 (UP)	0522-2237876	0522-2237875
34	Ludhiana	141	Punjab National Bank	Chowk Bharat Nagar Ludhiana - 141 001 Punjab	0161-2741257 2441161 2441162	0161-2442508
35	Madurai	625	Canara Bank	Maditssia Building Dr. Ambedkar Road Madurai - 625020 (TN)	0452-2536841 2529031 2526587	0452-2529030
36	Mangalore	575	Corporation Bank	Cor. Bank House Car Street, P.B. No.84 Mangalore - 575001	0824-24121174 2411 972 2411973	Fax not available
37	Mumbai	400	Reserve Bank of India	National Clearing Cell 1st floor, 215 Free Press house Nariman Point Mumbai 400 021	022-22882197 22021544 22022830	022-22882726
38	Mysore	570	Punjab National Bank	Gayathri Arcade 585 F19 and 586 F19/1, 2 & 3 3rd Cross, Ramachandra Agrahara V.V. Market Mysore - 570 004	0821-2520531	
39	Nagpur	440	Reserve Bank of India	NCC Annexe Bldg. 3rd floor, Main Office Building Civil Lines Nagpur - 440 001	0712-2526321 2521406 2532351	0712-2520102
40	Nasik	422	State Bank of India	Nasik Main Branch, Old Agra Road, P.B. No. 112 Nashik 422 002 (MH)	0253 2505835 2501775 2502167	0253 2595308

Sl. No.	Centre	City Code	Managing Bank	Address	Phone Nos of the centre	Fax No.
41	New Delhi	110	Reserve Bank of India	NCC Jevan Bharti Building, Tower I, 6 & 7 floors Connaught Circus New Delhi 110001	011-23356173 23319784 23315391	011-23718612
42	Panaji	403	State Bank of India	MICR CPC State Bank House St.Lnex, Panaji Goa - 403 001	0832-2232706 2436069 2224419	
43	Patna	800	Reserve Bank of India	NCCI 1st Floor, Biscomaen Tower West Gandhi Maidan Patna 800 001	0612-2236453	0612-2320064
44	Pondicherry	605	State Bank of India	MICR CPC Pondicherry Main Branch No.15, Rue Suffren Pondicherry - 605 001	0413-2220970 2336151	0413-2335528
45	Pune	411	Union Bank of India	PMT Commercial Bldg. No 1 1st floor Shankarseth rd Near Swargate Pune 411 037	020 – 24463299 24464149 24463869	020-26434113
46	Raipur	492	State Bank of India	Zonal Office Premises Byron Bazar, Civil Lines Raipur - 492001 Chattisgarh	0771-4040600 5040643/4	0771-5040601
47	Rajkot	360	Bank of Baroda	Pancha Ratna Building M.G. Road Oppo Alfred School Rajkot 360001 Gujarat	0281 2239607 2239608/09	0281 2226878
48	Ranchi	834	State Bank of India	Kishoreganj Chowk Harmu Road Ranchi - 834001	0651-2208882 2201303	0651-2208882
49	Salem	636	Union Bank of India	272, Bhageshwari Complex Cherry Road Salem - 636001	0427-2415310 2452223/4	

Sl. No.	Centre	City Code	Managing Bank	Address	Phone Nos of the centre	Fax No.
50	Sholapur	413	State Bank of India	MICR CPC Sholapur, Balivef West Branch 2A, Budhwar Peth Sholapur - 413 002	0217- 2329566	
51	Surat	395	State Bank of India	Meridian, Near Rajkumar Cinema Udhna Darwaja Surat 395003 Gujarat	0261- 2360286 2360285	0261 2360284 0261- 2345437
52	Thiruvananthapuram	695	Reserve Bank of India	NCCI P.B No.6507 Thiruvananthapuram - 695 033	0471- 2332195 2329676- Ext-131 2328701	0471- 2330843
53	Thrissur	680	State Bank of India	1st floor West Pallithamam Shopping Complex Trissur 680 001	0487 2323850 2323487 3090547	0487 2331471
54	Tiruchirapalli	620	State Bank of India	73, Aasha Arcade Promenade Road Contonment Tiruchirapalli - 620 001	0431- 2770558 2412003 2412004	
55	Tirupur	641	State Bank of India	MICR CPC Door No.55 Uthukuli Road Tirupur - 641 601	0421- 2232600/1	0421- 2240371
56	Udaipur	313	Punjab National Bank	MICR CPC, PNB, Vinimay Commercial Complex, Udaipur	0294 – 2524346 2418243	0294 - 2418244
57	Varanasi	221	Punjab National Bank	S-5/38-15, Vidhyavasani nagar Orderly Bazar Varanasi 221 001	0542- 2506434 2506432	0542- 2506432
58	Visakhapatnam	530	Andhra Bank	30-9-4/2, Sarada Street Daba Gardens Vishakapatnam 530 020	0891- 2719575 2757422	0891- 2757423
59	Vijayawada	520	State Bank of Hyderabad	D.No.40-1-52/5, 1st Floor Sai Nag Complex Near Benz Circle M.G. Road Vijayawada - 520010	0866- 6450770 5562696 5560866	-

Sl. No.	Centre	City Code	Managing Bank	Address	Phone Nos of the centre	Fax No.
				Krishna Dist. (A.P.)		

The following are non MICR centres where the ECS facility is available

Sl. No.	Centre	City Code	Managing Bank	Address	Phone Nos of the centre	Fax No.
1	Shimla		State Bank of India	Service Branch Shimla	0177-2658840	0177-2651026
2	Siliguri		State Bank of India	Service Branch Siliguri	0353-2539215, 2431361	0353-2431364 2530886
3	Burdwan		State Bank of India		0342-2663397 0342-2560504	0342256889
4	Durgapur		State Bank of India	Durgapur, Dist: Burdwan	0343 – 2583343 583960	0343-2583960
5	Haldia		United bank of India	Haldia ()West Bengal	03224-252266	
6	Dhanbad		State Bank of India	Bank More, Dhanbad	0326-2303119 0326-2302713	
7	Nellore		State Bank of India	Nellore Bankers' Clearing House, SBI, Nellore Town Branch, 1, Railway Feeders Road, Nellore	0861-2331312, 2331015	

8	Tirupati		State Bank of India	Tirupati Bankers' Clearing House SBI Main Branch Behind Govinda Raja Swami Temple, Tirupati. Pin-517001	0877-2254257 2254090	0877-2254090
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NOTES

Appendix - I

ECS PROCESS CYCLE

DAY-0

1. Submission of encrypted Input Tape/Floppy fully validated by the CH earlier with a mandate from the Sponsor Bank in the morning.
 2. Processing and generating output data at the CH in magnetic media and their encryption, for onward transmission to Destination Banks.
 3. The CH making available output data in magnetic media duly encrypted to Destination banks with MICR Clearing Reports.
 4. Destination Banks (Service branches) generating the clearing reports from the User Status File/floppy supplied by the CH, after decrypting the same.
 5. Service branches of Destination Banks delivering the hard copy of the Destination Branch Reports and Destination Ledger Reports (in duplicate) or the same in electronic form to the respective branches.
 4. The CH making available Sponsor Bank settlement Report to the Sponsor Bank.
-

DAY-1

1. Destination banks' accounts debited and Sponsor Bank's account credited at Deposit Accounts Department of RBI/ the Settlement Bank.
2. Destination bank branches debiting the accounts of the beneficiaries (i.e. the Destination Account Holders) and Sponsor Bank crediting the account of the User.
3. Destination Bank Branches reporting the undebited items to the Service branch on the duplicate copy of the Destination Ledger Reports.
4. Service branches of Destination Banks preparing floppy file for reporting to the CH the particulars of the debited/undebited items, preparing two hard copies of the Destination Banks Final report in the Form Appendix XVII and submitting the User Status File/floppy to the CH together with the return memos and a hard copy of the Destination Bank final report to the CH - while presenting the day's MICR instruments for clearing.
5. The CH to arrive at the settlement based on the tapes/floppies received from all the Destination Banks; and generate all the relevant reports.
6. Destination Bank's accounts credited & consolidated debit given to Sponsor Bank for undebited items.

7. The CH to supply clearing reports

i) Sponsor Bank Final Report	- To Sponsor Bank
ii) Combined list of undebited item	- do -
iii) Two Copies of the final User Status File/ floppy (one to be forwarded to User)	- do -
iv) Destination Bank Final Report	- To Destination Bank

ELECTRONIC CLEARING SERVICE (DEBIT CLEARING)

GUIDELINES FOR INPUT PREPARATION AND INPUT SUBMISSION
(User Institution → Sponsor Bank → Clearing House)

a) Input Media - Magnetic tape (Half inch, 9 TRC, STD BPI, Unlabelled); or Floppy Diskette 5.25", 1.2 MB

b) File preparation - The input file would have two types of data records -: a large number of Debit Records (transaction code - 66) and one balancing credit record called DEBIT CONTRA (transaction code - 55). The DEBIT CONTRA would be the first record in the input file and contain the details of the User such as User No., User name, Sponsor Bank sort code, the total value of all debit items etc. which would act as control information while processing the debit records. Certain key information in the DEBIT CONTRA record would be repeated in the debit records as well so as to make each debit record self-contained with both credit and debit particulars of the transaction.

The following is the description of the various fields for preparing the data on input file in ASCII format :

Field Description	Length	Field type	Remarks
DEBIT CONTRA Record			
1. ECS transaction Code	2	NUM	ECS transaction code 55
2. User Number	7	NUM	User Number by Sponsor Bank
3. User Name	40	ALP	Alpha Numeric description
4. User Debit Reference	14	ALP	User defined NUM Reference Number for the entire transactions (Alpha Numeric)
5. ECS Tape Input No.	9	NUM	User defined Input Tape
6. Sponsor Bank-Branch Sort Code	9	NUM	MICR city-bank branch code
7. User's Bank Account No.	15	ALP	Account No. of NUM the User to be credited by Sponsor Bank Alpha Numeric description
8. Ledger Folio Number	3	ALP	Alpha Numeric Ledger Folio particulars
9. User defined limit for individual debit items	13	NUM	User defined which would be taken for validating the credit items (in paise)
10. Total Amount (Balancing Debit amount)	13	NUM	Amount in Paise

11. Settlement date (DDMMYYYY)	8	NUM	Date on which settlement is sought to be effected
12. FILLERS (To be kept blank by User)	10	NUM	ECS Item Sequence Number to be allotted by ECS
13. FILLERS (To be kept blank by User)	10	NUM	Checksum Total generated by ECS Authority
14. Filler	3		
	156		

(The DEBIT CONTRA, thus, would have the record length of 156 ASCII characters of which last three fields of 23 characters would be left blank)

Debit Records

1. ECS transaction Code	2	NUM	ECS transaction code 66
2. Destination Sort Code	9	NUM	MICR city-bank-branch code
3. Destination Account type (S.B.A/c.or Current A/c.)	2	NUM	MICR Transaction code (10/11)
4. Ledger Folio Number	3	ALP	Alpha Numeric Ledger Folio particulars
5. Destination Account No.	15	ALP	Account Number NUM Alpha Numeric description
6 . Destination Account Holder's Name	40	ALP	Alpha Numeric description
7. Sponsor Bank-Branch Sort Code	9	NUM	MICR Bank Code
8. User Number	7	NUM	User Number allotted by ECS Authority
9. User Name **	20	ALP	Alpha Numeric description
10. User Debit	13	ALP	User defined NUM Reference No. such as Ledger Folio No. or Share/Debenture Cert. No. or any other unique identification No. given by the User for the individual beneficiaries.
11. Amount	13	NUM	Amount in Paise
12. FILLERS (To be kept blank by User)	10	NUM	ECS Item Sequence Number to be allotted by the CH
13. FILLERS (To be kept blank by User)	10	NUM	Checksum Total generated by the CH
14. FILLERS (To be kept blank by the User)	1	NUM	Flag for items debited (1) and returned undebited (0)
15. Filler (To be kept blank by the User)	2	NUM	Reason for not debiting the item
	156		

(Thus, the Debit records would have the length of 156 ASCII characters with the last four fields kept blank. These four fields would be filled up while processing the input file at the CH/Destination Bank)

Appendix II(a)

Electronic Clearing Service (Debit)

RECORD LAYOUT OF THE CLEARING SETTLEMENT AND OUTPUT DATA FOR DESTINATION BANKS IN MAGNETIC MEDIA (Clearing House → Destination Banks)

Header Record and Trailer Record

Sr.No	Field Description	Length	Field Type	Remarks
1	ECS transaction Code	2	NUM	ECS transaction code 55 for Header and 99 for trailer
2	Control Character	7	NUM	All Zeros
3	Filler	87	ALP	Filler
4	Control Character	7	NUM	Three digit Bank MICR code followed by four Zeros
5	Total number of Items	9	NUM	999999900 in the header actual number of transactions in the trailer
6	Total Amount	13	NUM	Total amount in the file
7	Settlement Date	8	NUM	Settlement Date in ddmmyyyy format
8	Filler	27	ALP	Filler and ends with a dot (.)

Total 160

Credit Records

1	ECS transaction code	2	NUM	ECS transaction code 66
2	Destination Sort Code	9	NUM	MICR city-bank-branch code
3	Destination account type (S.B. account or Current account)	2	NUM	MICR transaction code (10/11)
4	Ledger Folio number	3	ALP	Alpha numeric Ledger Folio particulars
5	Destination account number	15	ALP NUM	Alpha numeric description
6	Destination account Holder's name	40	ALP	Alpha numeric description
7	Sponsor Bank- Branch Sort code	9	NUM	MICR bank code
8	User number	7	NUM	User number allotted by

				ECS authority
9	User name	20	APL	Alpha numeric description
10	User Credit Reference	13	ALP NUM	User defined Reference Number such as Ledger Folio number, or Share /Debenture Cert. No. or any other unique identification number given by the User for the individual beneficiaries.
11	Amount	13	NUM	Amount in paise
12	Reserved (to be kept blank by User)	10	NUM	ECS item Sequence Number to be allotted by NCC
13	Reserved (to be kept blank by User)	10	NUM	Checksum total generated by NCC
14	Reserved (to be kept blank by User)	7	NUM	Filler

Total 160

Appendix III

Electronic Clearing Service (Debit)

RECORD LAYOUT OF THE RETURN FILE (DESTINATION BANKS TO CLEARING HOUSE)

(Destination Banks → Clearing house)

This is the file generated by the destination banks for returning the uncredited/undebited items to the Clearing House. The file has only one type of data records of length 50 characters. The following table gives the details of the fields and their length of the contra record and the repetitive records.

S.No	Description	Type	Length
1	Settlement date	Alphanumeric	X(8)
2	Ecs Sequence No	Alphanumeric	X(10)
3	User No	Alphanumeric	X(7)
4	Amount in paise	Numeric	9(11)v99
5	Reason code	Alphanumeric	X
6	City code	Alphanumeric	X(3)
7	Bank code	Alphanumeric	X(3)
8	Branch code	Alphanumeric	X(3)
9	spaces	Alphanumeric	X(2)

Appendix III(a)

Electronic Clearing Service (Debit)

RECORD LAYOUT OF THE FINAL OUTPUT FILE (CLEARING HOUSE TO USER INSTITUTION)

(Clearing House → Sponsor Bank → User Institution)

This is the file generated by the Clearing House and sent to the user institution through the Sponsor bank. The file has two types of data records, viz., one header record called the contra record and the repetitive records. The following table gives the details of the fields and their length of the contra record and the repetitive records.

Contra Record

Sr.No	Field Description	Length	Field Type	Remarks
1	ECS transaction Code	2	NUM	ECS transaction code 55
2	User Number	7	NUM	User number allotted by Sponsor Bank
3	User name	40	ALP	Alpha Numeric description
4	User Credit Reference	14	ALP NUM	User defined reference number for the entire transaction (Alpha Numeric)
5	ECS tape input number	9	NUM	User defined input tape
6	Sponsor Bank-Branch Sort code	9	NUM	MICR city-bank branch code
7	User's bank Account number	15	ALP NUM	Account number of the User to be debited by Sponsor Bank. (Alpha numeric)
8	Ledger Folio number	3	ALP	Alpha numeric Ledger Folio particulars
9	User defined limit for individual credit items	13	NUM	User defined limit which would be taken for validating the credit items (in paise)
10	Total amount (Balancing Debit amount)	13	NUM	Amount in paise
11	Settlement date (DDMMYYYY)	8	NUM	Date on which settlement is sought to be effected
12	Item Sequence	10	NUM	Item Sequence number generated by

	Number			Clearing House
13	Checksum	10	NUM	Checksum generated by Clearing House
14	Filler	3		Filler

Total 156

Repetitive Records

1	ECS transaction code	2	NUM	The successful transaction code 66 Undebited transactions code 44
2	Destination Sort Code	9	NUM	MICR city-bank-branch code
3	Destination account type	2	NUM	MICR transaction code
4	Ledger Folio number	3	ALP	Alpha numeric Ledger Folio particulars
5	Destination account number	15	ALP NUM	Alpha numeric description
6	Destination account Holder's name	40	ALP	Alpha numeric description
7	Sponsor Bank-Branch Sort code	9	NUM	MICR bank code
8	User number	7	NUM	User number allotted by ECS authority
9	User name	20	ALP	Alpha numeric description
10	User Credit Reference	13	ALP NUM	User defined Reference Number such as Share /Debenture Cert. No. or any other unique identification number given by the User for the individual beneficiaries.
11	Amount	13	NUM	Amount in paise
12	Item sequence number	10	NUM	ECS item Sequence Number allotted by NCC
13	Checksum	10	NUM	Checksum total generated by NCC
14	Success flag	1	NUM	1 for items debited and 2 for returned undebited in case of debit

15	Filler	1	ALP	Used for internal purpose
16	Reason code	1	NUM	Reason for not crediting the item

Total 156

FORMS

Appendix-IV

FORM NO. E-1

Electronic Clearing Service (Debit Clearing) Application for registration with the Sponsor Bank to avail of ECS facility

Part A- to be filled in by the User

USER DETAILS

1. Name of the Organisation
2. Address
3. Contact person and telephone number
4. Types of transactions sought to be put through ECS during the first year of availing ECS services.

<u>Type of transaction</u>			<u>Expected volume</u>	<u>Expected value</u>
a	Telephone Bills Payment	-----monthly		
b	Electricity Bills Payment	-----Quarterly		
c	Loan Installment payment	-----Half- yearly		
d	Insurance Premia payment	----Yearly		
e	Others (Specify)			

5 We will ensure that the NRE accounts of beneficiaries, if any, will be included in the Input Data only after ensuring that the Reserve Bank of India, Foreign Exchange Department permission is obtained therefor, if necessary.

6 Complaints from beneficiaries, if any, relating to non-debit/delayed debit/non-reporting of un-debited items will be pursued by us with the respective banks/branches in co-ordination with the Sponsor Bank

Authorised Signatory of the user

Date

Part B- To be used by the Sponsor Bank

1 The user has been explained the role and responsibilities of various parties under ECS. They have, inter-alia, been advised that the responsibilities of ensuring the accuracy of input data, input preparation and preliminary validation of data as well as issuance of payment advices to the beneficiaries rest with the User. They have also been explained that NCC/CH would be processing data and working out the clearing settlement based on this data and in no way be responsible for ensuring the accuracy of input data or breach of responsibility expected of the Destination Banks. Complaints, if any, received from the customers/investors/beneficiaries would have to be handled by the User.

2 We will ensure that the NRE accounts of beneficiaries, if any, will be included in the Input Data only after ensuring that the Reserve Bank of India, Foreign Exchange Department permission is obtained therefore, if necessary.

3 All complaints relating to non-debit/delayed debit/non-reporting of un-debited items to RBI or Sponsor Bank would be attended to expeditiously and all possible help will also be given to the User in this regard.

4 The User has been advised that the User shall preserve the output tape/floppy to be provided by the ECS Authority for a minimum period of 3 years and the data shall not be tampered with during the period of preservation.

5 We recommend that the above named organisation may be allowed to participate in the ECS debit clearing scheme as a User.

6 The All India Registration Number allotted by us to the user is :

Dated

Authorised Signatory
of the **Sponsor Bank**

Remarks:

Part C- For use at NCC/CH

Authorised Signatory
of the **NCC**

FORM NO. E-2

From:

(Address)

To:

(Address)

Electronic Clearing Service (Debit Clearing)

Mandate by the Sponsor Bank

Our bank has to act as the Sponsor Bank for M/s... ..

.....(User No.)

(name of the user institution)

and authorises Reserve Bank of India/ Clearing Agency,
to credit our account maintained at Deposit Accounts Department for the total value
of DEBIT CONTRA of Rs..... (Rupees.....) as given in the DEBIT CONTRA
record of the input files which are being forwarded herewith.

The User had already carried out a preliminary validation check. The upper limit for
individual credit item is Rs..... (Rupees).

We are fully aware of our role and responsibility in the ECS debit clearing operation
as stipulated in the Guidelines and also ensure that adequate balance would be
available in the RBI's account for adjustment, if any, by RBI for wrong/disputed debit.
The settlement date (...../...../.....) indicated by the user in the Input File may be
amended by NCC as per their convenience under information to us.

(Authorised signatory
of the **Sponsor Bank**)

Place

..... ..

Date

...

..... ..

Name:..... ..

Designation:

Telephone No.

FORM NO. E-3

Bank:

Branch:

Sort Code of the Destination Bank-branch (XXX XXX XXX)

Electronic Clearing Service (Debit Clearing)

Return Memo

Settlement Date: .../.../.....						
Details of un-debited ECS items are as under						
ECS item Sequence Number	User Numbe r	User debit Reference No.	Amount	Beneficiary's		Reaso n Code
				Name	A/c No.	

Total number of transactions: Amount Rs.....

(Rupees:)

(Authorised Signatory
of the Destination Bank branch)

Reason codes allotted for Reasons for return

Code No.	Reasons for return
1	Account since closed/transferred
2	No such account
3	Account description does not tally
4	Balance insufficient
5.	Not arranged for / exceeds arrangements
6.	Payment stopped by drawer
7.	Payment stopped under court orders
8.	ECS mandate not received
9.	Miscellaneous (to be specified)

Note: In case there no un-debited items, a 'nil' report has to be sent in the above format. The return memo has to be sent to the Service branch in case of all transactions put through ECS.

Electronic Clearing Service (Debit Clearing)

Model letter from a User to a prospective Destination Account Holder

Date:

Dear Customer/Investor,

A new method of payment had been introduced by Reserve Bank of India which provides you an option to pay your monthly/quarterly/half-yearly/yearly interest/dividend/salary/pension utility bills like telephone, electricity, loan installments, insurance premium etc directly through your bank accounts. Your bank account would be debited through the new payment mechanism right on the due date. You would be advised in the usual manner to pay the bill. Payment instruction would be issued by us electronically through our banker to the Clearing Authority and the Clearing Authority would supply debit reports to the bank with which you maintain the specified account. The branch will debit your account and indicate the debit entry as 'ECS' in your passbook/statement of account.

2 If you maintain more than one bank account, payment can be received from any of these accounts. You do not have to open any new bank account for the purpose.

3 This would be only an additional mode of payment and would be optional. You would have the right to withdraw from this mode of payment by giving an advance notice of 2 weeks. Your complaint, if any, (the scope of which is very limited) would be immediately dealt with and we assure you to give a reply within 15 days.

4 If you are agreeable to participate in the new payment mechanism, you are requested to fill in the Mandate Form attached herewith. The information to be supplied should accurate and complete in all respects and duly certified by your bank.

5 The information provided by you will be kept confidential and would be utilized only for the purpose of effecting the payments meant for you.

()

Authorised signatory

For ABC & Co

MODEL MANDATE FORM

ELECTRONIC CLEARING SERVICE (DEBIT CLEARING)

The Manager
 (Bank Name)-----
 (Branch Name)-----
 (Address) -----
 Telephone No.-----.

<u>Copy to the User Company</u>
Name -----
Address -----

Telephone No.-----

I hereby authorize you to debit my account for making payment to ----- (User Co.Name) through ECS (Debit) clearing as per the details given as under.

- A. 9-DIGIT CODE NUMBER OF THE BANK & BRANCH:
- (Appearing on the MICR cheque issued by the bank)
- B. ACCOUNT TYPE :
 (S.B. Account/Current Account or Cash Credit)
- C. LEDGER NO / LEDGER FOLIO NO. :
- D. ACCOUNT NUMBER

Name of the Scheme	Date of effect	Periodicity (M/BiM/Qly/etc.)	Amount of installment/ Amt of bill with upper limit	Number of installments/ Valid up to (in case of utility bills)

E. Date of effect :

I hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information, I would not hold the user institution responsible. I have read the option invitation letter and agree to discharge the responsibility expected of me as a participant under the scheme.

.....)

Date Signature of the Customer.

Certified that the particulars furnished above are correct as per our records.

(Bank's Stamp) -----
 Date Signature of the Authorized
 official from the Bank

(Note:- Mandate to be obtained in 3 copies, Original for Bank, One for User Co and other for customer)

Electronic Clearing Service (Debit Clearing)

ECS Control Report (ECR)

Bank Code:

Bank name:

1	Settlement Date/...../.....
2	Date of submission of the tape/floppy/...../.....
3	User and Sponsor Bank branches	
	User Name(s)	Sponsor Bank branch(es)
	(a)	
	(b)	
	(c)	
4	Number of branches of your bank required to be debited	
5	Total amount debited for all branches of your bank	Rs.
6	A tape/floppy, duly encrypted is forwarded herewith and Destination Bank report, Destination Branch Reports and item-wise Destination Ledger Reports may be generated at your level for passing on the same to your concerned branches. Any discrepancy/difficulties, if faced by you, may please be brought to our notice immediately	

(.....)

Authorised Signatory

For NCC

Electronic Clearing Service (Debit Clearing)

Item-wise Destination Ledger Report

(To be retained by the Service/Main branch)

Bank code:**Bank name:*****Settlement Date:**/...../.....

User Details

	User's name	Sponsor Bank's name
1		
2		
3		
4		

Branches of the Destination Bank having debit items

Branch code	Name of the branch	No. of debit items	Amount of debit	
			Rs.	Ps.
002				
003				
004				

999				
Total				

(* Settlement date is the date on which Destination Bank's account would be debited at RBI. Destination Bank branch must debit the Destination Account Holder's account on this date and return the un-debited items to their main/service branches by way of a return memo. Main/service branch of the Destination Bank should incorporate this information in the tape/floppy to be returned to NCC.)

Tallies with amount and number of branches mentioned in the ECS Control Report

(Authorised Signatory of Service branch).

Electronic Clearing Service (Debit Clearing)

Destination Branch Report

(To be sent to the concerned branch)

Bank code:**Bank name:****Branch code:****Branch name:****Settlement Date:**/...../.....

Ledger-wise summary:

Sr.No.	Ledger No.	Number of credit items	Amount
Savings Accounts			
	001		
	002		
	003		
	004		
	Etc.		
	Miscellaneous		
Sub-total			
Current Account			
	001		
	002		
	003		
	004		
	Etc.		
	Miscellaneous		
Sub-total			
Miscellaneous account type			
TOTAL			

Number of pages:

(Authorised signatory
of the Service/Main branch

Encl:.....Pages of Item-wise Destination Ledger Reports

Date:

Electronic Clearing Service (Debit Clearing)

Item-wise Destination Ledger Report

(To be sent to the concerned branch)

Settlement Date:/...../.....

Bank code:

Bank name:

Branch code:

Branch name:

Type of the account: S.B.Account/ Current Account

Ledger No:

A/c No.	A/c Holder's name	Amount	ECS item seq. No.	User credit ref. No.	User branch code	Sponsor Bank code No.	Trans code No.	Reason code No.
0001								
0002								
0003								
0010								
0042								
--								
--								
9999								
Total Rs..... Rupees								

The amounts indicated against each of the account number may be debited to the respective accounts maintained with your branch.

No. of pages:

(.....)

Authorised Signatory of the
Service/Main branch

Date:

Reason codes allotted for Reasons for return

Code No.	Reasons for return
1	Account since closed/transferred
2	No such account
3	Account description does not tally
4	Balance insufficient
5.	Not arranged for / exceeds arrangements
6.	Payment stopped by drawer
7.	Payment stopped under court orders
8.	ECS mandate not received
9.	Miscellaneous (to be specified)

Electronic Clearing Service (Debit Clearing)

Sponsor Bank Settlement Report

(To be sent to the Sponsor Bank by NCC)

Debit Items

Settlement Date:/...../.....

Bank code:

Bank name:

Branch code:

Branch name:

User No.

User Name:

No. of transactions for which settlement has been effected:

Amount for which Sponsor Bank would be credited on settlement date: Rs.

Rupees.....

Debit Details

Bank code	Bank name	No. of debit transactions	Amount
002			
003			
etc.			

Total

Authorised signatory
of the NCC

Date:

Note:

To be given in duplicate to the Sponsor Bank. Sponsor Bank will forward one copy to the User.

Electronic Clearing Service (Debit Clearing)

Combined list of User-wise un-debited items

(To be given to the Sponsor Bank in duplicate)

User Name:

Sponsor Bank:

Sponsor Branch:

Settlement Date:

List of un-debited items					
User Credit Ref. No.	ECS item Seq. Number	Beneficiary's Name	Destinatio n Bank Sort Code	Amount	Reason code for return
Total Rs. Rupees.....)					

Items returned un-debited

With reason code 1 items (A/c closed/ transferred)

With reason code 2 items (No such account)

With reason code 3 items (A/c Description does not tally)

With reason code 4 items (Insufficient balance)

With reason code 5 items (Not arranged for /exceeds
arrangements)

With reason code 6 items (Payment stopped by drawer)

With reason code 7 items (Payment stopped under court orders)

With reason code 8 items (ECS mandate not received)

With reason code 9 items (Miscellaneous (to be specified))

Date:

(Authorised signatory
of the NCC)

Electronic Clearing Service (Debit Clearing)

Sponsor Bank Final Report

(to be given to the Sponsor Bank in duplicate)

Debit Items:

Bank code:

Bank name:

Branch code:

Branch name

User No.

User Name

Amount original credited: Rs.

Debit Details

Branch code	Initial settlement		Items un-debited		Items finally debited	
	Number	Amount	Number	Amount	Number	Amount

Total:

Amount now debited on account
of un-debited returned items

Rs.....

Rupees.....

Note:

Sponsor Bank will forward one copy to the user institution.

Date:

(Authorised signatory

of NCC)

Electronic Clearing Service (Debit Clearing)

Destination Bank Final Report

(To be given to the Destination Bank)

Destination branch		Debit		Credit		Net position	
		On.../.../.....		On.../.../.....			
Br. Code	Br. Name	Initial Debit		Subsequent Credit		Final Debit	
		Items	Amount	Items	Amount	Items	Amount

Total:

Note: Destination Bank should report discrepancy, if any, to NCC immediately.

Date:

Authorised Signatory
of NCC