



BANK OF CEYLON – CHENNAI

Cheque Collection Policy for Bank of Ceylon – Chennai

Introduction

Collection is essentially the process of efficient management of receivables for a customer. It is our endeavour to have an efficient collection process for the customer ensures incoming payments in a prompt manner with minimal loss-in-float and least time taken to realise the incoming payments.

1. Immediate credit of cheques deposited for collection.

1.1 Proceeds of cheques/ drafts/pay orders deposited with us will be credited to the depositor's account immediately, provided:

- (i) The cheque/demand draft/pay order/other negotiable instrument thus deposited is payable in India.
- (ii) Aggregate of the amounts thus credited, outstanding at any point of time, will not be more than Rs 15,000/- (Rupees fifteen thousand only) or the total amount of the instrument(s) deposited, whichever is less.

- (iii) The account to which the amount is to be credited is Savings Bank/ Current Deposit/ any of the Term Deposits account of the customer with the branch.
 - (iv) The customer has been maintaining Savings Bank/ Current Deposit account with the said branch for a minimum period of 6 (six) months and there has been no instance of return of cheques either drawn on or deposited in the said account during the immediate preceding six months.
 - (v) The customer undertakes to repay the Bank the amount thus credited, together with interest at the rate as applicable from time to time, for the period from the date of return of the cheque, till repayment, in the event of return of the instrument deposited and sent for collection.
- 1.2. Service charges, postage, other incidental expenses, etc, will be levied, at usual rates, as and when proceeds of instruments deposited are credited immediately, as stated in para 1.1 above.
- 1.3. Customers availing the facility of immediate credit of proceeds of instruments deposited for collection are liable to reimburse the Bank the service charges, postage and/or any other charges, if any, levied by the drawee bank or collecting bank(s) and an undertaking to this effect should be furnished at the time of availing such facility.

2. Time frame for collection of cheques

2.1 The Bank shall endeavour to collect and credit proceeds of cheques, demand drafts, pay orders and other negotiable instruments deposited with it within the time frame as stated below:

Cheque type	Pricing *	Value **	Transaction mode	Comment
Local Cheque - High Value	Free	Same day value	Via Clearing House of RBI	Both the presenting bank and the drawee bank should be participants of High Value Clearing Session and the minimum value of the cheque should be Rs 1 lac.
Local Cheque - Non High Value	Free	Next working day value	Via Clearing House of RBI/SBI.	Both the presenting bank as well as the drawee bank should be located within the Local Clearing Network decided by RBI/SBI.
Outstation Cheque - payable at locations where RBI NCC acts as a Clearing House	Free	Within 5 working days.	Collection basis	Currently RBI has 9 locations.
Outstation Cheque - payable at IDBI locations	0.15% (Minimum Rs 100/-)	Within 5 working days	Collection basis	Currently available for cheques drawn on more than 100 locations in India. Please contact the branch to obtain a list of locations covered
Outstation Cheque - payable at Non IDBI locations	0.15% (Minimum Rs 100/-) + out of pocket expenses	Within 1 working day of receipt of funds from the drawee bank	Collection basis	Covers cheques drawn on all banks that are not covered under the above categories.

* Pricing mentioned above is market driven and subject to change at the sole discretion of the bank. However, any increase in pricing will be effected with one month's notice and necessary communication will be sent to all customers in this regard.

** Excluding transit times (maximum of 48 hours) for outstation cheques.

Local Currency Cheque Collections

Product Overview	<ul style="list-style-type: none"> Local Cheques deposited by customers will be cleared within two working days. Outstation Cheques are sent on collection basis.
Customer Benefits	<ul style="list-style-type: none"> Efficient / Quick Collection channel. Same day ledger credit/ next day value for all local cheques deposited (subject to conditions mentioned in the summary table). Immediate credits in respect of outstation cheques, subject to the discretion of the Bank.
Clearing availability	Clearing facilities are available at our branch
Outstation clearing - Collection basis	Cheques issued by remote branches where there are no clearing facilities are sent on Collection basis

The bank is not liable to compensate customers for delayed credit, if some unforeseen even (including but not limited to civil commotion, sabotage, lockout, strike or other labour disturbances, accident, fires, natural disasters or other “Acts of God”, war, damage to BOC’s facilities or of its correspondent bank(s), absence of the usual means of communication or all types of transportation etc) beyond the control of the bank prevents it from performing its obligations within service delivery parameters specified above.

3. Interest on Delayed Payment

In the event of delay in collection of outstation cheques in excess of the time frame stipulated in para 2. 1, the Bank shall pay interest for the delayed period at the rate applicable for Savings Bank Accounts.