

Policy on Collection of Cheques / Instruments, 2020

Compliance Department



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For any comments on this document please contact Team-Compliance.

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1. Introduction

With a view to afford the best possible service to its customers, Industrial and Commercial Bank of China will endeavour to make available credit of the cheques or instruments sent for collection in the shortest possible time. To this end it would leverage the technology and expertise available with its Correspondents to the maximum possible extent.

This Collection Policy of the Bank is a reflection of on-going efforts to provide better service to customers and set higher standards for performance. The policy is based on principles of transparency and fairness in dispensing service to customers.

2. Arrangements for Collection

All cheques and other Negotiable Instruments payable locally would be presented through the clearing system through our Correspondent Bank. Cheques deposited at branch counters before the specified cut-off time will be presented for clearing on the same day, or not later than next business day. Cheques deposited after the cut-off time will be presented in the next clearing cycle. Withdrawal of amounts so credited would be permitted as per the cheque return schedule of the clearing-house.

3. Purchase of local/outstation cheques

Bank may, at its discretion, purchase local/outstation cheques tendered for collection at the specific request of the customer or as per prior arrangement. Besides satisfactory conduct of account, the standing of the drawer of the cheque will also be a factor considered while purchasing the cheque.

4. Time Frame for Collection of Local / Outstation Cheques / Instruments

For local cheques presented in clearing credit will be afforded on the 3rd working day from the date on which the cheques are sent to the Correspondent Bank for clearing. The cut off timings for sending of instruments to the Correspondent Bank and their submission in local clearing in Mumbai are as under:

Monday to Saturday	:	Instruments tendered to our Bank before 11 a.m. (1 st
3 rd and 5 th Saturday the month)		will be submitted in clearing on the same date of tendering.



For instruments tendered to our Bank after 11 a.m. (Monday to Saturday - Only 1st, 3rd and 5th Saturdays) will be submitted in clearing on the next working date of tendering.

For cheques and other instruments sent for collection to the four metropolitan centres within the country the following time norms for credit of the customer's account shall be applied:

- a) Cheques payable and presented at the Banks' Correspondent Bank at any of the four major Metro Centres (New Delhi, Mumbai, Kolkata and Chennai): Maximum period of 3 days.
- b) At all other Centres: Maximum period of 14 days.

5. Cheques / Instruments lost in transit / in clearing process or at paying bank's branch

In the event a cheque or an instrument accepted for collection is lost in transit or in the clearing process or at the paying bank's branch, the bank shall immediately on coming to know of the loss, bring the same to the notice of the account holder so that the account holder can inform the drawer to record stop payment and also take care that cheques, if any, issued by him / her are not dishonoured due to non-credit of the amount of the lost cheques / instruments. The bank would provide all assistance to the customer to obtain a duplicate instrument from the drawer of the cheque.

In line with the compensation policy of the bank, the Account holder will be compensated in respect of instruments lost in transit in the following way:

The bank would also compensate the customer for any reasonable charges he/she incurs in getting duplicate cheque/instrument upon production of receipt, in the event the instrument is to be obtained from a bank/ institution who would charge a fee for issue of duplicate instrument.

6. Service charge

For all collection services, the bank will recover appropriate service charges as decided by the bank from time to time and as indicated in its schedule of charges.



7. Force Majeure

The bank shall not be liable to compensate customers for delayed credit if some unforeseen event (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 the bank'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 or its Correspondent Bank prevents it from performing its obligations within the specified service delivery parameters.

8. Review of Policy

This policy shall be reviewed annually.