

Banking Regulation & Policy Department  
Bangladesh Bank  
Head Office  
Dhaka.

BRPD Circular Letter No.02  
Chief Executives  
All Scheduled Banks in Bangladesh

Dated: 10 March, 2004

Dear Sir,

Issuance of cheque in local currency against  
foreign currency account and deduction of relevent charges.

Of late it has been observed that the Foreign currency account holders are issuing cheques in local currency against F.C. account for maintaining their local expenditure. But some differences are being observed in getting payments against the cheques because of deduction of charge. The beneficiary of a cheque has the rightful claim to get full amount against the cheque presented ; but if the cheque issuer is a FC account holder and the cheque is issued in local currency against his/her F.C account, an amount is deducted from the beneficiary's account as collection charges because the settlement is made through the clearing house. As a result the beneficiary does not get the full value of the cheque. In order to ensure transparency henceforce it is advised that if any foreign currency account holder issues a cheque in local currency against his/her F.C. account and payment is made through payorder, in that case cashier's order, courier charges and other charges including VAT are to be borne by the drawer instead of the beneficiary.

Please acknowledge receipt.

Sd/  
(MD. JAHANGIR ALAM)  
Deputy General Manager  
Phone: 7125844