

Assured payment to overseas exporter & credit to Indian importer

Import Letter of Credit is an undertaking issued by an issuing Bank (Bandhan Bank) on behalf of the buyer (applicant) to the seller (beneficiary) to pay for goods and services provided by the seller upon presentation of documents which comply with the terms and conditions of the Letter of Credit.

Features:

- Tailored solutions just to suit your needs
- Faster processing time
- Global network
- Competitive fees

How it works?

- Buyer and seller enter into a business contract. The seller wants a Letter of Credit (LC) for guaranteed payment.
- The buyer applies to his bank i.e. issuing Bank (Bandhan Bank) for a LC in favour of the seller.
- The buyer's bank approves the buyer's credit risk, issues and forwards the LC to the seller's bank (advising bank).
- The seller's bank will authenticate the LC and advise the LC to the seller.
- Seller ships the goods and prepares documentary requirements (invoices, bill of lading, insurance certificate etc) in line with the terms and conditions of the LC.
- The seller presents the required documents to his bank to check and forward the same to the LC issuing bank for payment.
- The seller's bank will forward the documents to the LC issuing bank and claim the funds under the LC.
- Buyer's bank examines documents within 5 banking days and if compliant, makes the payment/acceptance for making the payment on the due date.
- The buyer's account will be debited on payment date as per terms mentioned in the LC (sight/usance).
- The buyer takes the delivery of the goods.

Advantages:

- Easy and flexible process of issuance of LC's in line with UCP
- Faster turn-around time
- Acceptance of wide variety of LCs

Note:

- The Bank may ask for other information, if required, to process the transaction.
- Please note, requisite charges may apply as per Bank's schedule of charges.
- Please contact any of our branches for further details.

Disclaimer:

- Product offering is subject to certain eligibility criteria as per Bank's internal policy and is subject to Bank's discretion.