

Payment of import bills with convenience

An efficient, prompt and convenient way of handling of import collection documents, thus ensuring conveying acceptance and/or making seamless payment or delivering documents against payment and/or against acceptance as per terms and conditions of Letter of Credit (LC) or documentary collections.

Features:

- Quick processing and faster release of documents.
- Extensive global network, thus enabling seamless communication with banks
- Conduct meticulous scrutiny to ensure compliance with LC terms, reducing the risk of discrepancies.
- Competitive charges.

Import bills for collection (under Letter of Credit)

Import bills for collections (under Letter of Credit) refers to a scenario where the beneficiary of a Letter of Credit (LC) presents the documents through advising bank/nominated bank to Bandhan Bank i.e. the LC issuing Bank. The documents tendered may be credit compliant or discrepant.

How it works?

- The buyer and seller enter into a business contract. The seller wants a Letter of Credit (LC) to guarantee 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 i.e. advising bank
- The seller's bank will authenticate the LC and advise the LC to the seller.
- The 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 (Bandhan Bank) for payment.
- The seller's bank will forward the documents to Bandhan Bank and claim the funds under the LC.
- The buyer's Bank (Bandhan Bank) examines the documents within 5 banking days and if compliant, makes the payment/provides acceptance to make 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:

- Expert advisory
- Easy and flexible process of scrutinising of documents in line with UCP
- Faster turn-around time

Import bills for collection (documentary collection)

Import bills for collections (documentary collection) refers to the handling by banks of documents in accordance with instructions received with the objective of obtaining payment and/or acceptance, or deliver documents against payment and/or against acceptance or deliver documents on any other terms and conditions.

How it works?

- The seller and buyer agree to conduct business and agree that payment be made on the basis of a documentary collection.
- The seller ships the goods and tenders the documents to his bank (remitting bank) together with a corresponding collection order.
- The seller's bank forwards the documents along with its collection instructions to Bandhan Bank, the buyer's Bank (or collecting Bank).
- The buyer's Bank notifies the buyer of the arrival of documents, for his payment/acceptance.
- In case of:
 - documents against payment (DP): the buyer pays the amount due.
 - documents against acceptance (DA): the buyer accepts the draft and gives an undertaking to pay on a later date (maturity date).
- After providing payment or acceptance of payment, the buyer receives the documents using which he takes possession of goods.
- The buyer's Bank remits the amount to the seller's bank which further credits the amount to the seller's account.

Advantages:

- Expert advisory
- Speedy document processing and delivery of documents to importer
- Wide range of corresponding banks
- Competitive forex rates

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