



Foreign Exchange Dealers' Association of India

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Misc. Circular No.10/SPL-2018/SIBSTC/2018

2nd February 2018

ATTN.:

1. General Manager, HRD, Training Division
2. General Manager, International Division

Dear Sir,

**FEDAI 2-Day Special Workshop (NON-RESIDENTIAL) on
"Letters of Credit under UCP 600 and ISBP 745, Standby Letters of Credit under ISP 1998
alongwith Incoterms 2010 and brief on URC 522."
under 2018 Series in Bangalore on 4th and 5th May 2018**

LAST DATE FOR RECEIVING NOMINATIONS IS 27TH APRIL 2018

We are pleased to inform member banks that, **Southern India Banks' Staff Training College, (SIBSTC)** will be conducting 2-Day Special Workshop (**Non-Residential**) under 2018 Series in **Bangalore** as per details given below.

| VENUE | CONTACT DETAILS | PERIOD AND TIMINGS |
|---|---|---|
| Southern India Banks' Staff Training College, (SIBSTC) 9, Shankara Math Road Shankarapuram Basavanagudi Bangalore – 560 004 Land Mark: Adjacent to Shankarapuram Police Station / Ranga Dore Memorial Hospital Email: principal@sibstc.edu.in | <u>CHIEF CO-ORDINATOR</u> Sri. N. V .Durshan Faculty Tel: 080 – 2667 0594 Cell: 94498 62076 Email: nvdurshan@hotmail.com | 4 th and 5 th May 2018 Friday AND Saturday 9.00 a.m. to 5.00 p.m. |

In the revised process of GST, issuance of Invoice is necessary. The nominating banks should inform FEDAI about the same and call for Invoice. On the basis of Invoice, payments can be remitted through NEFT. Payment should be made within 5 Days of receipt of Invoice as per account details mentioned below:

Participation Fee : Rs. 8,000/- **NO TDS as per FEDAI Workshop Guidelines**
+ GST 18% OR : Rs. 1,440/- **GSTIN: 27AAATF0610P1ZR**
(applicable ----- **PAN: AAATF0610P**
at the time of remittance) Rs. 9,440/-

Mode of payment : Cheque favouring FEDAI payable at Mumbai **OR NEFT** as follows
a) Beneficiary Name : Foreign Exchange Dealers' Association of India
b) Bank's Name : Canara Bank, Cuffe Parade Br. Mumbai- 400005
c) Account Type : Savings Bank
d) Account No. : **1879101005526**
e) IFSC Code : **CNRB0001879**
f) Remark : Please provide name of the **Participant**

*** BACKGROUND ***

There are various methods of International Trade payments and out of these methods, following methods assume great importance as the same are backed by banking instruments namely Documentary Credits, Standby LCs and Schedules covering Collection Bills. Moreover, these instruments are governed by ICC Publication respectively UCP 600 (to be read in conjunction with ISBP 745) / ISP 1998 and URC 522). A very high volume of Foreign Trade Business is conducted by AD I Banks by using these instruments. All the transactions amongst traders / exporters and importers are based on underlying contract which is drafted keeping in view Incoterms 2010. The above instruments are transmitted through SWIFT / SFMS mechanism.

In the orientation workshop of 5 days, a few sessions are allotted to this important area. However, the feedback from the participants of these workshops and also from the member banks, a need was expressed to conduct a special workshop of 2 Days on this subject and hence in the current year 2018, the first workshop on this subject is taken up by SIBSTC, Bangalore.

*** OBJECTIVE OF THE WORKSHOP***

- To make participants aware in detail four methods of International Trade Settlements namely Advance Payments, Collection Bills, Open A/C system and Letter of Credit with relevant FEMA 1999 provisions.
- To make participants aware of the respective governing publication prescribed by ICC Paris mentioned above. Various Trade Terms prescribed in Incoterms 2010
- ICC Banking Commission at regular intervals provides opinion on various issues connected to LC business, Collection Bills and Incoterms 2010. The objective of the workshop is to brief participants on these opinions for developing operational skills
- To make participants aware with the help of caselets about application of various Articles of these publications while examining documents drawn by traders
- Providing guidance on drafting of LCs, amendments and transmission through SWIFT / SFMS by using appropriate MT formats
- The ICC has also provided dispute resolution mechanism in respect of trade disputes between exporter and importer and the workshop aims at making participant aware of dispute resolution process

*** TARGET GROUP***
NOMINATION CRITERIA

The target group will be Officers at various B as well a C Category branches of AD I Banks and those in Compliance / Audit / Inspection Departments handling Foreign Trade/ Exchange Transactions in general and the transactions related to Imports / Exports in particular by using methods of International Trade Payments

In view of the above, the AD I Banks are requested to ensure that the nominated officer has an experience of working in Foreign Trade / Exchange Business in general and dealing with the international trade payments in particular. AD I banks may also depute officers of Compliance/ Audit and Inspection Department who are responsible to check / audit this portfolio in the branches.

*** FACULTY ***

In-house faculty of FEDAI / Faculty identified by FEDAI

*** INPUTS TO BE PROVIDED ***

- Introduction to Methods of International Trade Payments
- Discussions on Incoterms 2010
- Application of FEMA, 1999 on the above methods
- Mechanism, types and parties to Documentary Credits, Standby LCs and Collection Bills
- Discussions on various articles of UCP 600, ISBP 745, ISP 1998 and URC 522 with the help of caselets
- Preventive tips for operating under FEMA 1999 in general and using various methods of International Trade Payments in particular
- Detailed discussions on Dispute Resolution process with reference to Arbitration and Conciliation and DOCDEX 872
- Do's and Don'ts of handling Inward Letter of Credit Business
- Drafting and Transmission of above instruments through SWIFT / SFMS

As seating capacity is limited to 35 participants at the training venue, the nomination will be accepted on first-cum-first basis. The nomination should be received by SIBSTC at the contact details given above, latest by **Friday, the 27th April 2018**. To make the workshop operationally useful, we expect member banks to take due care while nominating officers conforming to the criteria prescribed above.

Yours faithfully,

Chief Executive