



Foreign Exchange Dealers' Association of India

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Misc. Circular No.32/SPL–Doc.Credit/FEDAI-Online Workshop/2020

13th August 2020

URGENT AND IMPORTANT

ATTN.:

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

Dear Sir,

FEDAI 2 Days Online Workshop on “Documentary Credit Operations and Related Rules” on 10th and 11th September 2020

LAST DATE FOR RECEIVING NOMINATIONS IS 3RD SEPTEMBER 2020

We are pleased to inform member banks that Foreign Exchange Dealers' Association of India (FEDAI) will be organising 2 Days Online Workshop on “Documentary Credit Operations and Related Rules ” under 2020 Series. Online workshop will be conducted on WebEx platform.

CONTACT DETAILS	PERIOD AND TIMINGS
Ms. Sushila Jaiswal Asst. Manager Tel: 022 – 2218 4432 Cell: 077100 69150 Email: mail@fedai.org.in , trg@fedai.org.in	Thursday and Friday 10 th and 11 th September 2020 10 th September 2020 – 10.00am to 1.00pm 11 th September 2020 – 10.00am to 1.00pm

In the 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. Please note that **NO TDS** is applicable on participation fee since it is subscription paid for webinar where from NO tax is required to be deducted at source. As you are aware, FEDAI as an Association of AD-I Category Banks, is a Company registered Under Section 25 of the Companies Act, 1956, and such receipts are exempted from Income Tax based on the **principle of mutuality**.

Payment should be made within 5 Days of receipt of Invoice as per account details mentioned below:

Participation Fee : Rs. 3,500/- + GST 18% : Rs. 630/- ----- Rs. 4,130/- =====	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
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GSTIN: 27AAATF0610P1ZR
PAN: AAATF0610P

*** 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 Publications - 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. The above instruments are transmitted through SWIFT / SFMS mechanism.

*** OBJECTIVE OF THE WORKSHOP***

- To introduce participants to the 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 operational aspects of handling Documentary Credits and the governing publications prescribed by ICC Paris for the same. Various Trade Terms prescribed in Incoterms 2020
- To familiarise participants with the 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
- Roles & Responsibilities of the Banks involved in Documentary Credit Operations
- To make participants aware as to how to handle discrepant documents

*** TARGET GROUP***

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

*** FACULTY ***

In-house faculty of FEDAI / Faculty identified by FEDAI

*** INPUTS TO BE PROVIDED ***

Day 1: 10.00am to 1.00pm

- Brief introduction to Methods of Trade & Settlement Methods
- Risk in International Trade
- Documentary Credit as an instrument for Trade Settlement
- Documentary Credit - Types & Purpose
- Documentary Credit - Transaction Flow & Parties
- Rules applicable to Documentary Credit Transactions - UCPDC/URR/ISBP

Day 2: 10.00am to 11.30am

- Roles & Responsibilities of the Banks involved in Documentary Credit Operations
- How to handle Discrepant Documents as an - Issuing Bank, Confirming Bank, Nominated Bank

11.30 am to 12.15pm

- Exchange Rate Mechanism

12.15 pm to 1.00 pm

- Snapshot of important articles of UCPDC & ISBP paragraphs
- Incoterm 2020 - a cursory look
- Queries & Answers

The nominations will be accepted on 'first come first served' basis and should be received by FEDAI latest by Thursday, the 3rd September 2020. FEDAI will advise the acceptance of nominations and only such accepted nominees will be sent a weblink for Registration to the online workshop. All the participants who have completed the registration will be sent the meeting ID and Password.

Yours faithfully,

Chief Executive