



PRESENTS
LETTER OF CREDIT



Background

Banking is an integral part of international businesses, where Trade Finance is one of the most lucrative businesses to any bank. Trade finance includes various kinds of loans, advances and facilities required for imports and exports deals that are made on foreign trade, and involve foreign exchange transactions. Letters of credit (LC) are most often used in international trade, governed by the Uniform Customs and Practice for Documentary Credits (or UCP), the rules of the International Chamber of Commerce. As we know that a letter of credit is a document issued by a third party that guarantees payment for goods or services when the seller provides acceptable documentation. Letters of credit are usually issued by banks or other financial institutions.

Letter of Credit (LC), as we know it, is one of the major lines of business of commercial banks. Employees working in the bank must have a comprehensive knowledge of this product for minimizing the risk involved, facilitating the customers, providing relevant and true information to the customers and also doing necessary operating activities for conducting various LC related activities.

Program Details:

Date: & Time: 9th Dec ,2023 (8:00am- 3:45pm)

Duration: 4 sessions/ 6hrs (1 session=1.5hrs)

Venue: Tuki Resort ,Pokhara

Target Audience: Upto Senior officer who has recently transferred to the Trade finance department.

Level: Low and Middle

Deadline: 2 days before the program date

Program Details

Program Takeaways:

- Good understanding of international trade payment mechanism.
- Modes of payment settlement in international trade and Letters of Credit.

Program Delivery (Method)

- Lecture, PowerPoint Presentation, and Individual/Group discussion.

Course Content:

Time	Details
Session 1	Payment mechanism for settlement of International Trade and Concept of L/C <ul style="list-style-type: none">• L/C opening and settlement process• Responsibilities of different parties• Use and Process of different types of LC: Confirmed, Red Clause, Back-to-back, Transferable, Revolving and Stand by LC
	Break
Session 2	Documents under LC and UCP Guidelines for documents <ul style="list-style-type: none">• Operations of Letters of Credit• Transport Documents• Commercial Invoices• Insurance Documents• Bill of Exchange• Inspection certificates and Other documents
Session 3	Handling process and Practices of Letters of credit <ul style="list-style-type: none">• Advising LCs• Document presentation• Negotiation and Collection under Letters of Credit• Dispute handling and Risk management fundamentals of LC
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Session 4	Regulatory framework for LC Operations <ul style="list-style-type: none">• Nepal Rastra Banks Rules and Regulations for operations• Settlement and payment mechanism under Letters of Credit

Facilitator's Profile



Dr. Ram Raj Upadhyay is a banker by profession. He has more than 30 years of experience working in commercial banks as a banking specialist. He has had the chance to work in numerous Commercial Bank divisions, branches, regions, and provinces. In 2006, he also worked at HSBC Bank Plc., in the UK. He is a senior trainer for banks and other financial institutions. He has been giving training in the area of Trade Finance, Credit, and Operations. He keeps good competency in Corporate Credit, Retail Marketing, Trade Finance, and Operation Management of Bank and Financial institutions. He has also served as part-time lecturer for International Business, Banking and Insurance, Small Business Entrepreneurship, and Human Resource Management for eMBA and BBA. He has represented Nepal, on numerous occasions, at International Conferences relating to Human Resource Development & Mobility, Foreign Currency Exchange Management in regard to Nepal and India, and sensitive issues of South Asian Border Management hosted by various universities of India, mainly in Jaipur/Sikkim/ Ajmer etc.