

(In case of a Firm / Company this letter should be obtained on their Letterhead)

Irrevocable inland letter of credit application format

To,
The Manager,
Branch Address
Axis Bank Ltd.

Dear sir,
We request you to establish an irrevocable documentary letter of credit as per details below

40a	Type of L/C	Irrevocable						
40 e	Applicable rules	UCP latest version						
31d	Date and place of expiry:	Date of expiry: _ / _ / _ _ _ _ _ _ (dd/mm/yyyy format) _____ place Or at negotiating Bank's counter						
44 c:	Latest date of shipment	_ _ / _ / _ _ _ _ (dd/mm/yyyy format)						
48:	Period of presentation of documents	Within _____ days from the date of _____ but within validity of credit.						
50:	Name and address Of the applicant	Name of the applicant: Address of the applicant: Pin code <table border="1" style="display: inline-table; vertical-align: middle;"><tr><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>						
59 :	Name and address of the beneficiary	Name of the beneficiary: Address of the beneficiary: Pin code <table border="1" style="display: inline-table; vertical-align: middle;"><tr><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>						
32 b:	Currency and amount of credit in figures and in words	INR. _____ (amount in words: _____)						
39 a:	Percentage credit amount tolerance	+/- (plus/ minus) _____%						
39 b:	Maximum credit amount	INR						

39 c:	Additional amounts covered (usance interest)	☐ usance of interest to applicant account (please mention below details) Usance interest _____ % for _____ days Please indicate below if any other charges need to be added other than usance interest to be borne by applicants. Other charges (if there are any, please specify). INR _____											
41 a/d :	Credit available with	☐ Axis Bank, _____branch ☐ unrestricted for negotiation / credit available with _____ Bank <table border="1" style="width: 100%; text-align: center;"> <tr> <td style="width: 10%;"> </td><td style="width: 10%;"> </td><td style="width: 10%;"> </td><td style="width: 10%;"> </td><td style="width: 10%;">0</td><td style="width: 10%;"> </td><td style="width: 10%;"> </td><td style="width: 10%;"> </td><td style="width: 10%;"> </td><td style="width: 10%;"> </td><td style="width: 10%;"> </td> </tr> </table> IFSC Code (please provide mandatory 11 digit IFSC code)					0						
				0									
	Credit available by	☐ acceptance ☐ def payment ☐ negotiation ☐ sight payment ☐ mix payment											
42 c:	Drafts at	At sight / _____ days from date of _____											
57 a	Advising Bank	☐ Axis Bank, _____ branch or ☐ name of Bank, _____branch _____ <table border="1" style="width: 100%; text-align: center;"> <tr> <td style="width: 10%;"> </td><td style="width: 10%;"> </td><td style="width: 10%;"> </td><td style="width: 10%;"> </td><td style="width: 10%;">0</td><td style="width: 10%;"> </td><td style="width: 10%;"> </td><td style="width: 10%;"> </td><td style="width: 10%;"> </td><td style="width: 10%;"> </td><td style="width: 10%;"> </td> </tr> </table> IFSC code (please provide mandatory 11 digit IFSC code)					0						
				0									
42 (a/d):	Drawee												
43 p:	Partial shipments	☐ prohibited ☐ permitted											
43 t:	Transshipments	☐ prohibited ☐ permitted											
44 a	Shipment from												
44 b :	Shipment to	Via											
45 a:	Quantity and description of goods (brief details)	_____ (insert goods/services description as mentioned in po/pi/underlying contract) as per purchase order/proforma invoice number xxxxxx dated _____ (in dd/mm/yyyy) format											

		Incoterm: ☐ CIF ☐ FOB ☐ ex-work ☐ other.....(please specify), _____ (insert name of place), incoterms 2020 If po/pi is more than three months old then, Please specify the date when the first shipment happened: __ / __ / __ __ (in dd/mm/yyyy format)
49:	Confirmation instructions	With ☐ without ☐ may add ☐
46 a:	Documents required	☐ drafts in duplicate for 100 % of invoice value ☐ signed commercial / tax invoice in ___ copies and certifying that the goods are as per p.o./proforma invoice/letter of offer no. _____ dated _____ ☐ original lorry receipt issued by IBA approved transporter / railway receipt made to order of/endorsed in favour of Axis Bank Ltd. A/c. Applicant quoting l/c no. and date marked freight () pre-paid () payable at destination ☐ copy of e-way bill ☐ test / inspection certificate issued by _____ ☐ airway bill/air consignment notes (indicating flight no. and date) addressed to Axis Bank Ltd. For account applicant quoting lc no. and date and marked freight () pre-paid () payable at destination ☐ full set of signed "clean" "on board" ocean bill of lading made out to the order and blank endorsed marked freight prepaid / payable at destination evidencing shipment of merchandise described under 45 a above. Bills of lading must state full name and address of both applicant and Axis Bank as parties to be notified ☐ in case of insurance being covered by beneficiary) comprehensive insurance policy or certificate dated not later than the date of transport documents ☐ packing list ☐ receipted delivery challan issued by the applicant certifying that the goods have been received in good condition along with a copy of lorry receipt ☐ beneficiary's certificate to the effect that one additional set of non-negotiable documents have been forwarded to the applicant by e-mail / courier at the earliest but not more than _____ working days after shipment <u>Any other documents - please specify</u> ☐

		☐ ☐		
47 a:	Additional conditions	☐ all documents must quote credit no. and date ☐ separate draft and invoice for interest amount required ☐ all documents must be english ☐ despatches prior to date of lc permitted upto _____ days and in any case not earlier than the date of purchase order/proforma invoice/letter offer. ☐ despatches prior to date of lc not permitted ☐ documents produced by reprographic process/computerised carbon copies are not acceptable unless marked original and signed. ☐ insurance is covered by applicant vide open policy no. _____ of <m/s _____> insurance company <u>And (notwithstanding anything to the contrary in the applicable icc rules or in this undertaking), we disclaim liability for delay, non-return of documents, non-payment, or other action or inaction compelled by restrictive measures, counter-measures or sanctions laws or regulations mandatorily applicable to us or to (our correspondent Banks in) the relevant transaction.</u> <u>Any others, please specify</u> ☐ ☐ ☐		
71 b:	Specify if any charges are to beneficiary's account	Lc opening charges	☐ beneficiary	☐ applicant
		Lc amendment charges	☐ beneficiary	☐ applicant
		Negotiating Bank's charges	☐ beneficiary	☐ applicant

		Advising charges	☐ beneficiary	☐ applicant
		Confirming Bank's charges	☐ beneficiary	☐ applicant
		Discrepancy charges	☐ beneficiary	☐ applicant
		Any other type of charges, please specify below	☐ beneficiary	☐ applicant
78:	Instructions to the Paying/accepting/ negotiating Bank			

Only one of the fields should be filled in.

In consideration of your opening the above documentary credit:

1. We request you to debit the charges for this letter of credit, all subsequent amendments to the letter of credit and any related charges pertaining to this letter of credit to our current accountt / cc account no. _____ with you and fdr details for margin as under:

Fdr no	Amount in inr to be lien marked against the fdr

2. We will accept and pay all drafts / documents drawn pursuant to the terms of the credit and take up and pay for all documents negotiated thereunder in accordance with the terms thereof, as also for any disbursement made or liability incurred by you for my/our account under the credit, together with interest, costs, charges and expenses due to you in respect thereof as hereinafter mentioned.
3. We will pay to you on demand, all costs (legal costs), penalty, demurrage, storage charges, clearing and forwarding charges and all other charges and expenses which you may be put to or suffer or incur in connection with the goods and or the documents of title to goods covered by the credit including for re-shipment thereof for any reason whatsoever, or in the exercise or enforcement of any right or power hereby conferred or otherwise however
4. We further confirm that you shall have a pledge as specified in the loan agreement upon all goods and documents of title to goods and other documents covered under the credit which may have been already delivered or shall be hereafter delivered into your possession or into the possession of your agents by me/us or by any person, firm or company on my/our behalf as a result of your opening the credit or in connection with the transaction thereunder. The said goods and the documents shall be deemed to be so delivered in pursuance of the loan agreement as security for all payments which may be made by you or your correspondents or agents under the credit for my/our account as also for any liability whatsoever incurred or which may be hereafter incurred by you or your correspondents or agents as a result of the opening of this credit, together with interest, costs, charges and expenses as herein above mentioned.
5. In the event of my/our committing a default in making due payment of any bill drawn under the credit or in making reimbursement on demand of any payment made by you for my/our account in respect of any liability that may be suffered or incurred by you or your correspondents or agents under or in connection with the credit, then you shall be entitled without prejudice to any of your rights and without notice to me/us (which i/we hereby expressly waive), to sell the goods covered under the credit (the said "goods") whether before or after their arrival either by public auction or tender or by private contract and subject to such conditions as you may deem fit to impose, or otherwise dispose of or deal with the said goods or any part thereof and or with the relative documents of title to goods in any manner whatsoever, without being bound to exercise any of these powers or liable for any loss in the exercise or non-exercise thereof. The net proceeds

realised from sale of the said goods or transfer of any document of title, remaining after deducting there from the costs and expenses of and incidental to such sale or transfer, shall be applied in or towards payment or satisfaction of the amount(s) due to you in respect of any payment or disbursement made by you under the credit for my/our account, and interest thereon and all costs, charges and expenses as here in above mentioned. I/we will accept Bank's account of sale or realisation as conclusive evidence both in and out of court as to the amount(s) realised and expenses incurred, and to pay forthwith any shortfall or deficiency remaining after such application. I/we further confirm that you shall not be liable to me/us for any loss which may occur pending sale or disposal of the goods and/or documents of title of goods, whether by reason of theft, damage, deterioration or decay of the goods or depreciation in the value thereof or otherwise whatsoever be the cause.

6. We will keep the said good further insured from the time of expiry of insurance cover under the initial policy or policies of insurance, against all risks which are normally covered for goods of the nature purchased under the credit as also against such other risk(s) as may be required by you, and in the event of my/our failing to do so, you shall be at liberty to insure the said goods at my/our cost and expenses without prejudice to your rights hereunder. Until all your dues in respect of the credit are paid in full, i/we will pay to you forthwith all moneys if received by me/us under any policy or policies of insurance moneys, and untill such payment to you i/we will hold the same in trust for you.
7. We will hand over to you a copy of the relative policy and/or cover note in case insurance in respect of the transaction under reference is to be covered by me/us.
8. We will sign, execute and deliver to you from time to time on demand made by you, such further or other deeds, documents and writings and do all such acts, matters and things as may be required by you for better perfecting your title to the said goods and the documents covered under the credit and or to render the same readily saleable or transferable by you to any purchaser(s) at all times.
9. It is understood that the transmission of all instructions and communications under the above credit and the shipping of documents and goods thereunder is entirely at my/our risk. You and your correspondents shall not be responsible for any error or delay in such transmission or loss or delay in delivery of the documents or the goods nor shall you or your correspondents be liable in any respect beyond ensuring that the bill(s) drawn under the credit and the relative documents covered thereunder purport to comply with the terms and conditions of the credit.
10. We shall make adequate arrangement for retiring the bills under the credit and do not contemplate to seek any financial assistance from you for the purpose.
11. We confirm that we shall arrange to fix adequate stamp duty on the drafts drawn under the lc and shall make payment of any charges incurred for handling of bills under the lc.
12. We hereby confirm that in the event of my / our failing to retire the bills drawn under the lc on due dates in case of usance bills and within 5 Banking days from date of receipt of documents by you in case of sight bills, you shall be at liberty to devolve the bills under the lc on the due date or on expiry of the 5th banking day as the case may be. We will pay the charges and interest applicable in case of devolvement of bills.
13. This application shall be deemed to have been accepted and the credit deemed to have been established when written advice thereof has been sent to the beneficiary.
14. We confirm that this credit may be amended and/or modified by you in your absolute discretion, including for an increased limit, on our giving you written instructions for the same and in such an event, such amendment/modification will be deemed to form part of this credit application and will be governed by the terms hereof and i/we agree, covenant, record and confirm that i/we shall

be bound by the same as if such amendment/modification including the increased limit had originally constituted the term of this credit.

15. This application shall be binding upon me/us, my/our heirs, executors and administrators/successors and shall ensure to the benefit of and be enforceable by you, your successors, transferees and assignees.
16. Except as otherwise expressly stated this credit is to be opened subject to the uniform customs and practice for documentary credit (2007 revision) as contained in the international chamber of commerce publication no.600 /eucp as amended from time to time and will also be governed by directives/guidelines issued by reserve Bank of India from time to time.
17. This application shall be read in conjunction with the loan agreement (including the schedule titled "additional provisions relating to letter of credit(s) (lc),") dated _____ ("loan agreement"). All terms and conditions set forth in the loan agreement shall be deemed to apply mutatis mutandis to the transactions contemplated under this application and shall be binding on us accordingly.

Place: yours faithfully,

Date: signature and stamp of applicant]