

**Convenience foods - Delayed realization of bills -and application of overdue interest**

Chennai <Chennai.Chennai@bankofindia.co.in>

Fri, Nov 4, 2022 at 1:56 PM

To: "compliance.lk@statebank.com" <compliance.lk@statebank.com>, "risk.lk@statebank.com" <risk.lk@statebank.com>, "credit.lk@statebank.com" <credit.lk@statebank.com>, "fcbu.lk@statebank.com" <fcbu.lk@statebank.com>, "avpib.lk@statebank.com" <avpib.lk@statebank.com>, "indiancredit@mo.treasury.gov.lk" <indiancredit@mo.treasury.gov.lk>, "info@boc.lk" <info@boc.lk>, "customercare@sbi.co.in" <customercare@sbi.co.in>, "contactcentre@sbi.co.in" <contactcentre@sbi.co.in>

Cc: Foreign Business Department <HeadOffice.FBD@bankofindia.co.in>, "C&IC department (Chennai)" <Chennai.CIC@bankofindia.co.in>, ZMSect Chennai <Chennai.ZMSect@bankofindia.co.in>, OMVISHKAR EXPORTS <omvishkarexports@gmail.com>, "agmcustomer.lhocha@sbi.co.in" <agmcustomer.lhocha@sbi.co.in>

Dear Sir/Madam,

Our customer M/s Om Vishkar has made various shipments to your customer M/s Convenience foods, Lanka PLC under ICL through Documentary Credit with reference Number 25122LU00020 and 25122LU00021 dated 27 June 2022 with the Amount USD 562500 and 1125000

In this connection we wish to inform that the bills are already due for realization since the date of your acceptance on various dates.

This is clearly not acceptable as the working capital of our customer, M/s Om vishkar exports, is severely affected due to the delay on your part.

2. When we followed with you vide various SWIFT messages, you have replied (the latest being on MT999 dated 26-October 2022) the following:

"WITH REFERENCE TO YOUR MT999 DATED 21.10.2022 WE WISH TO INFORM AS FOLLOWS AS INFORMED IN OUR PREVIOUS SWIFT MESSAGES KINDLY NOTE THAT WE HAVE FULLY SETTLED ALL THE BILLS PRESENTED TO OUR COUNTERS WITHOUT ANY DELAY AS PER THE TERMS AND CONDITIONS OF THE INDIAN CREDIT LINE. PAYMENT DETAILS ARE AS FOLLOWS

YOUR REF (BOI)	OUR REF (SBI)	AMOUNT IN USD	PAYMENT DATE
8000FBC220000459	25122LU00021B001	296223.75	19.07.2022
8000FBC220000471	25122LU00020B003	154620.00	22.07.2022
8000FBC220000476	25122LU00020B004	59062.50	27.07.2022
8000FBC220000516	25122LU00020B005	207405.00	15.08.2022
8000FBC220000518	25122LU00020B007	61267.50	05.08.2022

WITH THE SETTLEMENT OF THE BILLS ON DUE DATE OUR LIABILITY ON THE SAME HAS BEEN REVERSED. HENCE WE HAVE CLOSED OUR FILES ON THE ABOVE. "

3. In this regard, we wish to point out that as per Para 10.3 of "Importation of essential items under INDIAN CREDIT LINE SOP" released by ICFCU, Ministry of Finance, Sri Lanka 2022", "Importer's bank is responsible to ensure that general banking terms and instructions are followed when opening L/C and other payment terms pertaining to approved transaction under this scheme. Fund transactions from the importer's bank to BOC account maintained by the Treasury are taken place in two stages. Further the importer's bank is required to coordinate with BOC and ICFCU to carryout interbank transactions on time."

But your bank has clearly failed to take up the issue with BOC and ICFCU to ensure that the payment to us is released on time.

Please note that this is a clear lapse on your part warranting application of interest from due date, as applicable, on your bank.

4. Please arrange for the payment immediately by today along with the interest @18% p.a. on overdue bills listed above.

Regards

Gowri Ramachandran
Asst General Manager
Bank of India
Chennai Main Branch
044-66777550
+91-7358530102

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Convenience foods - Delayed realization of bills -and application of overdue interest

Chennai <Chennai.Chennai@bankofindia.co.in>
To: OMVISHKAR EXPORTS <omvishkarexports@gmail.com>

Wed, Dec 14, 2022 at 5:49 PM

From: Chennai
Sent: 14 December 2022 17:47
To: Chennai
Subject: FW: Convenience foods - Delayed realization of bills -and application of overdue interest

From: vpcrlk [mailto:vpcr.lk@statebank.com]
Sent: Tuesday, November 22, 2022 14:42
To: Chennai; creditlk; ASSISTANT GENERAL MANAGER CUSTOMER LHOCHA; Rmfi2 lbg
Cc: Foreign Business Department; C&IC department (Chennai); Sitaram Devasena; Chennai Zonal Office
Subject: Re: Convenience foods - Delayed realization of bills -and application of overdue interest

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Madam,

Please refer to your trailing email and also the SWIFT message dated 21.11.22 on the captioned matter. We have already replied to points raised by

you in your earlier emails.

Please go through the RBI circular on the "SBI Indian line of credit", a copy of which is enclosed for ready perusal. Please also note that we had as per the SOP for Indian Line of credit and also in terms of UCPDC made payment in LKR to Bank of Ceylon. As such, we are reiterating that there is no violation of any guidelines as claimed by you. As advised earlier in our email dated 10.11.2022, our customer has not been able to get the imported material and also has made the payment of goods as per LC terms to Government of Sri Lanka.

It is quite evident from your emails RBI circular guidelines have not perused as M/s Om Vishkar exports and your bank have been demanding payment in USD whereas the payment for Indian exporter is to be made in INR in line with RBI circular.

Enclosed RBI circular is self explicit in the matter and it is evident from your emails that guidelines in the matter have not been perused. Our bank is not liable to pay any interest / amount as claimed as we have acted as per the RBI guidelines in the matter. We reserve our right to respond / initiate appropriate legal measures in the matter.

Regards:

M S Negi
VP (Credit)



Sri Lanka,
16, Sir Baron Jayatilake Mawatha,
PO Box 93, Colombo-01,
Sri Lanka
Tel - +94-11-4446800 (Ext:33)
Mob: +94-777790991
Fax - +94-11-4446868.

[Quoted text hidden]

[Quoted text hidden]

[Quoted text hidden]

Regards

Gowri Ramachandran

Asst General Manager

Bank of India

Chennai Main Branch

044-66777550

+91-7358530102

From: vpcrlk <vpcr.lk@statebank.com>

Sent: 10 November 2022 16:59

To: Chennai

Cc: Rmfi2 lbg

Subject: Re: Convenience foods - Delayed realization of bills -and application of overdue interest

CAUTION: This email has originated from **outside Bank of India**. Do not click on links or open attachments unless **you recognize the sender** . Please refrain from replying to this message if it appears to be suspicious.

Madam,

With reference to trailing mail we wish to categorically advise that there is no delay on our part in settlement of any of the bills. All the bills have been paid on the due date as per the guidelines of the Indian Credit Line. Accordingly, LKR funds have been transferred to Bank of Ceylon with due instructions for further credit to your bank under Indian Credit Line settlement procedure.

In this connection, please refer to your trailing email dated 04.11.2022, wherein you have also mentioned the following :

3. In this regard, we wish to point out that as per Para 10.3 of “Importation of essential items under INDIAN CREDIT LINE SOP” released by ICFCU, Ministry of Finance, Sri Lanka 2022”, “Importer’s bank is responsible to ensure that general banking terms and instructions are followed when opening L/C and other payment terms pertaining to approved transaction under this scheme. Fund transactions from the importer’s bank to BOC account maintained by the Treasury are taken place in two stages. Further the importer’s bank is required to coordinate with BOC and ICFCU to carryout interbank transactions on time.”

We had ensured that LC payment terms were complied with and payment was made to BOC in Lankan rupees within the stipulated time. The inter bank payments were made to BOC on time.

As per the Indian Line of credit procedure, after receipt of payment from BOC and customs clearance, ICFCU will be sending the approved payment message details to Indian High Commission, which in turn will add its approval to the payment message and forwards to SBI, IFSC, Gandhi Nagar, India.

Therefore , please note that as we do not have any further role to perform after we make the interbank payments to BOC as per the terms of import LC. We have been in response to your various emails advising vide our SWIFT messages that we have made payment in Lankan rupees to BOC as per the Indian Line of credit and LC terms. Our SWIFT messages already contain the date wise payment details of various bills and same has also been mentioned in your trailing email dated 04.11.2022 (point no. 2). However, please note that while bills are invoiced in USD, equivalent amount of Lankan rupees is sent to BOC as per Indian Line of Credit operating details. **Kindly refer to the operating guidelines issued by ICFCU (page no. 6, Item no. 10.3.1) detailing the importer banks responsibility in case the transaction is performed under LC.**

While we do not have any further responsibility in the matter, we had taken up the matter with ICFCU, Indian High Commission who are processing the payment transactions as we were receiving emails from M/s OmWishkar Exporters. There was no response from ICFCU and High Commission had informed that it did not receive any payment instructions from ICFU.

Thereafter, we were informed by our customer, M/s Convenience Foods Lanka PLC that Sri Lanka customs has rejected the consignments sent by M/s OmWishkar Exporters due to non-conformity to the standards stipulated in the food regulations.

The matter was also taken up by M/s Convenience Foods Lanka PLC with M/s OmWishkar Exporters for re export of consignment. The scanned copies of email correspondence and customs letter is enclosed for perusal.

It is quite evident that M/s OmWishkar Exporters has exported material which is not in conformity as per the LC terms.

Our customer, M/s Convenience Foods (Lanka) PLC. has already made the payment in Lankan rupees to BOC and is out of funds from July / August'22 and has also put to loss on account of shipping costs. In case the any loss suffered by M/s Convenience Foods (Lanka) PLC due to non adherence to LC terms, the legal measures for recovery will be filed.

Please note that payments in Lankan rupees only are made by SBI , Colombo as per Indian Line of Credit, the payments instruction are issued by ICFCU only after receiving confirmation of receipt of LKR funds from BOC and clearance certificate from Sri Lanka customs. The payment instruction for the rejected consignments will not be issued by ICFU.

Please take up the matter with your customer for ascertaining the reasons for supplying material not in conformity with LC terms and not disclosing this fact earlier while claiming non payment of export proceeds.

Best Regards:

M S Negi
VP (Credit)



Sri Lanka,
16, Sir Baron Jayatilake Mawatha,
PO Box 93, Colombo-01,
Sri Lanka
Tel - +94-11-4446800 (Ext:33)
Mob: +94-777790991
Fax - +94-11-4446868.

From: creditlk <credit.lk@statebank.com>

Sent: 09 November 2022 12:32

To: vpcrlk <vpcr.lk@statebank.com>

Subject: Fw: Convenience foods - Delayed realization of bills -and application of overdue interest

Dear Sir,

D7

Trailing mail for information please.

Best Regards,

Ramesh Amarasinghe

Head - Trade & Corporate Credit



Colombo Branch,

16, Sir Baron Jayatilake Mawatha,

PO Box 93, Colombo-01,

Sri Lanka

Tel : +94-11-4446800 (Ext:6854)

Direct : +94-11-4446854



Please do not print this e-mail unless absolutely necessary

From: Chennai <Chennai.Chennai@bankofindia.co.in>

Sent: 09 November 2022 12:16

To: compliance.lk@statebank.com; risk.lk@statebank.com; credit.lk@statebank.com; fcbulk@statebank.com; avpib.lk@statebank.com; indiancredit@mo.treasury.gov.lk; info@voc.lk; ASSISTANT GENERAL MANAGER CUSTOMER LHOCHA <agmcustomer.lhocha@sbi.co.in> Rmfi2 lbg <rmfi2.lbg@sbi.co.in>

Cc: Foreign Business Department <"ForeignBusinessDepartment@0r2proofpoint.bankofindia.co.in"; C&IC department (Chennai) <"C&IC_department@0r2proofpoint.bankofindia.co.in"; ZMSect Chennai <"ZMSectChennai@0r2proofpoint.bankofindia.co.in"; ASSISTANT GENERAL MANAGER CUSTOMER LHOCHA <agmcustomer.lhocha@sbi.co.in>

Subject: Re: Convenience foods - Delayed realization of bills -and application of overdue interest

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URGENT

Dear Sir/Madam

Please refer the trail mail.

Our customer, M/s Omvishkar Exports, has delivered various shipments to your bank customer (SBINLKLXXXX) M/s Convenience Foods Lanka PLC on various dates under DC No 25122LU00020 and 25122LU00021 dated 27 June 2022 for the USD 562,500 and USD 1,125,000,.

Your bank has accepted payment of said DCs on due date. Based on your acceptance, we have negotiated the documentary credit and released the funds to M/s Omvishkar exports.

In this regard, we find that the M/s Omvishkar Exports didn't receive payment for 5 bills under the above DCs even after the due date. Whenever we raised the swift message your bank has stated that you have remitted the payment under ICL as per LC terms. However, we wish to point out that the Importer bank has the responsibility for the payment till the payment hits the Exporter Account. Even after our various correspondences through mail and swift, your bank has neither provided any timely information about the status of payment as per SOP provided by Ministry of Finance, Sri Lanka under ICL, nor taken any steps for release of the payment to our exporter.

Following are the bills negotiated, where funds are not received on due date. First bill, already 90 days crossed.

No.	Our reference	US \$	Due date	DC No:
1.	8000FBC220000459	296,223.75	09-Aug-2022	25122LU00021
2.	8000FBC220000471	154,620.00	15-Aug-2022	25122LU00020
3.	8000FBC220000476	59,062.50	22-Aug-2022	25122LU00020
4.	8000FBC220000516	207,405.00	06-Sep-2022	25122LU00020
5.	8000FBC220000518	61,267.50	08-Sep-2022	25122LU00020

Kindly clarify:

- Whether you have remitted funds for above bills to BOC as per ICL instruction. If yes, please provide the ref No and Date
- Whether the customs have cleared the Goods and clearance certificate is provided to the Importer? please quote the reason if not provided
- Whether importer and Importer bank has submitted all the documents to BOC to release of the funds
- if all of the above complied, please mention the reason of the non-payment.

We request you to settle the funds immediately along with interest at 18% p.a from the due date for making delayed payment from your side.

Regards

Gowri Ramachandran

Asst General Manager

Bank of India

Chennai Main Branch

044-66777550

+91-7358530102

D9

From: Chennai

Sent: Friday, November 4, 2022 13:57

To: compliance.lk@statebank.com; risk.lk@statebank.com; credit.lk@statebank.com; fcbu.lk@statebank.com; avpib.lk@statebank.com; indiancredit@mo.treasury.gov.lk; info@boc.lk; customercare@sbi.co.in; contactcentre@sbi.co.in

Cc: Foreign Business Department; C&IC department (Chennai); ZMSect Chennai; OMVISHKAR EXPORTS; agmcustomer.lhocha@sbi.co.in

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RBI Directions ON INDIAN LINE OF CREDIT.PDF

143K

**D10**

OMVISHKAR EXPORTS <omvishkarexports@gmail.com>

Convenience foods - Delayed realization of bills -and application of overdue interest

Chennai <Chennai.Chennai@bankofindia.co.in>
To: OMVISHKAR EXPORTS <omvishkarexports@gmail.com>

Thu, Nov 17, 2022 at 4:24 PM

From: Chennai

Sent: Wednesday, November 16, 2022 18:22

Sir/Madam,

With reference to your trailing mail dated 10 NOV2022 and various communications by us through SWIFT (please refer attachment), we wish to state the following:

1. Documentary credit reference

SBI COLOMBO (ISSUING BANK) REF- **25122LU00020** and **25122LU00021** dt **27 June 2022 (SBINLKLXXXX)**

Our Ref -**8000FBC22000459,471,476,516,518**

Amount -USD **562500** and **1125000**

Drawee -**M/s Convenience Foods Lanka PLC**

Drawer -**M/s Om Vishkar Exports**

Kindly note that both your bank and we have agreed that the documentary credit is guided as per UCP 600 and only the payment will be routed through ICL.

2. Our customer M/s Om Vishkar Exports has exported goods to your bank customer M/s M/s Convenience Foods Lanka PLC at various intervals against which totally 9 bills within the overall limit of DC were lodged with us by our customer.

3. In this regard, we have received payments for only 4 bills since the date of exports while the payments for the remaining 5 bills is delayed from your side.

4. We wish to bring to your notice that as the Importer Bank you are responsible for making payments of the bills on due date since you have accepted all the bills for making payment on due date under ICL as attached.

5. As per the LC terms, payment for the export is 30 days from B/L date, however your bank has not made any payments even after expiry of 90 days from due date. This has severely affected our exporter's business and has impacted the working capital negatively.

6. As per UCP terms, the Importer bank's main responsibility is to check the documents as per LC terms and release the payment on due date as per the acceptance. However, your bank accepted the exporter's documents, failed to make the payment as per LC terms, and instead has quoted that **"has exported material which is not in conformity as per the LC terms"** which is against the UCP 600 clause.

7. Kindly note that both your bank and we have agreed that the documentary credit is guided as per UCP 600 and only the payment will be routed through ICL.

8. On the other hand, we observe that your bank is not following up with treasury bank and ICFCU unit for making payments even after the expiry of due date. For our every follow up, you replied that you have made payment and never gave any further information on the non-payment to us. After constant follow up from our side through emails / SWIFT for the payment due to us, you have mailed us after 80 days from the date of shipment that the exported goods were not cleared by Sri Lanka customs.

9. Finally, we conclude that your bank has failed to act as per the acceptance by referring the following points:

a) The Importer's bank has to accept the documents and in case of any discrepancies observed, should be informed in time.

You have accepted the documents for making payments on due date

b) Till last week, we did not get any official communication over SWIFT or email for the delayed payments in spite of our repeated emails and SWIFT messages.

c) You have accepted the LC and now you have informed through the trailing mail that the exported goods were not in conformity as per the LC terms, which is against UCP

d) As per the LC terms the payment is to be made within 30 days from B/L but you have not provided any timely information about the non - payment as mentioned in ICL SOP

10. Therefore, we request you to make the payments immediately with 18% p.a. as overdue charge from the date of DUE date for the following bills failing which we will be forced to initiate legal / arbitration measures against your bank:

Overdue Bills details

No.	Our reference	US \$	Due date	DC No:
1.	8000FBC220000459	296,223.75	09-Aug-2022	25122LU00021
2.	8000FBC220000471	154,620.00	15-Aug-2022	25122LU00020
3.	8000FBC220000476	59,062.50	22-Aug-2022	25122LU00020
4.	8000FBC220000516	207,405.00	06-Sep-2022	25122LU00020

Regards

Gowri Ramachandran

Asst General Manager

Bank of India

Chennai Main Branch

044-66777550

+91-7358530102

From: vpcrlk <vpcrlk@statebank.com>

Sent: 10 November 2022 16:59

To: Chennai

Cc: Rmfi2 lbg

Subject: Re: Convenience foods - Delayed realization of bills -and application of overdue interest

CAUTION: This email has originated from **outside Bank of India**. Do not click on links or open attachments unless **you recognize the sender** . Please refrain from replying to this message if it appears to be suspicious.

Madam,

With reference to trailing mail we wish to categorically advise that there is no delay on our part in settlement of any of the bills. All the bills have been paid on the due date as per the guidelines of the Indian Credit Line. Accordingly, LKR funds have been transferred to Bank of Ceylon with due instructions for further credit to your bank under Indian Credit Line settlement procedure.

In this connection, please refer to your trailing email dated 04.11.2022, wherein you have also mentioned the following :

Convenience foods - Delayed realization of bills -and application of overdue interest

Chennai <Chennai.Chennai@bankofindia.co.in>

Thu, Nov 24, 2022 at 12:18 PM

To: vpcrlk <vpcr.lk@statebank.com>, creditlk <credit.lk@statebank.com>, ASSISTANT GENERAL MANAGER

CUSTOMER LHOCHA <agmcustomer.lhocha@sbi.co.in>, Rmfi2 lbg <rmfi2.lbg@sbi.co.in>

Cc: Foreign Business Department <HeadOffice.FBD@bankofindia.co.in>, "C&IC department (Chennai)"

<Chennai.CIC@bankofindia.co.in>, Sitaram Devasena <Sitaram.Devasena@bankofindia.co.in>, Chennai Zonal Office

<ZO.Chennai@bankofindia.co.in>

Sir,

We refer to the trailing mail

We wish to point out the following:

- 1) There is a clear delay on the part of the Importer Bank to settle the export bills when as per UCPDC.

It's the responsibility of the Importer Bank to ensure that the export bills are settled to the Exporter's bank.

Please note that under UCPDC, Importer bank's responsibility does not end with transferring of money in LKR to BOC Temporary Treasury Account

(1st stage of Fund transaction as per ICL GL).

Having accepted the documents and issued the maturity dates, it is the absolute and inescapable responsibility of the Importer Bank to see that the exporter's bills are finally paid on the stipulated due dates.

It is pertinent to point out here that after accepting the documents you have sent swift messages to us with clear maturity dates initially for 6 bills and later in the last few bills, you have noticeably changed the text of the swift by just saying " accepted and payment is done as per ICL".

We were not disclosed of the fact which forced you to change your wordings after you have accepted and we have negotiated the documentary credit.

- 2) We observe that as an importer bank, you have advised maturity dates that are different from the dates of locally transferring the money in LKR to BOC Temporary Treasury Account (BOCTTA).

Claiming that your obligation towards the export bills realization is complete, Just by virtue of making the transfer to BOC TTA is not in accordance with Para 10.3 of the ICL GL wherein it is mentioned that the Importer Bank is responsible for the 2nd stage of fund transfer to BOC which will concurrently happen when the payment is settled to the Exporter bank.

Additionally, Para 10.3 of the ICL GL states that the Importer Bank has to coordinate with BOC and the Indian Credit facility Coordinating unit (ICFCU) to carry out the interbank transactions ON TIME.

a) co-ordinate with BOC for the 1st and 2nd stages of transfer of funds from them to the BOC treasury.

b) co-ordinate with ICFCU to carry out interbank transactions ON TIME. This means that IB should see that ICFCU is sending the Payment Authorisation to SBI, GIFT City, India to ensure that payments are made to the exporters ON TIME. It is appropriate to refer to 3.1 of ICLGL which clearly states that "The decisions of the ICFCU" shall be considered final". The gamut of interbank transactions encompass the activities of Importer Bank till the end on time and the Importer bank cannot shy away from the interbank transaction responsibility by just stating that transfer in LKR to BOC TTA will meet this obligation.

As per 4.10, 10.3.1 and 10.3.2 of ICL GL (under implementation mechanism), Importer Bank should transfer the money in LKR to BOC TTA and handover the import clearance documents to the consignee. At this point, Importer Bank is required to give a "FUND TRANSFER NOTIFICATION" to the ICFCU and upload the details of the invoice on "Remittance Management System" of Sri Lanka customs clearly marking on the invoice that the terms of payment is "ICL credit Line" on the same day to declare to both ICFCU and Sri Lanka customs that the ownership of the consignment is transferred from the exporter to the intended buyer and consequently the financial transaction to the exporter shall be completed "ON TIME" which happens to be the maturity dates under DC.

3) There is no term in the subject LCs referring to payment to be made by Importer Bank to Bank of Ceylon in LKR within the stipulated time. In fact 41 D of DC says "credit with any bank in India, 42 C says "draft at 30 days from bill of lading". There is no mention in the DC about the so-called "interbank payment to BOC". Importer Bank is purposely confusing "Interbank transaction" as required of you in 10.3 of ICL GL with the transfer you made in LKR to BOC at first stage.

Making the interbank transfer to BOC TTA in LKR is not as per the terms of the import LC and cannot be construed as the total fulfilment of the obligations of LC by IB.

4) Date-wise payments to BOC by IB do not constitute payments made on maturity dates. Those payment dates are only the 1st stage of interbank transaction with BOC TTA and if you conclude that your responsibility is over here, then we would like to know who else will be responsible for the settlement of payments on maturity dates which was issued by the Importer Bank?

5) Sri Lanka customs has released the imported (as per 4.13 of ICL GL) essential commodity i.e. dried red chili after Special Investigation Unit's investigation as required under 3.3 of ICL GL by declaring on its "Examination panel report" that the physical goods, quantity, HS code etc match with the details given in the documents submitted to them and therefore only the permitted essential commodity is imported. This Sri Lanka customs will have to report to ICFCU as per 4.14 of ICL GL.

Sri Lanka's clearance is over at this point of releasing the essential commodities (as per 4.15 of ICL GL) after investigation and passing or rejecting the consignments based on the condition of the goods is only subsequent to customs clearance and it is influenced by several factors like delayed clearance by the importer due to his constraints like inadequacy of funds, storing space, local market conditions etc, and change in nature of goods due to weather conditions in Sri Lanka etc. For instance, if the importer delays the clearance of onions (which is importable as an essential commodity under ICL) due to his limitations, the onions are bound to get damaged and will be naturally rejected by the health authorities after the customs clearance is completed. This cannot prevent the importer's bank to settle the exporter, who is no way at fault for the damage of onions in Sri Lanka and the exporter cannot be denied of his due payments when the buyer has already paid the bills to his bank.

6) Our customer has exported the goods in total conformity with the terms of DC and has submitted all the required documents and certificates as stated in the DC. All our export consignments are sampled, tested, passed and certified by the Quality Evaluation Centre, Spices Board, Government of India before the goods are shipped. It is extremely crucial to mention here that the "Food Control Administration Unit (FCAU), Ministry of Health, Govt.

of Sri Lanka has required only the certificate from Spices board, Govt. of India for aflatoxin levels as the benchmark for the clearance of chili consignments. Please see the accompanying chart of FCAU which stipulates the certificate required for dried red chili which is classified under low risk category and requires no prior permission as well from them.

Though Importer Bank has no locus standi to comment on the quality, your unwarranted, baseless comment is taken very seriously as an affront on us and our country as well. Importer Bank's comments are questioning the very certification of the Quality Evaluation Centre, Spices Board, Government of India which is not at all acceptable.

7) Till date, If the money is still with BOC TTA at 1st stage of fund transactions as per your statement, then what prevents Importer Bank to return the money to the buyer M/s. Convenience Food Lanka PLC. This clearly means that you are aware of your irrefutable and unavoidable responsibility to pay us and are only delaying the inevitable

8) Regarding your statement that we have been insisting the payment in USD while the payment is to be made in INR as per RBI Circular, kindly note that we never demanded the payment in INR for the bills. You may remit the funds in INR along with the Interest as per the guidelines.

9) As per UCPDC guidelines and ICL SOP, your bank IS liable to remit the funds immediately along with interest @ 18% p.a..

Regards

R. Gowri

*Assistant General Manager
Chennai Main Branch*

044-66777550/539

From: vpcrlk [mailto:vpcr.lk@statebank.com]

Sent: Tuesday, November 22, 2022 14:42

To: Chennai; creditlk; ASSISTANT GENERAL MANAGER CUSTOMER LHOCHA; Rmfi2 lbg

Cc: Foreign Business Department; C&IC department (Chennai); Sitaram Devasena; Chennai Zonal Office

Subject: Re: Convenience foods - Delayed realization of bills -and application of overdue interest

CAUTION: This email has originated from outside Bank of India. Do not click on links or open attachments unless you recognize the sender . Please refrain from replying to this message if it appears to be suspicious.

Madam,

Please refer to your trailing email and also the SWIFT message dated 21.11.22 on the captioned matter. We have already replied to points raised by



Convenience foods - Delayed realization of bills -and application of overdue interest

Chennai <Chennai.Chennai@bankofindia.co.in>
To: OMVISHKAR EXPORTS <omvishkarexports@gmail.com>

Wed, Dec 7, 2022 at 7:19 PM

From: Chennai

Sent: 07 December 2022 19:16

To: vpcr.lk@statebank.com; compliance.lk@statebank.com; risk.lk@statebank.com; credit.lk@statebank.com; fcu.lk@statebank.com; avpib.lk@statebank.com; indiancredit@mo.treasury.gov.lk; info@boc.lk; agmcustomer.lhocha@sbi.co.in; rmfi2.ibg@sbi.co.in
Cc: Sitaram Devasena; Foreign Business Department; Centralised Forex; C&IC department (Chennai); ceo@indianchamber.net

Subject: Re: Convenience foods - Delayed realization of bills -and application of overdue interest

FINAL REMINDER

With reference to our trail mail,

1. Documentary credit reference

SBI COLOMBO (ISSUING BANK) REF- 25122LU00020 and 25122LU00021 dt 27 June 2022 (SBINLKLXXXX)

Our Ref -8000FBC22000459,471,476,516,518

Amount -USD 562500 and 1125000

Drawee -M/s Convenience Foods Lanka PLC

Drawer -M/s Om Vishkar Exports

No.	Our ref	US\$	Due Date	Dc No
1	8000FBC22000459	296,223.75	09-Aug-	25122LU00021

			2022	D17
2	8000FBC220000471	154,620.00	15-Aug-2022	25122LU00020
3	8000FBC220000476	59,062.50	22-Aug-2022	25122LU00020
4	8000FBC220000516	207,405.00	06-Sep-2022	25122LU00020
5	8000FBC220000518	61,267.50	08-Sep-2022	25122LU00020

1. We note that almost 4 months crossed from the due date for the bills mentioned above but till date, we have not received payment for any of the bills. We have released the funds to our customer, only after you had accepted the payment of bills on due date as per UCP 600. Failing to pay the funds to us on due date is the failure of the accepting bank (SBI).

2. We have been raising this issue time and again reminding you for the payment of the bills, whereas you have been citing ICL guidelines as excuses without taking necessary steps to settle the payment to us on due date as per your bank's acceptance. This is clearly in violation of UCP terms where the Importer's bank is required to ensure the payment of bills to reach exporter's bank on due date.

3. Your point that the funds have been released to Bank of Ceylon for the above bills does not absolve you of any responsibility from the matter as the Importer's Bank is required to ensure that the funds are received at the Exporter's bank as the exporter's bank has acted upon the acceptance of the Importer's bank and not on the acceptance of the Bank of Ceylon.

4. We finally wish to state that in the absence of you settling the funds to us immediately as per acceptance, we will be left with no other option than to pursue appropriate action against your bank.

5. Please treat this mail very urgent and remit the payments to us immediately.

Regards

R. Gowri

*Assistant General Manager
Chennai Main Branch*

044-66777550/539

From: Chennai

Sent: 07 December 2022 17:54

To: Chennai

Subject: FW: Convenience foods - Delayed realization of bills -and application of overdue interest

**D19**

OMVISHKAR EXPORTS <omvishkarexports@gmail.com>

Convenience foods - Delayed realization of bills -and application of overdue interest

Chennai <Chennai.Chennai@bankofindia.co.in>

Tue, Dec 13, 2022 at 7:33 PM

To: "cgm.ibg1@sbi.co.in" <cgm.ibg1@sbi.co.in>, "gmops.ibg@sbi.co.in" <gmops.ibg@sbi.co.in>

Cc: Foreign Business Department <HeadOffice.FBD@bankofindia.co.in>, Chennai Zonal Office <ZO.Chennai@bankofindia.co.in>, Sitaram Devasena <Sitaram.Devasena@bankofindia.co.in>, "ch.lk@statebank.com" <ch.lk@statebank.com>, "info@boc.lk" <info@boc.lk>, "indiancredit@mo.treasury.gov.lk" <indiancredit@mo.treasury.gov.lk>, "vpqr.lk@statebank.com" <vpqr.lk@statebank.com>, Centralised Forex <Centralised.Forex@bankofindia.co.in>

ESCALATION

Dear Sir/Madam,

Our customer M/s Om Vishkar Exports, banking with Bank of India Chennai main branch is exporting Chillies to Srilanka vide various bills. We have negotiated bills under LC and we have not received funds on due date.

Following bills are accepted under LCs through ICL payment, details of which are below:

Documentary credit reference:

SBI COLOMBO (ISSUING BANK)

REF- 25122LU00020 and 25122LU00021 dt 27 June 2022 (SBINLKLXXXX)

Our Ref -8000FBC22000459,471,476,516,518

Amount -USD 562500 and 1125000

Drawee -M/s Convenience Foods Lanka PLC

Drawer -M/s Om Vishkar Exports

No.	Our ref	US\$	Due Date	Dc No
1	8000FBC220000459	296,223.75	09-Aug-2022	25122LU00021
2	8000FBC220000471	154,620.00	15-Aug-2022	25122LU00020
3	8000FBC220000476	59,062.50	22-Aug-2022	25122LU00020

4	8000FBC220000516	207,405.00	06-Sep-2022	25122LU00020
5	8000FBC220000518	61,267.50	08-Sep-2022	25122LU00020

We have not received payment on due dates for the above bills as per acceptance by SBI Colombo.

We have been following up with SBI, Colombo as per trailing mail claiming amount due on different dates. We do not get any positive response even after continuous follow-up. It is overdue more than 4 months. Our exporter customer is suffering huge loss on delay of these payments.

We need your interference on this and arrange for release of payment from SBI, Colombo Urgently.

Thanks & regards

Gowri Ramachandran

AGM, Bank Of India,

Chennai Main branch

7358530102

From: Chennai

Sent: Wednesday, December 7, 2022 19:16

To: vpcr.lk@statebank.com; compliance.lk@statebank.com; risk.lk@statebank.com; credit.lk@statebank.com; fcu.lk@statebank.com; avpib.lk@statebank.com; indiancredit@mo.treasury.gov.lk; info@boc.lk; agmcustomer.lhocha@sbi.co.in; rmfi2.ibg@sbi.co.in
Cc: Sitaram Devasena; Foreign Business Department; Centralised Forex; C&IC department (Chennai); ceo@indianchamber.net

Subject: Re: Convenience foods - Delayed realization of bills -and application of overdue interest

FINAL REMINDER

With reference to our trail mail,

1. Documentary credit reference

**D21**

OMVISHKAR EXPORTS <omvishkarexports@gmail.com>

Pending Bills under LC Ref. 25122LU00020 and 25122LU00021 - M/s. Convenience Foods Lanka Pvt Ltd

1 message

Chennai <Chennai.Chennai@bankofindia.co.in>

Fri, Jul 21, 2023 at 6:23 PM

To: "trade.lk@statebank.com" <trade.lk@statebank.com>, "credit.lk@statebank.com" <credit.lk@statebank.com>, "ch.lk@statebank.com" <ch.lk@statebank.com>, "vpcr.lk@statebank.com" <vpcr.lk@statebank.com>

Cc: OMVISHKAR EXPORTS <omvishkarexports@gmail.com>

Dear Sir/ Madam,

We request your kind reference to the captioned matter.

We would like to inform you that the Bills drawn under your LCs, for which you have provided acceptances through authenticated SWIFT Messages. But the proceeds of the same is not received by us.

Please find below furnished details for the LC, Bills and the balance amount to be received.

(Amount in USD).

S. NO	LC No.	Our Bank Bill Ref.	Bill value USD	SWIFT Acceptance date	Received Amount	Pending Amount	UNI Ref No.
1	25122LU00021 Dtd. 27/06/2022	8000FBC22000459	296223.75	27-07-2022	150322.5	145901.25	MF/ICL/2022/SBI/1/0035/A
2	25122LU00020 Dtd 27/06/2022	8000FBC22000471	154620.00	27-07-2022	92182.5	62437.50	MF/ICL/2022/SBI/1/0035/B
3	25122LU00020 Dtd 27/06/2022	8000FBC22000476	59062.50	04-08-2022	29970	29092.50	MF/ICL/2022/SBI/1/0035/B
4	25122LU00020 Dtd 27/06/2022	8000FBC22000516	207405.00	23-08-2022	177705	29700.00	MF/ICL/2022/SBI/1/0035/B
5	25122LU00020 Dtd 27/06/2022	8000FBC22000518	61267.50	23-08-2022	31646.25	29621.25	MF/ICL/2022/SBI/1/0035/B
					Total pending amount -	296752.50 USD	

It is understood that ICFCU, Colombo has returned back USD \$ 2,96,752 (LKR109,366,467.80) pertains to the above mentioned Bills, for which you have provided acceptance vide authenticated SWIFT Messages.

We are also attaching your accepted SWIFT messages for your ready reference.

D22

As it is already delayed, please remit our pending Bills amount to Bank Of India, Chennai Main Branch quoting our corresponding Bill Reference Numbers, at the earliest.

Thanks and Regards

P. Sridevi

Asst. General Manager

Bank of India

Chennai Main Branch

044-66777549

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Acceptance from SBI.pdf

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