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Fax # (880) (2) 8823542
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Delta Dahlia, Suite # 13- B,
16, Kamal Ataturk Avenue,
Banani, Dhaka – 1213.
(Accounts & Lc Management Software)

Arrival Fashions

189, Motijheel C/A
(Accounts & Lc Management Software)

Levant Trade International

480 , D I T Road , Malibag, Dhaka-1217
(Accounts, Invenry, Sales & Lc Management Software)

BRAC Printers

Aarong Bhaban
65-66, Mohakhali C/A
Dhaka- 1212
Phone # 9881265
Fax # (880)(2) 8825026
(*Accounting Software*)

Chittagong Steel Works Ltd.

Alpine Limited , Meerala Limited

Alpine Fish & Poultry Limited

Ispahani Building, 14-15 Motijheel C/A
Phone-9565331,9565332
(*Accounting Software integrated with sales and purchase*)

Luman Garments Ltd

480 , D I T Road , Malibag, Dhaka-1217
Phone #8319895
Fax # (880)(2) 8119792
(Accounts & LC Management)

00020
BBA

REFERENCE ONLY NOT FOR ISSUE



Prepared For:

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Professor
BBA Dept.
East West University**

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**Arif Imtiaz Sharif
1998-1-10-020
BBA Dept.
East West University**



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Report - 35

Sign here

Letter of Transmittal

October 31, 2001

East West University
BBA Dept.
Mohakhali, Dhaka

Dear Sir,

Here is the internship report on Prime Bank Ltd., which you have assigned to me at the beginning of spring semester.

To aid you in analyzing this paper, it has been divided into two major sections focusing on the organizational aspects of Prime Bank Ltd. and the case study of Back To Back L/C. I have tried my level best to gather all the relevant information about Back To Back L/C and presented a true case, which will help the Business student to understand how a BTB L/C processing is carried out.

I sincerely hope that the report will help you in analyzing the BTB L/C of the organization and this practical case will charm you and add ornaments to the report. I truly appreciate this report because it gave me immense pleasure to know how a BTB L/C is processed. If you need any assistance in interpreting the analysis, please do not hesitate to contact me.

Thanking you.

Yours Truly,



ARIF IMTIAZ SHARIF

A Narrow Focus On This Case Study

Prime Bank Ltd., incorporated in 1995, has 20 branches all over the country as on 31 December 1999. Prime bank has decided not to merely be a conventional bank but a modern, progressive and dynamic bank to play a constructive roll in the economic development of the country. It has also decided that for better customer services, optimum productivity and higher investments; it will be professionally managed by using the modern information technology. It was the first bank to introduced lease finance, Hire purchase and consumer credit schemes in the banking sector.

In view of the above, the bank, within a period of 5.5 years of its operations, has achieved good success and has been categorized 'A' class bank under CAMEL (Capital Asset Management Earning and liquidity) Rating by the Bangladesh Bank. It is the only bank in the banking history that could attain profitability in its first month of its diversified and innovation customer friendly services and products. It has been growing faster as one of the leaders of the new generation banks in the private sector in respect of business and profitability as in evident from the financial statements for the last five years.

I am very pleased to prepare my case study on Back To Back L/C, which was assigned by my honorable Teacher Dr. M. Musa. My teacher provided all sorts of assistance and guidance to prepare report on such an interesting topic. I am really very grateful to him.

I have divided my report into two major sections focusing on the organizational aspects of Prime Bank Ltd. and the case study of Back To Back L/C. I have tried my level best to gather all the relevant information about Back To Back L/C and presented a true case, which will help the Business student to understand how a BTB L/C processing is carried out. In the second part I have presented a true case on BTB L/C and enclosed all the documents. In this part I tried to mention the steps followed to carry out export and import of goods:

- ✓ **Step-1:** At first the buyer's bank (Issuing bank) sends Master Letter of Credit (L/C). This is an instrument by which a bank undertakes to pay the seller (exporter) for goods providing the conditions laid down in the credit are complied with. The L/C is sent through telex/ swift or by air to the seller's bank (Advising bank) or to the buying house's bank. If the L/C is sent to the seller's bank then the bank advises the L/C to prove the genuineness of the L/C and after that the L/C is sent to the beneficiary or the seller. If it was sent in the buying house's bank then the buying house's bank can sell the L/C to the seller for commission.

- ✓ **Step-2:** Then the seller receives the export L/C after advising. The buyer's bank undertakes, or authorizes its correspondent bank in the seller's country to pay the seller a sum of money against presentation of shipping documents, which are independent of the sales contract. It is a mandatory contract and completely independent of the sales contract. It is concerned only with documents and not the goods to which the documents refer.

- ✓ **Step-3:** The exporter's bank lien the export L/C i.e. it is a right to retain possession of goods until the contract price has been paid. It doesn't give the right to the possessor to resale the goods. Then the bank opens Back to Back (BTB) L/C, which may be foreign or local, and it has to be up to 80% of the export L/C value.

- ✓ **Step-4:** then the foreign or the local company sends the accessories or raw materials. After shipment the foreign or the local companies sends the documents which includes bill of exchange, commercial invoice delivery challan, packing list and certificate of origin.

- ✓ **Step-5:** After screening all the documents the exporter's bank (which now turned to importer bank) sends acceptance to the foreign or local company who are the raw materials/goods supplier. It should be noted that these

companies receive their proceeds according to the terms of 30,60,90,120 or 180 days, which is known as the deferred payment. Mostly 90 and 120 days are preferred.

- ✓ **Step-6:** The exporter bank, which by this time turned to importer bank, after receiving the documents informs the party and obtains acceptance against bill of exchange.
- ✓ **Step-7:** After the exporter receives the raw materials or goods, they manufacture the products and after shipment they submit the export documents to their respective bank. Then the bank scrutinizes the documents and sends it to the buyer's bank.
- ✓ **Step-8:** Now its time for the exporter to receive the export proceeds. After the bank receives the export proceeds, it meet up their back to back waiting and after deducting their charges they credit the parties account. It must be noted that the bank has to pay all the liabilities with in 3 days after it realizes the proceed.
- ✓ The proceeds may come to the exporter's bank in two ways. The exporter's bank can have a foreign correspondence with whom foreign currency accounts are held or the buyer's bank may have a foreign correspondence in any other countries where foreign currency accounts are held. So the exporter's bank can get the proceeds through any of the bank they like, it is negotiable.

The above-mentioned steps for BTB L/C are theoretical but I have presented a practical case, which I think will charm my teacher. I truly appreciate this report because it gave me immense pleasure to know how a BTB L/C is processed.

Part- 1

Orientation To PBL

PRIME BANK AT A GLANCE

Prime bank ltd. Was established on 17th April, 1995 with an authorized capital of Tk.1000 million and paid up capital of Tk.200 million by a group of highly successful entrepreneurs from various fields of economic activities such as shipping, oil, finance, garments, textiles and insurance etc. It is a full licensed schedule commercial bank set up in the private sector in pursuance of the policy of the government to liberalize banking and financial services. The chairman of the bank is Mr.Md.Nader Khan. He was a member of the Board of Directors of Bangladesh bank. The ex- governor of Bangladesh bank Mr. Lutfar Rahman Sarkar was the first Managing Director of the bank. Highly professional people having wide experience in domestic and international banking are managing the bank. The present Managing Director, Mr. Kazi Abdul Mazid has long experience in domestic and international banking. The bank has made significant progress within a very short time due to its very competent Board of Directors, dynamic management and introduction of various customers' friendly deposit and loan products.

List of Board of Directors:

Chairman

Mr.Md.Nader Khan

Vice Chairman

Mr.A.F.M Aminul Haque

Mr.Mizanur Rahman Bhuiyan

Directors

Dr.R.A.Ghani,D.Sc.

Mr.Mohammad Aminul Haque

Mr.Quazi Sirazul Islam

Mr.Khandker Md.Khaled

Mr.Md.Shahadat Hossain

Mr.Md.Nurul Haque sikder

Mrs.Nasim Anwar Hossain

Mrs. Muslima Shirin

Mr.Md.Shirajul Islam Mollah

Mr.Mafiz Ahamed Bhuiyan

Mr.Md.Abul Quashem

Mrs.Salma Huq

Mrs.Marina Yasmin Chowdhury

Mr.Syed Sadullah Ahmed

Managing Director

Mr.Kazi Abdul Mazid

Secretary

Md.Anwarul Afzal

During the year 1999 the bank made a record operating profit of Tk.360.51 million registering an increase of 63% over the previous year. Foreign exchange business increased by 58% to Tk.17855 million and loans and advances increased by 60% to Tk.5027 million. These encouraging results were achieved in a difficult economic and political condition, which manifest the inherent strength of the bank. One of the most significant performance yardsticks of the bank is that it has very low rate of classified loans compared to the industry standard in Bangladesh. As on 31-12-99, their classified loan accounts for only 1.63% of total loans against which the bank has made full provision. Return on average assets during the year under review was 5.30% against 4.50% in the last year.

The bank presently has 20 branches in the country and licenses for 2 more branches are in hand which will be opened soon. The bank is providing commercial and investment banking services to all types of customers ranging from small enterprises to big businesses. Besides investment in trade and commerce, the bank actively participates in socio-economic development of the priority sectors like agriculture, industry, housing and self-employment. Prime bank limited is a pioneer in providing customer loans as well as financing the industries and transport sectors through attractive leasing and hire purchase schemes.

A list of 20 branches along with their addresses is listed below:

Corporate Headquarter:

119-120,Motijheel C/A, Dhaka-1000.

Branches:

- Motijheel Branch
119-120,Motijheel C/A, Dhaka-1000.

- Khatunganj Branch
Nabi Super Market
232,Khatunganj,Chittagong-4000.

- Moulvi Bazar Branch
77/3,Moulvi Bazar, Dhaka-1000

- Khulna Branch
76,Khan A.Sabur Road, Khulna-9100

- Islamic Banking Branch
19,Dilkusha C/A, Dhaka-1000.

- Sylhet Branch
Laldighirpar, Sylhet-3100.

- Mohakhali Branch
11, Mohakhali Commercial Area, Dhaka-1212.

- Barisal Branch
Hemayet Uddin Road, Barisal-8200.

- Rajshahi Branch
138/144, Shaheb Bazar, Rajshahi-6100.

- Kawran Bazar Branch
54, Kawran Bazar C/A, Dhaka-1215.

- Elephant Road Branch
218, Elephant Road, Dhaka-1205.

- Islamic Banking Branch
Nabiba Complex, Amberkhana,
Airport Road, Sylhet-3100.

- Court Road Branch
Court road Moulvibazar, Sylhet-3200.

- Mouchak Branch
Manhattan Tower (1st floor),
Siddeswari Circular Road, Dhaka-1217.

- Gulshan Branch
Landview shopping & commercial Center
28,Gulshan Circle-2,Dhaka-1212.

- Narayanganj Branch
56,S.M.Maleh Road,Narayanganj-1400.

- Agrabad Branch
Chamber House
38,Agrabad C/A, Chittagong-4100.

- Jubilee Road Branch
Amaffa Centre, 214, Jubilee Road,Chittagong-4000.

- Bangshal Branch
43/44, Malitola, North South Road
Bangshal,Dhaka.

- Jessore Branch
47, Netajee Subash Chandra Road
Jessore Town,Jessore.

- ❖ The number of branches of the bank stood at 20. Eighteen of them have licensed by Bangladesh Bank as authorized dealers in foreign exchange and they can transact all types of Foreign Exchange Business. The bank has planned to open 10 more branches at different important and commercial places all over the country.

Organizational layout of PBL:

The corporate Headquarter of Prime Bank Ltd. has ten major divisions and each comprises of various departments. The major divisions in the head office are as follows:

- ✓ Credit services division
- ✓ Credit Administration
- ✓ Marketing Division
- ✓ Human Resource Division (H R D)
- ✓ General service
- ✓ Research and Development (R & D)
- ✓ International Division
- ✓ Computer Division
- ✓ Branch control Division
- ✓ Financial Division

Branch level organizational layout:

All the branches of the PBL has three major departments:

- ❑ Foreign Exchange Division
- ❑ Credit Division
- ❑ General Banking

Some of the benefits provided by PBL to their Customers:

ISLAMIC BANKING BRANCHES:

Prime is the only bank in Bangladesh, which is catering to both conventional interest based banking and banking under Islamic Sharia principles. The Islamic banking operations are completely separated from the conventional banking. There are two Islamic Banking Branches of Prime Bank Ltd. They have established a Sharia board to advise and provide guidance on Islamic banking operations. The bank is maintaining a separate set of accounts for Islamic banking branches, which is completely different from conventional banking branches. The performance of the Islamic banking branches during 1999 is given below:

1. Deposit	Tk.1105.56 million
2. Investment	Tk.171.28 million
3. Profit	Tk.31.93 million
4. Foreign exchange business	Tk.1068.10 million
5. NO. Of employees	22

Types of deposits of the Islamic Banking Branches:

- Mudaraba savings deposit
- Mudaraba short term deposit
- Mudaraba term deposit- 3 months
- Mudaraba term deposit- 6 months
- Mudaraba term deposit-12 months
- Mudaraba term deposit-24 months
- Mudaraba term deposit-36 months
- Monthly benefit deposit scheme
- Monthly contributory savings scheme

- Education savings scheme

ON LINE BANKING:

In order to provide efficient and quality customer services, the bank has set up fully computerized branch banking system. Prime bank Ltd. adopted automation in banking operation from the first day of its operation. The main objective of this automation is to provide efficient and prompt services to the valued clients. At present all the branches of the bank are computerized. At branch level they are using server based multi-user software under UNIX operating system to provide best security of information.

PBL is providing comprehensive range of banking services with utmost care and efficiency to its customers. It has established on line transactions with any branches of the bank as well as introducing Auto Teller Machine (ATM) for convenience of its customers. The customers can draw cash from their accounts in just within a minute. The bank has set up a wide area network (WAN) across the country to provide on-line branch banking facility to its valued clients. Under the scheme, clients of one branch shall be able to do banking transaction at any other branch of the bank.

EDUCATION SAVING SCHEME (ESS):

The educational expenses particularly the expenses for higher education are sharply increasing day by day in our country. Sometimes, the children are deprived of getting the desired level of education because of the inability of the parents to meet their educational expenses. But the parents would not feel any difficulty to defray such expenses if a proper financial planning is made much ahead of time. With this end in view Prime Bank has introduced a saving scheme entitled "Education Saving Scheme" in accordance with the principles of Islamic Sariah i.e. on the basis of profit

and loss sharing. The scheme provides a unique opportunity to the parents to make a future provision for the educational expenses of their children when they enter into schools, colleges and universities out of the benefit of a small amount of savings with the bank at an opportune moment.

The deposit is payable at maturity with benefit either in lump sum or on monthly basis as education allowance for six years starting from the completion of the respective term as per the following table:

Term	Initial deposit (TK)	Lump sum amount (Tk)	Amount of education allowance per month (Tk)
7 yrs	25000	55000	1000 (6 yrs)
10 yrs	25000	77000	1500 (6 yrs)
15 yrs	25000	136000	2500 (6 yrs)
20 yrs	25000	240000	4500 (6 yrs)

ONE STOP UTILITY SERVICES:

Like any other country of the world, the people living in the urban areas of our country lead a very busy life. Time is very valuable to them. Despite this, they are to waste their valuable time at the counter of different banks and other institutions for payment of their monthly bills of different utility services like electricity, telephone etc. they, as such, face enormous difficulties for payment of their monthly bills in time. Such inconveniences of the urban people can be removed by making an arrangement to collect all the bills of various utility services at one point. With the end in view, PBL has introduced a scheme entitled “ ONE STOP UTILITY SERVICES SCHEME”. The scheme is designed to provide all the required services to the customers in making payment of their following bills on their behalf from the counter of the bank:

1. Electric bills
2. Telephone bills
3. Gas bills
4. WASA bills
5. Insurance premium
6. House rent payment
7. Municipal taxes
8. Issuance and renewal of license of TV, Radio etc.

Under this same scheme PBL collects house rent, pension money, arranges for insurance and renewal of license of TV, Radio etc.

Bank will realize service charge at the following rates per instance per bill for compliance of such instructions of the customers:

BILL AMOUNT	RATE OF SERVICE CHARGE
Upto Tk.5000	Tk.15
From Tk.5001 to Tk.25000	Tk.25
From Tk.25001 to Tk.50000	Tk.50
From Tk.50001 to Tk.100000	Tk.100
Above Tk.100000	Tk.200

CREDIT CARD:

Prime Bank Ltd. Obtained principal membership of master card international in the month of May 1999. Within a period of 6 months, the bank successfully launched master card- credit card, which created a new dimension in its customer service and

customer financing. The special feature of the Prime Bank Master Card is that it bears the cardholder's photo on the card, which is the first of its kind in Bangladesh and adds security against misuse. PBL issues 4 types of cards. These are Gold local and International and Silver local and International. Local cards can be used in Bangladesh only.

CONSUMER CREDIT SCHEME (CCS):

PBL is the leading bank for consumers and small business with a commanding market presence in consumer credit, hire purchase and lease finance. The consumer credit scheme is designed to help the fixed income group in raising standard of living has been widely appreciated by the people. An amount of Tk.301.20 million was extended to 6167 customers under the scheme. The rate of recovery is 96%. PBL provides financial assistance for purchasing following items:

1. Automobiles
2. Freeze, deep freeze
3. Television, VCR, VCP
4. Two-in-one, Three-in-one
5. Air cooler, air conditioner, room heater, water purifier, water cooler, water pump
6. Personal computer, type writer, camera, movie camera
7. Washing machine, electric iron
8. Sewing machine
9. Telephone, cordless telephone, fax, mobile
10. Ceiling fan, etc.

The customer who will get this assistance has to be a doctor, government officer, engineer, lawyer, businessman, or private officials etc.

A brief history of the Bangladesh Banking System:

Banking system plays an important role in the economy of a country irrespective of its level of development. Bangladesh is no exception to this. In Bangladesh, the banking sector dominates the financial sector. The macro economy management largely depends on the performance of the banking sector. Banks are operating under the guidelines set by the Bangladesh bank.

At present, the country's banking sector comprises of 4 Nationalized Commercial Banks, 7 specialized Banks, 5 Islamic Banks, 15 Multinational Banks, 20 Private Commercial Banks (including 5 Islamic Banks). The private commercial banks were permitted in mid 80s to come into existence for the betterment of the system, but in the aggregate, the private domestic banking system is involved.

After independence, the commercial banks operating in Bangladesh were nationalized. With the change of economy policy of the government and change of government in 1975, private sector once again gained momentum. As a result, question of denationalization of Bengali owned Nationalised Banks and establishment of Private Commercial Banks (PCBs) got currency with a view to give more incentive and ensure the role of private sector towards the economic development of the country as well as to encourage the competition among nationalized and private banks. To know how well the bank is performing in our country, we have to measure the risk and return of the bank. Measuring risk is related to the profitability measurement because a bank must take risk to earn adequate returns. Bank Management would prefer the highest returns for a given level of risks and the lowest risks for a given level of return.

The Bangladesh banking system is insolvent by international standard. The root cause of this condition is the lack of asset quality in the system. High levels of poor quality and non-performing assets have been prevalent in the entire banking system since at least 1989.

Bird's – Eye View of the operations of some of The Private Commercial Banks:

Prime Bank Ltd.

Prime Bank Ltd., incorporated in 1995, has 20 branches all over the country as on 31 December 1999. Prime bank has decided not to merely be a conventional bank but a modern, progressive and dynamic bank to play a constructive roll in the economic development of the country. It has also decided that for better customer services, optimum productivity and higher investments, it will be professionally managed by using the modern information technology. It was the first bank to introduced lease finance, Hire purchase and consumer credit schemes in the banking sector.

In view of the above, the bank, within a period of 5.5 years of its operations, has achieved good success and has been categorized 'A' class bank under CAMEL (Capital Asset Management Earning and liquidity) Rating by the Bangladesh Bank. It is the only bank in the banking history that could attain profitability in its first month of its diversified and innovation customer friendly services and products. It has been growing faster as one of the leaders of the new generation banks in the private sector in respect of business and profitability as in evident from the financial statements for the last five years.

Southeast Bank Ltd.

Southeast Bank Ltd. is a scheduled commercial bank in the private sector established under Companies Act 1991 and incorporated as a public limited company on March 12, 1995 under the Companies Act 1994. The bank started commercial banking operations effective from May 25, 1995. During this short span of time the bank had

been successful to position itself as a progressive and dynamic financial institution in the country.

The bank had been widely acclaimed by the business community from small businessmen/entrepreneurs to large traders and industrial conglomerates, including the top rated corporate borrowers for forward-looking business outlook and innovative financing solutions. The operating profit of the bank in the year 1996 was appreciable compared to the loss of last year. The bank had 12 branches with no overseas branches as a December 31 1999. The bank is presently going through a phases of sustained growth, which was achieved with proper planning and coordination under the guidance of a team of energetic professionals who not only surpassed the targets but also installed confidence in the minds of the clients and enhanced the already established market goodwill. The annual reports are proofs of the outstanding performance of the bank in the past few years.

Dhaka Bank Ltd.

Dhaka Bank was incorporated in 1995 under the Companies Act 1994. It renders all types commercial services. The management of Dhaka Bank Ltd. strives to withstand any problems with both macro and micro economic levels. This is possible for bank as it has prudent board of directors, highly professionals as well as dedicated strong team of management and human resources who already posses long experience, commendable, knowledge and expertise in conventional banking system. In the past few years of operations, Dhaka bank ltd. has not only earned good reputation in the market but also performed well in terms of financial performance.

National Bank Ltd.

National bank was established in 1983 as a non-government bank. The well-known industrialist and businessmen is the director of this bank. To provide modern facility

to the people of this country, every branch of this bank is using the computerized technology. In 1987 National bank opened branches at Yangung and Myanmar. As a private bank it first started local and international credit card facility. This bank also started monthly saving scheme, special saving scheme and saving insurance scheme. This bank is operating by well-educated and experienced bankers. The total asset size of this bank is 33.62 billion taka. Their main objective is to provide better service to the clients in order to earn more profit.

Pubali Bank Ltd.

The bank was incorporated in the year 1959, under the name and style of Eastern Mercantile Bank Ltd. Under Companies Act 1913. After liberation of the country in 1971, the bank was nationalized as per policy of the government of the peoples republic of Bangladesh under the Bangladesh Bank's order 1972 (PO NO.26 of 1972), and was renamed as public bank. Subsequently, the bank was denationalized in the year 1983 and was again incorporated under the name and style of Pubali Bank Ltd. in that year. The government of the peoples republic of Bangladesh transferred the entire undertakings of Pubali bank to Pubali bank Ltd., which took over the same as a going concern. The bank within the stipulations lay down by banking companies Act 1991 and a directive as received from Bangladesh bank provides all types of commercial banking services from time to time.

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Part- 2

Back To Back L/C-an overview

- ✓ **L/C No.:** ENDC 575134
- ✓ **Amount-**\$ 112511
- ✓ **Applicant:** Big Hit Ltd., London
- ✓ **Buying House:** Signet Enterprise Ltd.
- ✓ **Buying House's Commission:** \$17939.34
- ✓ **L/C Issuing Bank:** Barclays Bank Plc.
- ✓ **Exporter:** M/S Ayman Textile & Hosiery Ltd.
- ✓ **Export Quantity:** 41,799 pcs. Polo T-shirt
- ✓ **Exporter's Bank:** Prime Bank Ltd.
- ✓ **Expiry of Master L/C:** 10th March 2001
- ✓ **BTB L/C No.:** 05-5084-2000 (L)
- ✓ **BTB Exporter:** Pahartali Textile & Hosiery Ltd.
- ✓ **BTB Exporter's Bank:** ANZ Grindlays Bank, Agrabad
- ✓ **Expiry of BTB L/C:** 20/01/2001
- ✓ **Item:** 100% cotton yarn
- ✓ **Quantity:** 13000kg
- ✓ **Total Value:** \$ 44200

Postmortem Of A Back To Back Letter Of Credit

The AD may open back to back import L/Cs against export L/Cs received by export oriented industrial units operating under the bonded warehouse system, subject to observance of domestic value, additional requirement of import inputs as percentage of export value of output prescribed by the ministry of commerce from time to time.

Signet Enterprise Ltd. is a buying house, which is located in our country at House# 15, Road# 7, Block- F, Banani, Dhaka-1213. They had an agreement with the foreign company name, **Big Hit Limited**, which is located in London. Big Hit Ltd. Send a master L/C to the Signet Enterprise Ltd.

(Copy of the master L/C is enclosed in Appendix-1). ⇒

An overview of the master L/C is given below:

- ❑ L/C No.: ENDC 575134
- ❑ Amount- \$112511
- ❑ Date of issue: 28/11/2000
- ❑ Date of Expiry: 10th March 2001
- ❑ Applicant: Big Hit Ltd., London.
- ❑ Beneficiary: Signet Enterprise Ltd.
- ❑ Issuing Bank: Barclays Bank Plc., 155, Bishop Gate, 1st Floor, London, U.K.

The Terms And Conditions mentioned in this L/C was:

- This credit is Transferable
- Third party shipper and documents are acceptable
- Part shipments of individual purchase orders are only permitted as per the goods description. No other part shipments of individual purchase orders allowed.

- Amendment charges for amendments at the request of the beneficiary are for the account of the beneficiary and amendment charges for amendments at the request of the applicant are for the applicants account.
- Drafts and Documents drawn under this documentary credit should be presented to Standard Chartered Grindlays Bank, Motijheel, Dhaka-who holds special instructions regarding Reimbursement and disposal of documents.
- Unless otherwise stipulated all documents should be issued in the English Language, otherwise they may be disregarded.
- This is the operative instrument.
- Documents must be presented at place of expiration within 18 days of Date of shipment within the L/C validity.
- If discrepant documents are presented then the issuing bank will seek the applicant's approval to take up documents despite discrepancies.
- If the applicant accepts any such discrepant presentations this will not imply that the letter of credit is thereby Amended or extended.
- All charges of banks other than Barclays Bank UK are for beneficiaries account.
- Have to send all the documents to Barclays Bank UK.

This L/C was sent to Signet Enterprises Ltd. through SWIFT (Society for Worldwide Inter Bank Financial Telecommunication), which is a member owned co-operative that provides a fast and accurate communication network for financial transactions such as L/C, Fund transfer etc.

As the L/C is transferable, so the buyer (Signet Enterprises Ltd.) transferred the L/C by saying "We do hereby transfer \$112511 under Letter of Credit Number- ENDC 575134 Dated 28/11/00 issued from Barclays Bank Plc. London in favor of **M/S Ayman Textile and Hosiery Ltd., House# 8, New DOHS, Mohakhali, Dhaka-1212.**

Negotiating Bank is requested to deduct \$ 17939.34 at the time of negotiation from the export Bill as our service charges and make payment order in Signet Enterprises' favor".

To transfer the L/C, Signet Enterprises Ltd. has to write an application to the manager of Standard Chartered Grindlays Bank, 2,Dilkusha C/A, who was the authority of the L/C i.e. who holds special instructions regarding Reimbursement and disposal of documents. The buyer requested to transfer \$ 112511 under Letter of Credit No. ENDC 575134, which was issued from Barclays Bank Plc. London in favor of **M/S Ayman Textile and Hosiery Ltd.**

After the L/C was advised i.e. the genuineness of the L/C was proved (by Standard Chartered Grindlays Bank), it was transferred to **M/S Ayman Textile and Hosiery Ltd.** Ayman Textile's negotiating bank was Prime Bank Ltd., Islamic Banking Branch, 19, Dilkusha, Dhaka. They received the export L/C from their negotiating bank i.e. the Prime Bank.

The seller receives the export L/C after advising. The buyer's bank undertakes, or authorizes its correspondent bank in the seller's country to pay the seller a sum of money against presentation of shipping documents, which are independent of the sales contract. It is a mandatory contract and completely independent of the sales contract. It is concerned only with documents and not the goods to which the documents refer.

The usual form of the L/C is the irrevocable credit, which means that it cannot be cancelled or amended without the agreement of the beneficiary (the seller/ exporter) and all other parties. Besides the basic irrevocable credit there are revocable credits, which can be cancelled or amended at any time without notice to the beneficiary. It should be noted that all credits should clearly indicate whether they are revocable or irrevocable.

Another type of credit is the transferable one, which is usually found when the seller (the first beneficiary) is not the manufacturer/original supplier of the goods, so that in effect someone other than the seller performs the sale. The credit is established in favor of the seller (prime beneficiary) and authorizes the advising bank to accept

instruction from the prime beneficiary to make the credit available to one or more parties (second beneficiary).

Ayman Textile wanted to buy Knit cotton yarn from Pahartali Textile and Hosiery Mills, which is a local Accessories supplier and situated in Ispahani Building, Sheikh Mujib Road, Agrabad-4100, Chittagong. So Ayman Textile had to seek permission from its bank i.e. Prime Bank to open a Back to Back L/C. Ayman Textile wrote an application to the Senior Vice President of Prime bank, Islamic banking Branch by saying “ we would draw your attention to the fact that we have received an export L/C No.- ENDC 575134, DT.- 28/11/2000 for \$ 112511 from Barclay’s Bank Plc. Now, we desire to open Back to Back for \$ 44200.

The exporter's bank creates lien on the export L/C i.e. it is a right to retain possession of goods until the contract price has been paid. It doesn't give the right to the possessor to resale the goods. Then the bank opened Back to Back (BTB) L/C.

Then the Pahartali Textile And Hosiery Mills send a Proforma Invoice.

(Copy of the proforma Invoice is enclosed in Appendix- 2). ⇒

A glimpse of the invoice is shown below:

- ❖ Beneficiary: Pahartali Textile And Hosiery Mills
- ❖ Buyer: M/S Ayman Textile and Hosiery Ltd.
- ❖ Beneficiary Bank: ANZ Grindlays Bank, Ispahani Building, Sheikh Mujib Road, Agrabad C/A, Chittagong-4100
- ❖ Item & Description: 24/1 combed 100% cotton yarn.
- ❖ Quantity: 13000 Kg
- ❖ Unit rate: \$3.40 per Kg
- ❖ Total value: \$44200

The terms and conditions mentioned in the proforma Invoice is mentioned below:

- ✓ Packing: in 50 Kg Carton
- ✓ Freight: On buyers account
- ✓ Insurance: On buyers account
- ✓ Shipment: Within 20/01/01 subject to receiving L/C by 22/12/00.
- ✓ Part shipment: Allowed
- ✓ Payment: 90 days sight. Payment will be made in US dollar with in 90 days from the date of negotiation.
- ✓ L/C Negotiation Documents required:
 - Bill Of Exchange
 - Commercial Invoice
 - Delivery Challan
 - Packing List
 - Certificate of Origin Issued by the beneficiary

A brief description of some of the Documents are mentioned below:

- **Bill of exchange:** A bill of exchange is an unconditional order in which addressed by one person to another, signed by the person giving it requiring the person to whom it is addressed to demand or at a fixed or determinable future time a sum certain in money to or to the order of a specified person or to bearer. An instrument is not a bill of exchange unless it fulfills every condition given in the definition.
- **Commercial invoice:** This must be made out in the name of the applicant for the credit/buyer. The amount must not exceed the credit amount. The description of the group on the invoice and the packing must be exact and agree with the credit. An essential part of the description is the marks and numbers on the packages

- **Transport document:** This is the document indicating loading on board or dispatch or taking into charge. Usually this document would be a bill of lading without which the buyer will not be able to obtain delivery from the shipping company.
- **Insurance certificate:** This document must be as stated in the L/C and issued by an insurance company or its agent. The details on the policy must match those on the bills of lading/transport document. It must also be in the same currency as the credit and endorsed in bank. The amount covered should be at least the invoice amount.

After Prime Bank lien the Master L/C, it opened a Back to Back L/C.

(Copy of the BTB L/C is enclosed in Appendix-4). ⇒

A brief overview of that BTB L/C is shown below:

- L/C No.: 05-5084-2000(L)
- Beneficiary: Pahartali textile & Hosiery Mills
- Advising bank: Standard Chartered Grindlays, Ispahani Building, Agrabad, Chittagong.
- Amount: \$ 44700
- Expiry: 20/01/2001

The terms & conditions mentioned are:

- Payments must be made in US dollar
- Truck receipt must be dated not later than 10/01/2001
- Documents must be negotiated within 10 days of shipment
- Commercial invoice must indicate that the delivery of goods is being made against export L/C No. ENDC 575134, dated 28/11/00

- Delivery challan and truck receipt should be certified by authorized signatory of M/S Ayman Textile And Hosiery Ltd. stating that the goods have been duly delivered to their godown as per suppliers proforma invoice mentioned above should accompany the original documents
- L/C open at 120 days sight from the date of negotiation
- A certificate required from applicant that they have received all goods in quantity, quality as per proforma invoice
- Total export quantity 41,799 pcs. T-shirts, Polo shirts and 5% is acceptable
- A production certificate issued by B.T.M.A is required
- Beneficiaries certificate to be required (2 copies), stating that they have completed all the terms and conditions of the credit
- Delivery challan must be counter signed by the authorized officer of L/C opening Bank

Then Pahartali Textile & Hosiery mills sent 100% knit cotton yarn for T-shirts and polo shirts. After shipment the company sent the documents, which includes bill of exchange, commercial invoice, delivery challan, packing list, beneficiary certificate, Truck receipt and certificate of origin.

(Copy of all the documents is enclosed in Appendix- 5). ➡

An overview of all the documents is mentioned below:

Delivery Chalan:

- ❑ Delivery chalan No.: DC/KYN/2000/321
- ❑ Consignee/ Notify party: Ayman Textile & Hosiery
- ❑ Truck No.: Chatra-Metro-Dha-706
- ❑ Shipment from chittagong (C &F) to Ayman Textile
- ❑ Carton No.: 01-260

- ❑ Product description: 24/1(combed) knit yarn (with 100% cotton) is of Bangladesh origin for knitting industry.
- ❑ Quantity: 13000 Kg

Bill Of Exchange:

At 120 days sight the proceed has to pay to citi bank, N.Y. NIB House, 32 Agrabad C/A, Chittagong-4100 the sum of US Dollar 44200.

Truck Receipt:

- ✓ Truck Receipt No.: 2000/321
- ✓ Beneficiary: Pahartali Textile & Hosiery Mills
- ✓ Beneficiary Bank: Citi Bank N.A.
- ✓ Buyer: Ayman Textile & Hosiery Ltd.
- ✓ Truck no.: Chatra-Metro-Dha-706
- ✓ Driver Name: Md. Mannan

Beneficiary Certificate:

The Beneficiary has certified that they have supplied 100% cotton yarn to Ayman Textile against Back To Back L/C No.: 05-5084-2000(L) dated 18/12/2000 which was manufactured in their mills.

<u>Description of Goods</u>	<u>Quantity</u>	<u>Value</u>
24/1 combed 100% cotton knit yarn	13000 Kg	\$ 44,200

Packing List:

- ❖ Packing List No.: PL/KYN/2000/321
- ❖ Order No.: mc/kyn/321
- ❖ Consignee: AymanTextile & Hosiery Ltd.
- ❖ Shipper: Pahartali Textile & Hosiery Mills
- ❖ Carton No.: 01-260
- ❖ Product description: 24/1 combed Knit yarn
- ❖ Quantity: 13000 Kg

Invoice:

- ❑ Invoice No.: IV/KYN/2000/321
- ❑ Proforma Invoice No.: MC/2000/321
- ❑ BTB L/C No.: 05-5084-2000(L)
- ❑ Export L/C No.: ENDC 575134
- ❑ P.O.L.: Chittagong
- ❑ P.O.D: Ayman Textile & Hosiery Ltd.
- ❑ Delivery challan No.: DC/KYN/2000/321
- ❑ Truck No.: Chatra-Metro-Dha-706

After screening all the documents Prime Bank Ltd. (which now turned to importer bank) sends acceptance to Pahartali Textile & Hosiery Mills who are the raw materials/goods supplier. It should be noted that Pahartali would receive their proceeds according to the terms of 120 days sight, which is known as the deferred payment. Mostly 90 and 120 days are preferred.

(Copy of the acceptance and related documents are enclosed in Appendix- 6). ⇨

Then Prime bank, which by this time turned to importer bank, after receiving the documents informs the party and obtains acceptance against bill of exchange.

After the exporter (Ayman Textile) receives the raw materials or cotton yarn, they manufacture the products and after shipment they submit the export documents to their respective bank. Then the bank scrutinizes the documents and sends it to the Barclays Bank Plc. UK.

Now it's time for Ayman Textile to receive the export proceeds. After Prime bank receives the export proceeds, it meet up their back to back waiting and after deducting their charges they credit the parties account i.e. Ayman Textile's account. It must be noted that the bank has to pay all the liabilities within 3 days after it realizes the proceed.

The proceeds may come to Prime bank in two ways. Prime bank can have a foreign correspondence with whom foreign currency accounts are held or the buyer's bank may have a foreign correspondence in any other countries where foreign currency accounts are held. So Prime bank can get the proceeds through any of the bank they like, it is negotiable.

In this case Prime Bank received the proceeds from Standard Chartered Grindlays Bank, Motijheel, Dhaka because Barclays Bank Plc. maintains a foreign currency account with Standard Chartered.



Appendices

Appendix - 1

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SIGNET ENTERPRISES LIMITED

HOUSE NO. 45, ROAD NO. 7, BLOCK-F
BANANI, DHAKA,
BANGLADESH.

TELE: 9882885, 9886885, 601955
FAX: 9882235

DATE: 12/12/2000

THE MANAGER
STANDARD CHARTERED GRINDLAYS BANK
2, DILKUSHA C/A.
DHAKA-1000.

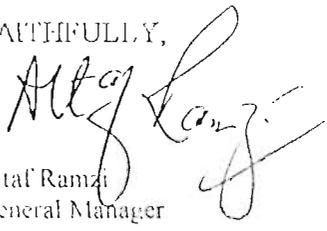
RE: REQUEST TO TRANSFER US \$ 112511.00 UNDER LETTER OF CREDIT ENDC575134
DATED 23/11/2000 ISSUED FROM BARCLAYS BANK PLC LONDON IN FAVOR OF M/S
AYMAN TEXTILE AND HOSIERY LIMITED.

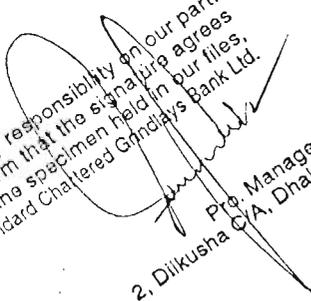
DEAR SIR,

WITH REFERENCE TO THE ABOVE, PLEASE TRANSFER THE ABOVE MENTIONED
LETTER OF CREDIT IN FAVOR OF M/S AYMAN TEXTILE AND HOSIERY
LIMITED, HOUSE NO-8, NEW DOHS, MOHAKHALI, DHAKA-1212.

THE TRANSFER CHARGES PLEASE MAY BE DEDUCTED FROM OUR A/C NO. 3045553
MAINTAINED WITH YOU.

YOURS FAITHFULLY,


Altaf Ramzi
General Manager

Without any responsibility on our part.
We confirm that the signature agrees
with the specimen held in our files.
For Standard Chartered Grindlays Bank Ltd.

Prd. Manager
2, Dilkusha C/A, Dhaka.

Advice for the Beneficiary

Standard Chartered Grindlays

2, Dilkusha commercial Area
Dhaka-1000, Bangladesh

NOTIFICATION OF
IRREVOCABLE
DOCUMENTARY CREDIT

Our Reference
AL01/2000/6768

Date: 3rd December 2000

Date of Expiry
10th March 2001

Applicant:
BIG HIT LIMITED
8-14 ST PANCRAS WAY
LONDON
NW1 0QQ

Beneficiary:
SIGNET ENTERPRISE LTD.
HOUSE 45, ROAD NO.7,
BLOCK-F, BANANI
DHAKA-1213, BANGLADESH.

Issuing Bank:
BARCLAYS BANK PLC (ALL UK OFFICE),
155, BISHOPSGATE, 1ST FLOOR,
LONDON EC2M 3XA,
U.K.

Amount USD112,511.00
L/C. No. ENDC676134
Date of Issue 28/11/2000

We have been informed by our aforementioned correspondent that the above mentioned documentary credit has been issued in your favour. The text of the Authenticated Swift confirmation dated 3rd December 2000 received by us from the above issuing bank is attached herewith. In event that you do not agree with the terms and conditions or if you feel unable to comply with any of the terms and conditions, please arrange an amendment of the credit through your contracting party (the applicant for the credit). Except otherwise as expressly stated in the letter of credit this credit is subject to the UCP for documentary credit (1993) Revision ICC Publication No. 500. In all future correspondence please quote our reference No. AL01/2000/6768.

- * Advice Through :
- * This is the operative Instrument. Please check the credit terms carefully.
- * This notification is sent to you without engagement on our part.
- * The abovementioned original Letter of credit received by Swift.
- * Message is duly authenticated.
- * We shall debit your account with BDT1,000.00 being Letters of Credit advising charges.

PLEASE COLLECT THE ABOVE L/C (S)/AMENDMENT (S)
FROM US AGAINST PAYMENT OF OUR L/C ISSUANCE
& POSTAGE OF TK 1030/- POSITIVELY WITHIN
4 DAYS FROM THE DATE OF THIS ADVICE, FAILING
WHICH THE L/C (S)/AMENDMENT (S) WILL BE SENT
TO YOU BY ORDINARY POST AT YOUR RISK &
RESPONSIBILITY. THE BANK WILL NOT IN ANY
EVENT TAKE RESPONSIBILITY FOR ANY DELAY OR
LOSS IN TRANSIT.

And Tk. 50.00 Being Postage

Yours Faithfully
For Standard Chartered Grindlays

Aminul Islam
Aminul Islam-GR0272
Authorized Signature

1080/100

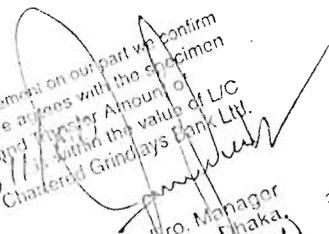
Telephones (800-2) 9550181-90, Telex Dhaka 642597, 642841 & 632654 GBLD BJ, Fax (800-2) 9562329, 9562332, Cable Grindlays Dhaka

Photocopy Attested
For Standard Chartered Grindlays Bank Ltd.
PTO. Manager

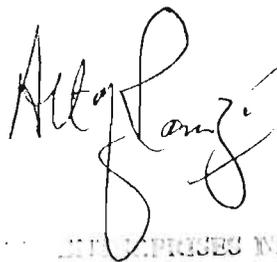
WE DO HEREBY TRANSFER USD1,12511.00 UNDER LETTER OF CREDIT NUMBER. ENDC 575134 DATED 28/11/00 ISSUED FROM BARCLAYS BANK PLC LONDON IN FAVOUR OF M/S. AYMAN TEXTILE AND HOSIERY LIMITED. HOUSE NO.-8, NEW DOHS. MOHAKHALI, DHAKA-1212.

NEGOTIATING BANK IS REQUESTED TO DEDUCT USD17, 939.34 AT THE TIME OF NEGOTIATION FROM THE EXPORT BILL AS OUR SERVICE CHARGES AND MAKE PAYMENT ORDER IN OUR FAVOUR "SIGNET ENTERPRISES LTD".

Without any engagement on our part we confirm
That the signature appears with the specimen
held in our file and transfer Amount of
US\$ 112,511.00 within the value of LC
For Standard Chartered Grindlays Bank Ltd.


Hro. Manager
2, Dilkusha C/A, Dhaka.

14.10.00
A. B. Serajuddin
(11976)



SIGNET ENTERPRISES LTD.

D *KIND1487(COLOURS)... 5200..... 3, 22... 16744, 00..... C..... SEA
 D *KIND1532..... 5000..... 3, 22... 16100, 00..... D..... SEA
 D *MENS 100 PERCENT COTTON KNITTED EMBROIDERED VEST TOP
 D *KIND1352..... 400..... 1, 07... 748, 00..... A..... SEA
 D *K1432..... 5000..... 1, 87... 9350, 00..... A..... SEA
 D *MENS 100 PERCENT COTTON KNITTED EMBROIDERED V-NECK T-SHIRT
 D *KIND1481(WHITE)... 1200..... 2, 01... 2412, 00..... C..... SEA
 D *KIND1484(COLOURS)... 3600..... 2, 28... 8208, 00..... C..... SEA
 D *KIND1533(WHITE)... 2000..... 2, 01... 4020, 00..... D..... SEA
 D *KIND1533(COLOURS)... 4000..... 2, 28... 9120, 00..... D..... SEA

D *SHIPMENT DATES:

D *A - 03.02.2001
 D *B - 07.02.2001
 D *C - 10.02.2001
 D *D - 20.02.2001

D *COST + FREIGHT FELIXSTONE/SOUTHAMPTON UK

D *42A: + FULL SET OF CLEAN ON BOARD PORT TO PORT BILLS OF LADING MARKED

D *FREIGHT PREPAID AND CONSIGNED TO THE NEGOTIATING BANK IN

D *BANGLADESH AND ENDORSED BY THEM TO THE ORDER OF BARCLAYS BANK PLC

D *AND NOTIFY BIG HIT LTD, 8-14 ST PANCRAS WAY LONDON NW1 0GG U.K.

D *ALSO NOTIFY FAR EAST FORWARDING LTD GROUND FLR, HUNTING HOUSE,

D *CENTRAL WAY, FELTHAM, MIDDLESEX, TW14 0UD, U.K. TEL NR. 44 20 8890

D *9900 FAX. 44 20 8090 9900

D *+ SIGNED COMMERCIAL INVOICE IN 2 ORIGINAL(S) 0 COPY(S).

D *+ PACKING AND WEIGHT LIST IN DUPLICATE

D *+ PHOTO COPY GSP CERTIFICATE OF ORIGIN FORM A (TEXTILE PRODUCTS)

D *+ PHOTO COPY EXPORT LICENCE (TEXTILE PRODUCTS)

D *+ BENEFICIARY'S SIGNED CERTIFICATE STATING THAT THE FOLLOWING

D *DOCUMENTS HAVE BEEN FORWARDED BY COURIER TO FAR EAST FORWARDING

D *LTD, GROUND FLOOR, HUNTING HOUSE, CENTRAL WAY, FELTHAM,

D *MIDDLESEX, TW14 0UD, U.K. TEL NR 44 20 8890 9900. FAX NR 44 20

D *8890 9900 WITHIN 10 DAYS OF SHIPMENT DATE: - A) 1 COPY SIGNED

D *COMMERCIAL INVOICE B) 1 COPY PACKING AND WEIGHT LIST C) 1 COPY BILL

D *OF LADING D) 1 ORIGINAL EXPORT LICENCE (TEXTILE PRODUCTS) E) 1

D *ORIGINAL GSP CERTIFICATE OF ORIGIN FORM A (TEXTILE PRODUCTS)

D *ISSUED BY THE EXPORT PROMOTION BUREAU IN BANGLADESH

D *+, INSPECTION CERTIFICATE ISSUED AND PURPORTEDLY SIGNED BY SIGNET

D *ENTERPRISES LTD.

D *42A: THIS CREDIT IS TRANSFERABLE.

D * COUNTRY OF ORIGIN: BANGLADESH

D * THIRD PARTY SHIPPER AND DOCUMENTS ACCEPTABLE

D *PARTSHIPMENTS OF INDIVIDUAL PURCHASE ORDERS ARE ONLY PERMITTED

D * AS PER THE GOODS DESCRIPTION, NO OTHER PARTSHIPMENTS

D * INDIVIDUAL PURCHASE ORDERS ALLOWED.

D * AMENDMENT CHARGE: FOR AMENDMENTS AT THE REQUEST OF THE

D * BENEFICIARY ARE FOR THE ACCOUNT OF THE BENEFICIARY

D * AND AMENDMENT CHARGES FOR AMENDMENTS AT THE REQUE

D * ST OF THE APPLICANT ARE FOR THE APPLICANTS ACCOU

D *NT

D *PARTS AND DOCUMENTS DRAWN UNDER THIS DOCUMENTARY CREDIT SHOULD B

D *E PRESENTED TO STANDARD CHARTERED GRINDLAYS DHAKA-WHO HOLD SPECIA

D *L INSTRUCTIONS REGARDING REIMBURSEMENT AND DISPOSAL OF DOCUMENTS.

D *A DISCREPANCY FEE OF USD50 OR ITS LOCAL EQUIVALENT WILL BE FROM T

D *HE PROCEEDS OF ANY DRAWING UNDER THIS DOCUMENTARY CREDIT WHERE DO

D *CUMENTS PRESENTED ARE NOT DRAWN STRICTLY IN CONFIRMITY WITH THE T

D *ERMS AND CONDITIONS OF THE DOCUMENTARY CREDIT

Photocopy Attested
 For Standard Chartered Grindlays Bank Ltd.
 Pro. Manager

MESSAGE DELIVERED

ON : 2 CONTINUATION OF MESSAGE

THIS LETTER OF CREDIT IS AVAILABLE FOR TRANSFER BY THE ADVISING B

BK :

UNLESS OTHERWISE STIPULATED ALL DOCUMENTS SHOULD BE ISSUED IN THE ENGLISH LANGUAGE OTHERWISE THEY MAY BE DISREGARDED.

ALL DOCUMENTS CALLED FOR UNDER THIS CREDIT, EXCEPT THOSE WHICH THE CREDIT SPECIFICALLY STATES CAN BE 'COPIES', MUST BE CLEARLY MARKED ON THEIR FACE AS 'ORIGINAL'.

THIS IS THE OPERATIVE INSTRUMENT.

48: DOCUMENTS MUST BE PRESENTED AT

PLACE OF EXPIRATION WITHIN 18 DAYS

OF DATE OF SHIPMENT WITHIN THE L/C

VALIDITY.

49: WITHOUT

78: IF DISCREPANT DOCUMENTS ARE PRESENTED, WE WILL SEEK THE

APPLICANT'S APPROVAL TO TAKE UP DOCUMENTS DESPITE DISCREPANCIES.

IF THE APPLICANT ACCEPTS ANY SUCH DISCREPANT PRESENTATIONS THIS

WILL NOT IMPLY THAT THE LETTER OF CREDIT IS THEREBY AMENDED OR

EXTENDED.

ALL CHARGES OF BANKS OTHER THAN BARCLAYS BANK PLC UK ARE FOR

BENEFICIARY'S ACCOUNT.

DOCUMENTS PRESENTED WITH DISCREPANCIES WILL BE SUBJECT TO A

CHARGE OF FLAT RATE 45.00 GBP AND THIS AMOUNT OR EQUIVALENT

SHOULD BE DEDUCTED FROM THE AMOUNT CLAIMED.

72: SEND DOCUMENTS TO: BARCLAYS BANK PLC

LONDON TRADE SERVICES CENTRE, ATLAS

HOUSE, 1-7 KING STREET, LONDON EC2V

040 BY COURIER

->

MAC: Authentication Code

0C9CG45D

CHK: Check Sum

62223E205819

SAC: SWIFT Authentication Correct

COP: P: CH Primary Copy

PCC: F: FC Connect : First Copy Of The Message

Aminul Islam
Md. Aminul Islam
Trade Finance Officer
International Network Services Dhaka

[Signature]
Protocol Attended
for Standard Chartered Bank Ltd
Pro. Manager

PROFESSOR
15700000

Appendix - 2

PAHARTALI TEXTILE & HOSIERY MILLS

A UNIT OF MM ISPAHANI GROUP OF INDUSTRIES

HEAD OFFICE: ISPAHANI BUILDING, SHEIKH MUJIB ROAD, AGRABAD-410, CHITTAGONG, FACTORY: PAHARTALI, CHITTAGONG.
HEAD OFFICE PHONE: 720155, FAX: 716153-55, FAX: 886-31-710171, FACTORY PHONE: 751406, 751437, 751338**PROFORMA INVOICE**Pl. No. mc/2000/321 Date: 17/12/2000 Order No: mc/kym/321Buyer: M/S. AYMAN TEXTILE & HOSIERY LTD.
HOUSE#B-107, ROAD#08, NEW DOHS, MOHAKHALI, DHAKA, BANGLADESH

Beneficiary Pahartali Textile & Hosiery Mills Ispahani Building, Sheikh Mujib Road Agrabad C/A, Chittagong-4100	Beneficiary Bank ANZ Grindlays Bank Ispahani Building, Sheikh Mujib Road Agrabad C/A, Chittagong-4100.
--	---

Sl No.	Item & Description	Quantity (in Kg) 5% +/-	Unit rate US \$/Kg	Total value C & F US \$
01.	NE 24/1 COMBED 100% COTTON YARN ON CONES.	13000.00	\$3.40	\$44,200.00
	Total	13000.00		\$44,200.00

Supplied yarn will be used for: Knit fabric (for export market)

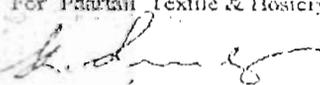
In back to back L/C please mention the number & date of Master L/C and the quantity of finished goods to be exported under the Master L/C, so as to facilitate issue of GSP Certificate by EPB & to get Certificate of Production for BTMA.

- * Packing : In 50 Kg Carton
- * Freight : On buyers account
- * Insurance : On buyers account
- * Shipment : Within 20/01/01 subject to receiving L/C by 22/12/00 In the event of any delay on opening of L/C or approval of samples, the delivery date will be changed and the L/C have to be re-opened or amended to new delivery date. All delivery shall be made from Ex Factory (PTHM) Pahartali Chittagong.
- * Part Shipment : Allowed
- * Payment : 100% confirmed irrevocable L/C, 90 days sight. Interest (Libor rate) for usance period on buyers account. Payment will be made in US dollar within 90 days from the date of negotiation. Interest to be paid for delayed period @ 15.50% from the date of maturity till payment made. All documents to be sealed, signed and accepted at the time of delivery. L/C negotiation terms strictly to be as per below mentioned terms. Any terms outside these mentioned in the L/C have to be changed or canceled if asked by the beneficiary. In that case all charges for changing/canceling is on buyers account

L/C Negotiation Documents

1. Bill of Exchange
2. Signed Commercial Invoice
3. Delivery Challan
4. Packing List
5. Certificate of Origin issued by the beneficiary

For Pahartali Textile & Hosiery Mills



 Authorised Signature

AYMAN TEXTILE & HOSIERY LTD.


 Director (Com & Marketing)

 Accepted by

www.ck12.org

Appendix - 3



AYMAN TEXTILE & HOSIERY LTD.

House # B-107, Road # 08, New DOHS, Mohakhali, Dhaka-1212, Bangladesh
Phone : 8829906, 8810042, Fax : 88-02-8829907, E-mail : ahl@citechco.net

TO
THE SENIOR VICE PRESIDENT
PRIME BANK LIMITED,
ISLAMIC BANKING BRANCH,
19, DILKUSHA C/A.,
DIHAKA-1000.

RECEIVED
18 DEC 2000
11:40 A.M. SL

Date: 18.12.00

20.12.00

18.12.2000

MR. Faiz ple. 29
18-12-2000

SUB.: TO OPEN BACK TO BACK L/C.

MUHTARAM,
ASSALAMU-ALAIKUM,

WE WOULD DRAW YOUR ATTENTION TO THE FACT THAT WE HAVE RECEIVED AN
EXPORT L/C NO. EMDC575134 DT. 22.11.2000
FOR US\$ 1,12,511.00 FROM Borelys some plc.
NOW, WE DESIRE TO OPEN BACK TO BACK FOR US\$ 44,200
NECESSARY PAPERS INCLUDING L/C APPLICATION & INDENT ARE ENCLOSED WITH
REQUEST TO OPEN THE B/B L/C AT YOUR EARLIEST CONVENIENCE.

MA-ASSALAM.

AYMAN TEXTILE & HOSIERY LTD.

Director (Com & Marketing)

S.V.
12/12/00

To
The Manager
PRIME BANK LTD.



ISLAMIC BANKING BRANCH
19, Dilkusha, Dhaka.

APPLICATION AND AGREEMENT FOR CONFIRMED IRREVOCABLE
WITHOUT RECOURSE TO DRAWERS LETTER OF CREDIT.

Please open a confirmed irrevocable letter of credit through your correspondent by Mail/Airmail Telex in full
 Telex in brief, details by Mail/Airmail as follows:

Beneficiary's name & address : M/S. PARHATI TEXTILE & HOSEIERY MILLS
ESPLANADE BUILDING, GARDEN HOUSE ROAD,
NARA ROAD-4100,
DHAKA

Opener's name & address : M/S. AYMAN TEXTILE & HOSEIERY LTD
15/A/1/LOT. ROAD 8, NEW DOHS,
INDHAKHOLA, DHAKA

Draft amount : ৳ ৭৭,২০০/-	In words : U.S. DOLLAR FORTY FOUR THOUSAND TWO HUNDRED ONLY	<input type="checkbox"/> At sight	<input type="checkbox"/> C&F	<input type="checkbox"/> FOB	Drawn on <input type="checkbox"/> you <input type="checkbox"/> us
		<input checked="" type="checkbox"/> 90 days DA/DP	<input type="checkbox"/> CIF	<input type="checkbox"/>	

Description of commodities: RB 24S COMBED 100% COTTON YARN.

as per contract/proforma invoice/indent number.....
dated..... of M/S. PARHATI TEXTILE & HOSEIERY MILLS.

H.S. CODE NO :

Country of Origin : BANGLADESH	LCAF No :	IRC NO :	Bangladesh Bank Registration NO.
-----------------------------------	-----------	----------	----------------------------------

Indenter's IRC No :	Bangladesh Bank Permission No :
---------------------	---------------------------------

Shipment from BENEFICIARY'S FACTORY to OPENER'S FACTORY by Sea/Air/Road/etc

DOCUMENTS REQUIRED:

- Commercial invoice in sextuplicate Packing list in triplicate
- Full set of clean shipped on Board Ocean Bills of Lading/Air way bill/Truck receipt/ other documents relating to shipment drawn or endorsed to the order of Prime Bank Ltd. marked notify your bank and us.
- Certificate of origin issued by chamber of commerce or any similar institutions.
- EXPORT LIC NO, ENDC 575134 Dt. 28.11.00

Last date of shipment : 10.1.01	Last date of Negotiation : 20.01.2001
---------------------------------	---------------------------------------

Insurance Cover note/Policy No :	Insurance Company name & address :
----------------------------------	------------------------------------

Partshipment <input type="checkbox"/> Allowed <input checked="" type="checkbox"/> Prohibited	Transshipment <input type="checkbox"/> Allowed <input checked="" type="checkbox"/> Prohibited
--	---

Other terms and conditions, if any :

- (i) Foreign Bank charges are on account of beneficiary/applicant
- (ii) DELIVERY CHALLAN MUST BE SUBMITTED SIMILAR BY THE APPLICANT
- (iii) A PRODUCTION CERTIFICATE ISSUED BY B.T.M.A.
- (iv) PAYMENT WILL BE MADE U.S. DOLLAR.
- (v) TOTAL EXPORT QUANTITY 41779 Pcs T-SHIRT. 5% TOLERANCE.

This credit is subject to Uniform customs & Practice For Documentary credits (1993 Rev.) ICC PUB-500.

In consideration of your opening L/C in the above terms & conditions, the undersigned **AYMAN TEXTILE & HOSEIERY LTD.**
Signature of Applicant
Account No

FOR BANK'S USE

L/C No. 05-50841-2000(L)	Date of Opening 18/12/00
Advising Bank : S.C. Commercial	
Reimbursing Bank : Ourselves	

ISLAMIC BANKING..... Branch
19, DILKUSILA C/A, DILAKA-1000
BANGLADESH.

TELEX 671560 FBI, IB, BI
IRREVOCABLE DOCUMENTARY LETTER
OF CREDIT NO. 05-5084-2000 (L)
DATE. 18-12-2000

BENEFICIARY :	
PAHARTAJ TEXTILE & BOBBERY MILLS ISPAHANI BUI DJING, SHAIKH MUJIB ROAD AGRABAD C/A, CHITTAGONG BANGLADESH.	
AMOUNT :	USD 44,200.00 (Say US Dollar Forty Four thousand Two hundred) only.
EXPIRY :	20 01 2001

ADVISING BANK :	
STANDARD CHARTERED GRINDIAYS ISPAHANI BUILDING, SHAIKH MUJIB ROAD AGRABAD C/A, CHITTAGONG BANGLADESH.	
Please advise the Original to Beneficiary as marked (x) retaining copy for your file	
<input checked="" type="checkbox"/>	Without adding your confirmation
<input type="checkbox"/>	Adding your confirmation
<input type="checkbox"/>	Freely Negotiable
<input type="checkbox"/>	Restricted to the Advising Bank

Dear Sirs,
At the request of Messers : **AYMAN TEXILE & BOBBERY LTD, HOUSE # 1107, ROAD # 8
NEW DOHS MOHAKDAJI, DHAKA, BANGLADESH.**

We hereby establish our Irrevocable Documentary Letter of credit in your favour for the amount as stated above available by your drafts on us at **120 Days** sight from the date of Negotiation without recourse for full invoice value of shipment (s) purporting to be **31 Combed 100% Cotton Yarn on Cones 13,000 Egs @ USD 3.40/Eg as per Proforma Invoices No. MC/2000/221 dated 17-12-2000 of the Beneficiary. Authentic and copy of Proforma invoices enclosed herewith which constitutes an integral part of the credit.**

- Accompanied by the following documents with conditions mentioned hereunder :
- Your Signed invoice in octuplicate certifying merchandise to be of **BANGLADESH** origin.
 - Full set of original clean "SHIPPED ON BOARD" ~~Drawn Under Bill of Lading~~ **Truck Receipt** drawn or endorsed to the order of Prime Bank Ltd. showing "Freight prepaid" and marked notify openers and us giving full name and address.
 - Insurance covered by openers. All shipments under this credit must be advised by the beneficiary immediately after shipment direct to M/S.

and the openers referring to Cover Note No.

- giving full details of shipment. A copy of this advice shall accompany each set of documents.
- Documents evidencing shipment (s) from **Beneficiary's Factory To Opener's Customer / Air/Truck Road**
- ~~Bills of Lading / Airway Bill / Truck Receipt~~ must be dated not later than **10 01-2001**
- Documents must be negotiated within **100** days of shipment.
- Partial Shipment : **Prohibited**

OTHER TERMS MARKED (X) BELOW :

- (x) L/C Authorisation Form No. : **X** IRC No. : **X** and U.S. Code No. : **X**

shall appear on all documents :

- (x) Certificate of Origin from Chamber of Commerce and / or any similar institution required.
- (x) Signed Packing List required in Triplicate.
- (x) Documents evidencing shipment must not be dated earlier than the date of opening of this credit.
- (x) Documents must not be drawn in excess of the credit value.
- () Shipment on Iraq / Israel / Serbia / Montenegro Flag vessels are prohibited and a certificate from Master of Vessel / Shipping Company / Agent is required in this effect.
- () Third party B/L/AWB, Short Form of B/L/AWB & Through B/L/AWB are not acceptable.
- (x) Other terms & conditions as per attached sheet which forms an integral part of this Letter of Credit.

Except so far as otherwise expressly stated herein this Credit is subject to **UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDIT (1993 REVISION) ICC PUBLICATION NO. 500**

Draft (s) must be marked "Drawn under Prime Bank Limited" Credit No. **05-5084-2000 (L)**. We hereby agree with drawers, endorsers and bonafide holders of drafts drawn under and in compliance with the terms of this credit that the same shall be duly honoured on presentation.

INSTRUCTIONS FOR NEGOTIATING BANK MARKED (X) :

- (x) Amount of Draft (s) negotiable should be endorsed on the reverse of this credit.
- (x) Your Advising / reimbursing and other charges will be on account of beneficiary ~~drawn~~ whether L/C utilized or not.
- (x) Original and duplicate sets of documents to be sent to us by successive Registered Air Mail / Courier Service immediately after negotiation.
- () You are authorised to reimburse yourselves for the amount of your negotiation by drawing on our account No.

certifying that the documents are in order and drawn strictly in terms of this letter of credit.

We shall arrange remittance of the proceeds on due date as accepted by opener and as per instruction of negotiating bank. **Payment will be made in US Dollars.**

Yours Faithfully,
Authorised Signature

Authorised Signature



Prime Bank Limited

Islamic Banking Branch
19, Dakshina C/A, Dhaka-1000

THIS SHEET CONSTITUTES AN INTEGRAL PART OF

SHEET NO.....02.....

L/C NO. 05.5034-2000 (I) FOR USD 44,200.00

Dated: 18-12-2000

FAVOURING M/S PARBANTALI TEXTILE & HOSIERY MILLS

OTHER TERMS & CONDITIONS AS UNDER :-

01. Commercial Invoice must indicate that the delivery of goods is being made against Export L/C No. ENDC 575134 dated 28-11-00.
02. Delivery Challan & Truck Receipt should be certified by authorized signatory of M/S Ayman Textile & Hosiery Ltd stating that the goods have been duly delivered to their godown as per supplier's Proforma Invoice mentioned above should accompany the original documents.
03. L/C open at 120 days sight from the date of negotiation.
04. A certificate required from applicant that they have received all goods in Quantity, Quality as per Proforma Invoice.
05. Total export quantity 41,799 pcs T Shirts, Polo Shirt and 5% (1%) is acceptable.
06. A Production Certificate issued by B.T.M.A. is required.
07. Beneficiaries certificate to be required (two copies) stating that they have complied all the terms and condition of the credit.
08. Delivery Challan must be counter signed by the authorized officer of L/C opening Bank.

Blawal
AUTHORIZED SIGNATURE

[Signature]
AUTHORIZED SIGNATURE

[Signature]

Appendix - 5

അപൂർണ്ണ ഏകദേശം

PAHARTALI TEXTILE & HOSIERY MILLS

A UNIT OF MM ISPAHANI GROUP OF INDUSTRIES

HEAD OFFICE : ISPAHANI BUILDING, SHEIKH MUJIB ROAD, AGRABAD - 4100, CHITTAGONG. FACTORY : PAHARTALI, CHITTAGONG.
HEAD OFFICE PHONE : 720155, PABX : 716152-53, 55-56, FAX : 880-31-710471, FACTORY PHONE : 751406,751535,751437,751338

DELIVERY CHALAN

Delivery Chalan no.	DC/KYN/2000/321	Date : 21/12/2000	L/C no. 05-5084-2000(L) dtd 18/12/2000	
Packing List no.	PL/KYN/2000/321	Date : 21/12/2000	Export L/C no. ENDC575134	Date : 28/11/2000
Registration no.	Nil		Import Authorisation no.	Nil

Consignee / Notify party : Ayman Textile & Hosiery Ltd. House # B/107, Road # 8, New DOHS, Mohakhali, Dhaka.	Truck no. : Chatra-Metro -Dha- 706 Date - 21/12/2000
---	--

Shipment from Chittagong (C & F) To M/s. Ayman Textile & Hosiery Ltd. House # B/107, Road # 8, New DOHS, Mohakhali, Dhaka by Truck

Goods have been duly delivered to buyer godown as per supplier's proforma invoice & authorized signatory of M/s. Ayman Textile & Hosiery Ltd. have received all goods in quantity, quality as per invoice :

AYMAN TEXTILE & HOSIERY LTD.
[Signature]
Director (Com & Marketing)

Sl no	Carton no.	Product Description	Quantity in kg
1.	01-260	24/1(combed) knit yarn (with 100% cotton) (are of Bangladesh origin) for Knitting Industry : quantity, quality, rate, specification & all other terms and conditions as per P/I no. MC/2000/321 dated 17/12/2000 import under back to back basis against Export L/C no. ENDC575134 dtd 28/11/2000, qty. 41,799 pcs T-Shirts, Polo Shirt.	13,000 kg

<i>[Signature]</i>	<i>[Signature]</i>
Authorized Signatory : For Pahartali Textile & Hosiery Mills	Prepared by:



PAHARTALI TEXTILE & HOSIERY MILLS

A UNIT OF MM ISPAHANI GROUP OF INDUSTRIES

HEAD OFFICE : ISPAHANI BUILDING, SHEIKH MUJIB ROAD, AGRABAD - 4100, CHITTAGONG. FACTORY : PAHARTALI, CHITTAGONG.
HEAD OFFICE PHONE : 720155, PABX : 716152-53, 55-56, FAX : 680 31-710471, FACTORY PHONE : 751406,751535,751437,751338

BILL OF EXCHANGE

No. BE/2000/321

For US \$ 44,200.00

Chittagong 21/12/2000

At 120 days sight of this **SECOND** of Exchange (**FIRST** of the same tenor and date being unpaid) **Pay to Citibank, N.A., NIB House, 32 Agrabad C/A, Chittagong – 4100** the sum of US DOLLAR FOURTY FOUR THOUSAND AND TWO HUNDRED ONLY.

Value received and charge the same to Ayman Textile & Hosiery Ltd. House # B/107, Road # 8, New DOHS, Mohakhali, Dhaka drawn under Prime Bank Limited, Islamic Banking Branch, 19, Dilkusha C/A, Dhaka-1000, Bangladesh.

Yarn for Knitting Industry : quantity, quality, rate, specification & all other terms and conditions as per P/I no. MC/2000/321 dated 17/12/2000 import under back to back basis against Export L/C no. ENDC575134 dtd 28/11/2000, qty. 41,799 pcs T-Shirts, Polo Shirt.

L/C no. 05-5084-2000(L) dated 18/12/2000
Export L/C no. ENDC575134 dtd 28/11/2000

Value received against delivery of
13,000 kg 24/1(combed) knit yarn(with 100% cotton)

To
Prime Bank Limited.
Islamic Banking Branch
19, Dilkusha C/A,
Dhaka-1000, Bangladesh.

A/c Ayman Textile & Hosiery Ltd.
House # B/107, Road # 8, New
DOHS, Mohakhali, Dhaka

For
Pahartali Textile & Hosiery Mills



(Authorized Signatory)
Muhammad Sayeed
Manager, Commercial



PAHARTALI TEXTILE & HOSIERY MILLS

A UNIT OF MM ISPAHANI GROUP OF INDUSTRIES

HEAD OFFICE : ISPAHANI BUILDING, SHEIKH MUJIB ROAD, AGRABAD - 4100, CHITTAGONG. FACTORY : PAHARTALI, CHITTAGONG.
HEAD OFFICE PHONE : 720155, PABX : 716152-53, 55-56, FAX : 880-31-710471, FACTORY PHONE : 751406,751535,751437,751338

TRUCK RECEIPT

Date : 21/12/2000

Truck Receipt no : 2000/321

Beneficiary Pahartali Textile & Hosiery Mills Ispahani Building, Sheikh Mujib Road Agrabad C/A, Chittagong 4100	Beneficiary Bank Citibank, N.A. NIB House 32 Agrabad C/A, Chittagong - 4100
---	---

Buyer : Ayman Textile & Hosiery Ltd. House # B/107, Road # 8, New DOHS, Mohakhali, Dhaka.

BTB L/C no.	05-5084-2000(L) dtd. 18/12/2000		
Export L/C no.	ENDC575134	Dated	28/11/2000

Registration no. Nil H.S. Code no. Nil Import Authorisation no. Nil

Driver name : Md. Mannan Truck no : Chatra-Metra-Dha- 706

Goods have been duly delivered to buyer godown as per supplier's proforma invoice & authorized signatory of M/s. Ayman Textile & Hosiery Ltd have received all goods in quantity, quality as per invoice :

Shipment from Chittagong (C & F) To Ayman Textile & Hosiery Ltd. House # B/107, Road # 8, New DOHS, Mohakhali, Dhaka. - 1208 by Truck

Sl no	Carton no.	Product Description	Quantity in kg
1.	01-260	24/1(combed) knit yarn (with 100% cotton) (are of Bangladesh origin) for Knitting Industry : quantity, quality, rate, specification & all other terms and conditions as per P/I no. MC/2000/321 dated 17/12/2000 import under back to back basis against Export L/C no. ENDC575134 dtd 28/11/2000, qty. 41,799 pcs T-Shirts, Polo Shirt.	13,000 kg

(Signature)

Driver's Signature
(Freight prepaid)

Authorized Signatory
For Pahartali Textile & Hosiery Mills

(Signature)

Muhammad Sayeed
Manager, Commercial.



PAHARTALI TEXTILE & HOSIERY MILLS

A UNIT OF MM ISPAHANI GROUP OF INDUSTRIES

HEAD OFFICE : ISPAHANI BUILDING, SHEIKH MUJIB ROAD, AGRABAD - 4100, CHITTAGONG. FACTORY : PAHARTALI, CHITTAGONG.
HEAD OFFICE PHONE : 720155, PABX : 716152-53, 55-56, FAX : 880-31-710471, FACTORY PHONE : 751406, 751535, 751437, 751338

PACKING LIST

Packing List no.	PL/KYN/2000/321	Date : 21/12/2000	L/C no. 05-5084-2000(L) dtd 18/12/2000	
Order no.	mc/kyn/321	Date : 17/12/2000	Export L/C no. ENDC575134	Date : 28/11/2000
PI no.	MC/2000/321	Date : 17/12/2000	Import Authorisation no. Nil	Shipping marks : nil
Registration no.	Nil	H.S. Code no.	Nil	Insurance no. nil

<u>Consignee / Notify party</u> Ayman Textile & Hosiery Ltd. House # B/107, Road # 8, New DOHS, Mohakhali, Dhaka.	<u>Shipper / Exporter</u> Pahartali Textile & Hosiery Mills Ispahani Building, Agrabad C/A, Chittagong 4100
---	---

Sl no	Carton no.	Product Description	Quantity in kg
1.	01-260	24/1(combed) knit yarn (with 100% cotton) (are of Bangladesh origin) for Knitting Industry : quantity, quality, rate, specification & all other terms and conditions as per P/I no. MC/2000/321 dated 17/12/2000 import under back to back basis against Export L/C no. ENDC575134 dtd 28/11/20000, qty. 41,799 pcs T-Shirts, Polo Shirt.	13,000 kg

 Authorized Signatory : For Pahartali Textile & Hosiery Mills	 Prepared by:
--	--



PAHARTALI TEXTILE & HOSIERY MILLS

A UNIT OF MM ISPAHANI GROUP OF INDUSTRIES

HEAD OFFICE : ISPAHANI BUILDING, SHEIKH MUJIB ROAD, AGRABAD - 4100, CHITTAGONG. FACTORY : PAHARTALI, CHITTAGONG.
HEAD OFFICE PHONE : 720155, PABX : 716152-53, 55 55, FAX : 880-31-710471, FACTORY PHONE : 751406,751535,751437,751338

INVOICE

Consignee : Ayman Textile & Hosiery Ltd.
House # B/107, Road # 8, New DOHS, Mohakhali, Dhaka.

Invoice no.	: IV/KYN/2000/321	Date	: 21/12/2000
Proforma Invoice no.	: MC/2000/321	Date	: 17/12/2000
Import Authorisation no.	: nil	Insurance no.	: nil
Registration no.	: nil	Shipping Marks	: nil
H.S. Code no.	: nil	Payment terms	: L/C
L/C no. 05-5084-2000(L) dtd 18/12/2000		Export L/C no. ENDC575134 dtd 28/11/20000	
Shipment : Ex Factory Pahartali Textile & Hosiery mills, Pahartali, Chittagong Bangladesh.		P. O. L. : Chittagong P. O. D : Ayman Textile & Hosiery Ltd. House # B/107, Road # 8, New DOHS, Mohakhali, Dhaka.	

Delivery Challan no. DC/KYN/2000/321	Date : 21/12/2000	Truck no. Chatra-Metro-Dha - 706	Date : 21/12/2000
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Shipment from Chittagong (C & F) To Ayman Textile & Hosiery Ltd. House # B/107, Road # 8, New DOHS, Mohakhali, Dhaka - 1208 by Truck.

Packing : Carton Packing List no. PL/KYN/2000/321 Date : 21/12/2000

Sl no	Carton no.	Product Description	Quantity in kg	Unit rate US \$	Total value C&F US \$
1.	01-260	24/1(combed) knit yarn (with 100% cotton) (are of Bangladesh origin) for Knitting Industry : quantity, quality, rate, specification & all other terms and conditions as per P/I no. MC/2000/321 dated 17/12/2000 import under back to back basis against Export L/C no. ENDC575134 dtd 28/11/20000, qty. 41,799 pcs T-Shirts, Polo Shirt.	13,000 kg	\$ 3.40	\$ 44,200.00

For Pahartali Textile & Hosiery Mills

Authorized Signatory



PAHARTALI TEXTILE & HOSIERY MILLS

A UNIT OF MM ISPAHANI GROUP OF INDUSTRIES

HEAD OFFICE : ISPAHANI BUILDING, SHEIKH MUJIB ROAD, AGRABAD - 4100, CHITTAGONG. FACTORY : PAHARTALI, CHITTAGONG.
HEAD OFFICE PHONE : 720155, PABX : 716152-53, 55-55, FAX : 880-31-710471, FACTORY PHONE : 751406, 751535, 751437, 751338

Date : 21st December, 2000

BENEFICIARY CERTIFICATE

This is to certify that we have supplied the following quantities of 100% cotton yarn to Ayman Textile & Hosiery Ltd. House # B/107, Road # 8, New DOHS, Mohakhali, Dhaka, Bangladesh against back to back L/C no. 05-5084-2000(L) dated 18/12/2000 (for Knitting Industry : quantity, quality, rate, specification & all other terms and conditions as per P/I no. MC/2000/321 dated 17/12/2000 import under back to back basis against Export L/C no. ENDC575134 dtd 28/11/2000, qty. 41,799 pcs T-Shirts, Polo Shirt), was manufactured in our mills.

<u>Description of Goods</u>	<u>Quantity</u>	<u>Value</u>
24/1 combed 100% cotton knit yarn	13,000 kg	US \$ 44,200.00

We further certify that we have not availed any bonded warehouse facility for the raw materials imported for manufacturing of above mentioned yarn. We did not & shall not apply for duty drawback facility for the imported raw materials used in manufacturing the aforesaid yarn.

Authorized Signatory
For Pahartali Textile & Hosiery Mills



Muhammad Sayeed
Manager, Commercial.



PAHARTALI TEXTILE & HOSIERY MILLS

A UNIT OF MM ISPAHANI GROUP OF INDUSTRIES

HEAD OFFICE : ISPAHANI BUILDING, SHEIKH MUJIB ROAD, AGRABAD - 4100, CHITTAGONG. FACTORY : PAHARTALI, CHITTAGONG.
HEAD OFFICE PHONE : 720165, PABX : 716152-53, 55-56, FAX : 880-31-710471, FACTORY PHONE : 751406,751535,751437,751338

Date : 21st December, 2000

CERTIFICATE OF ORIGIN

This is to certify that 13,000 kg of 24/1(combed) knit yarn (with 100% cotton) shipped under L/C no. 05-5084-2000(L) dated 18/12/2000 (Yarn for Knitting Industry : quantity, quality, rate, specification & all other terms and conditions as per P/I no. MC/2000/321 dated 17/12/2000 import under back to back basis against Export L/C no. ENDC575134 dtd 28/11/20000, qty. 41,799 pcs T-Shirts, Polo Shirt) to Ayman Textile & Hosiery Ltd. House # B/107, Road # 8, New DOHS, Mohakhali, Dhaka issued by Pahartali Textile & Hosiery Mills, are of Bangladesh origin and yarn were spun in our own spinning mill.

Authorized Signatory
For Pahartali Textile & Hosiery Mills



Muhammad Sayeed
Manager, Commercial.





Prime Bank Limited

HEAD OFFICE, MOTIJHEEL C/A, DHAKA

TO

CITIBANK N.A.
CHAMBER BUILDING
122-124, MOTIJHEEL C/A
DHAKA, BANGLADESH

DATE: 02nd 05-2001

ATTENTION : MR. ZULFIKER AHMED

DEAR SIR,

RE: FUND TRANSFER / PAYMENT INSTRUCTION

PLEASE ARRANGE TO EXECUTE THE FOLLOWING FUNDS TRANSFER BY DEBITING OUR ACCOUNT NO. 3621 - 7615 MAINTAINED WITH YOUR NEW YORK OFFICE :

● CURRENCY AND AMOUNT	: <u>V S A 44,200.00</u>						
● VALUE DATE	: <table border="1" style="display: inline-table; vertical-align: middle;"><tr><td>0</td><td>3</td></tr></table> - <table border="1" style="display: inline-table; vertical-align: middle;"><tr><td>0</td><td>5</td></tr></table> - <table border="1" style="display: inline-table; vertical-align: middle;"><tr><td>0</td><td>1</td></tr></table> (DAY-MONTH-YEAR)	0	3	0	5	0	1
0	3						
0	5						
0	1						
● ORIGINAL MATURITY DATE	: <u>28-04-2001</u>						
● BENEFICIARY BANK	: <u>CITI BANK N.A. AGRABAD C/A. CHATTAGIN,</u>						
● BENEFICIARY BANK'S NEW YORK CORRESPONDENT BANK	: <u>CITI BANK N.A. V.S.A.</u>						
● BENEFICIARY BANKS ACCOUNT NUMBER WITH NEW YORK CORRESPONDENT BANK	: _____						
● CHIPS UID OF THE NEW YORK CORRESPONDENT BANK (IF ANY)	: _____						
● OUR LC NO.	: <u>05/506A/2000 (L) DT-18-12-2000</u>						
● BENEFICIARY'S FEF. NO.	: <u>LBC/0021/00 DT. 30-12-2000</u>						
● NAME OF INTERMEDIARY BANK (IF ANY)	: _____						
● CHARGES ON	: <u>BENEFICIARY'S ACCOUNT / OUR ACCOUNT</u>						
REMARKS/SPECIFIC INSTRUCTIONS	: _____						

PAYMENT DETAILS (IF MORE THAN ONE DOCUMENT)

<u>BILL REF.</u>	<u>AMOUNT (USD)</u>
1.	1.
2.	2.
3.	3.
4.	4.

YOURS FAITHFULLY,

please verify by the beneficiary
90

[Signature]

AUTHORIZED SIGNATURE
F.P.A. NUMBER :

10054
1515101



AUTHORIZED SIGNATURE
F.P.A. NUMBER : 131

Islamic Banking Branch
19, Dilkusha C/A, Dhaka

Fax: 880-2-9567228
Telex: 671860 PIB. 11119
e-mail: primebuk@banija.net

PRIME/IBB/2001/39

Date : 04-01-2001

ADVICE OF ACCEPTANCE

Perfect

CITIBANK N.A.
NIB HOUSE, 32 AGRABAD C/A
CHITTAGONG
BANGLADESH

THE UNDERMENTIONED BILL(S)
HAS/HAVE BEEN ACCEPTED BY
DRAWEE (S) TO FALL DUE ON THE
DATE (S) SHOWN HEREIN AFTER AND
PAYMENT WILL BE MADE AS PER
TERMS OF THE CREDIT.

SL. No.	Reference & Date		Amount	Maturity
	CRES	Yours		
01.	05-5084-2000 (L) 18-12-2000	IBC-0021/00 30-12-2000	USD 44,200.00	28-04-2001

AR
AUTHORIZED SIGNATURE

RJ
AUTHORIZED SIGNATURE

of c 2

SCHEDULE ORIGINAL

3/12/2000

VIA AIR MAIL/COURIER

CITIBANK, N.A.

(INCORPORATED WITH LIMITED LIABILITY IN THE U.S.A)
 CABLE ADDRESS: CITIBANK
 POSTAL ADDRESS: NIB HOUSE, 32 AGRABAD C/A
 CHITTAGONG, BANGLADESH.

31-12-2000
 DATE 30/12/2000
 CITIBANK

ON COLLECTION BASIS * * *
 WE ENCLOSE THE FOLLOWING BILLS FOR REIMBURSEMENT COLLECTION
 SUBJECT TO OUR TERMS AND CONDITIONS PRINTED OVERLEAF

TO PRIME BANK LTD.
 ISLAMIC BANKING BRANCH
 H, DILKUSHA C/A
 DHAKA - 1000

TENOR
 120
 DAYS

OUR REF. NO.
 LBC-0021/00
 Please mention this ref. on your correspondence

AMOUNT OF BILL
 USD 44,200.00

DRAWER OR LAST ENDORSER:
 AHARTALI TEXTILE & HOSIERY MILL TRUCK

STEAMER

DRAWEE: PRIME BANK LTD.
 ISLAMIC BANKING BR.
 H, DILKUSHA C/A, DHAKA

DESTINATION

DRAWN UNDER L/C NO.:
 05-5084-2000(L)

ISSUED BY
 PRIME BANK LTD.
 ISLAMIC BANKING BR.

MERCHANDISE:
 COMBED 100% COTTON YARN

THE PROCEEDS SHOULD BE TELEX REMITTED TO OUR ACCOUNT WITH
 BANGLADESH BANK, DHAKA THROUGH USD DRAFT/
 BANGLADESH BANK CHECK FAVORING CITIBANK N.A.

PRIME BANK LTD.
 ISLAMIC BANKING BRANCH
 H, DILKUSHA, DHAKA
 RECEIVED
 Time 10:00 A.M.
 31-12-2000
 Mr. Farid Khan
 31-12-2000

- 12 - 2
- 01 - 31
- 02 - 28
- 03 - 31
- 04 - 28

Due Date 28-01-2001

GENERAL INSTRUCTIONS MARKED

- We certify that all the terms and conditions of the credit have been complied with.
- L/C expired on _____ but we certify that the documents were received by us before the expiry of the LETTER OF CREDIT.
- We have negotiated and paid the proceeds under reserve on account of the following discrepancy /ies.
- Please advise us release on the form attached.
- Kindly acknowledge receipt.

NO.	DRAFT	INV	C. INV.	INS	PL	CERT. OF ORIGIN	PHYSIO SANITARY	BEN. CERT.	INSPEC TION	D. CANAL
ORIG.	2		6		2	1	1		1	
DEP.	2		2		1	1	1		1	



[Signature]
 Legal Head
 Authorized Signer

Authorized Signature