# Accurately fill in the documents needed to allow the customer to get credit –

For getting of Credit facilities from the seller to customer , properly filling of documentation is very much essential needs from both sides . sometimes inaccurate filling of documentation is rejected due to improper information given by the customer.

If a business firm decides to offer credit terms to the customers, it should try to ensure that these customers will be both willing and able to pay in accordance with the agreed-upon terms. It is recommended that the firms follow a structured process for this. Therefore, a firm may consider the following steps.

**Create credit policy:** Every retail store must create their credit policy. It will help them in running the retail business. It includes payment policies and expectations.

**Customers must complete the credit application:** The application should provide key information about the customers.

**Check the customer’s references:** Asking customers to list references also helps.

**Run credit check:** It will help in revealing any outstanding payments against the customer.

**Request personal guarantee from customer:** It is not necessary in the case of a retail store, however, it is a personal guarantee from the customer.

**Take security interest in products:** As customers can refuse to pay according to agreed upon terms, a retailer should ideally charge security interests.

**Set credit limits and payment terms:** Set limits for the customer who seem to be creditworthy. Also decide how many days after the delivery of the products the full payment will be made

Process of applications -

The following performance criteria must be followed for processing applications from retail customers for credit facilities.

1. Identify the customer’s needs and provide credit facilities.
2. Clearly explain about features and conditions of

credit facilities to the customer.

1. application, and the requisition must be approved by the retailer.
2. The customer should submit the Promptly refer to difficulties in processing

applications.

1. Once approved, the requisitions go to the Sales

Manager for authorisation procedures.