

GUIDELINES FOR FOREIGN EXCHANGE TRANSACTIONS

Volume - 1

SUMMARISING

Instructions as of November 30, 2017 issued to
Authorised Dealers and Money Changers in Foreign Exchange
To be read in conjunction with other instructions, subsequent
amendments and modifications issued from time to time.

BANGLADESH BANK

Foreign Exchange Policy Department

2018 Preface

This publication, titled 'Guidelines for Foreign Exchange Transactions', is the successor to the last (2009) edition of the same. This is a compilation of the instructions to be followed by the Authorised Dealers & their constituents, Money Changers in transactions relating to foreign exchange. These guidelines come in two volumes. The first volume includes the instructions and the prescribed forms/declarations relating to individual transactions. The second volume delineates the procedure of reporting of foreign exchange transactions by Authorised Dealers to Bangladesh Bank, and includes the proformas for monthly returns, statements, schedules for such reporting. Both volumes include instructions as on November 30, 2017 and should be read with FE Circulars/Circular Letters issued subsequently.

Foreign Exchange Policy Department

Bangladesh Bank

Head Office, Dhaka.

January, 2018.

Acronyms

ACU Asian Clearing Union

AD Authorised Dealer

AML-CFT Anti-Money Laundering - Combating the Financing of Terrorism.

AMU Asian Monetary Union

BASIS Bangladesh Association of Software and Information Services

BB Bangladesh Bank

BEPZA Bangladesh Export Processing Zones Authority

BEZA Bangladesh Economic Zones Authority

BIDA Bangladesh Investment Development Authority

BJA Bangladesh Jute Association

BJMC Bangladesh Jute Mills Corporation

BMET Bureau of Manpower Employment and Training

BO Beneficiary Owner

BSEC Bangladesh Securities and Exchange Commission

BTB Back To Back

CAAB Civil Aviation Authority of Bangladesh

CCI&E Chief Controller of Imports and Exports

CPT Carriage Paid To

CRF Cost and Freight

DEDO Duty Exemption and Drawback Office

EDF Export Development Fund

EFT Electronic Fund Transfer

EPB Export Promotion Bureau

EPZ Export Processing Zone

ERD Economic Relations Division

ERQ Exporters' Retention Quota

EZ Economic Zone

FC Foreign Currency

FCA Free Carrier Alongside

FCR Forwarder Cargo Receipt

FEID Foreign Exchange Investment Department FEOD Foreign Exchange Operation Department

FEPD Foreign Exchange Policy Department

FERA The Foreign Exchange Regulation Act, 1947

FER Foreign Exchange Regulation
 FOB Free On Board
 GBP Great Britain Pound
 GFET Guidelines For Foreign Exchange Transactions
 HAWB House Airway Bill
 IC International Card
 ICC International Credit Card
 IDRA Insurance Development and Regulatory Authority
 ITE Information Technology Enabled
 LC Letter of Credit
 LCAF Letter of Credit Authorisation Form
 NBR National Board of Revenue
 NFCD Non-resident Foreign Currency Deposit
 NITA Non-resident Investors' Taka Account
 NRBs Non-resident Bangladeshis
 NRTA Non-resident Taka Account
 OPGSP Online Payment Gateway Service Provider
 PRC Proceed Realisation Certificate
 PTA Prepaid Ticket Advices
 RFCD Resident Foreign Currency Deposit
 RJSCF Registrar of the Joint Stock Companies and Firms
 RIT Rationalised Input Template
 SFCAMS Special Foreign Currency Account Monitoring System
 SWIFT Society for Worldwide Interbank Financial Telecommunication
 TC Travellers' Cheque

TOAB Tour Operators Association of Bangladesh

UGC University Grant Commission

USD United States Dollar or US Dollar CHAPTER PAGES

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APPENDIX 4 List of Bangladesh Bank's offices and their jurisdictions.

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2. Policy guidelines for establishment of drawing arrangement between the exchange houses abroad and the banks operating in Bangladesh;

3. Procedure for repatriation of sale proceeds of non-resident owned equity in unlisted companies purchased by residents in Bangladesh.

APPENDICES1CH 1

CHAPTER 1

INTRODUCTION AND DEFINITIONS

1. Foreign Exchange Regulation (FER) Act, 1947 (Act No. VII of 1947, amended upto September 09, 2015) enacted on March 11, 1947 in the then British India provides the legal basis for regulating certain payments, dealings in foreign exchange and securities and the import and export of currency and bullion. This Act was first adapted in Pakistan and then in Bangladesh. The Act is reproduced at Appendix 1. Bangladesh Bank is responsible for administration of regulations under the Act. Appendix 4 provides a list of Bangladesh Bank's offices and their jurisdictions.

2. Basic regulations under the FER Act, 1947 are issued by the Government as well as by Bangladesh Bank in the form of Notifications which are published in the Bangladesh Gazette. Notifications issued by the Bangladesh Government and the erstwhile Government of Pakistan and Bangladesh Bank and the erstwhile State Bank of Pakistan are reproduced at Appendices 2 and 3. Directions having general application are issued by Bangladesh Bank in the form of notifications, FE(Foreign Exchange) circulars, SPA circulars and circular letters.

3. Authorised Dealers (ADs) in foreign exchange are required to bring the foreign exchange regulations to the notice of their customers in their day-to-day dealings and to ensure compliance with the regulations by such customers. The ADs should report to Bangladesh Bank any attempt, direct or indirect, of evasion of the provisions of the Act, or any rules, orders or directions issued thereunder.

4. (i) The ADs must maintain adequate and proper records of all foreign exchange transactions and furnish such particulars in the prescribed returns for submission to Bangladesh Bank. They should continue to preserve the records for a reasonable period unless otherwise instructed by Bangladesh Bank for ready reference as also for inspection, if necessary, by Bangladesh Bank's officials. To mention, ADs shall preserve the printed copy of Form TM (Appendix 5/9), Form-C (Appendix 5/10), Form C-ICT (Appendix 5/11), Form IMP (Appendix 5/16) and EXP Form (Appendix 5/31) along with supporting papers at their own custody for at least 05 (five) years for record and inspection of Bangladesh Bank. However, in respect of cases which are under investigation by Bangladesh Bank inspection team/other Government agencies, the relevant Forms (TM, C, IMP & EXP as the case may be) and full set of related documents shall be disposed of only after obtaining clearance from the inspection team/Government agency concerned.

(ii) Online Reporting

Bangladesh Bank has developed online reporting system for all types of inland and cross border foreign exchange transactions. ADs are, therefore, advised to report all types of their foreign exchange transactions carried out by them, including those of OBUs to the different web portals 2CH 1 of Bangladesh Bank on regular basis as directed by the concerned departments. To report different information to the online systems, ADs are advised to follow the instructions given in the different FE circulars, FE circular letters and user guidelines available in the website of Bangladesh Bank.

5. This publication summarises the instructions issued under the FER Act, 1947 as well as the prudential instructions issued by Bangladesh Bank (as of November 30, 2017) to be followed by ADs and Money Changers in their day-to-day foreign exchange transactions.

6. Specimen forms (other than those of periodical returns dealt with in Volume-2) prescribed in this publication are given in Appendix 5, while Appendix 6 contains (i) Notification issued by the Board of Investment (Now Bangladesh Investment Development Authority-BIDA) for obtaining loan from abroad by industrial enterprises in Bangladesh in the private sector (ii) Policy guidelines for establishment of drawing arrangement between the exchange houses abroad and banks operating in Bangladesh (iii) Procedure for repatriation of sale proceeds of non-resident owned equity in unlisted companies purchased by residents.

7. Terms having a special meaning for the purpose of the FER Act, 1947 are defined under Section 2 of the Act. However, for the purpose of this publication and the instructions issued by the Bangladesh Bank from time to time, the following terms as defined below shall be used in addition to those defined under Section 2 of the FER Act, 1947.

(i) Taka

Taka means the Bangladesh currency unless otherwise specified.

(ii) Dollar

Unless otherwise indicated the term dollar used in this publication shall mean the US dollar (USD).

(iii) Money Changers

Wherever used in this publication, the term "Money Changer" would mean a sole proprietorship or partnership firm/company licenced by Bangladesh Bank under FER Act, 1947 to act as Money Changer for dealing in certain foreign exchange transactions as directed by Bangladesh Bank from time to time. 3CH 2

CHAPTER 2

SECTION-I

AUTHORISED DEALERS AND MONEY CHANGERS

1. Application for AD licence

Bangladesh Bank issues licences normally to scheduled banks to deal in foreign exchange. All applications for authorised dealer licence should be made to the General Manager, Foreign Exchange Policy Department (FEPD), Bangladesh Bank, Head Office, Dhaka with a declaration that 'Guidelines on Managing Core Risks in Banking' (as prescribed by Bangladesh Bank vide BRPD Circular No. 17, dated 07 October, 2003, updated through BRPD Circular No. 1, March 01, 2016) pertaining to treasury functions in foreign exchange are already in place and all steps have been taken by the bank for internal monitoring and supervision of the branches for carrying out foreign exchange transactions. Besides, the bank should also provide information showing that it has adequate manpower trained in foreign exchange and there is prospect to attract reasonable volume of foreign exchange business in the desired location and the applicant bank meticulously

complies with the instructions of the Bangladesh Bank especially with regard to submission of periodical returns.

2. Application for licence to perform limited functions

Licences with limited scope are also issued to persons or firms (e.g. hotels, bank booths, gift shops etc.) to exchange foreign currency notes, coins, and TCs in places where money changing facilities are required. The authorisations are granted to persons or firms of adequate means and status who, in the opinion of the Bangladesh Bank, will be able to conduct their dealings strictly in accordance with the foreign exchange regulations. Applications for the grant of licences with limited scope should be made to the General Manager, FEPD, Bangladesh Bank, Head Office, Dhaka. Entities licenced to perform such functions (other than Limited AD/bank booth and diplomatic bonded warehouse) are required to submit monthly statement of their operations to Foreign Exchange Operation Department (FEOD), Head Office or other offices of Bangladesh Bank as per format given in Appendix 5/1. Limited AD/bank booth licenced to deal in foreign exchange transactions and diplomatic bonded warehouse shall submit such statements as per format given in Appendix 5/2 and 5/3 respectively. Statements are to be submitted through nominated ADs only.

3. Money Changer licence

Bangladesh Bank may also issue "Money Changer" licences to persons/firms desirous of undertaking, as their sole line of business, the purchase and sale of foreign currency notes, coins, TCs from and to incoming and outgoing tourists. ADs are advised to process applications for licences on behalf of their customers provided Bangladesh Bank decides to issue new licences and forward the same with recommendation to the General Manager, FEPD, Bangladesh Bank, Head Office.

Instructions to be followed by the money changers are given in the Section-II of this Chapter. 4CH 2

SECTION -II

INSTRUCTIONS FOR MONEY CHANGERS

4. Use of office space

Money Changer shall have no branch office. The premise to be used for money changing business shall not be used for any other business activity.

5. Buying of foreign currency notes, coins and TCs

Money Changers are allowed to buy foreign currency notes, coins and TCs from incoming foreign and Bangladesh nationals coming/returning from abroad. For each such purchase an encashment certificate shall be furnished to the seller in prescribed format as per Appendix 5/4.

6. Releasing foreign currency notes, coins and TCs

Money Changers may sell foreign currency notes, coins and TCs only to outgoing Bangladesh nationals against their annual private travel entitlements (per calendar year) subject to a maximum limit of USD 1000(One thousand) or equivalent in the form of cash and/or TC. Release of foreign exchange in excess of USD 200 (Two hundred) or equivalent shall require valid visa. Money Changers may also sell foreign currency notes, coins and TCs to outgoing foreign nationals having duly issued encashment certificates, subject to a maximum limit of USD 500 (Five hundred) or equivalent by re-conversion of Bangladesh Taka proceeds of foreign exchange sold by a tourist during his/her stay in Bangladesh. Any licenced money changer whether it encashed earlier or not may reconvert the unspent Bangladesh Taka belong to the foreign tourist upto USD 500(five hundred) or equivalent provided that the tourist submits system generated encashment certificate provided by any licenced money changer (Para 10.B). While providing reconversion, money changer shall stamp on the original encashment certificate to the effect that reconversion has been executed and preserve a copy thereof.

Besides, Money Changers may sell foreign currency of USD 1,000 (One thousand) or equivalent to be carried by each Hajj pilgrim against the scale at which foreign exchange may be sold to intending pilgrims for performing Hajj as declared through the Hajj Policy of Ministry of Religious Affairs, Government of the Peoples' Republic of Bangladesh.

Money Changers may release foreign exchange on account of overseas allowances of the cockpit and cabin crews allowed by Biman Bangladesh Airlines Ltd. as mentioned in Para 3(b), Chapter 12 of this publication.

While releasing foreign exchange for travel abroad, Money Changers shall verify and satisfy themselves that the travel for which the foreign exchange released earlier was actually undertaken or the issued foreign exchange was duly encashed. Each sale of foreign exchange 5CH 2 shall be recorded in the passport and air ticket (in case of air travel) of the outgoing passenger with seal and signature of authorised person of the Money Changer. For issuance of TC, signature of the buyer should be obtained on the TC as per usual norm. In each case of release of

foreign exchange for travel abroad, photocopies of first six pages (in case of Machine Readable Passport, photocopies of two pages), pages containing visa (if available) and pages containing endorsement of foreign exchange of the passport duly signed by the authorised person of the Money Changer with seal shall be retained at least for five years for inspection by Bangladesh Bank officials. In case of release of foreign exchange to a foreign tourist against encashment certificate evidencing conversion of foreign currency into Taka, copy of the encashment certificate issued to the outgoing tourist shall be retained at least for five years alongwith the receipts/vouchers and other records of sale.

The Money Changers shall verify to satisfy themselves that the journey is to be undertaken not later than two weeks after the date on which the exchange is issued. In case of air travel the date of departure needs to be determined on the basis of air ticket and an undertaking from the passenger may be treated as the determining criterion for other cases. No exchange should be sold unless the date of departure is specified within the stipulated time.

7. Stock of foreign currency and foreign currency account

The initial stock of foreign currency notes and coins shall be built up by the Money Changers by way of permissible purchases from incoming foreign/Bangladesh nationals in the manner prescribed at Para 5 of this Section above and sales in the manner prescribed at Para 6 of this Section. The maximum stock of foreign exchange shall not exceed USD 25,000 (Twenty five thousand) or equivalent as at the close of each business day. Cash foreign exchange beyond this limit including entire TCs received from incoming passengers shall either be encashed with any AD or deposited to the foreign currency account with the designated AD bank of the concerned Money Changer. The balance of that account must not exceed USD 50,000 (Fifty thousand) or equivalent at any point of time. To mention, Money Changer may sell its stock of foreign currency to any AD as mentioned in Para 14, Chapter 5.

8. Procurement of TC

Money Changers may procure saleable TC only by using the balance of its own foreign currency account. Blank TC can not be procured from any TC issuing authority by using other sources of foreign exchange or by any cover fund in local currency.

9. Fixation/display of buying/selling rate

The Money Changers shall fix their own exchange rates for purchase and sale of foreign currency notes & coins and TCs and the rates shall be displayed prominently at their counters. 6CH 2

10. A. Submission of Monthly Statement

Details of all sales and purchases shall be recorded in the books properly and completely. All such records and books of accounts of the licensee must be made available for inspection by Bangladesh Bank officials as and when directed. Periodical returns/statements in prescribed form [as per Appendix 5/5] shall be furnished to FEOD, Head Office or concerned office of Bangladesh Bank on monthly basis within 10(ten) days from the end of each month.

B. Online Money Changer Monitoring System

Bangladesh Bank has developed 'Online Money Changer Monitoring System', a web based real time transaction reporting platform. Each transaction of Money Changer with customers shall have to be reported to the above mentioned system. Such reporting will generate an acknowledgement in PDF format with unique transaction ID and Bangladesh Bank monogram for each transaction. The printed copy of the acknowledgement report shall have to be delivered to the client. For details, Money Changers shall follow the instructions mentioned in the user guide attached with the system.

11. Renewal of licence

The licence shall be valid for a period of one year; which may be suspended at any time without showing any reason if, in the judgement of Bangladesh Bank, the licensee has contravened any instruction or regulation of Bangladesh Bank. The licence may be revoked by Bangladesh Bank at any time after giving the Money Changer a reasonable opportunity of explaining its position on the matter. Bangladesh Bank may not consider prayer for renewal unless volume of transactions in the previous year as per statements submitted to Bangladesh Bank reaches the threshold amount fixed by Bangladesh Bank from time to time. Presently for renewal of licence, the minimum required annual volume of foreign exchange transactions by Money Changers is USD 5.00 (five) lac in the city corporation areas of Dhaka and Chittagong and USD 3.50 (Three and a half) lac for other areas. Money changers failing to achieve the above target shall be considered ineligible for renewal of their licences. For renewal, the licensee shall apply to the General Manager, FEOD, Bangladesh Bank, Head Office, Dhaka (for Dhaka region) or to the

General Manager of concerned Office of Bangladesh Bank (for other areas) not later than two months before the expiry of licence. Application for renewal shall be accompanied by copies of deed of house rent (in case of rented house) for the proposed renewal period, up-to-date tax payment certificate, return of asset-liability (Form-IT10B) submitted to Income Tax Office, audited balance sheet of the last year (where the applicant is a company). For non-submission of certificate evidencing payment of tax for the preceding year, an undertaking for submitting the same later on along with latest tax payment certificate should be furnished. The returns so submitted to tax authority must accompany documents evidencing minimum net asset of the licensee of Tk. 10 (Ten) lac for sole proprietorship and partnership firms. For joint stock company, at the time of renewal, minimum paid up capital shall be Tk.10 (Ten) lac or more as per audited balance sheet. Subject to satisfactory performance in the previous year, licensee shall be advised by Bangladesh Bank in writing to deposit non-refundable renewal fee in favor of Bangladesh Bank through account payee bank draft/pay order. Certificate of renewal of licence shall be provided through AD bank if licence fee is deposited accordingly. Money Changers must preserve the licence and renewals issued by Bangladesh Bank with reasonable care.

12. Change of Office

Any change in money changer's office location shall require prior approval of Bangladesh Bank. Applications for changing office location should be forwarded to the General Manager, FEPD, Bangladesh Bank along with deed of rent (in case of rented house), reasons for change etc.

13. Conversion to limited company and transfer of ownership

Conversion of the status of a money changer from sole proprietorship or partnership to joint stock company and transfer of ownership of a money changer may be done only with prior approval of the Bangladesh Bank. Such requests may be accommodated by the Bangladesh Bank upon establishing the bonafides of the cases. Money changers shall submit such requests to the General Manager, FEPD, Bangladesh Bank, Head Office through their nominated ADs showing proper reasons. 8CH 3

CHAPTER 3

BANGLADESH BANK'S TRANSACTIONS WITH ADs

1. Buying and selling

Bangladesh Bank's purchase and sales from and to the ADs are in US Dollar only, on spot basis. All such transactions with Bangladesh Bank are required to be in multiples of USD 10,000, subject to a minimum of USD 50,000. ADs are free to quote their own rates, ready and forward, for transactions in the interbank market and with their customers.

2. Payments through ACU

(a) The central Banks of Bangladesh, India, Iran, Nepal, Pakistan, Sri Lanka, Myanmar, Bhutan and Maldives have an Agreement to settle current transactions between these countries through the Asian Clearing Union(ACU) mechanism. All such payments to the ACU member countries excepting those covered by loan/credit agreements are accordingly settled through the ACU mechanism in "Asian Monetary Units" which may be referred to in the abbreviated form as "AMUs". The Asian Monetary Units shall be denominated as 'ACU Dollar' and 'ACU Euro' which shall be equivalent in value to one US Dollar and one Euro respectively.

(b)

The ACU Agreement referred to above provides for settlement of the following types of payments:

- (i) Payments from residents in the territory of one participating country to residents in the territory of another participating country;
- (ii) Payments for current international transactions as defined by the Articles of Agreement of the International Monetary Fund;
- (iii) Payments permitted by the country in which the payer resides.

Besides, payments arising on account of import/export transactions on deferred payment terms will also be considered as eligible payments for being settled under ACU mechanism. However, payments not related to import and export of goods and services, except to the extent mutually agreed between two or more participants will be considered as ineligible payments for being settled under ACU mechanism.

The minimum threshold amount to be routed through ACU member central banks under ACU arrangement has been set at 500 (Five hundred) ACU Dollar or ACU Euro.

Transactions considered as ineligible for being settled under ACU mechanism may be settled bilaterally (as settlements take place other than under ACU mechanism) and shall be reported under Statement S-1 (or other relevant statements as the case may be), Guidelines for Foreign

Exchange Transactions (V ol-2). 9CH 3

(c) ADs shall maintain nostro accounts in AMUs (ACU Dollar, ACU Euro) with their correspondent banks in ACU member countries for the purpose of settlements through ACU. Similarly accounts in AMUs (ACU Dollar and ACU Euro) may be opened by the ADs in their books in the names of their correspondents in ACU member countries. ADs may pay interest on the balance of nostro accounts in AMUs as per mutually agreed terms and conditions with the correspondent(s).

(d) An AD needing to fund its AMU nostro account with a correspondent bank in an ACU member country shall do so through Bangladesh Bank against surrender of the required amount in AMU, or of equivalent Taka at Bangladesh Bank's selling rate.

Bangladesh Bank will advise the central bank of the concerned ACU member country to make the amount available to the transferee bank in that country. After making the payment, the central bank of the recipient ACU member country shall advise the Secretary General of the ACU Secretariat to credit its account by debit to Bangladesh Bank's account.

(e) For repatriating funds from an AMU nostro account with a correspondent bank in an ACU member country, an AD shall advise the correspondent bank to route the payment through the central bank of that country, which will advise Bangladesh Bank to make the amount available to the recipient AD. Bangladesh Bank on receipt of the advice, shall make the fund available to the recipient AD (either in AMU or in equivalent Taka. at BB's buying rate, at the AD's option) and shall advise the Secretary General of the ACU Secretariat to credit its account by debit to the account of the central bank of the transferor ACU member country.

However, as the payment channel for processing 'ACU Euro' transactions has been suspended by some correspondents, ADs are advised to refrain from operations in 'ACU Euro' temporarily until further notice. Accordingly, all eligible current account transactions in 'ACU Euro' are permitted to be settled outside the ACU mechanism until further notice.

3. Clearing arrangement with Bangladesh Bank

(a) Bangladesh Bank operates a foreign currency clearing system enabling the AD banks to settle their mutual claims in US Dollar, Pound Sterling, Euro, Japanese Yen and Canadian Dollar arising from inter bank transactions; to economise the time and cost involved in settlements through correspondents abroad. Under this arrangement, AD banks maintain clearing accounts with the Bangladesh Bank in US Dollar, Pound Sterling, Euro, Japanese Yen and Canadian Dollar. Apart from the purpose of settlement with other ADs, these accounts may also be used for transfers to and from correspondents abroad.

(b) Settlement of the balances lying in each of the clearing accounts takes place at the end of each month. Bangladesh Bank charges interest on the debit balance in an account on daily 10CH 3 product basis and debits the bank's account at the end of each working day and pays interest on the amount of credit balance at the rates prescribed from time to time.

(c) Payment against inland foreign currency LCs and inland back to back LCs in foreign currency as mentioned in Para 35 & 40 respectively, Chapter 7 shall be settled through Bangladesh Bank FC clearing accounts of the concerned AD banks.

(d) Operation of the clearing system is centralised in the Forex Reserve and Treasury Management Department of Bangladesh Bank, Head Office, Dhaka; but the ADs in other centres may transfer funds to other banks through their Head/Principal Office in Dhaka.

11CH 4

CHAPTER 4

SECTION-I

FOREIGN CURRENCY ACCOUNTS OF THE ADS

AND PURCHASE AND SALE OF FOREIGN CURRENCY

1. Accounts in foreign currency

ADs may maintain accounts in freely convertible currencies with their correspondents/branches abroad. However, maintaining relationship, opening of nostro accounts and transactions with correspondents shall be subject to compliance with AML-CFT regulations of Bangladesh Bank/ other competent authorities. Besides, a periodic statement regarding correspondent Banking shall have to be submitted to FEPD, Head Office, Bangladesh Bank on half yearly basis in July and January of each year (Appendix- 5/6) by Head Offices/Principal Offices of AD banks.

2. Foreign currency held by ADs at the disposal of the Bangladesh Bank

The foreign currencies held by ADs shall at all time be deemed to be held at the disposal of Bangladesh Bank. The Bangladesh Bank, through FEPD, may give such instructions with regard

to the disposal of such currencies as it may deem necessary and expedient.

3. Open position

Bangladesh Bank sets prudential limits on each AD bank's open (overbought/oversold) exchange position. The AD should ensure that the prescribed open position limit is not exceeded. If an AD exceeds the prescribed limit and fails to furnish satisfactory explanation for the same, it may be asked to sell the excess amount ready and to cover its position by buying forward for deliveries corresponding to the maturities of its own forward obligations.

4. Overbought/oversold position in excess of prescribed limits

The ADs are required to work out their open exchange position (overbought/oversold) daily as at the close of the business on each working day and report to the Bangladesh Bank at the subsequent working day through RIT in the web portal of Bangladesh Bank (Para 22, Chapter 2, V ol-2). If for reasons beyond control the overbought/oversold position during the period under report is in excess of the prescribed limit, the daily statement must be accompanied by a letter explaining the circumstances. A hard copy of the daily exchange position statement prepared as per Appendices 49A & 49B, GFET (V ol-2), duly signed by responsible officials of the AD, shall have to be preserved for at least five years for eventual utilisation/inspection by Bangladesh Bank. 12CH 4

5. Purchase of one currency against another

The ADs may enter into transactions for sale or purchase of foreign currencies both ready and forward with other ADs, foreign correspondents and overseas branches provided that all such transactions must be reported to the Bangladesh Bank in the appropriate Returns (See Chapter 2, V ol-2), daily exchange position statement (Para-4) and daily interbank transaction statement through online (Para-12).

6. Short term loans and overdrafts

The ADs may obtain short term loans and overdrafts for a period not exceeding seven days at a time from overseas branches and correspondents at the going market rates to meet their short term needs. If these loans or overdrafts require a collateral in Bangladesh or abroad prior approval must be obtained from Bangladesh Bank. Short term loans and overdrafts taken under the authority of this para may be remitted by the ADs without prior approval of Bangladesh Bank, but subject to report.

7. Reconciliation of nostro accounts

In pursuance to the 'Guidelines on Managing Core Risks in Banking' to be followed in case of foreign exchange risks for reconciliation of nostro accounts, Head Offices/Principle Offices of ADs are required to submit comprehensive review of all nostro accounts containing a complete list of all un-reconciled entries at the end of each quarter of the year; the list to be prepared by officials who have no involvement in the transaction and approval process of the nostro accounts. Banks are also required to make provisions periodically for debit entries remaining un-reconciled for more than three months as per schedule issued by Bangladesh Bank from time to time. In addition, June and December end reviews must be accompanied with certification of the External Auditor of the bank concerned on correctness of the status of the un-reconciled entries mentioned on the review.

Besides, banks are also required to submit summary of un-reconciled nostro account entries at the end of each month through online web portal [Para 26, Chapter 2, GFET (V ol-2)]. However, quarter-end statement will include summary of un-reconciled entries as per format given in Appendix 50, GFET(V ol-2).

13CH 4

SECTION-II

FORWARD DEALINGS IN FOREIGN EXCHANGE

8. General

ADs may engage in forward sales only against bonafide need of the customers/counterparty banks. In all cases the ADs must ensure that the cover is intended to neutralise the risks arising from such transactions. ADs may purchase forward from banks and non-bank customers like exporters, foreign currency account holders (including retention quota accounts of exporters, foreign currency accounts of EPZ/EZ companies), exchange houses abroad etc. Be it forward sale or purchase, ADs must cover their own risk within the shortest possible time.

9. Forward sale and purchase

All forward contracts should be treated as firm and should be closed out on expiry. In such cases, the ADs should charge the difference between the contracted (booked) rate and the TT clean spot

buying or TT spot selling rate, as the case may be, ruling on the date the contract is closed out. The forward contract should be closed without charging any difference if the rate moves in favour of the customer on the date of the closure. In other words, in case of a forward purchase by AD no difference will be charged if the TT spot selling rate on the date of closure is at par or lower (i.e., inferior from the point of view of the customer) than the booked rate. Similarly, no difference should be charged for closing out a forward sale contract if the TT clean spot buying rate on the date of closure is at par or higher (i.e., costlier than the booked rate from the point of view of the customer) than the booked rate. No forward contract should be renewed at the old rate. All cases of renewal should be treated as new contracts and the rates as applicable for purchase-sale of forward contracts on the date of renewal should be applied.

10. Swap Transactions

The ADs may undertake swap transactions in line with their counterparty limit in accordance with the core risk management guidelines issued by Bangladesh Bank to cover their risks arising from forward transactions and manage cash flow mismatch arising out of day to day transactions. However, they are advised to refrain from taking speculative positions through swap transactions.

11. Cross currency forward and swap

Cross currency swap and forward, not backed by underlying customers' transactions, can be undertaken only if the 'Guidelines on Managing Core Risks in Banking' (as prescribed by Bangladesh Bank vide BRPD Circular No. 17, dated 07 October, 2003, updated upto March, 2016) pertaining to Foreign Exchange Risk Management are implemented to the satisfaction of Bangladesh Bank. 14CH 4

12. Keeping records and submission of statements

All documents (copy of LCs, contracts etc.) relating to forward contracts and swap transactions must be preserved for subsequent inspection by Bangladesh Bank. Besides, ADs shall report all the interbank transactions on daily basis through online as instructed in Chapter 2, Para 26, GFET (V ol-2).

13. Two way quotation

ADs are advised to quote both sale and purchase rate while quoting/asking for any spot/forward transaction in the interbank market. 15CH 4

SECTION- III

HEDGING THE PRICE RISK OF COMMODITIES

14. ADs can hedge the price risk of commodities that are traded on exchanges or over-the-counter (OTC) of their customers through standard exchange traded futures/options and OTC derivatives on commodities subject to prior approval of Bangladesh Bank. The use of commodity derivatives will only be permitted when customers have genuine underlying commodity price risk exposure(s). This can be monitored by the ADs through checking of the underlying risk exposure documents. Any kind of speculation through the use of commodity derivative instruments will not be permissible.

ADs must completely hedge the commodity price risk arising from the commodity hedge transactions by booking back to back transactions with banks having international standing or their branches operating in Bangladesh.

While applying to Bangladesh Bank for commodity hedge transactions the suitability and appropriateness form (As per Appendix 5/7 and Appendix 5/8) must be submitted. To become eligible for offering commodity derivative products, ADs must have the ability to monitor the credit and market risk arising from such products. They should also forward relevant commodity price forecasts to customers before the product is offered to the customers. The forecast(s) should also be forwarded to Bangladesh Bank along with the application.

ADs should follow IFRS-9 (Financial Instruments) for accounting of gain or loss on the commodity hedging instrument and the hedged item.

The following reporting requirements must be followed by the ADs:

- All the details of commodity hedge transactions that have been approved and booked with the clients should be reported to Bangladesh Bank on a monthly basis.
- At maturity of each transaction, ADs must send a detailed report to Bangladesh Bank.
- Audited financial statements must have adequate disclosures of commodity hedge transactions.

Prior to engaging in a transaction, ADs must advise client of all costs, charges and commissions related to the commodity hedge. ADs must explicitly mention all the downside risks and worst-case-scenarios of a commodity derivative hedge to the client prior to entering into a

transaction.

Relevant BRPD Circular/Circular Letter (s) should be referred to for assigning risk weightage for all the commodity transactions for capital adequacy, etc. 16CH 4

SECTION- IV

NON-RESIDENT TAKA ACCOUNTS OF FOREIGN BANK BRANCHES AND CORRESPONDENTS

15. General

The Taka accounts of all foreign bank branches or correspondents outside Bangladesh are regarded as non-resident accounts. The accounts of different branches of the same bank situated in different countries must be identified separately and the accounts of each branch or group of branches in one country should be designated as accounts of that country.

16. New non-resident accounts of banks

ADs may open or continue to maintain Non-Resident Taka Accounts in the names of their overseas branches and correspondents against inward remittance in convertible currencies only. Transfer between non-resident Taka accounts are permitted freely. Approved foreign currency may also be sold to non-resident bank branches and correspondents provided the remittance is charged against credit balances held in the non-resident Taka account. Non-resident Taka accounts may be opened with initial deposits sent from abroad in a freely convertible currency. New non-resident Taka accounts opened by the ADs must be reported to the Bangladesh Bank with details as per format given in Appendix 5/6.

17. Reporting of permitted debits and credits

Payments from and receipts to the non-resident Taka accounts constitute purchases or inward remittances and sales or outward remittances respectively of foreign currency. Consequently, all the regulations and instructions applicable to inward and outward remittances shall apply mutatis mutandis to payments, made to and from these accounts. All credits and debits and balances on non-resident Taka accounts of foreign bank branches and correspondents will be reported in the appropriate Returns [prescribed in Chapter 2, GFET (V ol-2)]. 17CH 5

CHAPTER 5

SECTION- I

OUTWARD REMITTANCES

1. (i) General

Barring a few remittances of special nature, most outward remittances either in its entirety or upto a certain limit set by Bangladesh Bank may be approved by the ADs, following declaration of Taka as convertible for current account payments from March, 1994. However, the limits of release of foreign exchange set forth in this Guidelines are indicative; all bonafide requests beyond these indicative limits and payment transfer requests for a current international transaction not specifically included in this Guidelines will be accommodated by Bangladesh Bank upon establishing the bonafides of the expenses.

(ii) All remittances from Bangladesh to a foreign country or local currency credited to non-resident Taka accounts of foreign banks or convertible Taka account constitute outward remittances of foreign exchange. ADs must exercise utmost caution to ensure that foreign currencies remitted or released by them are used only for the purposes for which they are released; they should also maintain proper records for submission of returns to Bangladesh Bank as also for the latter's inspection from time to time.

2. Reporting Forms

(a) In all cases of purchase of foreign currency, an application must be made to an AD. For payments against imports into Bangladesh, the prescribed application form is form IMP (Appendix 5/16) and for other types of remittances form TM (Appendix 5/9). Form TM must be used by ADs even when remittance is approved by Bangladesh Bank in any other manner, for instance by issuing a special permission/approval letter. On receipt of the application from the client/customer, the ADs may effect the sale of foreign exchange if they are empowered to approve the application. If the transaction requires prior approval of Bangladesh Bank, the application should be forwarded by the AD to Bangladesh Bank for consideration.

(b) Outward remittances for imports are to be reported to the 'Online Import Monitoring System' of Bangladesh Bank. Outward remittances (other than for import of goods) are to be reported to the 'Online TM Monitoring System' of Bangladesh Bank. Here ADs are advised to mention "TM ID number (unique number generated from the online system of Bangladesh Bank after posting)" at the upper left corner of hard copy of form TM.

3. Applications for Bangladesh Bank's prior approval for outward remittances, wherever required, should be submitted to the Bangladesh Bank only through the ADs and not by their customers directly; all such applications should be forwarded by the ADs to Bangladesh Bank by 18CH 5 their own messengers or by post. While applying to Bangladesh Bank for releasing foreign exchange on behalf of customers, AD should submit necessary papers/documents duly attested by the authorised official of the AD alongwith their recommendations/comments.

4. Dealing with approved applications

In respect of the special permissions/approvals from Bangladesh Bank, the ADs should see that these have been approved by duly authorised officers and that they bear the Bangladesh Bank's embossing seal. In case the authorisation is signed by an official of Bangladesh Bank whose specimen signature is not available with them, authentication of the authorisation should be made from the nearest office of the Bangladesh Bank. It is important that once the permissions have been accorded by Bangladesh Bank, the ADs carry out the transactions only on behalf of the original applicants for whom the permissions have been given.

5. Permission for recurring remittances

The amount released must not exceed the authorised limit. Also, the instructions, if any, given in the approval with regard to the amounts to be released periodically e.g. monthly or quarterly must be strictly adhered to.

6. Period of validity of Bangladesh Bank's approval

All authorisations for selling foreign exchange for outward remittances given by the Bangladesh Bank remain valid for a period not exceeding 30(thirty) days from the date of approval unless they are expressly stated as valid for a specified longer period or unless they have been revalidated for a further period. The ADs should not effect any remittance against approval of Bangladesh Bank which have lapsed.

7. Disposal of application forms

All forms (IMP & TM) covering remittances effected by the ADs shall be preserved by AD as mentioned in Para 4, Chapter 1(V ol-1). For the disposal of the form IMP, please see Para 31(b), Chapter 7.

8. Cancellation of outward remittances

In the event of any remittance which has already been reported to the Bangladesh Bank on the prescribed return being subsequently cancelled either in full or in part, the ADs must report the cancellation of the outward remittance as an inward remittance in Form C(as applicable, Para- 10).

The same shall be reported to the

'Online Inward Remittance Monitoring System' as well.

In reporting such transactions to the 'Online Inward Remittance Monitoring System, TM ID Number (as mentioned in Para 2) of concerned outward remittance shall have to be mentioned against the head 'Outward Reference' of the above mentioned system. Besides, TM ID Number shall have to be mentioned at the bottom right side of the hard copy of the Form C (where applicable). ADs shall preserve the documents in support of such cancellation.19CH 5

SECTION- II

INWARD REMITTANCES

9. General

The term "Inward Remittances" includes not only remittance by T.T., M.T., Drafts etc., but also purchases of bills, purchases of drafts under Travellers' Letters of Credit and purchases of Travellers' Cheques. This Chapter does not, however, cover purchases of foreign currency notes and coins which are dealt with in Section - III.

10. Inward remittances- no restrictions

a) The ADs may freely purchase foreign currencies or raise debits to non-resident Taka Accounts of the respective bank branches and correspondents subject to compliance with AML-CFT Standards/concerned regulations of other competent authorities and deduction of tax/vat, etc. as applicable. Remittances in excess of USD 10,000 (Ten thousand) or equivalent shall be reported on Form-C (Appendix 5/10) or Form-C (ICT, Appendix 5/11) as the case may be. For filling up Form-C (ICT), instructions mentioned in Para 23(b)(1)(iii), Chapter 8 shall be applicable. However, declaration on Form-C by the beneficiary is not required against remittances sent by Bangladesh nationals working abroad. The purpose of remittances should be clearly stated on the Form-C. Where the country of origin of funds and currency in which remittances received are the same, the ADs may prepare a consolidated Form-C in respect of those remittances attaching therewith a separate list showing details of remittances comprising the amount reported on Form-C. Remittances received against exports should be certified and reported on EXP Forms.

In case of remittances received in advance for exports the ADs should obtain a signed declaration from the beneficiary on the back of the "Advance Receipt Voucher" (See Chapter 2, Vol-2) certifying the purpose of remittance.

Inward remittance upto USD 10,000 (Ten thousand) or equivalent against service exports may be credited in the respective accounts of service exporters without obtaining declaration on Form C. In this context AD shall satisfy themselves bonafide of the transactions with the notation of the relevant SWIFT message. In case of non-availability of required information, AD shall contact the beneficiaries through e-mail about the purpose of transactions.

b) Inward remittances against export of goods are to be reported to the 'Online Export Monitoring System' of Bangladesh Bank. Inward remittances other than for export of visible goods against EXP Forms are to be reported to the 'Online Inward Remittance Monitoring System' of Bangladesh Bank. Here ADs are advised to mention "Inward ID number (unique number generated from the online system of Bangladesh Bank after posting)" at the bottom left corner of 'Form-C' (in the cases where Form-C is used).20CH 5

11. Reimbursement in foreign currency for Taka bills and drafts

There is no objection to the ADs obtaining reimbursement from non-resident banks in freely convertible foreign currency in respect of Taka bills and drafts purchased by them under instructions from such a non-resident bank whether under Letters of Credit or under other arrangements.

12. Cancellation of inward remittances

If an inward remittance already reported to Bangladesh Bank is cancelled, either in full or in part, because of non-availability of beneficiary or for any other reason, the ADs must report the cancellation of the inward remittance as an outward remittance on form TM.

In reporting such transactions to the 'Online TM Monitoring System' Inward ID Number (as mentioned in Para 10) of the concerned inward remittance shall have to be mentioned against the head 'Inward Reference'; of the above mentioned system. Besides, Inward ID Number shall have to be mentioned at the upper right side of the hard copy of the form TM. ADs shall preserve the documents in support of such cancellation.21CH 5

SECTION - III

DEALING IN FOREIGN CURRENCY NOTES AND COINS ETC.

13. Unauthorised dealings

No person, firm or company other than an AD or Authorised Money Changer (Money Changer or Limited Money Changer authorised by Bangladesh Bank to deal in certain foreign exchange transactions) is permitted to deal in foreign currency in any form. Other persons entering into transactions involving the buying or otherwise acquiring or borrowing from or selling or otherwise transferring or lending to or exchanging with, a person who is not an AD or Authorised Money Changer any foreign currency, will, therefore, be deemed to be contravening the provisions of the FER Act. 1947.

14.

Conditions under which ADs/Authorised Money Changers may purchase foreign currency
ADs and money changers may freely buy foreign currency from incoming passengers regardless of nationality and regardless of whether or not a declaration on form FMJ (Appendix 5/12) is produced at the time of encashment. If this form is produced, the amount encashed should be endorsed on it. To mention ADs/Money Changers shall issue encashment certificate against purchase of foreign exchange from incoming passengers (Appendix 5/4).

The ADs may also purchase foreign currency notes, coins and other travel instruments freely from Authorised Money Changers without the production of Form FMJ.

15. a) Disposal of foreign currency notes and coins by the ADs

The ADs are permitted to dispose of foreign currency notes etc. by way of sales to other ADs and the general public in accordance with the instructions of Bangladesh Bank.

b) They may also export foreign currency notes and coins to agents or correspondents abroad for credit to their foreign currency accounts with the prior approval of Bangladesh Bank and Office of the Chief Controller of Imports & Exports (CCI&E). Applications in duplicate with copy of duly attested agreement should be made to FEOD, Bangladesh Bank, Head Office; approval will be given in the duplicate copy. For reasons of security, strict confidentiality should be maintained in respect of communication with Bangladesh Bank; this may preferably be done through personal calls on the senior officials of the department.

16. The ADs requirement of foreign currency notes

In addition to normal purchases from the public, Authorised Money Changers and other ADs, an AD may supplement its holdings of foreign currency notes from abroad with approval from Bangladesh Bank. 22CH 5

17. Responsibility for the realisation of the value of foreign currency notes purchased by ADs

All purchases of foreign currency notes and coins made by the ADs and Authorised Money Changers are entirely on their own responsibility and they must make their own arrangements for realising the proceeds of surplus foreign currency notes and coins purchased by them which can not be sold to their customers as permitted under the Regulations. The ADs may realise the value of surplus foreign currency notes and coins by repatriating them through their foreign branches or correspondents and having the proceeds credited to their appropriate foreign currency accounts.

18. Release of foreign exchange in the form of USD notes to outgoing persons

The following instructions shall be applicable for releasing foreign exchange in the form of foreign currency notes against different entitlements or balances held in different foreign currency accounts as stated in different chapters of this Guidelines:

A. Foreign exchange in the form of USD notes & coins not exceeding 5000 (five thousand) may be issued in favor of outgoing Bangladesh nationals against their respective entitlements such as private travel quota/business travel quota/travel for treatment abroad/study abroad etc. or any other general or special permission per person per trip; the remainder amount of entitlement or the entire entitlement may be released in the form of notes/coins of other freely convertible foreign currencies. To mention, the entitlements may be utilised also through international cards (credit/debit/pre-paid as applicable) as mentioned in the different Paras of Chapter 19.

B. The limit mentioned in 'A' shall also be applicable to outgoing Bangladesh/foreign nationals for issuing USD notes/coins against balances held in their respective foreign currency accounts (Private Foreign Currency Accounts, Resident Foreign Currency Deposit Accounts, Exporters' Retention Quota Accounts etc.) or from the balances of Convertible Taka accounts (or against equal amount of foreign exchange under back to back basis) per person per trip; the remainder amount or the entire amount may be released in the form of notes/coins of other freely convertible foreign currencies from the balances of the respective foreign currency accounts in a trip. Other relevant regulations regarding issuance of foreign exchange against each entitlements shall have to be followed meticulously as stated in different chapters of this Guidelines. 23CH 6

CHAPTER 6

IMPORT AND EXPORT OF CURRENCY NOTES AND COINS, FOREIGN EXCHANGE, GOLD, SILVER, JEWELLERY AND SECURITIES ETC.

1. (A) Import of foreign currency notes and coins

In terms of Bangladesh Bank Notification Nos. FE-1/09-BB dated 4th August, 2009(Appendix 3/18) and FE-01/2017-BB dated 15th October, 2017(Appendix 3/20), any person may bring into Bangladesh from any place outside Bangladesh without any limit foreign currency notes or bank notes other than-

(i) Un-issued notes and coins.

(ii) Notes legal tender in Bangladesh in excess of Taka 10,000 (Ten thousand) in value.

Provided that the concerned person makes a written declaration to the Customs Authorities at the time of arrival in form FMJ (See Appendix 5/12) of the entire amount; no declaration will however, be necessary if the amount brought in does not exceed USD 5000 (Five thousand) or its equivalent in foreign currency and does not exceed Taka 10,000 (Ten thousand) in notes legal tender in Bangladesh. Each set of form FMJ consists of 3(three) copies - the original copy for Bangladesh Bank, the second copy for Customs Authorities and the third copy for the concerned passenger.

(B) Sending into Bangladesh by post/courier or otherwise of any currency note, bank note or coin by any person from abroad without general or specific permission from Bangladesh Bank is prohibited.

(C) Any traveller entering into Bangladesh may bring with him at every time Bangladesh currency notes/coins within the limit as prescribed hereunder:

(i) Members of the crew of a ship or an aircraft or the staff of a railway may bring Bangladesh currency notes upto Taka 10,000 (Ten thousand) at any one time.

(ii) An incoming/outgoing passenger may bring in/take out upto Taka 10,000 (Ten thousand) in

Bangladesh currency at the time of arrival into/departure from Bangladesh.

(iii) Every foreign national travelling on a foreign passport and persons travelling on Bangladesh passports will, while entering into Bangladesh by sea, air or land from any destination outside Bangladesh declares to the Customs Authorities, on form FMJ to be completed in one set of Form containing three copies for all currencies if the amounts brought in exceed the limits mentioned at para 1(A) above. Transit passengers, however, are not required to complete this 24CH 6 form. The customs official will return to the declarant the copy of the form designated for the passenger duly authenticated. Authorised Money Changers and ADs need not ask for this form at the time of encashing the foreign currency and foreign currency instruments to Taka. Foreign nationals should however retain these declarations with themselves so as not to face difficulty in taking out unspent foreign exchange at the time of their departure from Bangladesh.

(D) Bank booths operating in airports under licence with limited scope from Bangladesh Bank may take deposits from NRBs in foreign currency brought in by them for crediting their foreign currency accounts or Non-resident Taka accounts (by converting foreign currency at prevailing exchange rate) maintained with concerned AD bank branches. In case the foreign currency brought in by NRBs differs from account type (i.e., USD A/C, GBP A/C, etc.) of the account holders, bank booths shall convert the currency into relevant foreign currency at appropriate cross currency exchange rate to effect the deposits.

An incoming person may retain foreign exchange upto USD 5000 or equivalent brought in by himself/herself without declaration and take out the same at the time of departure from Bangladesh without endorsement in passport and air ticket. Such amounts may also be deposited in RFCD account by a resident Bangladeshi and in NFCD account/Private FC Account by a non-resident Bangladeshi any time after arrival in Bangladesh.

Amount in excess of USD 5000 (Five thousand), brought in by the resident Bangladeshis, should however be encashed or deposited in appropriate foreign currency account within 30(thirty) days of arrival. Such amounts brought in by non-resident Bangladeshis can be encashed or deposited in foreign currency account any time after return to Bangladesh. For a foreign national, the entire amount brought in with declaration on Form FMJ or upto USD 5000 (Five thousand) brought in without declaration may be taken out freely at the time of departure. Such amounts brought in by foreign nationals can be encashed or deposited in foreign currency account any time after their enter into Bangladesh.

2. Import of gold and silver

In terms of Notification No. 1(2) ECS/48 dated 1st July, 1948 issued pursuant to sub-section (1) of Section 8 of the FER Act, 1947 Government have prohibited, except with the general or special permission of the Bangladesh Bank, the import into Bangladesh from any place outside Bangladesh of:

- (a) any gold coin, gold bullion, gold sheet or gold ingot whether refined or not, and
- (b) any silver bullion, silver sheet or plate which has undergone no process of manufacture subsequent to rolling or any uncurrent silver coin.

Import of gold and silver into Bangladesh from any place outside is, therefore, subject to the Bangladesh Bank's general or specific authorisation. In terms of Notification No FE-1/16-BB, 25CH 6 dated January 20, 2016 (Appendix 3/23), general permission has been accorded by Bangladesh Bank allowing an incoming passenger irrespective of their resident status to bring into Bangladesh gold or silver in bullion/ingot form up to the prescribed limit in terms of the relevant Baggage Rules in force issued under the Customs Act, 1969.

3. Definition of Gold and Silver

Gold, as defined under Section 2 of the FER Act, 1947 includes gold in the form of coin whether legal tender or not or in the form of bullion or ingot whether refined or not. Silver, as defined under the same Section of the said Act includes silver bullion or ingot, silver sheets and plates which have undergone no process of manufacture subsequent to rolling and uncurrent silver coin which is not legal tender in Bangladesh or elsewhere.

4. Import of jewellery and precious stones

There are no restrictions under the FER Act, 1947 on the import of jewellery and precious stones. Import of jewellery and precious stones is, however, subject to the Import Trade Control Regulations.

5. Definition of jewellery and precious stones

The terms jewellery and precious stone are deemed to include all articles made wholly or mainly of gold, platinum, diamonds of all kinds, precious or semi-precious stones, pearls, whether or not

mounted, set or strung and articles set or mounted with diamonds, precious or semi-precious stones or pearls.

6. Import of securities

There are no restrictions under the FER Act, 1947 on import of securities into Bangladesh.

7. Export of foreign exchange

(i) Any person may take out of Bangladesh with him foreign exchange issued to him by an AD and endorsed on his passport.

(ii) General permission has been granted:

(a) to the ADs to send out of Bangladesh cheques, drafts or bills of exchange which have been acquired by them in their normal course of business and within the terms of their authorisation ; and

b) to a foreign national who is resident in Bangladesh, but is not domiciled in Bangladesh to take or send out of Bangladesh drafts or cheques drawn on their foreign currency accounts. 26CH 6
8. The term foreign exchange as defined under Section 2 of the FER Act, 1947 includes cheques, drafts, travellers' cheques, letters of credit, bills of exchange and promissory notes expressed or drawn in foreign currency, or in Bangladesh currency but payable in foreign currency.

9. (a)(i) Any person may take out of Bangladesh, Bangladeshi legal tender notes and coins not exceeding Taka 10,000 (Ten thousand) only in value at any one time.

(ii) Currency which has been brought into Bangladesh in the safes of vessels or aircraft or which has been taken on board vessel or aircraft with the permission of the Bangladesh Bank may be taken out of Bangladesh.

(iii) Any person ordinarily resident in Bangladesh may take out foreign exchange not exceeding USD 5000(Five thousand) or its equivalent which was brought in without declaration at the time of returning from abroad.

(iv) Any person not ordinarily resident in Bangladesh including Bangladesh nationals working abroad may take out of Bangladesh any amount in foreign exchange not exceeding the amount declared by him to the Customs Authorities on arrival in Bangladesh. However, such a person may take out at the time of leaving Bangladesh foreign exchange not exceeding USD 5,000 (Five

thousand) or its equivalent brought in without declaration to the Customs Authorities on his arrival in Bangladesh.

(b) It is not permissible to send currency notes and coins out of Bangladesh by post/courier or any other means.

10. Export of Securities

Under Section 13(l)(a) of the FER Act, 1947 it is not permissible for any person to take or send out any security to any place outside Bangladesh except with permission of the Bangladesh Bank. Residents in Bangladesh who are holders of foreign securities and who wish to send these securities to bank, brokers or agents abroad for purposes of sale, transfer etc., should apply to Bangladesh Bank through an AD for the necessary export permit. Permission for transfer of foreign securities will be granted provided the AD gives an undertaking that the securities will be received back in Bangladesh within a specified period or in the case of sale, the foreign currency proceeds will be remitted to Bangladesh.

11. Taking out and bringing in jewellery by outgoing and incoming passengers

Sub-section 2 of Section 8 of the FER Act, 1947 prohibits export from Bangladesh of jewellery or precious stones except with the general or special permission of Bangladesh Bank.

Bangladesh Bank, however has accorded general permission to all outgoing and incoming adult female passengers to take out of Bangladesh and to bring into Bangladesh any quantity of personal jewellery worn on their persons or as part of their personal baggages. 27CH 6

12. Jewellery Export Scheme

Export of gold jewellery and silver jewellery from Bangladesh may be effected by exporters registered with the office of the CCI&E as per normal EXP procedure (described in Chapter 8). Back to back import LCs may be established by ADs for import of gold, silver and precious stones for manufacture and export of jewellery against export LCs received by registered jewellery exporters operating under the bonded warehouse system, subject to observance of the minimum domestic value addition requirement prescribed in the Jewellery Export Policy formulated by the Ministry of Commerce [10(ten) percent for gold jewellery, 15(fifteen) percent for stone- studded gold jewellery and 25(twenty five) percent for silver jewellery]. Back to back imports may also be effected against firm export orders in cases where import costs are met out

of advances received by the exporter from the foreign buyer, or where the import payment is settled abroad directly by the foreign buyer.

If the cost of imported inputs are prepaid abroad by the foreign buyer or met out of advances received from the foreign buyer, exporters shall be required to repatriate export proceeds to the extent of the local value addition only. In such cases, the total export value and the cost of imported inputs should be shown separately in the EXP form, and the ADs shall preserve the papers/documents in evidence of prepaid input import/advance receipt of import costs with second original of EXP form.

Prior permission of Bangladesh Bank will be required for export of Jewellery on consignment basis or for sale in exhibitions abroad 28CH 7

CHAPTER 7

SECTION -1

IMPORTS

1. (a) Import Trade Control

Import of goods into Bangladesh is regulated by the Ministry of Commerce in terms of the Import and Export (Control) Act, 1950, through Import Policy Order (IPO) in force and Public Notices issued from time to time by the Office of the CCI&E. The instructions contained in this chapter apply to sales of foreign exchange, payment in foreign exchange or transfers to non-resident taka accounts against import of goods into Bangladesh.

(b) Registration of Importers : In terms of the Importers, Exporters and Indentors (Registration) Order, 1981 no person can import goods into Bangladesh unless he is registered with the CCI&E or exempted from the provisions of the said Order. Before LCAF is issued or LC is opened or remittance is made for imports into Bangladesh the AD should verify that the importer is registered with the CCI&E or other competent authority or otherwise exempted from such registration. The AD should ensure that the registration number of the importer is invariably furnished on the form IMP (Appendix 5/16). Where the importer is exempted from such registration, a suitable mention of this fact should be made on the form IMP.

(c) Online reporting

In addition to other reporting requirements to Bangladesh Bank, ADs shall report all types of permissible import transactions to the 'Online Import Monitoring System' of Bangladesh Bank on daily/regular basis.

2. Dealing with known customer

The ADs must ensure that they deal only with known customers having a place of business in Bangladesh and can be traced easily should any occasion arise for this purpose. Opening of LCs and payments for imports into Bangladesh should be made through an AD in the area where the holder of the LCAF is resident (Appendix-4 lists the areas for foreign exchange regulation purposes). In case the importer is a new customer to AD, the AD should obtain certificate from the AD through which the applicant imported earlier to the effect that no bill of entry is due/overdue for submission by the importer. The same should be duly verified by the AD through 'Online Import Monitoring System' of Bangladesh Bank.

3. Terms of imports

Appropriate Incoterms should be incorporated in the letter of credit/purchase contract in compliance with the IPO in force. Import shall usually be made on CFR/CPT basis (as the case 29CH 7 may be). However, import on FOB basis shall be subject to the provisions mentioned in Para 16 of this chapter.

4. Imports under special arrangements

Specific procedural instructions regarding imports under special arrangements or agreements (grants, loans, barter etc.) issued by the Bangladesh Bank from time to time should be followed by the ADs.

5. Use of correct HS Code

It is mandatory to use correct HS Code to indicate the classification of goods to be imported as per First Schedule of the Customs Act, 1969. No bank shall issue LCAF or open LC without quoting correct HS Code in the LCAF and LC or purchase contract (as the case may be). Failure to do so may lead to imposition of penalties by the Customs Authority. In all cases of doubt, reference should be made either by the AD or the customer direct to the concerned Customs Authority.

6. LC Authorisation Form

(a) The ADs are authorised to issue 'LCAFs' in conformity with the IPO allowing imports into Bangladesh. Import permits or clearance permits are not required for imports by the Ministries

and Government Departments against specific allocation given to them by the government. But all Ministries and Government Departments except the Ministry of Defense shall duly submit LCAF to their nominated banks before opening LC/other arrangement for the purpose of import. The LCAFs, available with the ADs, are issued in sets of 5(five) copies each. Of these, the one marked "For Exchange Monitoring Purpose" should be used for opening LC and for effecting remittances. The ADs should be very careful about compliance with the instructions of the IPO and relevant Public Notices in the matters of issuance and disposal of LCAFs.

(b) (i) The ADs will not issue blank LCAFs to their clients. The importer should himself/herself sign the LCAF in the presence of an officer of the AD, an authorised official of the AD should put his/her signature with date and seal on the LCAF, evidencing verification of the importer's signature and import entitlement as per current IPO.

(ii) In no case the ADs will accept authenticated LCAF for opening LC direct from the parties. Normally the AD issuing and authenticating an LCAF would also open the LC but if it requires transfer to another AD this should be done directly by the transferring AD itself. The AD receiving the LCAF must conduct its own verification of the signatures on the LCAF before opening LC.

(c) LCAFs remain valid for remittances for one year subsequent to the month of issuance. For example, if an LCAF is issued on 15th January, 2017 remittances can be made there against upto 31st January, 2018. However, LCAFs issued for import of capital machinery and spares will remain valid for remittances for 30 (thirty) months subsequent to the month of issuance. The 30CH 7 ADs should not, under any circumstance, make remittance against any LCAF after the expiry of the above prescribed validity periods without first obtaining revalidation of the LCAF. However, approval of Bangladesh Bank will not be required for extending validity of LCAF related to import of capital machinery under long term supplier's/buyer's credit upon approval of BIDA; the approval of BIDA in this regard will suffice. Revalidation of LCAF will not be required for remittances against import out of fund held in foreign currency accounts of importers maintained under general or special authorisation from Bangladesh Bank.

7. Endorsement on LCAF

(a) When LCs are opened, full particulars thereof must be endorsed on the back of the exchange monitoring copy of the LCAF under the seal and signature of the AD. The value of LCAF will cover cost of goods, freight, insurance and other expenses (as the case may be) for the import. Besides, total FOB value of goods, freight, insurance and other charges thereof must be mentioned separately in foreign currency and in equivalent Taka while endorsing on the exchange monitoring copy of the LCAFs depending on permissible Incoterms used. In cases where miscellaneous charges i.e. handling charges, cartage/surface transportation, documentation charges etc., are required to be paid by the importers on arrival of goods through the Airlines, the ADs shall also endorse on the exchange monitoring copy of the LCAFs the amount of such charges as indicated in the airway bill in Bangladesh Taka alongwith the freight. The Taka equivalent of the LC opened or contract must be endorsed on the LCAF at the prevailing BC selling rate (spot), but if a forward exchange cover is provided, the conversion should be made at the actual forward rate. Foreign exchange must not be sold ready if a forward sale is outstanding against an LC or contract.

(b) Details of amounts remitted, whether under LC or otherwise, should be endorsed on the back of the exchange monitoring copy of the LCAF together with the number of the relative IMP form (Appendix 5/16). Appropriate reference to the LCs, the dates on which these were opened and remittances effected should be noted on the back of the LCAF in order to identify the endorsement against any particular LC opened or remittances effected.

(c) Before delivering the import documents to the importers, the AD should invariably endorse on the invoices accompanying the bills the amount both in figures and words that they have remitted from Bangladesh. The endorsement should be under the seal and signature of the ADs. In case of payment on deferred/usance basis, the amount for which the bill has been accepted should be endorsed in the invoices.

8. Cancellation of LCAF

On expiry of an LC unutilised partly or wholly, or on cancellation or reversal of sale of foreign exchange, the endorsements made on the back of the LCAF may be cancelled with appropriate remarks, under the seal and signature of the AD. 31CH 7

9. Endorsement made mistakenly

In case an endorsement is made mistakenly on a wrong LCAF, the AD may cancel the endorsement provided the endorsement is transferred simultaneously to the appropriate valid LCAF. Endorsement may be transferred only from one valid LCAF to another valid LCAF

where both are identical in all respects.

10. Amounts for which LC may be opened and remittances made under LCAF

(i) The aggregate amount of foreign exchange sold against an LCAF whether under LC or otherwise, should not exceed the value mentioned in the LCAF, In case where LC was opened and remittance is needed in a floating currency against which no forward booking has been made, the Taka value of the LCAF shall be deemed to have been increased to the extent of appreciation of the foreign currency for the purpose of allowing remittance by the AD.

(ii) Applicable exchange rate on retirement of import bill

Import bill, unless forward cover has been taken, shall be retired at the rate of exchange prevailing on the date of lodgment in the book of AD.

11. Remittance in excess of the value of the LCAF

Remittance in excess of the value of the LCAF is not permissible without prior approval of Bangladesh Bank except for payment of normal bank charges of the foreign correspondents. In other words, the ADs need not adjust the amount of bank charges from the LCAF value. Remittances of bank charges should be reported to the Bangladesh Bank as usual. The ADs shall endorse the amount of bank charges remitted alongwith the date of remittance on the back of the exchange monitoring copy of the LCAF. They should also quote the approval number and date, if remittance is effected against any specific approval from Bangladesh Bank.

Bank charges of unusual nature i.e. not commonly attributable to transactions against LCs cannot be remitted without Bangladesh Bank's approval. Foreign bank charges in respect of imports in the public sector shall be on the suppliers account and, hence, cannot be remitted from Bangladesh. Bank charges under barter/special trade arrangements (STA) shall be payable in accordance with the relevant provisions therein.

12. LCAF issued in the name of a person/firm other than applicant

An AD may not open LC or make remittances of foreign exchange covering imports into Bangladesh in cases where the exchange monitoring copy of the relevant LCAF has been issued in the name of a person or firm other than that of the applicant. Such requests received by an AD should be referred to the area office of the CCI&E.32CH 7

13. Remittance of proceeds of dishonoured bill

An AD should not remit the proceeds of bills in cases where the name of the importer on the bill of exchange differs from that on the LCAF. As an exception, where goods are imported under documentary collection (DP or DA) basis or even under LC and the original drawee dishonors the bill and the foreign shipper or his local agent finds another buyer for the goods, the AD may make the remittance without prior permission of the Bangladesh Bank provided it certifies that the applicant remitter is the buyer of the goods and provided the remitter is in possession of a valid LCAF covering the import of the goods in question.

14. Disposal of fully utilised or unutilised LCAF

Exchange monitoring copies of the LCAFs fully utilised or unutilised for the full amount shall be preserved by AD with IMP form and other import documents as mentioned in Para 31(b) of this Chapter. Other copies of LCAF are to be disposed of as per instructions of IPO in force.

15. Remittance against goods imported under penalty

An AD may not make remittance for the payment of goods if the exchange monitoring copy of a valid LCAF is not produced even though the goods may have been cleared by the Customs. Goods imported in an unauthorised manner are liable to be confiscated by the Government. All applications for remittances of foreign exchange covering such imports should be submitted to Bangladesh Bank for prior approval and should be accompanied by the attested copy of the Customs Bill of Entry for consumption in Bangladesh, the relative penalty order together with full particulars of the circumstances under which the goods were imported without the requisite LCAF.

16. Imports on FOB basis

In case of import on FOB basis, the AD banks may at the request of their importer clients make payments of freight/transportation charges in Taka or in equivalent foreign exchange to shipping companies/airlines/eligible licenced freight forwarders, out of the total value of LCAF issued for the import covering costs of goods and transportation charges. The receipts in foreign exchange will be used through foreign currency accounts maintained by the shipping companies /airlines/eligible licenced freight forwarders as mentioned in Para 1(ix), Chapter 10 & Para 33, Chapter 13. In case of FOB imports the AD should endorse, beside FOB value, the transportation charges payable in foreign currency and in equivalent Taka as indicated in the bill of lading etc.

along with miscellaneous charges, if any as mentioned in para 7 of this chapter, as indicated in the airway bill. The ADs should also issue a certificate to the importers in the form given in Appendix-5/13 to the effect that the amount of transportation charges etc. have been endorsed on the relative LCAF. The issue of this certificate is essential as the shipping companies/airlines etc. are under instructions not to accept payment of freight in Taka or FC unless the above mentioned 33CH 7 certificate is produced to them. Moreover, ADs shall not deposit the amount in their FC accounts designated for outward payment on account of surplus earnings/foreign liabilities without producing this certificate. However, payment of transportation charges against FOB import through chartered ship is subject to compliance of relevant instructions mentioned in Para 12, Chapter 10. In cases where the FOB value and the amount of transportation charges payable in Taka or FC exceeds the value of the LCAF, the application should be referred to the Bangladesh Bank for consideration with full particulars and supporting documentary evidence.

17. Import against LCAF without opening LC

Selected items as mentioned in the IPO in force may be imported against registered LCAFs without opening LC. In such cases, the ADs shall stamp 'Import without LC' on the upper right corner of the LCAFs. LCAFs so stamped and form (as per appendix-5/14) duly filled in must be registered by the issuing bank itself. ADs shall ensure that the import does not exceed prescribed limit for import without LCs as mentioned in the IPO. In all such cases contract information shall be reported to the 'Online Import Monitoring System'.

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SECTION -II

LETTERS OF CREDIT AND REMITTANCES AGAINST IMPORTS

18. General

ADs may not issue, advise, notify or confirm any LC, authority to purchase, guarantee or similar undertaking covering imports into Bangladesh the implementation of which would involve a payment in Taka to a non resident account or a payment in foreign currency except in accordance with the instructions prescribed hereunder.

LC covering imports: AD should establish LCs against specific authorisation only on behalf of their own customers who maintain accounts with them and are known to be participating in the trade. Payments in retirement of the bills drawn under LCs must be received by the ADs by debit to the account of the concerned customer or by means of a crossed cheque drawn on the drawee's other bank. These restrictions shall not apply to import of articles for the private use of the importer as permitted in the IPO.

19. Terms on which LCs may be opened

(i) Documentary Credits: All LCs and similar undertakings covering imports into Bangladesh must be documentary LCs and should provide for payment to be made against full sets of onboard (shipped) bills of lading, air way bills, railway receipts, truck receipts, post/courier parcel receipts showing despatch of goods covered by the credit to a destination in Bangladesh. All LCs/similar arrangements must specify submission of signed invoices and certificates of origin. If any particular LCAF requires submission of any other document or the remittance of exchange at certain periodical intervals or in any other manner, the LC/similar arrangement should incorporate those instructions of the LCAF.

(ii) LCs requiring prior permission: It is not permissible to open clean or revolving LC or LC with realisation clause (except EPZ/EZ companies). Applications for opening such LCs should be referred to Bangladesh Bank with full particulars.

(iii) Transferable LC: The ADs may open transferable LCs for imports into Bangladesh under cash LCAF without reference to Bangladesh Bank. They may also allow without reference to Bangladesh Bank amendments that do not violate foreign exchange regulations and IPO in force.

(iv) Opening of LC for imports from countries banned by the competent authority: It is not permissible to open import LCs in favor of beneficiaries in countries from which imports into Bangladesh are banned by the competent authority.

20. Verification of import price etc.: Before opening of LC or issuing LCAF, the AD shall have to take usual and reasonable cautionary measures to ensure that both the exporter and importer are bonafide businessperson of the goods concerned, the exporting country is the usual 35CH 7 exporter of the goods concerned and the price of the goods concerned is competitive in terms of prevailing price in the international market on the date of contract and/or similar imports in contemporary period. ADs are advised to verify the above, if needed, with the help of concerned Bangladesh Mission abroad.

21. Import through land ports: Following instructions are to be followed by ADs while importing through land ports:

- (a) only one port of entry (land port) is to be mentioned specifically in the LC/purchase contract (as the case may be);
- (b) ADs shall have to send copies of LC and subsequent amendments(s) if any, including other relevant information to the land port authority;
- (c) specimen signatures of the officials working in the import-export desks of the concerned AD bank, contact phone and fax nos. of the ADs are to be sent to all the land ports;
- (d) ADs through their agents or representatives shall collect certified invoices and bill of entries evidencing entry of goods into Bangladesh from the concerned land ports;
- (e) LCs/purchase contracts shall contain inter alia the following payment terms instead of reimbursement authority/debit authority:

"Upon receipt of documents complying with credit terms, we shall effect payment as per instructions of Negotiating Bank/Collecting Bank";

- (f) LC covering value more than USD 5000(USD 10,000 in case of coal import) or equivalent should be sent through SWIFT or other similar arrangements to the advising bank;
- (g) NOC(if any) shall contain name of the officials along with P.A. nos. and official seal.

22. Period of opening of LCs

LC covering import of goods into Bangladesh against valid LCAF should be opened within the period, if any, prescribed in the current IPO.

23. Firm contracts and credit reports

- (a) LCs to be opened only against firm contracts

AD should, before opening an LC, see documentary evidence that a firm order for the goods to be imported has been placed and accepted. While opening an LC, the AD should ensure that full description of the goods to be imported are given in each credit alongwith the unit price of the merchandise. 36CH 7

- (b) Credit Reports of the foreign suppliers

The ADs should also obtain confidential report on the exporters from their branches or correspondents abroad or in their discretion, satisfy themselves as to the standing of the exporter by consulting standard books of reference issued by international credit rating agencies acceptable to the ADs in all cases where the amount of LC/contract exceeds USD 10,000 (Ten Thousand) against proforma invoices issued directly by foreign suppliers and USD 20,000 (Twenty Thousand) against indents issued by local agents of the foreign suppliers. Head Offices/ Principle Offices of all ADs shall maintain a central database of collected reports and allow their ADs to use the relevant credit reports of the foreign suppliers stored in the said database. Such reports should be obtained by the ADs themselves and the reports if submitted by the importers should not be accepted. The ADs may also, at their discretion and in their own interest, verify the standing of the beneficiaries even in cases where the value of the credit is lower than the limits mentioned above. Credit report may remain valid for a period of maximum twelve months from the date of issuance if no adverse report comes to the notice of the AD. Moreover, credit report of the same supplier collected for one importer may be used for other importers within the same validity.

24. Approved methods of payment

LC may be established providing for payment to the country of origin of goods or any other country except those countries from which imports are prohibited. The LC may provide for payment or reimbursement in any freely convertible foreign currency, in the currency of the country of the beneficiary or of the country of origin/shipment of goods, or by way of credit to the non resident Taka account of the concerned bank abroad. Payments for imports under barter agreements or under foreign Loans/Grants can be made only in the manner specified for the concerned barter/loan/grant.

25. Applications for remittances against imports

An AD may approve on behalf of Bangladesh Bank remittance against imports into Bangladesh provided the conditions set out in Section-I and elsewhere in this chapter are complied with and provided also that the documents covering the import, whether under LC or otherwise, are received through the AD concerned. In case of import by post/courier, the ADs may make remittance without prior approval of Bangladesh Bank only if the parcel is addressed directly to the AD. Where the parcel is addressed to an individual care of the AD/to the individual direct, prior approval of Bangladesh Bank should be applied for, in the manner laid down in Para 28

below.

26. Remittance against discrepant documents/documents received directly by the importers ADs may allow remittance against discrepant documents/documents received directly by the importers after the goods have been cleared from the customs, on the basis of the relative LCAF, 37CH 7 the authenticated copy of the customs bill of entry for consumption or customs certified invoice in the case of import by post/courier and the relative invoices.

27. Advance remittance against imports

(i) Advance remittance for permissible imports of goods and services into Bangladesh may be effected by the ADs without prior approval of Bangladesh Bank, against applications from the importers submitted with signed undertaking in the format of Appendix 5/15 provided that:

(a) the purchase contract with supplier specifically requires advance payment;

(b) the supplier furnishes repayment guarantee acceptable to the AD from a bank abroad, to be invoked for refund of the amount paid in advance in the event of the supplier's default in delivering the goods or services as per contract. Such guarantee need not however be insisted upon in cases of advance payments up to USD 5000 (Five thousand) or its equivalent for any permissible import subject to compliance of the following instructions:

(1) ADs shall have to be ensured that the applicant-importers do not have bill of entry/customs certified invoice pending for submission beyond the stipulated period of four months (or such extension as permitted by Bangladesh Bank) against any earlier remittance for imports;

(2) ADs shall have to be satisfied that repayment guarantee is not obtainable from the suppliers against the remittances to be made in advance;

(3) ADs shall, at their own responsibility, have to arrange for repatriation of the remittances made in advance in case the entry of goods into the country is not effected within the stipulated time;

(4) IPO in force shall have to be meticulously followed;

(5) Before effecting the advance payment, ADs shall obtain Form of Undertaking (Appendix-5/15) duly filled in and signed by the importer.

(ii) Requests for advance remittance where the suppliers are unwilling or unable to furnish the repayment bank guarantee referred to at para 27(i)(b) may be forwarded by the ADs, along with their recommendations, for specific decision of FEPD, Bangladesh Bank on merit of each case.

(iii) ADs shall report to the Bangladesh Bank the cases where the goods/services against advance payments are not received in Bangladesh within due time as mentioned in Para 29 & 31.

In addition to usual reporting to Bangladesh Bank, ADs within one week of advance remittance, shall submit attested copies of (i) undertaking (as per Appendix 5/15) (ii) repayment bank guarantee provided by bank abroad (iii) credit report of the guarantee providing bank abroad to the FEPD, Bangladesh Bank, Head Office mentioning the probable date of import of goods/services. However, advance payment for import from ERQ account may be done as per relevant instruction mentioned in Section-IV, Chapter-13.38CH 7

28. Application for remittance on Form IMP

(a) Form IMP for private imports: All applications for payments against imports into Bangladesh (including imports by enterprises of EPZs/EZs from abroad) should be made on form IMP with separation of FOB value, freight, insurance and other charges (See Appendix 5/16). The form IMP shall be submitted in one original by the importer or his duly authorised representative. In cases where empowered to approve the remittances on behalf of the Bangladesh Bank, the AD shall endorse its approval on the reverse of the form IMP in the space provided for the purpose. In other cases, the AD shall submit the form IMP together with required supporting documents to the Bangladesh Bank for approval.

(b) Form IMP for government imports: The AD should mark with a bold letter "G" the IMP form for remittance against an import in the name of a government department or office for which LCs are opened by the AD. In other cases, where LCAFs are issued to private parties and are marked "On Government Account", the form IMP should be similarly marked with bold "G".

29. Submission of the authenticated copies of 'Bill of Entry' and 'Certified Invoices'

(a) Time for submission from date of remittance: In all cases of remittances for imports into Bangladesh, the importer must submit the relevant authenticated copy of the customs bill of entry within four months from the dates of remittances. In case of import by post/ courier, the importer must submit the invoice certified by the customs authorities in lieu of the authenticated copy of the bill of entry. Where the value of an import by post/courier is less than GBP 5 (five) or its equivalent in other foreign currency, the customs authorities will issue a certificate instead

of certifying the invoices. In such cases, the certificate may be submitted in place of the certified invoices.

(b) Bill of entry against import on suppliers' credit (Usance /DA) term: In case of imports on suppliers' credit term, the prescribed period of four months for submission of bill of entry shall be calculated from the date of acceptance of import documents.

(c) Bill of entry against import on buyers' credit/external credit: In case of import under buyers' credit/external credit, the period of submission of documentary evidence in support of imports i.e. bill of entry shall be four months from the date of acceptance of import documents.

30. Extension of time limit for submission of bill of entry etc.

Applications for extension of the time limit beyond four months in cases of genuine difficulties, such as delay in the arrival of the ship or difficulties in clearing the goods already landed at a port in Bangladesh etc. shall have to be forwarded to Bangladesh Bank(FEPD, Head Office or 39CH 7 other offices) for consideration mentioning clearly the concerned IMP No. & LC/contract no. (as reported to the 'Online Import Monitoring System'). Moreover, scanned copy of approval of extension of time limit for submission of bill of entry shall have to be forwarded to FEOD (feod.import@bb.org.bd), Bangladesh Bank, Head Office.

31. Disposal of Form IMP

(a) To effect remittance against import, AD shall endorse its approval on the reverse of the form IMP in the space provided for the purpose. Immediately after import payment, AD shall make report to 'Online Import Monitoring System' of Bangladesh Bank. Besides, import payment shall be reported in usual monthly returns to Bangladesh Bank without attachment of form IMP. AD shall continue to hold form IMP until the Customs certified bill of entry is received. During this stage of non-receipt of Customs certified bill of entry, ADs shall, on demand, submit the form IMP and full set of import documents to Bangladesh bank.

(b) When the authenticated copy of the bill of entry/customs certified invoice evidencing entry of goods into Bangladesh, is submitted by the importer, the particulars therein should be matched and checked with those in the IMP form and invoice filed earlier to see if the merchandise for which remittance was made has been duly received in Bangladesh. ADs shall report the same to 'Online

Import Monitoring System' after necessary verification. If no material discrepancy is detected, the case should be considered closed. Afterwards, ADs shall retain the form IMP and relevant bill of entry with full set of import documents including LCA form with them for record and eventual inspection for a period of 5(five) years. However, in respect of cases which are under investigation by Bangladesh Bank inspection team/other Government agencies, the form IMP and full set of import documents including bill of entry shall be disposed of only after obtaining clearance from the inspection team/Government agency concerned.

(c) Cases with material discrepancy between the particulars of merchandise for which remittance was made and the merchandise actually received as evidenced by the authenticated copy of bill of entry/customs certified invoice, and cases of non submission of bill of entry/customs certified invoice within four month of remittance/acceptance (as the case may be) should be reported on monthly basis to FEOD, Head office or other offices of Bangladesh Bank, in proforma as given at Appendix-5/17 and Appendix-5/18, by 10th day of the following month. Besides, 'Monthly summary statement of non-receipt of authenticated copy of bill of entry/customs certified invoice within due time' shall have to be submitted to FEOD Head office or other offices of Bangladesh Bank within the same period as mentioned above (Appendix 5/19). The ADs should also follow up with the importers the cases of material discrepancies and of non-submission of bills of entry/customs certified invoices within due time. Importer who has failed to submit authenticated bill of entry/certified invoice against any earlier remittance for import within the stipulated time (or within the extended period allowed by Bangladesh Bank) will be barred from opening new letter of credit without prior permission of Bangladesh Bank. However, ADs without prior approval of 40CH 7 Bangladesh Bank, may open new LCs on behalf of importers who has bill of entry/certified invoice unmatched till October 31, 2017 with IMPs (within stipulated time or allowed extended period) to the tune of upto USD 200(two hundred) or equivalent. ADs shall continue its endeavour for matching such unmatched bill of entry within shortest time. ADs shall duly report to FEOD, Bangladesh Bank as and when the matching of such IMPs has been completed.

Bangladesh Bank may instruct AD to abstain from opening new LC in favor of those in whose cases major discrepancy between the description, quantity etc. of goods stated in bill of

entry/customs certified invoice and the same declared on the eve of remittances of value thereof is detected by Bangladesh Bank from the statement of the AD concerned. However, customs certified bill of entries, which are being reported as 'non submission' due to failure of submission within stipulated time, may be omitted from subsequent periodical report as 'non-submission' without prior approval of Bangladesh Bank once they have been submitted in any subsequent period. To resolve the cases of unmatched overdue bill of entries (partial or full) due to non-receipt/short receipt of goods as per LC/Contract/IMP, importers may arrange to receive the unmatched amount in foreign currency (including associated bank charges) from the same foreign supplier through banking channel. Once the refund is received from foreign supplier abroad against non-shipment/short shipment of goods, etc., ADs shall report the same to the 'Online Inward Remittance Monitoring System'. Afterwards, ADs shall report to Bangladesh Bank (FEOD, Head Office, Dhaka to mail ID: feod.import@bb.org.bd) for recording the refund information against the concerned IMP number reported to the Online Import Monitoring System.

In cases of failure of submission of bill of entry due to lost or damage of goods by accident or auctioned by Custom Authorities or confiscated by Government etc., ADs may, apply to Bangladesh Bank soliciting waiver of reporting of such cases as 'non-submission' in their periodic return to Bangladesh Bank with documentary evidences as per Para 32 below (as the case may be).

(d) Separate folders for public sector imports: In respect of all imports in the public sector the forms should be kept in separate importer-wise folders till final disposal.

32. Loss of goods

In the event goods are completely lost, copy of the form IMP should be forwarded to Bangladesh Bank giving full particulars of the loss and the manner in which the insurance claim has been collected. In the event of partial loss, the authenticated copy of the customs bill of entry for the goods actually cleared should be submitted giving full particulars of the loss and the manner in which the insurance claim has been collected.41CH 7

33(a). Import on deferred payment basis

Subject to compliance with other conditions laid down in this chapter and in the current IPO, import is allowed on deferred payment/usance basis in the following cases:

- (i) Import of capital machinery and spares for own use by industrial importers on upto 360(three hundred sixty) days usance basis;
- (ii) Industrial raw material imports for own use of industrial importers (including back to back imports discussed in detail in the next Section) on upto 180(one hundred eighty) days usance basis;
- (iii) Import of coastal vessels including oil tankers and ocean going vessels including those procured for scrapping on upto 360(three hundred sixty) days usance basis;
- (iv) Import of agricultural implements and chemical fertilizers on upto 180(one hundred eighty) days usance basis;
- (v) Import of life saving drugs (certified/declared as such by Drugs Administration Authority) on upto 90(ninety) days usance basis.
- (vi) HR Coil, scrap, pig iron & sponge iron used for manufacturing of flat steel and long steel under steel industries for being used in own factories on upto 360(three hundred sixty) days usance basis.

For such deferred payment imports, the prices must be internationally competitive and usance interest, if any, may bear mark-ups over LIBOR according to the prevailing market conditions subject to overall cost not exceeding 6(six) percent per annum for the relative period.

(b) Import against buyers' credit

Buyers' credit from foreign banks and financial institutions may be obtained for making import payments [for the items importable under usance basis as mentioned in sub para (a) above] arranged through designated authorised dealers of the importers in Bangladesh at the interest rate of not exceeding 6(six) percent per annum.

(c) Repayment against imports under suppliers' credit (deferred payment)/buyers' credit ADs shall observe following instructions to settle import payments under suppliers' credit (deferred payment)/buyers' credit:

- (i) Bullet repayment terms will be admissible only on financing for terms not exceeding six months, and only on shipments not exceeding USD 1.00 (one) million or equivalent in value. ;
- (ii) Subject to exception as mentioned in Para 33(d) below, bullet repayment terms will be inadmissible for financing exceeding USD 1.00 (one) million or equivalent in value or for terms exceeding six months. In such cases, the financing arrangements (contract/LC between importer in 42CH 7

Bangladesh and supplier/creditor abroad) must stipulate quarterly repayments wherein the repayment installment due after the first quarter may on prospective cash flow considerations be set lower than the subsequent ones, subject to being not less than one tenth of the total amount payable.

(d) Exemption of quarterly repayment

Quarterly installment repayment, as stated in 33(c)(ii) above, is exempted for deferred payment imports in bulk of up to 6(six) month term regardless of import value for the following unprocessed/crude food items:

(a) unrefined edible oil and oil seeds imports by refiners/millers,

(b) crude sugar imports by refiners and

(c) unground (whole) wheat imports by flour mills.

(e) Reporting on buyers' credit

Head /Principal Offices of all AD banks are advised to submit a monthly statement regarding use of buyer's credit in foreign exchange in Form-BC (Appendix-5/20) to FEPD of Bangladesh Bank, Head Office by the 15th day of next month of fund drawal.

(f) Import on longer terms

Instructions regarding opening of import LCs on longer usance terms against suppliers' credits obtainable by industrial enterprises in the private sector as per general or specific BIDA approval are contained in Chapter 15 of this Guidelines.

34. Payment of import liability

(a) ADs shall make payment of import liabilities as per LC/contracts (both local and foreign) on maturity. Failure in settlement of import liability as per credit/contract terms may result in punitive actions including revocation of AD licence by Bangladesh Bank.

(b) Banks are required to submit the following statements to FEOD, Bangladesh Bank, Head office regarding overdue accepted bills through e-mail complying with the instructions mentioned in Appendix 5/25:

(i) Monthly summary statement of overdue accepted bills (Appendix 5/21)

(ii) Monthly statement of overdue accepted bills -Local payables (Appendix-5/22)

(iii) Monthly statement of overdue accepted bills -Foreign payables (Appendix-5/23)

(iv) Monthly statement of overdue accepted bills -Local receivables (Appendix-5/24)

(v) Monthly bank-wise summary statement of local overdue accepted bills (Appendix-5/25).43CH 7

35. Payment in foreign currency against local supply of goods under international tender

ADs may establish letter of credit in foreign currency favoring local contractor to implement work order issued by govt. authorities under international tender. Such LCs established in foreign currency shall be settled through FC clearing accounts of the concerned banks maintained with Bangladesh Bank. Foreign exchange thus received may be retained upto thirty days to settle import payment obligations of the client as mentioned in Para 42(ii) of this chapter.

36. Payment of import bills from advance export proceeds retained in FC accounts of ship builder-exporters

General authorisation has been given to ADs to open FC accounts on behalf of ship builder-exporters for retaining export proceeds received in advance against ship exports. The balances of these accounts may be used for input procurements. ADs should comply with relevant instructions in operating the FC accounts (Please see Para 32, Section -VI, Chapter 13).

37. Remittance against purchase of software through e-delivery

ADs may effect remittance against purchase of software through e-Delivery subject to observance of the following instructions:

A. Customs assessment of the purchases: ADs may allow their customers to arrange customs assessment of the software after being satisfied from the certificate issued by Bangladesh Association of Software and Information Services (BASIS) to the effect that the purchase of software is genuine and sourced from reliable supplier.

B. Outward remittances: On receipt of customs assessment order and documentary evidence of payment of duties/taxes, ADs may effect payment against the purchase of the software subject to compliance of the following conditions:

i) ADs shall be satisfied with the certification/licence issued by the supplier that the software has already been received by the purchaser;

ii) ADs shall observe due diligence and comply with AML/CFT regulations in respect of the transactions;

iii) ADs shall keep an authenticated copy of the certification/licence issued by the supplier and report the transactions to Bangladesh Bank in monthly returns/schedules.

Application for remittance without the procedure mentioned above shall require prior approval of Bangladesh Bank.44CH 7

SECTION- III

BACK TO BACK LCS

38 .General

The ADs may open back to back (BTB) import LCs against export LCs received by export oriented industrial units operating under the bonded warehouse system, subject to observance of domestic value addition requirement (stated in terms of permissible limit of value of imported inputs as percentage of FOB export value of output) prescribed by the Ministry of Commerce from time to time.

39. Opening of back to back import LC

Further to the relevant general instructions in the foregoing sections of this chapter, the following instructions should be complied with while opening back to back import LCs:

- (i) Only recognised export oriented industrial units operating under bonded warehouse system will be allowed the back to back LC facility. The unit requesting for this facility should possess valid registration with the CCI&E and valid bonded warehouse licence.
- (ii) The master export LC (against which opening of back to back LC is requested) should have validity period adequate to cover the time needed for importation of inputs, manufacture of merchandise and shipment to consignee.
- (iii) The back to back LC value shall not exceed the admissible percentage of net FOB value of the relative master export LC (as per prescribed value addition requirement) and the price of goods to be imported must be competitive. For computation of net FOB value of a master export LC, the freight charge, insurance cost and commission if payable by the exporter shall be deducted from the LC value. If the freight element is not shown separately, a certificate from the shipping company or the shipping agent should be asked for.
- (iv) The back to back import LCs shall be opened on usance basis for a period not exceeding 180(one hundred eighty) days. Interest for the usance period shall not exceed the rate as mentioned at Para 33 (a) of this Chapter. Back to back LCs opened against (a) EDF administered by Bangladesh Bank and/or against (b) balances on NFCD Accounts may be on sight basis subject to relevant instructions in this regard. (Para 19, Chapter 13, Section II)
- (v) All amendments of the master export LC should be noted down carefully to rule out chances of excess obligation under the back to- back import LC.
- (vi) Back to back import LC should not be opened against LCs received for export under Barter/STA, without prior approval of Bangladesh Bank.45CH 7

40(a). Inland back to back LCs

Inland back to back LCs denominated in foreign exchange may be opened in favor of local manufacturer-cum- suppliers of inputs, against master export LCs received by export oriented manufacturing units operating under the bonded warehouse system, upto value limits applicable as per prescribed value addition requirement/utilisation permit. However, EXP/IMP form will not be applicable in such cases unless EPZ/EZ unit is associated.

(b) BTB import LC against inland BTB LC : Back to back LC may in turn be opened for import of necessary inputs, against inland back to back LC in favor of a local manufacturer-cum-supplier operating under the bonded warehouse system, in accordance with the instructions, mutatis mutandis, at Para 38 & 39 above.

(c) Opening of LC in FC by exporters operating without bond licence: As per decision of the National Board of Revenue, a manufacturer-cum-exporter operating without bonded warehouse licence, may open usance LC and sight LC (against advance receipts of export proceeds) denominated in foreign exchange favouring packaging industries, manufacturers of hanger and plastic goods operating under bonded warehouse licence against all types of export contracts (sales contract, purchase order, proforma invoice, etc.) received from abroad.

(d) Opening LC in local currency : Hundred percent export oriented industries/direct exporters shall open and settle inland LC in foreign currency favouring manufacturer-cum-suppliers in the above cases only. For procuring inputs from local traders/suppliers, LC shall be opened in local currency only.

41. Payment settlement against BTB LCs

Payment abroad in settlement of usance bill against the back to back import LCs shall be made at maturity, out of proceeds of the relative export repatriated in foreign exchange; the required foreign exchange will be set aside, out of the export proceeds, in a separate foreign currency

account in the subsidiary ledger of the AD. Before making remittance against the back-to-back import bill, the AD should see that the authenticated copy of bill of entry for bond in evidence of actual arrival of the relative imports has been submitted. Usance bills against back to back import LCs should be settled at maturity even where for some reason export has not taken place, or where the export proceeds have not been realised or where the realised export proceeds net of value addition requirement is not adequate to cover the back to back import payment. In such cases post facto approval of Bangladesh Bank (FEOD, Head office or other offices of Bangladesh Bank) will have to be sought for within fifteen days of the following month of effecting the payment, explaining fully the circumstances of export failure or non-realisation/ short realisation of export proceeds, with relevant supporting documents. Cases of failure of export against the relative master LCs should also be reported to the NBR and the concerned 46CH 7 Commissioner of Customs so that they may monitor closely the level of stock of the relative goods in the bonded warehouse. A copy of the letter to NBR reporting the export failure should be submitted to Bangladesh Bank alongwith the application for post facto approval of remittance towards back-to-back import payment. Also, all applications for post facto approval of such remittance in the event of export failure and short realisation/non-realisation of export proceeds should be accompanied by the authenticated copy of the relative bill of entry evidencing actual receipt of the back to back imports.

The AD should maintain effective watch on the stock of inputs procured under the back to back arrangement and of finished products made therewith; any indication of illegal disposal of stocks from the bond coming to the knowledge of the AD should immediately be reported to the concerned Commissioner of Customs and NBR.

42 (i). Retention of foreign currency in single pool for back to back import payments under bonded warehouse system

On encashment of export proceeds equivalent to the portion of value addition, residual portion of export proceeds against different export bills of the same export unit operating under bonded warehouse system may be maintained in foreign currency in a single pool by the ADs. Funds from this pool may be used for different back to back import payments of the same exporting unit on maturity basis to keep minimum involvement of AD's own fund under the exchange position as well as to keep exporter free from debt burden.

(ii) Payment of import bills (other than back to back) from direct and deemed export earnings: If import bills (other than back to back LC) fall due for payment within 30 (thirty) days from the date of receipt of export proceeds by the exporters/deemed exporters, the ADs may, on application by the manufacturers-cum-exporters retain such proceeds in foreign exchange for a maximum period of 30(thirty) days for making such import payments even it exceeds the allowable retention quota limit. However, export proceeds so retained (in excess of the usual retention quota entitlement) shall be encashed compulsorily in Taka if the same is not utilised for such import payment within 30(thirty) days from the date of receipt. To identify such transactions distinctly, ADs are required to maintain appropriate register and other necessary records. Furthermore, Head Office/Principal Office shall gather information of retention and utilisation of foreign currency as per Appendix 5/26 for each AD branch separately, shall prepare a consolidated statement as per Appendix-5/27 and submit the same to FEOD, Bangladesh Bank, Head Office on monthly basis. 47CH 7

SECTION - IV

DEPOSIT OF COUNTERPART FUND IN RESPECT OF IMPORTS UNDER NON-PROJECT COMMODITY LOANS/CREDITS/ GRANTS

43. Clean documents against LC

Counterpart funds against all clean documents except in cases of discrepant documents received on collection basis or negotiated by the foreign banks under reserve, shall be deposited by the designated bank in Bangladesh to Govt. Account No. IV A (or such other account of the Govt. of Bangladesh as prescribed in respect of the relative loan/credit/aid) maintained with the Bangladesh Bank within three working days from the date of receipt of documents; the said period shall be deemed to be inclusive of the date of receipt of documents and the date of deposit of counterpart funds to the Bangladesh Bank.

44. Documents against LC received on collection basis/negotiated under reserve due to discrepancy

In cases where due to discrepancy, the negotiating bank abroad sends the documents on

collection basis or under reserve or otherwise the bank should forthwith arrange acceptance of the documents by the importers and deposit counterpart funds within 5(five) days from the date of receipt of the documents. In case of non- acceptance, the bank should return the documents to the negotiating bank or dispose of the documents in accordance with the instructions of the negotiating bank abroad.

45. Documents received direct by the ERD or designated banks without opening of LC

Under some loans, credits and grants, LCs are not opened by the utilizing agencies; instead goods are procured and shipped by the loan giving agencies themselves or by their nominated agencies. After shipment of such goods the documents are mailed either to the Economic Relations Division (ERD) of the Ministry of Finance or to the designated banks, as the case may be, for retirement of documents and clearance of consignment from the customs authorities. On receipt of these documents, the bank should forthwith arrange with the relevant agency to pay the proceeds of the bills within a period of 7(seven) days for deposit to the Bangladesh Bank. The agency should be warned that it would be required to pay interest at penal rate in the event of delay in the deposit of the funds within the stipulated period of 7(seven) days; cases of default should be brought to the notice of Bangladesh Bank promptly.

(a) Documents against LCs opened by designated banks on application through the banks of the importers: In case of LC opened by the designated bank against application through the importer's bank, the latter must retire the documents not later than 24(twenty four) hours from the time of receipt thereof from the designated bank. If payment is not made within this time 48CH 7 limit, the designated bank will be entitled to recover from the importer's bank any penal interest the former may have to pay to the Bangladesh Bank.

(b) In case, however, the documents are not found in accordance with the terms of the LC, the importer's bank should within 5(five) days from the date of receipt, either retire the documents or send back the same to the designated bank. Any delay on this score will forfeit their right to raise objection on the ground of discrepancies.

(c) In all the above cases, the designated bank must send the documents to the importer's bank within 24(twenty four) hours of receipt. For any delay at the designated bank's end, the penal interest relating to the period of delay made by them will have to be borne by them.

(d) The designated bank will deposit Taka funds to the Bangladesh Bank within the time limit as in the foregoing paragraphs. In all cases of delay it will be the responsibility solely of the designated bank to deposit the Taka funds to the Bangladesh Bank at the earliest alongwith interest at prescribed rate.

46. Application of rate of exchange

(a) Counterpart funds under foreign commodity loans, credits and grants where forward contract has been booked will be required to be deposited at the rate at which the relevant contract has been booked.

(b) Counterpart funds under foreign commodity credit agreements with barter component where no forward contract can be booked, are required to be deposited at the B.C. selling rate prevailing on the date of opening of LC.

(c) Unless specified otherwise, in all other cases deposit of counterpart funds will be made at the B.C. Selling rate ruling on the date of lodgement of the bill as applicable to cash import without forward cover facilities.

47. Penal interest

(i) An AD who has either opened an LC as designated bank or forwarded it to the appropriate designated bank should be in all preparedness to follow the schedule for deposit of counterpart funds as mentioned in the foregoing paragraphs. In case of delay in making the deposit within the prescribed period, the funds should be deposited to the Bangladesh Bank alongwith penal interest computed on the following basis:

(a) 5(five) percent above the bank rate-for the first seven days beyond the prescribed period.

(b) 6(six) percent above the bank rate-for the subsequent period after the expiry of first seven days beyond the prescribed period. 49CH 7

(ii) (a) All designated banks under foreign commodity loans, credits and grants will send, by the 15th of the following month, a monthly statement of all LCs opened (Loan/Credit/Grant wise) as per proforma in Appendix-5/28 to the office of the Bangladesh Bank with which counterpart funds will be deposited.

(b) Submission of particulars of LCs opened and discrepant bills

In case any bill is received by any designated bank/importer's bank on collection basis due to

discrepancy in the bills or otherwise, from the negotiating bank abroad/loan giving agency/ERD, notice of retirement should be served upon the importer concerned within 24 hours of receipt of such documents, for retirement of the bills against payment within the prescribed time limit, under advice to the office of the Bangladesh Bank with which counterpart funds will be deposited, as per proforma at Appendix-5/29.

(iii) At the time of deposit of counterpart funds designated banks will furnish to the Bangladesh Bank a statement as per Appendix-5/30.

(iv) Instructions contained in the above paragraphs shall also be applicable in respect of documents received at places where there is no office of Bangladesh Bank.

(v) LCs opened by the designated banks for imports under loans, credits and grants should not provide for payment on deferred basis.

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CHAPTER 8

SECTION-I

EXPORTS

1. Export

Govt. Notifications No. 1(6)/ECS/48 and 1(7)/ECS/48 dated 1st July, 1948 issued pursuant to Section 12 of the FER Act, 1947 prohibit export of any goods directly or indirectly to any place outside Bangladesh, unless a declaration is furnished by the exporter to the Customs Authority or to such other authority as Bangladesh Bank may specify in this behalf that foreign exchange representing full export value of the goods has been or will be disposed of in a manner and within a period specified by the Bangladesh Bank.

2. Export exempted from repatriation of export proceeds

The prohibition mentioned above does not apply to the export of:

(i) bonafide trade samples sent by registered exporter upto the value prescribed in the Export Policy in force;

(ii) personal effects, whether accompanied or unaccompanied, of travellers;

(iii) ships stores and transhipment cargo;

(iv) goods shipped under the order of the Government of Bangladesh or of such officers as may be appointed by the Government in this behalf or of the Military, Naval or Air Force authorities in Bangladesh for Military, Naval or Air Force requirements.

In the case of export by Post, a certificate signed by a Gazetted officer or by any person entitled to use service postage stamp should be pasted on the outer cover of the parcel to the above effect;

(v) gift packets where they are accompanied by a declaration by the sender that the contents of the packet are less than the value as prescribed in the Export Policy in force and that the despatch of the packet does not involve any transaction in foreign exchange; and

(vi) where the packet is covered by a certificate issued by the Bangladesh Bank to the effect that the export of the parcel does not involve any transaction in foreign exchange.

Exemptions as above will be allowed by the Customs Authorities after being satisfied that the relative exports qualify for such exemptions.

3. Export Trade Control Regulations

Foreign exchange regulations regarding exports cover all goods exported to all destinations regardless of whether they are subject to Export Trade Control Regulations. Similarly, nothing in 51CH 8 the foreign exchange regulations relieves the exporters from the necessity of complying with the Export Trade Control Regulations prescribed by the Government, including the necessity of obtaining export licences in case of goods the export of which requires such licence.

4. Prescribed form for declaring exports

All exports to which the requirement of declaration applies, must be declared on the EXP Form (Appendix 5/31). These forms will be supplied by the ADs to their exporter clients.

5. Method of receiving payments against exports

Payment for goods exported from Bangladesh should be received through an AD in freely convertible foreign currency or in Taka from a non-resident Taka Account. Receipts against exports under various barter and bilateral arrangements should be settled as per instructions issued by Bangladesh Bank from time to time.

6.(a) Registration of exporters : The ADs should, before certifying any EXP form, ensure that the exporter is registered with the CCI&E under The Importers, Exporters and Indentors (Registration) Order 1981. The registration number should be quoted on the relative EXP forms.

(b) Online reporting: In addition to other reporting requirements to Bangladesh Bank, ADs

shall report export transactions to the 'Online Export Monitoring System' of Bangladesh Bank on regular basis.

7. Certification of EXP Forms by ADs

(a) Before lodging the EXP forms with the Customs/Postal Authorities, the exporter should get copies of the forms certified by an AD. After receipt of the EXP forms from the exporters for certification purposes, the ADs will see and ensure that each set of the forms is duly filled in. Thereafter, they will record full particulars of the forms in the Export Register to be maintained as per proforma at Appendix 5/32 and assign a number for each set of the EXP forms in the following manner, which is to be inserted in the space provided at the top of each form: The first four boxes of EXP number will bear the branch code prescribed by the Bangladesh Bank for each AD branch and the next 5 boxes are meant for mentioning the serial number of the Export Register (Appendix 5/32) of the branch and the last two boxes are meant for mentioning the last two digits of the year of registration. The ADs will also have to complete the forms AD's Code

Serial Number

Year

EXP NO.

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themselves by mentioning all the required information/particulars/code number etc. in the forms at the appropriate places and certify the forms in the manner prescribed therein under seal and signature of the authorised official of the AD. These forms may be generated through 'Online Export Monitoring System' also. However, ADs may maintain EXP Register in electronic form with data backup as per IT Security Policy of the bank concerned.

(b) In order to avoid any loss of foreign exchange to the country, ADs shall not certify any EXP form unless they have satisfied themselves with regard to the followings:

- (i) arrangements made for realisation of export proceeds within the prescribed period;
- (ii) arrangements have been made for receipt of title to goods like Bill of Lading, Airway Bill etc. by the AD on shipment of the underlying goods;
- (iii) the EXP form is signed either by the exporter or one holding valid legal power of attorney from the exporter and the terms of the power of attorney are such that both the exporter and the attorney may be held responsible jointly and severally for repatriation of export proceeds;
- (iv) Bonafides of the buyers/consignees abroad and their credentials etc. where necessary, ADs should make discreet enquiries in this regard through their correspondents abroad etc., greater care should be taken particularly in cases of shipments against contract alone and shipments on CAD/DA basis. Where ADs doubt the bonafides and standing of the buyers/consignees abroad or where owing to common interest or otherwise they suspect collusion with the intent of 'delaying or avoiding repatriation of export proceeds ADs should report such cases promptly to Bangladesh Bank. Similarly, ADs should report to Bangladesh Bank cases where it comes to their knowledge that the exporters are directly or indirectly connected with or have any financial or other interest in the buyer/consignee abroad. Where felt necessary, discreet enquiry about the bonafides and credentials of the charter party should also be made in case the shipment is to be against a charter party Bill of Lading so as to avoid loss of cargo/foreign exchange.

(c) For delay in repatriation or non-realisation of export proceeds, the exporters will render themselves liable to punitive action under the FER Act., 1947. Besides, in the event of non-realisation or short realisation of export proceeds against shipment within the stipulated period, ADs shall obtain from the exporter(s) and furnish to Bangladesh Bank full explanation as to the circumstances resulting in non-realisation/short realisation. Therefore, in their own interest, both exporters and the ADs should be alert and active in ensuring timely repatriation of export proceeds.

8. Making out and delivery of shipping documents

In exercise of the powers vested in the Bangladesh Bank under Section 20(3) of the FER Act, 1947 all carriers whether common or private (Railway, Shipping or Airline companies) and their agents are directed as under: 53CH 8

(i) That in respect of export of goods from Bangladesh (excepting export from Type A industrial units located in the EPZs/EZs) to foreign countries by land route or by sea, the Railway Receipts, Bills of Lading and any other documents of title to cargo should be drawn only to the order of an AD designated for this purpose by the respective exporters and delivered to the authorised

representatives of the ADs concerned and to none else. However, in case of export of goods, full payment for which value has been received by the exporter in advance through the AD, the Bill of Lading and other documents may be endorsed by the AD in favour of foreign importers and the same may be sent directly to the importers abroad by the AD. There may be cases where goods shipped from Bangladesh to the neighbouring countries by land route or even by cargo vessels reach the beneficiary earlier than the relative Bill of Lading, Truck receipts etc. This causes inconveniences and involves payment of demurrage at the port of destination due to delay in receipt of shipping documents. To overcome this problem, Shipping Companies may, at the request of the negotiating bank in Bangladesh, issue Telegraphic Delivery Orders on their agents in the relevant center directing them to deliver the goods to the order of the AD bank's correspondents in the buyers' country. A copy of the telegram/telex/SWIFT message, duly authenticated by the Shipping Company/Agent, should be passed on to the relevant AD who would send his own tested cable /telex/SWIFT instructions to his overseas correspondent asking the latter to hand over the Delivery Order to the consignee and stating the amount to be realised from the consignee before the Delivery Order is released. The usual shipping documents namely, invoice, bill of lading etc. may be despatched to the correspondent bank as usual.

(ii) In respect of export of goods from Bangladesh (excepting exports from Type A industrial units located in the EPZs/EZs) to foreign countries by air, the Airway Bills and any other documents of title to cargo should be drawn to the order of a bank in the country of import nominated by the AD designated for this purpose by the respective exporters and delivered to the authorised representative of the AD. However, in case of export of goods, full payment for which has been received by the exporter in advance through the AD, the AD may allow the Carrier Company to draw the documents to its own (AD's) order and then endorse the documents including the Airway Bill in favour of the foreign importers. The same may be sent directly to the importers abroad by the AD. The above directions shall not apply to exports exempted from repatriation of export proceeds and listed in Para 2 of this Chapter. Exports of fresh fish, vegetables, fruits, poultry and other goods of perishable nature are also exempted from this direction. The documents of title to cargo like Bill of Lading, Airway Bill in respect of goods shipped from the fully foreign-owned enterprises (Type A industries) in the EPZs/EZs may also be drawn in favour of the consignee/LC opening bank.

(iii) In case of negotiation of export bills by using FCRs or HAWBs issued by the freight forwarders, the following additional conditions are to be fulfilled :

(a) the export letter of credit and the export sale contract specifically provide for negotiation of export bill against FCR/HAWB (as the case may be) issued by a freight forwarder; 54CH 8

(b) The freight forwarder issuing the FCR/HAWB is operating in Bangladesh with licence from National Board of Revenue (Customs Authority);

(c) ADs will be responsible for satisfying themselves about the arrangement for timely repatriation of proceeds of export bill negotiated against FCR/HAWB.

9. Endorsement of shipping documents by the ADs

The ADs to whose order the relative Railway Receipts, Bills of Lading etc. are drawn shall endorse the same to the order of their foreign correspondents but in no case they shall make any blank endorsement or endorse it to the order of the consignee unless they have obtained specific or general approval of the Bangladesh Bank thereof. However, in the cases of export from Type A industrial units located in EPZs/EZs, Bill of Lading/Airway Bill/other documents of title to cargo drawn to the order of the AD may be blank endorsed or endorsed in favour of the consignees as per terms of the export LC/export contract.

10. Disposal of EXP Form

(i) The EXP Forms are in two sets viz. First Original and Second Original. In all cases the forms will be completed and signed by the exporter or his authorised agent

(ii) After completing the filling up of EXP forms the exporter should submit all copies to the AD for certification. After the forms are certified by the AD, these should be submitted to the Customs/Postal Authorities alongwith the shipping bill at the time of shipment. The Customs Authorities after filling in the portion relating to them and affixing therein their seal and signature will return the S

second Original copy to the exporter/his authorised agent. The First Original copy will be forwarded by the Customs Authority to the respective office of the Bangladesh Bank.

(iii) Submission of export documents to the ADs

(a) The exporter shall submit Second Original copy of the EXP form alongwith the invoice etc. to

the AD through whom payment for the goods exported is to be received. An extra copy of the shipper's invoice must be attached to the

Second Original copy of the EXP form. In the event of

payment being received through an AD other than the one who certified the EXP forms, the AD negotiating or collecting the export documents should convey the particulars of the EXP form to the AD that had originally certified the EXP form to enable the latter to make a suitable note in the relative export register.

ADs shall arrange to pass all shipping documents covering goods exported from Bangladesh and declared on EXP form within the period of 14(fourteen) days of shipment and report the same to the 'Online Export Monitoring System' of Bangladesh Bank. ADs shall continue to hold the Second Original EXP form until the full proceeds are realised. During the non-realisation stage of export proceeds, ADs shall, on demand, submit the EXP form and full set of export documents to Bangladesh Bank.55CH 8

(iv) Scrutiny of documents

On receipt of the EXP form and the documents covering the exports the ADs should compare the signatures appearing on the bills of lading with the specimen signatures of the duly authorised officers of the shipping company on record to ensure genuineness of the documents. The AD should also compare the relative bill and/or documents with the relative form and satisfy itself that the declaration made on the form is correct and the method of finance stated thereon is a permitted one and that the amount for which the bill is drawn or the invoice is written is not less than the invoice value stated on the form. The invoice value should also be checked against the Taka value taken for customs purposes as shown on the form, against Taka value under the space for the shipping bill number. In no case the invoice value should be less than the value declared for customs purposes. Special care should be exercised in the checking of the invoices with a view to detecting undervaluing of exports. Any suspicious circumstance should be reported to the Bangladesh Bank.

(v) If the difference between the value stated on the EXP form and the amount of the bill/invoice is small and accounted for by legitimate trade charges etc., the AD may accept the bill /documents for negotiation/collection. The details of such adjustments must be given on the relative form and must be authenticated by the AD under its stamp and signature.

(vi) After negotiation of the bill or acceptance of the documents for collection, the ADs should complete the certificates in this behalf in the space provided on the Second Original copy of the

EXP form to the effect that they have negotiated bills/received shipping documents for collection for the value stated on the form.

(vii) After realisation of export proceeds in foreign currency or by debit to a non-resident Taka account, ADs shall certify on the reverse of the Second Original EXP form and shall report the same to 'Online Export Monitoring System' of Bangladesh Bank. As usual ADs shall, without attachment of EXP Form, report the realisation of export proceeds in relevant schedule of monthly returns to Bangladesh Bank. Afterwards, ADs shall retain Second Original EXP form with them for record and eventual inspection for a period of 5(five) years. However, in respect of cases which are under investigation by Bangladesh Bank inspection team/other Government agencies, the EXP form and full set of export documents shall be disposed of only after obtaining clearance from the inspection team/Government agency concerned.

(viii) Exports subject to receipt of advance payments or confirmed and irrevocable LC

In the case of commodities export of which is subject to receipt of advance payment or confirmed and irrevocable LC (such as raw jute), shipments will be allowed by the Customs only on the basis of the certificate of the AD on the EXP forms to the effect that either advance payment or confirmed and irrevocable LC has been received covering export of the goods mentioned on the EXP form.56CH 8

11. (a) Deduction of commission, brokerage or other trade charges : Commission, brokerage or other trade charges due to be paid to foreign importers or agents by exporters in Bangladesh relating to the particular shipment may be deducted from the relative bill amount or the amount of the sale proceeds or remitted from Bangladesh after the full proceeds have been realised only upto a maximum of 5(five) percent of the value of the goods. In exceptional cases or where it is customary in any particular trade to pay commission in excess of 5(five) percent by deduction from the invoice value of exports, the Bangladesh Bank may consider applications by exporters through their banks and may grant a standing authority to permit payment of commission in

excess of 5(five) percent of the invoice value. While applying to Bangladesh Bank for such permission, AD shall attach application of exporter along with information to be provided in format at Appendix 5/33 without attaching supporting documents which shall to be preserved by AD upto prescribed period for delivery to Bangladesh Bank/inspection team as and when required.

b) In the case of export of books, journals and magazines published in Bangladesh, the exporters can allow without prior approval of the Bangladesh Bank discount upto 33.5 (thirty three and a half) percent in all of the invoice value. For allowing discount in excess of the 33.5 (thirty three and a half) percent of the invoice value, the exporters may approach to Bangladesh Bank for prior approval.

12. Using appropriate incoterms

In EXP form, ADs shall use appropriate incoterms issued by the International Chamber of Commerce. ADs are allowed to use any of the terms as EXW, FCA, FOB, FAS, CFR, CIF, CPT and CIP provided those are stipulated in the relevant LCs or sales contracts. ADs are however, strongly advised to inform the exporters about the risk and responsibility involved in such cases. While certifying the EXP forms, the ADs must show the FOB or its equivalent value and cost of freight, insurance and other charges separately on the EXP forms. The ADs, while certifying realisation of the export proceeds will in addition to the certificate in the appropriate column, also indicate on the reverse of the

Second Original EXP form the FOB equivalent value,

insurance and freight separately. For this purpose they may use a rubber stamp as appropriate. This is to mention that, FCA incoterm will be used in LC/contract if goods are to be delivered by exporters to the buyer's nominated person prior to loading on board a vessel. Exporters may face additional risks and incur extra costs if FOB term is used in such cases instead of FCA. ADs are therefore, advised to satisfy themselves that contracts/LCs reflect accurate terms and conditions of the Incoterm stipulations before advising the same to the beneficiaries. Inconsistency, if any, should be informed immediately to the LC issuing bank for necessary amendment with intimation to the beneficiary. ADs shall also keep their exporter customers informed of the appropriate terms and conditions against applicable Incoterms for export so that they can insist foreign buyers to get LCs issued/contract accordingly. 57CH 8

13. Prescribed period within which payment should be received

(a) The period prescribed by the Bangladesh Bank within which full foreign exchange proceeds of exports must be received by exporters is four months (Vide Bangladesh Bank Notification No. FE 1/77-BB dated 16th April, 1977, Appendix 3/5). If the receipt of the full proceeds of any shipment is delayed beyond this period without a special or general authorisation from Bangladesh Bank, the exporter will be liable to action under the FER Act, 1947.

(b) Permissible period for repatriation of export proceeds against export to EPZs/EZs :

Permissible period for repatriation of export proceeds against export to EPZs/EZs through land route shall be countable from the date of onboard land transport specified in transport receipt. Accordingly, ADs shall, while EXP reporting, report this date of transport as 'date of shipment' to 'Online Export Monitoring System' of Bangladesh Bank.

14. Export of raw jute and jute goods on usance basis

General authorisation has been accorded to ADs for allowing exports of raw jute and jute goods on upto 360(three hundred sixty) days usance basis against irrevocable LCs confirmed at buyer's cost from first class international banks abroad. This requirement of third bank confirmation may be waived if the AD is satisfied about the prospect of receiving payment in time, taking into account the country risk, the counterparty risk (the reputation and financial standing of the buyer) and the reputation and standing of the LC opening bank as ascertained from standard reference sources and/or foreign correspondents of the AD. The AD should also satisfy itself that the export price quoted is internationally competitive and that the usance interest loaded is at a rate commensurate with the prevailing interest rate in the concerned currency.

15. Reporting of overdue cases

(a) Head Offices/ Principal Offices of the ADs will submit to the FEOD, Bangladesh Bank, Head Office monthly statements showing the total figures of all export bills including partly unrealised relating to all their AD branches outstanding at the end of each month in the proforma prescribed (See Appendix 5/34) by the 10th of the month following the month to which it relates.

(b) Area/Principal Offices of the ADs are required to submit monthly statements of particulars of export bills outstanding beyond the prescribed period of realisation as at the end of each month to

the concerned area offices of Bangladesh Bank in the prescribed proforma (See Appendix 5/35). The statement should be prepared as per instructions contained in the reverse of the proforma. The ADs should quote the reference number and date of Bangladesh Bank's permission in the remarks column in case any extension of time for repatriation of export proceeds has been allowed by Bangladesh Bank. The statement should be submitted within 10(Ten) days from the date of the relevant month closes. ADs should ensure timely submission of the statement and should also ensure inclusion of all overdue export cases in the statement without any omission. 58CH 8 16

(i) Part drawings and advance remittances

If it is customary in any particular trade for exporters to draw bills for only a percentage of the invoice value, the balance to be paid after arrival of goods at destination, the ADs may negotiate bills in the part amount provided they obtain an undertaking from the exporters that they will realise the balance within the prescribed period. The ADs should report such part receipts to the Bangladesh Bank on 'Online Export Monitoring System' and on the appropriate return & schedule. It is the responsibility of the ADs to follow up each such case and to ensure that the balance amount is also realised within the prescribed period. This exemption will not, however, apply in the case of shipments of those goods which are subject to either 100(hundred) percent advance remittance or to the opening of confirmed or irrevocable LC for the full amount of the export.

(ii) Partial receipt of advance remittance

Where part of the invoice value has been received in advance by the shipper, the AD while negotiating/collecting documents for the balance, should certify on the Second Original copy of

the EXP Form that part of the amount has been received by them in advance quoting reference to the return on which the receipt was reported on an "Advance Receipt Voucher" (Appendix 20, GFET, Vol-2). The Second Original copy of the EXP form should be kept outstanding by the AD until the full value of the exports has been received. For reporting advance remittance on export please see Para 20 below also.

17. Short shipments

Where a portion of a consignment is short shipped and the exporter consequently draws a bill or writes an invoice for a quantity less than that entered on the original copy of the relative EXP Form submitted to the Customs, he must make a declaration on the remaining copy of the form submitted to the bank negotiating the bills that the shipment was partially short specifying the quantity short shipped.

In all cases of short shipments, the exporters should give notice of short shipment on the prescribed form in duplicate to the Customs who will forward a certified copy of the notice to the Bangladesh Bank. This notice should bear the number and date of the relative EXP form in respect of which goods have been short shipped.

18. Shipments shut out entirely

Where a shipment to be made by a particular vessel is entirely shut out and re-shipped by another vessel, the exporter should apply on the prescribed form in duplicate to the Customs for permission to alter the name of the vessel on the relative EXP form and the shipping bill, stating on the application the number and date of the relative EXP form to which the application relates.

The Customs will forward a verified copy of the application to the Bangladesh Bank. 59CH 8

Where a shipment is entirely shut out and is not being re-shipped immediately by any other vessel, the exporter should give notice accordingly in the prescribed form in duplicate. The Customs will forward a verified copy of the notice in respect of the shipment entirely shut out to the Bangladesh Bank in order that the relative EXP form may be treated as cancelled.

19. Shipments lost or damaged in transit

If shipments from Bangladesh are lost in transit for which payment has not already been received either by a direct remittance or by negotiation of bills under an LC, the AD must see that an insurance claim is made as soon as the loss is known. The

Second Original copy of the relative

EXP form should contain a statement on the reverse thereof, under the stamp and signature of the AD that the shipment has been lost, together with the following particulars regarding the insurance covering the shipment:

- (a) Amount of insurance (including currency in which drawn).
- (b) Name of the Insurance Company.
- (c) Place where the claim is payable.

Where the claims are payable in a currency other than Taka, they should be realised through the

AD who had certified the

Second Original copy of the relative EXP form and who, on satisfaction of the claim, should certify on the Second Original copy the particulars of the amount collected by itself and preserve the same by itself.

20. Receipts of advance remittances against exports

Before paying out money against remittances received from abroad, whether against purchase of foreign currency or debit to a non-resident taka account of a foreign bank in case where purpose of the remittance is stated to be advance receipt for goods to be exported from Bangladesh, the AD should obtain a declaration from the beneficiary on the "Advance Receipt Voucher" certifying the purpose of the remittance with report to the 'Online ARV Reporting Module'.

21. Shipments on FOB basis

In cases, where exporters arrange insurance cover and freight in Bangladesh but prepare invoices on FOB basis, the ADs should verify from the bills of lading that freight has not been prepaid in Bangladesh. All cases where freight or insurance has been paid in Bangladesh but export documents are on FOB basis should be reported to Bangladesh Bank.

22. Export proceed realisation certificate against direct and deemed exports

Sometimes exporters are required to submit evidences of export and realisation of export proceeds to various government agencies against direct and deemed exports. In such cases, ADs 60CH 8 may issue Proceed Realisation Certificate (PRC) against direct and deemed export (as the case may be) after being confirmed about the realisation of such proceeds. ADs shall use separate proforma for issuance of direct export PRCs and deemed export PRCs.

ADs shall follow the instructions in case of issuance of PRCs as under:-

- a) ADs shall use prescribed proforma in Appendix 5/36 to issue PRCs for proceeds realised against direct exports while prescribed proforma in Appendix 5/37 shall be used to issue PRCs for proceeds realised against deemed exports.
- b) ADs shall issue original PRC for the requiring government authority as usual while another copy stamped/typed in bold 'Verification Copy' at the top of the prescribed proforma is to be issued for onward submission to the concerned Area Office of Bangladesh Bank.
- c) In case of issuance of PRC against deemed exports, ADs are required to submit additional information such as beneficiary's name, bill reference, paying bank branch's name, realised amount, date of realisation etc. with the monthly returns in support of the transactions to be reported as per Para 13(a), Chapter 2 of the GFET (Vol-2).
- d) ADs shall submit monthly statement embodying a list of issued PRCs with corresponding reporting reference enclosing 'Verification Copy' of PRCs and copy of relevant schedules and additional information as mentioned in above para for post facto checking/verification to the Area Offices of Bangladesh Bank by 15th of the following month. A 'Verification Copy' has to be preserved by the ADs for eventual inspection by Bangladesh Bank inspection team and for verification by other government agencies.
- e) Head Office/Principal Branch of the AD shall send updated list of its officials along with their specimen signatures, PA nos. and phone numbers who are authorised to sign PRCs to the Offices of the 'Bond Commissionerate' and 'Duty Exemption and Drawback Office (DEDO)' from time to time for verifying the genuineness of issued PRCs.

ADs are advised to exercise utmost caution in issuing PRCs to avoid any possible misuse. Any irregularity shall be treated as violation of Bangladesh Bank's instructions. ADs are also advised to extend their full co-operation to different government agencies regarding verification of any PRC, if approached.

23. Export of software, data entry/processing and other services

Foreign exchange earnings from export of computer software, data entry/data processing and other services through compact disk, flash drive, V-Sat, Internet or other electronic/magnetic media shall be realised and reported to Bangladesh Bank by AD as per following guidelines : 61CH 8

a) Where export is undertaken in physical form :

As in the case of merchandise exports, EXP procedure as described in para 7 shall be followed where export is undertaken in physical form, that is, where computer software and data entry/data processing services are exported in compact disk, flash drive, tape etc.

b) Where export is undertaken in non- physical form

EXP procedure will not be applicable for export undertaken in non-physical form such as V-Sat, Internet or other electronic media. For collection of proceeds against exports in non-physical forms, instruction mentioned in sub para (1), (2), (3) & (4) shall have to be followed by ADs and

exporters concerned.

(1) Export on non-physical form : Business Process Outsourcing

Firms/companies/individuals may provide services outsourced by non-residents through internet like data processing, data entry, etc. rendered from Bangladesh in non-physical form, against which payments in foreign exchange are received through ADs. The payment against these services are normally due on delivery of the services and it may not necessarily require documents for collection of export proceeds. In these cases, ADs are free to credit the receipts in foreign exchange to the account of the relevant service exporter in equivalent local currency and/or in ERQ account [upto admissible portion as mentioned in Para 27(c,d), Chapter 13] maintained in the name of the respective exporter subject to observance of the following terms and conditions :

- (i) ADs shall satisfy themselves on examination of the relevant documents (such as e-mail communication) and the message (such as SWIFT) relating to the inward remittance that the payment has been received from the respective non-resident customers to whom services have been delivered in accordance with specific arrangements;
- ii) ADs shall ensure that the individual beneficiaries have necessary capacities to provide the underlying services;
- iii) ADs shall encash the inward remittance on receipt of Form C (Appendix 5/10 or 5/11 as the case may be) duly filled in from the beneficiaries. To mention, separate Form C (Appendix 5/11) shall be used for reporting inward remittance on account of ICT related services for easy codification of the purpose and usual report to Bangladesh Bank in relevant statement/schedule and online reporting module. ADs are instructed to adhere to the instructions enumerated in the Form (Appendix 5/11) while reporting inward remittances on account of ICT related services. However, inward remittance upto USD 10,000 (ten thousand) or equivalent against service exports may be credited in the respective accounts of service exporters without obtaining declaration on Form C. In this context ADs shall satisfy themselves bonafide of the transactions with the notation of the relevant SWIFT message. In case of non-availability of required 62CH 8 information, ADs shall contact the beneficiaries through e-mail about the purpose of transactions;
- iv) ADs shall ensure deduction of applicable taxes, if any;
- v) ADs shall exercise due diligence in respect of the transactions and comply with foreign exchange regulations, AML/CFT standards and other relevant laws/regulations in force; and
- vi) ADs shall keep records in support of the transactions and report the same in relevant monthly schedules/statement to Bangladesh Bank.

There are other service exports such as business services, professional/research and advisory services, etc. rendered from Bangladesh against which payments in foreign exchange are received through ADs. Remittances from abroad as payments against these and all other non-agency service exports in non-physical form may also to be credited to local currency accounts and ERQ accounts in the names of the concerned exporters, subject to observance of the same instructions as stated above.

(2) Repatriation of export proceeds through OPGSPs

ADs are allowed to offer the facility of repatriation of remittances against small value service exports in non-physical form such as data entry/data process, business process outsourcing etc. through the OPGSPs, subject to compliance of the following instructions:

- (i) ADs shall enter into standing arrangements with internationally recognised OPGSPs and maintain separate Nostro collection account for each OPGSP to repatriate the above mentioned service export related payments. Service exporters availing of this facility shall open notional accounts with the OPGSPs. It is to be ensured that no funds are retained in such accounts and all receipts should be automatically swept and pooled into the Nostro collection account maintained by the ADs.
- (ii) This facility shall only be available for service export in non-physical form of value not exceeding USD 5000 (USD five thousand).
- (iii) The following debits will only be permitted to the Nostro collection account opened and maintained under this arrangement:

a.

Repatriation of funds representing service export (as mentioned above) proceeds to Bangladesh for payment to service exporters;

b. Payment of fee/commission to the OPGSP as per the predetermined rates/

frequency/arrangement; and

c. Charge back to the service recipient/importer where the service exporter has failed in discharging the obligations as per specifications. 63CH 8

(iv) ADs shall repatriate the balances held in the Nostro collection account and arrange to credit the respective exporter's account with a bank in Bangladesh on being confirmed that the export proceeds have been swept and pooled into the Nostro collection account from the exporter's notional account.

(v) ADs shall satisfy themselves as to the bonafide of the transactions on examination of relevant documents and credit the amount, repatriated from the Nostro collection account, to the exporter's account on receipt of Form-C duly filled in (if applicable). However, ERQ account of the exporter may be credited up to the permissible limit of the total proceeds in accordance with the instructions laid in chapter 13, section IV of this Guidelines. ADs shall also ensure deduction of applicable taxes, if any and payment thereof.

(vi) Besides reporting the transactions to Bangladesh Bank in monthly schedules/statements, ADs shall submit all the relevant information/documents relating to any transaction under this arrangement to the Bangladesh Bank, as and when advised to do so.

(vii) Each Nostro collection account shall be subject to reconciliation and audit on a quarterly basis in terms of Para 7, Chapter 4 of this Guidelines.

(viii) Resolution of all payment related complaints of exporters/service providers in Bangladesh shall remain the responsibility of the OPGSP concerned.

(ix). ADs entering into arrangement(s) with any OPGSP(s) shall report to FEPD, Bangladesh Bank, Head Office, Dhaka with necessary details.

(x) ADs shall exercise due diligence in respect of the transactions with OPGSPs and comply with the foreign exchange regulations, AML/CFT acts/regulations and any other relevant laws/regulations in force.

(3) Repatriation of ICT related service income through international card

ADs may provide facilities to credit inward remittances received in international card number/account against the services provided by individual developers/freelancers of mobile Apps and Games having acknowledgements/training/boot-camps/hackathons/course participation certificates on mobile application development arranged by government authority/ BASIS, or its member organisation and any other recognised training/academic institutes. In this context, ADs shall issue to individual developers/freelancers international cards (termed as 'Freelancer Card') having dual currency units with features of being prepaid from abroad and observe the following instructions:

(a) On receipts of the payment, up to eligible ERQ portion (Section-IV, Chapter 13) may be credited at the options of beneficiaries in foreign currency unit of the card, the remainder mandatorily in local currency unit after conversion at prevailing exchange rate. 64CH 8

(b) The balance held in foreign currency unit of the card as ERQ is usable for payment, through usual banking channel, on international current account transactions for bonafide business expenses including legitimate expenses for personal purposes. The cards may be used for permissible online transactions from Bangladesh mentioned in Para 40, Chapter 10, Para 9, 11(B)(ii) & 12(only visa processing), Chapter 11, Para 28(i), Chapter 13, Para 16&17, Chapter 19. Outward remittances from foreign currency balance are subject to fulfillment of taxes payment obligations, if any.

(c) Inward receipt exceeding USD 10,000(Ten thousand) or equivalent is subject to declaration on Form-C (ICT), Appendix 5/11.

(d) ADs shall report the transactions to Bangladesh Bank in relevant statement/schedule and online reporting system mentioning appropriate code relevant to ICT/computer services.

(4) Receipt of payment through acquiring banks

In addition to transmission of IT enabled products through V-Sat, Internet or other electronic media, IT/Software exporting firms may sell their products/services to the customers abroad through web/internet. In the context of web based trade, ADs may work as 'Acquiring Banks' for realisation of internet/web generated payment through International Credit Card favoring BASIS member IT/Software firms registered and operating in Bangladesh subject to compliance with following terms and conditions:

i) ADs shall have the merchant agreements with the beneficiaries;

ii) ADs shall have to be satisfied that the beneficiaries have necessary arrangement for safe internet transactions;

iii) ADs shall have to be ensured that the beneficiaries have necessary approval, where applicable, from the competent authorities for conducting the business and are member firms of BASIS.;

iv) ADs shall have to be satisfied that online payment is relevant with the nature of business of the beneficiaries;

v) ADs shall make the payment, credited to their nostro accounts, available to beneficiaries' accounts on receipt of Form-C (ICT), Appendix 5/11 duly filled in from the beneficiaries. The ERQ accounts of the beneficiaries may be credited to the extent of permissible limit from the total payment provided that the transactions deserve such credits as per instructions mentioned in Chapter 13, Section IV .

vi) ADs shall comply with the relevant instructions contained in paragraph 23(b)(1) above;

vii) ADs shall keep records of the transactions with documentary evidence in support of the payment. 65CH 8

viii) ADs shall have to comply with the applicable regulations of foreign exchange transactions, AML/CFT, payment and settlement systems and other relevant laws/regulations in force and report the transactions with monthly returns to Bangladesh Bank in the relevant schedules/statements.

c. Time limit for repatriation of export proceeds

Unless specific approval is obtained from Bangladesh Bank, the entire export proceeds in case of export in physical form must be repatriated within four months of export as usual. Particulars of overdue exports in physical form shall be reported as per Appendix 5/35.

24. Export Development Fund (EDF)

AD banks can borrow US Dollar funds from the EDF administered by Bangladesh Bank against their foreign currency loans to manufacturer-exporters for input procurements. The details operational procedures are available in the relevant FE Circulars/Circular Letters issued by Bangladesh Bank from time to time.

25. Discounting of direct and deemed export bills in foreign exchange

Beneficiaries of usance export bills against direct and deemed exports of products produced in Bangladesh may arrange to discount bills for immediate financing through their own AD banks subject to compliance of the following instructions:

a) ADs shall have to be ensured that the usance bills presented for discounting are out of bonafide direct/deemed export transactions;

b) ADs may arrange fund against the discounting of usance bills in foreign exchange through their own OBUs/correspondent banks, financial institutions abroad or international financing institutions;

c) Expenses of the customers for discounting bills shall not exceed 6% (all in cost) including all types of commissions/charges/fees/interests;

d) AD banks shall submit statement (Appendix 5/38) to FEPD, Bangladesh Bank, Head Office of discounting of direct/deemed export bills in foreign exchange on monthly basis by 15th day of the following month.

However, proceeds from such discounting (after payment of BTB LCs of concerned exports) may be retained in single pool as per instruction mentioned in Para 42(i), Chapter 7 for future import payments including BTB liabilities.

Type C units of EPZs and EZs can avail this facility under the stipulations as mentioned in Para 23, Chapter 16. 66CH 8

26. Re-export and Entre-port Trade

Re-export and Entre-port trade by the exporters of Bangladesh are subject to the guidelines of Ministry of Commerce disseminated through Import Policy Order and Export Policy in force published from time to time. However, ADs will abide by the following instructions in conducting foreign exchange transactions in such cases :

a. Compliance with relevant instructions of Ministry of Commerce including prescribed minimum value addition requirement is to be ensured;

b. In case of re-export, import value (including freight) will be met from repatriated export value only. Besides, usual IMP and EXP procedure will have to be followed in import (including freight) and export of goods respectively;

c. In case of entre-port, import value (including freight) will be met from repatriated export value only. Declaration in 'Form C' and 'Form TM' shall be used for reporting receipts of export value and making import payment (including freight) respectively. 67CH 8

SECTION - II

EXPORT FROM THE EXPORT PROCESSING ZONES

27. Principles and Procedures

Export Processing Zones (EPZs) have been established by the Act namely, Bangladesh Export Processing Zone Authority Act, 1980. The following types of industrial units operate in the EPZs:

(a) Type A: 100 percent foreign owned including those owned by Bangladeshi nationals ordinarily resident abroad;

(b) Type B: Joint venture projects between foreign and Bangladesh entrepreneurs resident in Bangladesh;

(c) Type C: 100 percent Bangladeshi entrepreneurs resident in Bangladesh.

Developers and different service providing companies (water supply/treatment, cleaning, dust management, effluent treatment plant, etc.) operating in EPZs, exclusively formed and registered to serve a particular EPZ will be treated as industrial units of EPZ for foreign exchange regulation purposes.

The broad guidelines relating to the operation of industrial enterprises in the EPZs are contained in the "Principles and Procedures governing setting up of industries in EPZ" issued by the BEPZA.

28. Repatriation of export proceeds from the EPZs

Exports from EPZs are subject to the usual requirement of declaration of exports in EXP Form and repatriation of export proceeds. For identification, EXP forms for these exports should be rubber stamped or over printed with words "EXPORT FROM EPZ" in bold letters.

29. Disposal of export proceeds

Procedures to release of foreign exchange to the enterprises against exports made from the EPZs are described in Chapter 13 (Section-V).

30. Sale of Bangladeshi goods to EPZ enterprises

Sales of Bangladeshi goods or raw materials to the enterprises in EPZ against payment in foreign currency shall be treated as exports from Bangladesh and normal foreign exchange regulations concerning declaration of exports on EXP forms and repatriation of proceeds is applicable to these exports to the EPZ enterprises. 68CH 8

Exports to EPZ areas shall be considered as imports by EPZ enterprises. In such cases, ADs of EPZ enterprises may report such import transactions to Bangladesh Bank in monthly schedule E-2 under Statement-10 or Statement-11 (as the case may be) mentioning the number of concerned EXP forms to which the payment in foreign currency relate. This procedure of mentioning EXP numbers will also be applicable for transactions between EPZ enterprises and intra EPZ enterprises. The above procedure will be applicable for reporting in online web portal. Usual IMP Form reporting procedures will, however, be applicable for imports by EPZ enterprises from abroad.

31. Exports from EZs and private EPZs

The above instructions of Section-II will be applicable for (i) enterprises of economic zones (EZs) established under the Bangladesh Economic Zones Authority Act 2010 and (ii) private EPZs including KEPZ established under Private Export Processing Zone Act, 1996. 69CH 9

CHAPTER 9

SECTION - I

FOREIGN INVESTMENT IN BANGLADESH

1. General

Foreign investors are free to make investment in Bangladesh in the industrial enterprises excepting a few reserved sectors as mentioned in the 'Industrial Policy' of the government in force. An industrial venture may be set up in collaboration with local investors or may even be wholly owned by the foreign investors. No permission of the Bangladesh Bank is needed to set up such ventures if the entrepreneurs use their own funds. However, to avail of the facilities and institutional support provided by the Government, entrepreneurs/sponsors may secure registration with Bangladesh Investment Development Authority (BIDA). For investment in Export Processing Zones (EPZs) and Economic Zones (EZs), such registration shall be done with the Bangladesh Export Processing Zones Authority (BEPZA) and Bangladesh Economic Zones Authority (BEZA) respectively.

2. Issue of shares in favour of non-residents

A. Prior permission of the Bangladesh Bank is not required for issue of shares in favour of non-residents against foreign investment in Bangladesh; general permission is accorded in this

behalf subject to the following conditions:

(a) The industrial venture will have permission from the Registrar of the Joint Stock Companies and Firms(RJSCF)/The Bangladesh Securities and Exchange Commission(BSEC) about its capital issue.

(b) Shares may be issued either against freely convertible foreign exchange brought in from abroad through the banking channel or against import of capital machinery. Payment against such import must be made from abroad. However, foreign exchange thus brought in must be encashed in taka before issuance of shares except in the cases of Type A & Type B units of EPZs & EZs wherein equity in FC brought from abroad may be retained in FC accounts of the units concerned. In the case of issuance of shares against capital machinery, the machinery have to be cleared from the Bangladesh Customs first.

Beside, shares may be issued in favour of non-residents by debit to non-resident Taka accounts maintained by ADs in the names of their overseas branches and correspondents against inward remittance in convertible currencies. Hence ADs may issue certificate in support of payment from such account for purchase of shares in Bangladeshi companies. In the context of certificate issuance to the beneficiary, ADs shall follow the format in Appendix 5/39 in case of payment from non-resident Taka account and the format in Appendix 5/40 in case of payment against inward remittance in foreign currency. 70CH 9

(c) Foreign Exchange Investment Department, Bangladesh Bank, Head Office must be informed through the concerned AD about the issue of shares to non-residents pursuant to (a) & (b) above with mentioning 'Reporting Transaction ID' to the 'Online Foreign Exchange Transaction Monitoring System' of Bangladesh Bank, within 14(fourteen) days of such issue, alongwith the following documents/papers:

(i) attested copy of the permission for the capital issue accorded by the RJSCF/BSEC;

(ii) attested copy of the registration, if any, of the foreign investment in the industrial ventures accorded by the BIDA/BEPZA/BEZA;

(iii) copy of encashment certificate of foreign exchange in Taka authenticated by the AD in case of issue of shares against foreign exchange received from abroad through the banking channel or from non-resident Taka accounts (Appendix 5/39 or 5/40 as the case may be); and

(iv) for issue of shares against foreign investment in the form of capital machinery, the authenticated copy of bill of entry evidencing clearance of the capital machinery from the Custom Authorities, copies of the related import permit, invoice, bill of lading/air way bill, etc.

B. Transfer of Bangladeshi Shares/Securities

Transfer of Bangladeshi shares and securities from one shareholder to another irrespective of their nationality/residency would not require Bangladesh Bank approval. No intimation to Bangladesh Bank is required in case the transfer is effected between residents. However, for the transfer of shares of private/public limited companies not listed in the stock exchanges, from resident to non-resident, non-resident to resident and non-resident to non-resident, FEID, Bangladesh Bank, Head Office should be informed, through the concerned AD within 14(fourteen) days, of such transfer along with the following documents:

a) copy of encashment certificate, authenticated by the concerned AD, of foreign exchange in Taka credited to the account of transferor in case of transfer of shares from resident to non-resident;

b) attested copy of the permission for the transfer accorded by the RJSCF/BSEC;

c) attested copy of up-to-date Schedule-X.

C. Temporary Non-resident Taka Account (NRTA) for Foreign Investors

ADs may open NRTA in the name of the proposed company/enterprise of foreign investors contemplating to invest in Bangladesh without prior approval of Bangladesh Bank. Such accounts may be credited with inward remittances received from abroad only. Upon registration/commencement of the business, a new account in the name of the company may be opened following usual procedure. However account opened previously should be closed immediately and balances lying therein shall be transferred to the new account. If, for any reason, the proposed investment/incorporation does not take place, the balance of the account, 71CH 9 after meeting the required expenses, may be allowed to be repatriated without prior approval from Bangladesh Bank. However, ADs shall report opening and closure of such accounts to FEID and FEOD, Head office/concerned office of Bangladesh Bank immediately along with attested copy of form 'C'/TM form (as the cases may be) with particulars of transactions.

3. Remittance of sales proceeds of non-residents' investment (direct/portfolio) in Bangladesh

Guidelines for effecting remittance of sales proceeds of non-residents' investment in Bangladesh

are as under:

(A). Shares of the public limited companies listed with stock exchange(s)

Prior approval of Bangladesh Bank is not necessary for remitting the sales proceeds of securities held by non-residents. In such cases, repatriable amount must not exceed the market price of securities prevailing in the stock exchange on the date of sales.

(B). Shares of the public limited companies not listed with stock exchange and private limited companies

Prior approval of Bangladesh bank is required for repatriation of sales proceeds of non-residents equity investment in the: (1) public limited companies that are not listed with the stock exchange companies; and (2) private limited companies. There being no established market price for such investment, Bangladesh Bank will accept fair value of the shares as on the date of sale based on appropriate combination of three valuation approaches (viz. net asset value approach, market value approach and discounted cash flow approach) depending on the nature of the company. Application for repatriation of sale proceeds of shares shall be submitted to FEID at head office of Bangladesh Bank with a Valuation Certificate of shares issued by a Merchant banker licenced by BSEC or a Chartered Accountant experienced in company valuation. Appendix-6/3 of this Guidelines provides indicative guidelines for arriving at fair value. The valuation certificates by eligible valuers will have to be supported by full explanation justifying the fair value arrived at. Full set of audited financial statements of the company will have to be submitted to Bangladesh Bank along with application for remittance approval. If not fully satisfied about appropriateness of the valuation arrived at, Bangladesh Bank reserves the right to obtain second opinion from another qualified valuer of its choice.

If calculated fair value (accepted by Bangladesh Bank) exceeds the face value of the share of the company concerned, capital gain derived therefrom may also be repatriated. However, only accepted fair value shall be considered as repatriable/or for re-investment in Bangladesh. Prior permission of Bangladesh Bank is not required for sales/transfer of shares of public limited companies not listed with the stock exchange companies by one non-resident to another non-resident. 72CH 9

4. Portfolio investment by non-residents

Non-resident persons/institutions including non-resident Bangladesh nationals may buy Bangladeshi shares and securities in Bangladesh against freely convertible foreign currency remitted from abroad through the banking channel. Transactions relating to such investments including repatriation of dividend/interest earnings and sale proceeds shall be made through a Non-resident Investor's Taka Account (NITA) according to the procedure described in Section-IV , Para 24, Chapter 14.

5. For the purpose of investment through Stock Exchange or in new public issue by non-residents, securities will have the same meaning as defined in section 2(k) of the FER Act, 1947.

6. After the shares/securities have been purchased by the non-resident investor, the related certificates/scripts can be deposited/kept with any person/organisation nominated by the investor. The investor can as well take them outside the country, if he/she so desires.73CH 9

SECTION - II

OPERATIONS IN SECURITIES

7. Definition of security

Section 2 of the FER Act, 1947 defines "security" either in physical or demat form,-

(i) shares, stocks, bonds, debenture stock and Government securities, as defined in the Securities Act, 1920;

(ii) deposit receipts in respect of deposits of securities, units of mutual fund or collective investment scheme, as defined in Securities and Exchange Commission (Mutual Fund) Rules, 2001; and

(iii) other instruments defined as security in the Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969); but does not include bill of exchange or promissory notes other than Government promissory notes. A "foreign security" is defined as a security issued elsewhere than in Bangladesh and any security the principal of or interest on which is payable in any foreign currency or elsewhere than in Bangladesh.

8. Import and export of securities

There is no restriction under the FER Act, 1947 on the import of securities into Bangladesh. No securities can however be exported or taken out of Bangladesh without general or special

permission of Bangladesh Bank. Residents in Bangladesh who are holders of foreign securities and who wish to send the securities to banks, brokers or agents abroad for the purpose of sale, transfer etc. should apply to the Bangladesh Bank through an AD for necessary export permit. Permission for transfer of such securities will be granted provided the AD gives an undertaking that the securities will be received back in Bangladesh within a specified period, or in the case of sale, the foreign currency proceeds of the sale will be repatriated to Bangladesh. Bangladesh Bank is also prepared to consider applications for the exchange of foreign shares and/or securities held by residents of Bangladesh with Bangladesh shares and/or securities held by residents abroad. Applications for this purpose should be made through an AD or Stock and Share Broker. Such applications would be considered favourably provided the Bangladeshi shares/securities desired to be imported from abroad are approximately of the same market value as foreign shares and/or securities that are desired to be exported.

9. Transfer of securities to non-residents

In terms of clause (b) of sub-section (1) of Section 13 of the FER Act, 1947 transfer of any security or creation or transfer of any interest in a security to or in favour of a person resident outside Bangladesh is prohibited except with the general or special permission of the Bangladesh Bank. It should be noted that this prohibition applies to transfer of (i) all Bangladesh securities (i.e. securities expressed to be payable in Bangladesh currency or registered in Bangladesh) whether held by person resident in or outside Bangladesh, and (ii) all foreign securities held by persons resident in Bangladesh. However, in the case of securities registered in Bangladesh, Bangladesh Bank has accorded general permission for issuance and transfer of shares/securities in favour of non-residents against foreign investments in freely convertible foreign exchange or in the form of capital machinery (please see Para 2 of this chapter for details). The prohibition imposed against transfer or creation of any interest in a security to or in favour of a non-resident in terms of clause (b) of sub-section 13 of the FER Act, 1947 precludes the pledging or hypothecating of securities to or in favour of non-residents e.g. as collateral or security for credit facilities abroad (please see Chapter 16, Section- I) or utilising them for forming trusts or settlements, of which a non-resident is the beneficiary.

10. Other provisions

(i) Clauses (c) and (d) of sub-section(I) of Section 13 of the FER Act, 1947 prohibit, respectively, transfers of securities from registers in Bangladesh to registers outside Bangladesh and the issuing, whether in Bangladesh or elsewhere of securities which are registered or to be registered in Bangladesh, to persons resident outside Bangladesh except with the general or special permission of the Bangladesh Bank.

(ii) For the purpose of Section 13 of the Act, "a person resident outside Bangladesh" or a "non-resident" includes a foreign national for the time being resident in Bangladesh.

11. Holding/retention of foreign securities

Persons resident in Bangladesh who are or become owners of foreign securities are permitted to hold or retain such securities provided they have acquired them in a manner not involving a breach or violation of the foreign exchange regulations. Holders of foreign securities who wish to sell, transfer or otherwise dispose of or deal in securities must, however, ensure that the proposed transactions do not contravene the provisions of the FER Act, 1947 and the orders issued by the Government of Bangladesh and/or the Bangladesh Bank thereunder and must obtain prior permission of the Bangladesh Bank wherever necessary.

12. Submission of return by holders of foreign securities

Under the existing foreign exchange regulations all persons resident in Bangladesh who are or become the owners of any security in respect of which the principal, interest or dividend is/are payable in the currency of any foreign country or in respect of which the owner has the option to acquire the payment of principal, interest or dividend in such currencies, are required to submit a return to the Bangladesh Bank within one month of their acquiring the securities giving certain particulars in respect of the said securities. The specimen of the return in which these particulars are required to be furnished in duplicate is given in Appendix 5/41. Citizens of Bangladesh having dual nationality/persons usually residing outside Bangladesh/foreign nationals for the time being residing in Bangladesh are not required to submit the said return.

CHAPTER 10

COMMERCIAL REMITTANCES

(OTHER THAN FOR IMPORTS)

1. Freight and passage collections

(i) Applications for remittances: Applications for remittances of freight and passage collections by branches or agents of foreign airlines and shipping companies should be made to the ADs on Form TM accompanied by a declaration in Form FP (See Appendix 5/42) along with the following:

(a) Import/export freight manifest.

(b) Encashment certificate in support of inward remittances received from head office/principal abroad.

(c) Authenticated copy of the charter party in case of vessel chartered by the principal of the shipping agent in Bangladesh.

The statements mentioned in paras (v) and (vi) below should also accompany the applications.

(ii) Remittance of freight and passage: Remittances of freights and passages collected in Bangladesh may be sent to owners abroad after adjustment of the amount spent for local disbursement and taxes payable. Remittance of passage collections or use thereof for local disbursements are permissible only after the relative journeys have actually been undertaken; collections should not therefore be included in the remittance application or used for local disbursement unless the journeys are undertaken.

(iii) Submission of periodical statement : All foreign airlines & shipping companies are required to submit periodical statements of their disbursement and collection in the prescribed form regardless of whether there is a remittable surplus. The statement is required even from those airlines and shipping companies who bring in funds from abroad to meet their operating expenses in Bangladesh, the amounts brought in from head office/principal abroad should be reported in the FP statement.

(iv) Agency commission for handling vessels : Shipping Companies/Agents are required to charge minimum agency commission for handling vessels at Bangladesh ports at the following rates:

a) Export Cargo-5(five) percent of net freight collections for cargoes booked by the agent directly and 2.50(two and a half) percent against those booked by the principal. 77CH 10

b) Import Cargo-2(two) percent of net freight collections.

c) (1) Import Cargoes in tramp/chartered vessel per port per call:

(2) Minimum agency commission for tramp/chartered vessels in ballast calling at Bangladesh ports for bunkering, victualling including landing of sick crew etc. per call per port USD 750

(3) Owner's protecting/husbanding /supervising agent's minimum fees for tramp/ chartered vessel per call per port USD 750.

(v) Submission of statements by foreign airlines : Foreign airlines are required to submit the following statements on monthly basis:

(a) Statement of freight/passage collection and disbursement in Bangladesh (See Appendix 5/43).

(b) Statement of passages sold/tickets issued by the Airlines (See Appendix 5/44).

(c) Statement of cargo sold by the Airlines (See Appendix 5/45)

(d) Disbursement statement (See Appendix 5/46) supported by cancellation/refund statement (See Appendix 5/47).

(e) Details of credit bookings of passage and freight realised in cash during the month (See Appendix 5/48).

(f) Details of outstanding passage/freight bookings on credit (See Appendix 5/49).

(vi) Submission of statements by shipping companies/agents : Shipping companies/agents operating in Bangladesh are required to submit the following statements on quarterly basis :

(a) Statement of freight/passage collections in respect of foreign vessels and disbursements in Bangladesh in Form Shipping I (See Appendix 5/50).

Weight

(Tons)

Upto 10,000

Amount in USD

(a) Import cargoes (dry) including bulk/homogeneous-mixed in tramp/chartered vessel upto DWAT(Dead Weight All Told)

(b) Tanker/liquid cargo

upto DWAT (Dead
Weight All Told)

1,000

2,000

2,000 2,500

1,500

1,000

Above 10,000 but not
exceeding 20,000

Above 20,000 78CH 10

(b) Details of credit bookings of passage and freight realised in cash during the quarter in Form Shipping II (See Appendix 5/51).

(c) Details of outstanding passage and freight booking on credit in Form Shipping III (See Appendix 5/52).

d) Breakdown of disbursements in Form Shipping IV (See Appendix 5/53) supported by statement of cancellations or refunds of freight/passages in Form Shipping V (See Appendix 5/54).

(e) Statement of passages sold/tickets issued by the Shipping company (See Appendix 5/55).

The returns should be supported by export/import freight manifest and bill of lading. The breakdown of disbursement must also be supported by third party bills/receipts where the amount involved in any particular item of expenditure is Taka 2500 (Two thousand five hundred) or over. The returns should be submitted within 60(sixty) days following the quarter to which the returns relate.

(vii) Collection of freight for transportation of excess baggage

Shipping/Airline Companies or Travel Agents may collect freight in Taka for transportation of excess accompanied as well as unaccompanied baggage including motor car of Bangladesh nationals from destination abroad to Bangladesh without prior permission of the Bangladesh Bank.

(viii) Accepting freight in Taka by shipping companies/airlines

Shipping Companies/Airlines while accepting freight in Bangladesh Taka on exports and imports should be guided by the following instructions:

(a) Freight on Exports: Freight on exports from Bangladesh in local currency shall be accepted only when a certificate from the exporter's bank is produced to the Shipping Companies/Airlines in the following form:

"Certified that EXP Form in respect of shipment to be made by

M/s.....(name of the exporter) has been stamped to the effect that the documents in respect of the shipment under this EXP form shall be negotiated/accepted only when these are drawn on CFR/CIF/CPT/CIP basis and not on FOB/ FCA /FAS/EXW basis.

Before issuing the above certificate, the ADs will invariably endorse the relative EXP form in the following manner:

"Certified that documents in respect of the shipment under this EXP form shall be negotiated/accepted only when these are drawn on CFR/CIF/CPT/CIP basis and not on FOB/FCA/FAS/EXW basis. 79CH 10

While submitting the applications for remittances to the AD, the Shipping Companies will invariably submit therewith the aforesaid bank's certificate alongwith a copy of the relevant bill of lading duly arranged according to the entries appearing on the freight manifest. In case of Airlines, Airway bill is to be submitted together with the certificate of the AD as mentioned above.

However, licenced freight forwarders may pay freight charges to airlines/shipping companies in Taka in respect of exports made on FOB basis subject to compliance with stipulations mentioned in Section -III, Chapter 17 of this Guidelines.

(b) Freight on Imports in Bangladesh Currency: Freight on imports on FOB basis against LCAFs issued on CFR/CPT/CIF basis shall be accepted in Bangladesh in the local currency by the shipping companies/airlines/freight forwarders provided a certificate from the AD as mentioned in Appendix 5/13 is produced by the importer to the airline/shipping company concerned. The AD should ensure that in the case of imports on FOB basis against LCAF issued on CFR/CPT/CIF basis, a reasonable margin within the overall limit of the LCAF is reserved to cover the amount of freight so that the overall total cost does not exceed the amount of the LCAF. With a view to ensuring compliance with the above requirement, the AD should endorse on the LCAF the amount

of freight payable in Bangladesh currency as stated in the bill of lading/airway bill and to issue a certificate in the form prescribed in Appendix 5/13 for presentation to the shipping company/airline in Bangladesh at the time of payment of freight in Bangladesh currency. Shipping companies/airlines are advised that while accepting payment of freight in Bangladesh currency on such imports they should invariably insist on production of the certificate from the ADs prescribed in Appendix 5/13 which should be enclosed with the freight manifest/return at the time of applying for remittance of surplus freight collections. However, 'freight/transportation charge on FOB basis import may be accepted in foreign currency also as per instructions mentioned below:

(ix) Accepting freight on FOB imports in foreign currency by shipping companies/ airlines, eligible freight forwarders

Shipping companies/airlines may accept freight charges on FOB imports in foreign currencies from the importers/eligible licenced freight forwarders while importers' banks may at the request of their importer clients make payments of freight charges in foreign exchange to airlines/shipping companies/eligible licenced freight forwarders, out of the total value of the LCAF issued for the import covering costs of goods and freight (Para 16, Chapter 7). The receipts in foreign exchange shall be used through the foreign currency accounts maintained by shipping companies/airlines/eligible licenced freight forwarders as mentioned in Para 33, Section-VI Chapter 13. However, payment of freight in FC shall be 80CH 10 supported by certificate as per appendix 5/13 while crediting the FC account concerned which should be enclosed with the freight manifest/return at the time of applying for remittance of surplus freight collections.

(x) Accepting freight on FOB exports in FC : Foreign exchange received by shipping companies, airlines and multimodal transport operators licenced as freight forwarders by Customs Authorities against handling of FOB export cargos from Bangladesh may be credited to FC accounts as mentioned in Para 33, Section-VI, Chapter 13. Shipping companies/ air lines may accept freight charges on FOB exports in foreign currencies from the eligible licenced freight forwarders also (Please see Section-III, Chapter 17).

(xi) Transactions of freight forwarders

Besides the instructions mentioned in different paras of this chapter relevant to the operations of freight forwarders, other instructions including maintaining FC account, receipts of freight in FC and Bangladesh currency against handling of export/import cargo, outward remittance to counterpart freight forwarders, reporting to Bangladesh Bank, etc. are enumerated in Section -III, Chapter 17.

2. Remittance of surplus earnings of foreign airlines, shipping companies, railway companies and courier services companies

Apart from the periodical statements referred to in the foregoing paragraph, applications for remittance of surplus earnings of foreign airlines and shipping companies (in form TM, with declaration as per Appendix 5/9) submitted to the ADs should be accompanied by the following documents:

(A) Airlines

(i) Dummy P Form duly filled in as per Appendix 5/56.

(ii) P-2 Form (where applicable) filled in as per Appendix 5/57.

(iii) Encashment Certificate as per Appendix 5/58, certificate of debit to convertible Taka account as per Appendix 5/59 and certificate of debit to shipping agent's/ company's account as per Appendix 5/60 as applicable, certificate of inward remittance against FOB export (Appendix 5/96).

(iv) Airway Bill in the case of excess baggage, export cargo etc. If freight against export from Bangladesh is accepted in local currency, certificate from Exporter's Bank as per para 1(viii) (a) above; 81CH 10

(v) In the case of payment of freight in taka on import against LCAF, certificate from the concerned ADs as per para 1 (viii)(b) above;

(vi) In the case of issue of tickets against convertible Taka Accounts, letter of authorisation from the concerned account-holder as per para 11 (vi)(b) of Chapter 12.

Each form/supporting document will be submitted by the airline/ its GSA to the AD in duplicate.

Examination and Processing by Authorised Dealers

From the above mentioned documents the ADs shall satisfy themselves that the concerned airlines have collected passenger fare/cargo freight as per routes and fares approved by the Civil Aviation Authority of Bangladesh (CAAB). Moreover, the ADs have to satisfy themselves that

the provisions of this Chapter and Chapter 12(Travel) relating to issuance of tickets and collection of freight have been duly complied with. All statements/returns/documents submitted to the Bangladesh Bank must show the following at actual :

- (a) fare realised from passengers
- (b) freight against cargo
- (c) number of passengers
- (d) number of cargo challans
- (e) expenses incurred under different heads

This is to mention here that only actual fare realised from passengers and actual freight realised against cargo shall be considered to determine remittable surplus to abroad in compliance with instructions stated in para 1(ii) of this chapter. It would be necessary for the ADs to obtain confirmation in writing from the certificate issuing ADs as to the genuineness of the encashment certificates submitted by the airlines.

To ascertain the expenses of the airlines, the ADs shall examine the statements submitted by the airlines in terms of para I (v) of this Chapter [Appendices 5/43-49]. Bills/vouchers issued by the relevant authorities submitted by the airlines in support of the expenses shown in Appendix 5/46 should be examined and written explanation should be obtained in case of major omissions (e.g. landing charge in case of on line carrier) in the statement. If the explanation is not found satisfactory, the matter should be brought to the notice of the the Bangladesh Bank immediately.

While determining surplus earnings, the concerned ADs shall satisfy themselves that the agency commission, overriding commission (in the case of issue of tickets and collection of freight by the GSA) as per IATA rules, and taxes at the applicable rate have been deducted. 82CH 10 Taxes may not be deducted to the extent exempted by Bilateral Treaties providing for tax exemption or where bank guarantees are furnished as per approval of the tax authorities. Airlines may pay taxes out of funds earlier earmarked for tax on the basis of assessment made by the tax authorities or from their current income. In the latter case, the taxes paid should be shown as an item of expenditure in the disbursement statement of the month in which the taxes have been paid. If expenditure in any month exceeds income, the deficit must be covered by inward remittance.

After determining the surplus earning as per relevant provisions of this Chapter and Chapter 12, the AD will approve form TM and remit surplus earnings to the head office of the applicant airline. Thereafter, within fifteen days of the following month of effecting remittance, the ADs shall submit to the Bangladesh Bank one set of all the relevant papers including copies of each form/document and approved form TM for post facto examination.

(B) Shipping Companies

- (i) Encashment certificate in support of remittance from abroad by head office/principal;
- (ii) Import/export freight manifests and bills of lading mentioned in the manifests;
- (iii) In the case of arrival in Bangladesh ports of vessel chartered by the foreign principal of Bangladeshi shipping agent, attested copy of the relevant charter party;
- (iv) In the case of export cargo, statement regarding tax liability in prescribed form (Appendix 5/61) duly signed by the taxation and customs authorities. The shipping company/its agent shall prepare this statement in quadruplicate and submit it to the tax authorities. The concerned Deputy Commissioner of Taxes will put his signature and seal on those and return three copies to the concerned shipping company or his agent. The shipping company/agent will submit those 3 (three) copies to the concerned office of the customs authorities who will put there signatures and seal alongwith name and full address on those and return two copies to the shipping company/agent who will submit these to the AD. The authorised officer of the AD will put his signature and seal mentioning name and address on both copies, retain one copy and return the other to the shipping company/agent;
- (v) Forms as per Para 1(vi) above and declarations as per Para 1(viii)(a) and Para 1(viii)(b) above;
- (vi) Bill/voucher in support of expenses shown in Form Shipping IV (Appendix 5/53) for all expenses of Tk. 2500 (Two thousand five hundred) or more per item.

Each form, statement and supporting bills/vouchers shall be submitted to the AD in duplicate. 83CH 10 Examination and Processing by Authorised Dealer

In determining total income, freight received against export on CFR/CIF/CPT/CIP basis, freight received against import on FOB basis and fund received by way of inward remittance from head

office/principal of local shipping agent are to be added. The surplus earning is to be determined by deducting expenses shown in Form Shipping IV from the total income. Expenses relating to port charges and custom charges as per disbursement statement (Form Shipping IV) are to be checked with the bills issued by the concerned port authority. The ADs shall satisfy themselves that freight brokerages have been reflected in Form Shipping IV.

In the case of export of non-jute and non-traditional goods (including export of jute yarn and jute carpet by private sector jute mills and jute carpet manufacturers) 0.50(half) percent of total income is payable to Bangladesh Shippers' Council as freight brokerage on account of service charge. This freight brokerage is also required to be shown in the disbursement statement as an expense. The AD shall also ensure that agency fees and commission as per para 1 (iv) above have been shown at serial no 8 of the Disbursement Statement. Taxes shown in Disbursement Statement should be checked with particulars furnished for determination of tax liability as per Appendix 5/61. Since income tax on account of Feeder Freight is not shown in the Appendix referred to above, remittance of surplus earnings may be allowed only on receipt of supporting document to the effect that income tax has been paid on this account. Any advance payment made to the Master of the ship, payment towards bunker supply, expenses incurred in connection with hotel bill or charter hire should also be shown separately in the Disbursement Statement. For each item of expense amounting to Tk. 2500(two thousand five hundred) and above, the relevant bills should be checked. In each case of remittance of surplus earnings, the ADs should obtain a certificate from the Shipping Company/Agent that all the expenses have been shown in the disbursement statement, and that omission of any expense from the said statement shall render the applicant liable for action against violation of Foreign Exchange Regulations. The AD shall approve the form TM for the amount of surplus earnings found in order and after effecting remittance forward one full set of the papers alongwith approved form TM to the concerned area office of Bangladesh Bank within 15(fifteen) days of the following month of such remittance for post facto examination.

(C) Courier Services

A foreign courier service company/its agent shall submit to the AD monthly statements for the purpose of remittance of surplus earnings to Head Office/Principal abroad. The monthly statement, certified by a registered chartered accountant and its supporting documents should contain information relating to each collection in Bangladesh against outward despatches; 84CH 10 volume/weight of the documents/parcels despatched, mode of despatch, office abroad (with name of city and country) through which documents/parcels have been delivered, amount of commission and the amount payable to the principal on account of charges. The surplus earnings shall be determined by deducting from gross collections (i) the local agent's commission for handling inward and outward documents/parcels (ii) taxes payable on gross collections as applicable and (iii) audit fees and other expenses. Remittance applications should also be accompanied by invoices raised by head office/principal abroad for the claimed amount. As in the case of remittance of surplus earnings of airlines and shipping companies, the application and all other papers shall be submitted to the AD in duplicate. After recording approval in form TM and effecting remittance, the AD shall forward one full set of all papers including copy of approved form TM to the concerned area office of the Bangladesh Bank for post-facto examination within 15(fifteen) days of the following month of effecting remittance.

(D) Railway Companies: Remittance of surplus earnings of foreign railway company by local agent.

ADs may effect remittance of surplus earnings on behalf of local agents of foreign railway companies to their principals abroad. Local agents operating with the authorisation/licence of competent government bodies shall submit to the ADs monthly statements for the purpose of remittance of surplus earnings to foreign principals. The monthly statement, certified by a registered chartered accountant and its supporting documents should contain information relating to each collection in Bangladesh against sales of ticket, amount of commission and the amount payable to the principal abroad. The surplus earnings shall be determined by deducting from gross collections (i) the local agent's commission (ii) taxes payable on gross collections as applicable and (iii) audit fees and other expenses. Remittance applications should also be accompanied by invoices raised by principal abroad for the claimed amount. After recording approval in form TM and effecting remittance, the AD shall forward one full set of all relevant papers to FEOD, Bangladesh Bank, Head Office, Dhaka for post-facto examination within 15

days of the following month of effecting remittance. In addition to this, AD shall report the transactions to FEOD, Bangladesh Bank, Head Office/the concerned area office of Bangladesh Bank in the monthly returns/statements.

3. Operating in Bangladesh as agents of non-residents or branch/liaison/representative offices etc.

Before taking up for processing a remittance application, the AD shall check whether the concerned agent/office of the airline, shipping company, courier service company, freight forwarders, stock brokerage firms, satellite channel distributors, railway company, etc. are operating in Bangladesh with permission from competent government authorities, as applicable as mentioned in Sections I, II and III of Chapter 17.

4. Undertakings for adjustment/repatriation of excess amount

In all cases of remittances of surplus earnings, undertakings shall be obtained from the applicants to the effect that in the event of detection, on post facto scrutiny, of any excess remittance, the excess amount will be repatriated/adjusted from subsequent remittable amount.

5. Submission of monthly return to Bangladesh Bank

All the above mentioned remittances shall be reported in the usual monthly returns submitted by the ADs to the Bangladesh Bank. Besides, all receipt and payment transactions through foreign currency accounts shall have to be included in the monthly collection and disbursement statements routinely submitted to Bangladesh Bank by shipping companies/airlines through their AD banks. In this context, collection in foreign currency should be presented in a separate column of relevant statements (Appendix-5/42, 5/43, 5/44, 5/45, 5/46, 5/48, 5/49, 5/50, 5/51, 5/52, 5/53, 5/54, 5/62, 5/63, 5/65, 5/66, 5/67).

6. (i) Operating expenses of Bangladesh Shipping Corporation and Bangladesh Biman
Bangladesh Shipping Corporation and Bangladesh Biman are allowed to make remittances to meet bonafide disbursements in foreign ports/foreign stations without prior approval of the Bangladesh Bank.

(ii) Submission of Statement Bangladesh Shipping Corporation

Bangladesh Shipping Corporation is required to submit the following periodical statements/returns in regard to their foreign operations:

(a) Consolidated quarterly statement showing income and expenditure in respect of foreign shipping agents as per Appendix 5/62.

(b) Consolidated quarterly statement showing income and expenditure in foreign exchange by foreign agents as per Appendix 5/63.

(c) Consolidated quarterly statement showing balances held abroad with banks, main agents and other credit agencies as per Appendix 5/64.

(d) A copy of the monthly report of cash foreign exchange earnings and expenditure submitted to Ministry of Finance.

Returns as at (a) to (c) above should reach Bangladesh Bank, Head Office, Dhaka within two months following the quarter to which returns relate and returns at (d) above by 20th of the following month.

(iii) Submission of Statement Bangladesh Biman

Bangladesh Biman is required to submit a consolidated monthly statement of foreign exchange earnings and expenditure as per Appendix 5/65.

7. Statements/returns to be submitted by Private Shipping Companies

All private shipping companies in Bangladesh are required to submit the following quarterly statements/returns :

(a) Statement of earnings and expenditure in Bangladesh in respect of vessels owned by private shipping companies as per Appendix 5/66.

(b) Statement showing earnings and expenditure of foreign agents of Bangladeshi shipping companies as per Appendix 5/67.

(c) Consolidated statement of earnings, disbursements and net amount repatriated to Bangladesh as per Appendix 5/68.

(d) Statement showing debits and credits to foreign currency account maintained by shipping companies with banks abroad as per Appendix 5/69.

The statements should reach FEOD, Bangladesh Bank, Head Office, Dhaka or concerned area office of Bangladesh Bank within two months following the quarter to which those relate.

8. Charter of Foreign Aircraft

Persons or firms holding permission of the appropriate ministry of the Government to charter

non-resident-owned aircraft may apply for remittance approval of Bangladesh Bank in form TM alongwith the permission letter of the Govt. The application should be accompanied by a copy of the charter agreement together with an undertaking that a detailed account of all disbursements made for the account of the owners will be submitted to Bangladesh Bank within 15(fifteen) days of the expiry of the period of the agreement.

If the application is approved, a permit will be issued to cover any advance payments required under the terms of the Charter but the remittance of the total amount agreed upon will not normally be sanctioned until the final accounting of disbursements etc. is made available to the Bangladesh Bank. 87CH 10

9. Charter of foreign ships

Persons or firms resident in Bangladesh intending to remit foreign exchange in favour of non-resident owners of ships on account of charter hire shall apply to the ADs.

The documents to be furnished alongwith the application are :

- (i) Form TM duly filled in;
- (ii) Permission from the Ministry of Shipping/Directorate General of Ports and Shipping for charter of the concerned non-resident owned ship;
- (iii) Waiver certificate from the D.G., Ports & Shipping;
- (iv) Contract(Charter party/Agreement) between the ship owner and the charterer;
- (v) Contract between the exporter and the charterer (where the exporter is not the charterer himself);
- (vi) Freight prepaid bill of lading;
- (vii) Bank certificate in support of CPT/CFR/CIF/CIP export as per proforma prescribed vide para 1 (viii)(a) above;
- (viii) Freight/cargo manifest issued by the Shipping Agent;
- (ix) Mate's receipt issued by the Captain/Master of the concerned ship;

If the above documents are found in order, the total quantity of goods shipped shall be determined from the concerned bills of lading, cargo/freight manifest and Mate's receipt.

Thereafter, the total freight shall be determined by applying the rate of freight mentioned in the charter party (agreement concluded between the ship-owner and the charterer) to the aforesaid quantity of goods. To be certain that the goods shipped have been exported on CFR/CPT/CIF/CIP basis, it would be necessary to examine certificates issued by the concerned banks. Net charter freight is required to be determined by deducting freight tax at prescribed rate, freight brokerage, port dues etc. and other local expenses relating to the chartered ship from the total freight. In the event of remittance of foreign exchange by the concerned non-resident ship owner for the purpose of said local expenses, net remittable charter freight shall be determined by adjustment of the amount so remitted from abroad. After determination of net charter hire on the basis of the above procedure, the AD shall approve the form TM and effect remittance to the non-resident owner. Before allowing remittance of charter hire, the AD shall obtain from the charterer an undertaking that the charterer shall submit to the AD the final Income-Expenditure Statement alongwith required documentary evidences within one month from the date of remittance of charter hire.88CH 10

Further, an undertaking is to be obtained from the charterer to the effect that if on subsequent scrutiny the remittance is seen to be in excess of amount actually payable, the excess amount will be repatriated through normal banking channel.

10. In case the charterer is a private Bangladeshi shipping company, the AD, before effecting remittance, shall satisfy itself that the concerned shipping company has no surplus earnings abroad or the surplus earnings kept abroad is not sufficient to meet the concerned charter hire.

11. Income-Expenditure statement of the chartered foreign ship company

The charterer shall submit to the concerned AD a final Income- Expenditure Statement relating to the charter alongwith documentary evidences within one month from the date of approval of the remittance. Each of the above documents/statements and related papers shall be obtained in duplicate and one set of the same alongwith approved form TM shall be sent by the AD to the relevant area office of the Bangladesh Bank, for post-facto examination.

12. Import through chartered ship : payment of freight charges to ship-owner abroad

To effect payment of freight charges to foreign ship-owners for ships chartered by the importers in Bangladesh, ADs shall have to observe the following conditions to remit such charges :

- (a) the relevant Bill of Entry has been submitted as proof that the goods have been arrived in the country;
- (b) the ADs should satisfy themselves that the unit value of the imported goods including freight

- is competitive with the value of such goods imported on CFR basis in the respective period;
- (c) Import Policy Order in force has been meticulously complied with ;
- (d) authorisation from the Directorate of Shipping has been obtained (if general waiver has not been accorded) ;
- (e) Form TM is duly filled in.

13. Remittances against export claims

The ADs may remit export claims not exceeding 10(ten) percent of the repatriated export proceeds on the following counts:

- (a) Short weight claim;
- (b) Quality claim;
- (c) Part shipment. 89CH 10

In these cases the exporters will be required to apply to the AD in the form given in Appendix 5/70. The forms TM in these cases shall be approved by the concerned ADs. Genuineness of the claim should in these cases be established by examination of the following documents:

(a) Short-weight Claim

- (1) Proceeds Realisation Certificate (PRC);
- (2) Debit Note from the buyer;
- (3) Weighment Certificate/Note from a recognised weighing body;
- (4) LMD Certificate (for shipping weight basis shipment) in the case of raw jute.

(b) Quality Claim

- (1) PRC;
- (2) Debit Note from the buyer;
- (3) Test Report from a recognised test house or an Arbitration Certificate from an approved body of arbitrators.

(c) Part Shipment

- (1) PRC;
- (2) Debit Note from the buyer;
- (3) Contract in original;
- (4) Arbitration award from a recognised arbitrator as referred to in the contract.

14. In the following cases the ADs may effect remittances in settlement of commercial claims in respect of exports without prior approval of the Bangladesh Bank:

(i) Claims on export of jute goods by mills controlled by the Bangladesh Jute Mills Corporation (BJMC) provided:

- (a) The remittance application of the mill concerned is supported by a genuineness certificate about the claims issued by the BJMC.
- (b) The proceeds realisation certificate is submitted alongwith the application.
- (ii) While receiving application from the exporter for approval of remittance on account of quality claim against export of raw jute and jute goods, No Objection Certificate/ 90CH 10 recommendation issued by the Directorate of Inspection of Jute and Jute goods should be asked for alongwith other prescribed documents. No remittance application against quality claim on export of raw jute and jute goods should be considered without this No Objection Certificate/recommendation.

15. The ADs will submit to the FEOD, Head office or other offices of Bangladesh Bank all the documents under various types of export claims as mentioned in Paras 13 & 14 above for post facto examination, within 15 days from the date of remittance.

16. Applications (Appendix 5/70) from exporters for export claim remittance of more than 10(ten) percent of repatriated export proceeds, supported by documents mentioned in para 13 above, should be forwarded to the Bangladesh Bank alongwith form TM for prior approval. Such applications for remittance against other types of claim settlements on exports should also be forwarded similarly to Bangladesh Bank for prior approval, duly supported by the relevant documents as listed below:

(i) Amicable Settlement

- (a) PRC.
- (b) Debit Note from the buyer.
- (c) Certificate from the Chamber of Commerce in the country of import.
- (d) Correspondence in original exchanged between the shipper and the buyer. Original cables should be produced if cable charges are included in the Debit Note.

(ii) Commission

- (a) PRC.
- (b) Debit Note.
- (c) Agreement regarding the payment of commission.
- (iii) Cancellation of the contract
 - (a) Debit Note.
 - (b) Contract.
 - (c) Correspondence in original passed between buyer and shipper.
 - (d) Arbitration Certificate, or Chamber of Commerce's Certificate for claims settled amicably.
- (iv) Freight against exports:
 - (a) PRC 91CH 10
 - (b) Debit Note. (c) Contract.
 - (d) Bill of Lading.
 - (v) Inspection fee, arbitration fee, survey and analysis fee etc.
 - (a) PRC.
 - (b) Debit Note from the institution claiming fees.
 - (c) Report from the above institution in support of the claim.
- (vi) Miscellaneous claims like refund of export duty
 - (a) PRC
 - (b) Debit Note.
 - (c) Contract.
 - (d) Correspondence.

17. In addition to the export claims mentioned above, remittance on account of the undermentioned claims in respect of raw jute are also allowed subject to fulfillment of documentation prescribed for each type of claims.

- (i) Invoice back and Resale
(Remittance is allowed after resale of the goods is completed. Resale price is adjusted from invoiced back claim).
 - (a) Original arbitration award (including appeal award, if any).
 - (b) Documentary evidence to show that:
 - (i) Shipper had advised the Bangladesh Bank about buyer's exercising the option of invoicing back the parcel.
 - (ii) Prior permission from the Bangladesh Bank was obtained for resale of the invoiced back goods.
 - (c) Receipts, bills, vouchers etc. in support of miscellaneous charges included in the claim.
 - (d) Account sale or resale note.
 - (e) Resale Contract [(For resale, maximum commission is 1(one) percent and no commission is allowed if the goods are resold to the same party who has invoiced back the parcel)]. 92CH 10
- (ii) Default
 - (a) Original Contract.
 - (b) Correspondence in original exchanged between the shipper and the buyer regarding non-shipment.
 - (c) Original arbitration award or amicable settlement certificate.
 - (d) Documentary evidence in support of market difference of claims. (e) Shipper's explanation for non-fulfillment of the contract.
- (iii) Moisture claim
 - (a) PRC (b) Debit Note.
 - (c) Original contract.
 - (d) Original arbitration award or test report or analysis report.
- (iv) Late shipment penalty
 - (a) Original contract.
 - (b) Copy of bill of lading.
 - (c) Shipper's explanation showing reasons for late shipment.
 - (d) BJA's letter declining to issue unavoidable delay certificate.
 - (v) Difference for payment received at sight instead of after sight (usance) basis
 - (a) Original contract.
 - (b) Correspondence showing at whose instance the payment was made at sight.
 - (c) Banker's confirmation that the proceeds were realised at sight showing the date of realisation and particulars of returns in which the transaction was reported.

- (d) The basis on which the difference is claimed and evidence in support thereof.
- (vi) Freight rebate (or difference in rebate)
- (a) Original Contract.
- (b) Copy of Bill of Lading.
- (c) Shipping company's certificate of payment (if freight paid abroad and rebate paid in Bangladesh). 93CH 10
- (vii) Refund against overpricing

- (a) Original contract.
- (b) Correspondence exchanged between buyer and seller in this regard.

18. Discount claims for shipment of readymade garments

All cases of discounts claimed by the importers on account of discrepancies in documents, short shipment, late shipment, conservative arrest, quality issue etc. in respect of shipment of readymade garments should be submitted (as per prescribed format shown in Appendix 5/71) to the Discount Committee through FEPD, Bangladesh Bank, Head Office for recommendation/decision. However, before referring such case to the Committee, AD must be satisfied about the genuineness and merit of the case.

19. For any other type of export claims not covered above, the exporter's application should be forwarded by the AD to Bangladesh Bank with full information and supporting documents.

20. ADs should furnish monthly statements of export claim remittances (as per Appendix 5/72), mentioning remittances allowed by themselves during a month under general authority given to them as well as those allowed with prior Bangladesh Bank approval, by the 7th day of the following month.

21. Claim settlement under marine insurance policies

For remittances on account of settlement of claims arising under Marine Insurance Policies, the ADs are required to submit the following documents to the Bangladesh Bank with Form TM duly filled in alongwith a declaration as per Appendix 5/73 for approval:

Marine Policies

- (i) Shippers' invoices relating to shipment against which claim is made.
- (ii) PRC
- (iii) Bill of Lading.
- (iv) Claim Note.
- (v) Original Insurance Policy/Certificate.
- (vi) Survey Report.
- (vii) Short Contents Certificate from the Customs Authorities of the country of import in case claim is made for short delivery of goods. 94CH 10

22. General Average Payment

There is a General Average Act when an extraordinary sacrifice or expenditure is intentionally and reasonably made or incurred for the common safety for the purpose of preserving from peril the property involved in a common maritime adventure. To protect a ship and a major portion of its cargo from peril, the captain may declare General Average. To determine losses arising from General Average Act the captain then appoints an Adjuster. The General Average Adjuster sends report to the concerned parties stating therein the amount of loss, the share of each in the loss and the destination to which the share is to be remitted. In this context the insurance companies may apply to the AD for remittance abroad of the amount representing the shares of consignees insured by them, with the following document :

- (i) Final Report of the General Average Adjuster
- (ii) Marine Cargo Policy
- (iii) Copy of Letter of Credit (LC)/contract
- (iv) Bill of Lading
- (v) Invoice
- (vi) Average guarantee
- (vii) Form TM and declaration as per Appendix 5/73
- (viii) Declaration from Shadaharan Bima Corporation alongwith the list showing names of the insurance companies concerned with the General Average.

Before allowing remittance the ADs shall satisfy themselves that the names of the company mentioned in the Marine Policy, of the ship, of the consignor and the consignee, the quantity of goods and price mentioned in the invoice, bill of lading no. and the quantity of goods mentioned therein, the quantity of goods and value mentioned in the LCs/contract the quantity of goods and

value mentioned in the Average Guarantee etc. are consistent with the details contained in the General Average Adjuster's report. If all the documents and papers are found in order, the ADs may approve form TM and effect remittance on account of the General Average contribution applied for. All the papers and documents are to be preserved for eventual post facto checking by inspection team of Bangladesh Bank.

23. Employment of overseas agents etc.

Prior permission of the Bangladesh Bank is required by persons or firms in Bangladesh who wish to employ the services of agents abroad, whether on regular or intermittent basis. 95CH 10 Applications for this purpose should be made by letter giving full details of the nature and value of the business transacted in the past by the applicant, the existing arrangements and the nature of the proposed arrangements to be made with the overseas agents and where approved, applications for remittances should be made on form TM quoting reference of the approval of the facility by the Bangladesh Bank.

24. Opening of branches or subsidiary companies abroad

Prior approval of Bangladesh Bank is not required by the residents in Bangladesh for opening of offices/subsidiary companies abroad. They are however required to report the same to Bangladesh Bank within one month of opening of such offices, as per Appendix 5/74. Companies/firms shall, through ADs, regularly submit to FEID, Bangladesh Bank, Head Office periodical statements of accounts of these offices/subsidiary companies abroad; any net surplus of earning over routine current expenses/net profit of such offices are to be promptly repatriated to Bangladesh.

Remittance of upto USD 30,000(thirty thousand) or equivalent may be made annually to meet current expenses of such offices opened abroad by a commercial or industrial concern. Such remittance may only be made in the names of concerned offices/subsidiary companies abroad. The ADs shall examine following papers before effecting remittances:

(1) approval letter of the competent authority of the country concerned for opening the office in that country.

(2) lease agreement relating to the premises.

The AD shall satisfy itself about the actual necessity of remitting funds by examining the actual and/or estimated incomes and expenses of the office/subsidiary company abroad as revealed from its audited accounts and the other papers; and remit funds to the extent found necessary, subject to the prescribed ceiling. Before effecting remittances for subsequent years the ADs shall verify the renewed lease agreement (if applicable) and other related vouchers.

25. Application of Bangladesh Investment Development Authority Act, 2016 for payment of royalty, fees for technical knowledge or technical assistance and franchise fees to foreign persons or institutes.

Section 18 of Bangladesh Investment Development Authority (BIDA) Act, 2016 requires approved industrial enterprises to make applications to the Authority for payment of royalty, fees for technical knowledge or technical assistance and franchise fees to foreign persons or institutes in accordance with the prescribed manner as defined by BIDA. Accordingly, private sector industrial enterprises as defined in Section 15(3) of the Act shall have approval from BIDA for such remittances. 96CH 10

26. Outward remittances on account of payment of royalty, fees for technical knowledge or technical assistance and franchise fees.

On receipt of applications together with approval from BIDA, following instructions shall be observed by ADs before execution of remittances:

(a) ADs shall be ensured that they are nominated for the remittances as per approval letter issued by BIDA;

(b) ADs shall be satisfied that applicable taxes payable on remittable amounts have duly been deducted and paid;

(c) ADs shall satisfy themselves about the genuineness of the relevant documents. They will immediately contact with BIDA in case of any doubt.

(d) As usual, ADs shall preserve customer-wise documents for eventual examination by Bangladesh Bank inspection team and shall report the transactions to Bangladesh Bank.

27. Remittance of cost of training and consultancy services

Industrial enterprises producing for local markets and service sector industries may remit through their nominated ADs upto 1(one)percent of annual sales as declared in their previous year's income tax return towards costs of training and consultancy services as per relevant contract with the foreign trainer/consultant, and prior approval of Bangladesh Bank will not be

required for such remittances. In this connection industrial enterprises will mean firms and companies engaged in manufacturing or processing or assembling and service sector industries will mean the industries within the purview of Industrial Policy in force.

28. Remittance of profit of branches of foreign firms other than financial institutions
ADs may without prior Bangladesh Bank approval remit abroad the profits of branches of foreign firms and companies. The foreign firm/company operating in Bangladesh should for this purpose submit application to its nominated AD duly supported by the following documents/information:

(A) Submission of Documents

- (i) Audited Balance Sheet and Profit and Loss Account for business done in Bangladesh for the relevant period.
- (ii) Consolidated audited Balance Sheet and Profit and Loss Account of the company/firm (head office) for the corresponding period. 97CH 10
- (iii) Year-wise reconciliation of head office accounts for the period for which profit remittance is applied for.
- (iv) Documents regarding payment of taxes in Bangladesh:
 - (a) A certificate from the Auditors in Bangladesh that tax provision made in the accounts for the period in question is sufficient to meet all tax liabilities in Bangladesh; or,
 - (b) Copies of final assessment orders and forms in respect of all taxes for the period duly certified and stamped by the department concerned.
- (v) Full particulars about additions to fixed assets of the company in Bangladesh, if any, during the period and source of funds for financing such additions.
- (vi) Particulars of outstanding borrowings in Bangladesh of the company/firm.
- (vii) Permission letter of the relevant Government Authorities for carrying on business in Bangladesh and the terms and conditions thereof.

(B) Examination of Documents

The ADs, shall examine and process the applications for profit remittance as follows:

- (i) All past losses should be adjusted either to profit and loss account or general reserve account.
- (ii) Additions to fixed assets, furniture and fixture, office equipments, cars etc. will be deducted from net profit before arriving at the remittable profit. If the additions are financed out of depreciation, disposals during the year and/or non-repatriable funds received from abroad, no deduction for these will be made from the profit.
- (iii) Profit on sale of small fixed assets items like furniture, fixture and equipment and profit on sale of investments in stocks, shares, bonds, securities etc. may be treated as admissible items of remittable profit.
- (iv) The entire amount of the profit on sale of fixed assets acquired for running the normal business activities of the concern as well as profit on sale of investments in share, securities etc. acquired out of undistributed remittable profit will also be treated as remittable.
- (v) Profit on sale of immovable properties such as land, building, etc. shall be deducted from remittable profit unless prior permission of Bangladesh Bank has been obtained on application alongwith (a) Auditor's certificate about current market value of the immovable property sold (b) balance sheet and other papers of the relevant period establishing the book value of the property on the date of sale (c) copy of agreement of sale certified by the Auditor (d) papers regarding tax assessment/tax payment on the capital gains from the sale. 98CH 10
- (vi) Net amount of cash subsidy, if any, granted by the Govt. shall be deducted from profit.

(c) Remittance of profits of Sterling Tea Estate Companies

Further to the requirements of sub-paras (A) and (B) above, applications for remittance of profits of Sterling Tea Estate Companies should fulfill the following:

- (i) The companies will prepare accounts in Taka and apply for remittance in Taka.
- (ii) The Auditors should certify that the computation of remittable profit and the entire income for the year has been earned on business authorised by the Memorandum and Articles of Association of the company and accrued in Bangladesh and that all losses and revenue liabilities have been adjusted before arriving at the remittable profit. The Auditors must also certify that in their opinion the accompanying financial statements present fairly the financial position of the company as of date and the results of its operations and changes in financial position for the year ended, are in conformity with the generally accepted accounting principles applied on a business consistent with that of the preceding year and the deviations, if any, have been reported.
- (iii) Certified copies of assessment orders and evidence of payment of all income and other

taxes or a certificate from the Auditors of the company that adequate provision has been made to meet all tax liabilities in Bangladesh, both for the previous years as well as current year together with the calculation sheet duly certified by the Auditors showing how the tax provision figure has been arrived at, should be produced.

(D) The firm/company will keep the Foreign Exchange Investment Department, Bangladesh Bank, Head Office informed beforehand about its nomination of AD and about any subsequent change in such nomination. The AD shall determine the Taka amount of the remittable profit after examining the remittance application in terms of sub-paras (B) and (C) above and effect remittance of equivalent foreign exchange. After making the remittance the AD shall forward the remittance application and supporting papers/documents in original to the Foreign Exchange Investment Department, Bangladesh Bank for post facto checking within one month of effecting remittance. Another copy of the remittance application alongwith the approved form TM shall be forwarded, to the concerned area office of the Bangladesh Bank with the monthly returns of the AD.

29. Remittance of profit of banks, insurance companies and other financial institutions
Foreign banks and financial institutions operating in Bangladesh may remit profits to their head offices abroad through their nominated ADs without prior Bangladesh Bank approval. Foreign insurance companies operating in Bangladesh may likewise remit the shareholders' portion of 99CH 10 profits through their nominated ADs without prior Bangladesh Bank approval. The basis for computation of remittable profit and the documents on which the calculations should be based shall be as follows :

(A) Documents

(a) Audited Balance Sheet and Profit & Loss Account in respect of operation of the foreign bank/insurance company/financial institution in Bangladesh for the relevant year;

b) (i) Copies of final assessment orders and forms in respect of all taxes for the period duly certified and stamped by the taxation authority or (ii) certificate from the Auditors in Bangladesh that tax provision made in the accounts for the period is sufficient to meet all tax liabilities;

c) Certificate authenticated by the Auditor showing particulars of additions to fixed assets in Bangladesh, if any, during the period alongwith the amount of depreciation made, sale proceeds of fixed assets disposed of, and the amount of non-repatriable funds received from abroad to finance capital expenditure during the period;

d) Auditor's certificate with regard to the income accrued and shown in the books of accounts but not actually realised on the date of remittance;

e) In case of insurance companies, Actuary's valuation report relating to the period for which remittance is to be sent, and approval letter from Insurance Development and Regulatory Authority (IDRA) regarding remittance of shareholders' portion of profits for the period;

f) Auditor's certificates regarding adequacy of (i) capital and reserves and (ii) provisioning against classified loans, advances and other assets required in terms of applicable laws and regulations; mentioning clearly both the required and the actual levels of capital, reserves and provisions;

g) An undertaking from the applicant foreign bank/insurance company/ financial institution that any amount determined by Bangladesh Bank as having been remitted in excess of the amount actually remittable shall be repatriated immediately on demand.

(B) Computation of remittable profit

Upon being satisfied about the consistency of the amount applied for remittance with the facts and figures in the documents listed above, profits as per audited accounts may be remitted after making necessary deductions on the following counts: 100CH 10

a) Tax: Tax assessed by the taxation authority or in the event assessment is not completed on the date of remittance, the amount of tax as provided for in the books of accounts and certified by the auditors as adequate in accordance with the tax laws;

b) Additions to fixed assets: Costs of fixed assets, furniture and fixtures, office equipment, cars etc. acquired/bought during the year minus cost of assets financed out of depreciation, sale proceeds of assets and those bought with non-repatriable funds from abroad as shown in the Auditor's certificate referred to in para 29(A)(c) above;

c) Profits on sale of immovable assets: Any amount of profit in excess of Tk. 10,000 (Ten thousand) arising out of sale of immovable assets (land, building etc.) included in the profit;

d) Income receivable: Any unrealised interest income on adversely classified assets wrongly

credited to income statement.

e) Irregular income: Excess amount of interest and commission/charges etc. realised and included in the Profit & Loss Account as detected by the Bangladesh Bank inspection teams ;

f) Shortfalls in capital & in provision requirements: Any shortfall in capital & reserves in Bangladesh and any shortfall in maintenance of provisions against classified loans, advances and other assets as required in terms of laws and regulations by Bangladesh Bank/other relevant regulatory authorities from time to time;

g) Past accumulated losses :All accumulated previous losses.

30. Submission of documents to Bangladesh Bank for post facto checking

Attested copies of all papers/documents related to remittance of profits of foreign banks, financial institutions and insurance companies are to be forwarded to the Foreign Exchange Investment Department, Bangladesh Bank, Head Office, Dhaka by the AD, within one month of remittance, for post facto checking; retaining the originals in their records for inspection by Bangladesh Bank officials. Any sum remitted in excess (as may be determined by the Bangladesh Bank during post facto checking) shall have to be repatriated immediately.

31.(a) Remittance of dividend to non-resident shareholders

The ADs are allowed to remit dividends (both final and interim) to the non-resident shareholders on receipt of the application in the prescribed form (Appendix 5/75) in triplicate from the companies concerned duly certified by their Auditors and supported by the following documents:

(i) Attested copy of the certificate of incorporation of the company (to be submitted only once).

(ii) Audited Balance Sheet and Profit & Loss Account of the Company for the year to which the dividend relates.

(iii) Copy, certified by the Auditor, of the Board resolution declaring the dividend. 101CH 10

(iv) List of non-resident shareholders to whom dividend is payable.

(v) Certificate from the Auditor of the company to the effect that the taxes payable by the non resident shareholder on account of the dividend earned has been deducted.

(vi) Auditor's certificate to the effect that the provision for income tax and/or any additional liability (such as surcharge etc.) in connection with such taxes made in the accounts of the company is sufficient to meet all past and present tax liabilities of the company in Bangladesh upto the period for which remittance of dividend is applied for i.e. the provision should cover not only current year but also the previous years for which taxes have not yet been finally assessed and paid.

(vii) Final income tax assessment order as and when obtained.

(viii) Before allowing remittance the ADs should ensure that the applicant has given undertaking to the effect that in case of remittance of any ineligible amount, the amount so remitted will be repatriated to Bangladesh on demand by Bangladesh Bank/the AD.

(b) Each company will apply for dividend remittances through one nominated AD whose name should be communicated beforehand to the Foreign Exchange Investment Department, Bangladesh Bank, Head Office, Dhaka. Any change in the nominated AD bank should likewise be notified to the Bangladesh Bank well in advance.

(c) While allowing remittance of dividend the ADs should satisfy themselves that profit shown in the Balance Sheet and Profit & Loss Account has arisen out of the normal trading/business activities of the company or out of past accumulated reserves which were remittable. In arriving at the profit out of which dividend has been declared and applied for remittance, ADs should in particular verify to ensure that all previous losses/tax liabilities, if any, have been fully adjusted against current year's net profit or against general/revenue reserve. Also, any cash subsidy granted by Govt. to the company should be deducted from profit in arriving at the divisible profit, unless allowed otherwise by the Bangladesh Bank.

(d) Remittance of dividend should be approved in Taka first and be effected after converting the Taka into equivalent foreign exchange at the rate ruling on the date of remittance.

(e) Within one month of effecting remittance of dividend, one full set of the application, audited annual Balance Sheet and Profit and Loss Account and all other papers shall be forwarded by the AD to FEID, Bangladesh Bank, Head Office, Dhaka for post facto checking. Another copy of the application form shall be attached to the usual monthly returns to the concerned office of Bangladesh Bank. Third copy of the application form and copies of other papers should be retained by the AD for its record. 102CH 10

(f) The ADs will maintain separate company wise record of payment of dividends to the non-resident shareholders either by remittance or for credit to the Non-resident Investor's Taka

Account (NITA, see Ch 14) as the case may be, under the above general permission, so as to facilitate their inspection by the Bangladesh Bank.

(g) Remittance of pre-liberation dividend will, however, require prior approval of Bangladesh Bank. Such application should be forwarded by the ADs to the General Manager, FEID, Bangladesh Bank, Head Office, Dhaka on form TM alongwith all requisite documents for approval.

(h) Export of dividend warrants

Dividend warrants can be freely exported to the non-resident shareholders of both Bangladesh and foreign controlled companies provided the shares have been issued against payments in foreign exchange received through the banking channel or against payments out of NITA in the name of the shareholder in accordance with the general approval of the Bangladesh Bank accorded in this behalf.

(i) Remittance of profits to foreign partner in joint venture

For joint venture enterprises, Bangladesh Bank shall allow remittance of the foreign partner's/collaborator's share of profits on submission of application alongwith audited Balance Sheet, Profit & Loss Account etc. and other papers as per instructions contained in this paragraph.

32 (a) Subscriptions to foreign media services

On applications from the local newspapers, ADs may remit foreign exchange towards cost of subscription of news items, features, articles of foreign news agencies. Remittance should be made on the basis of (i) contracts entered into between the applicant and the foreign news agency and (ii) NOC of the Ministry of Information.

(b) Cost/fees for Reuter monitors

ADs may remit abroad costs/fees on account of their own subscription to foreign media services such as Reuter monitor service, without prior Bangladesh Bank approval.

(c) Cost/Fees for SWIFT

ADs may remit abroad costs/fees on account of their own subscription to SWIFT service provider without prior Bangladesh Bank approval.

33. Advertisement of Bangladeshi products in mass media abroad

ADs may without prior Bangladesh Bank approval effect remittance towards cost of advertisement of Bangladeshi products in mass media abroad. Remittance applications from the 103CH 10 companies/firms in Bangladesh should be supported by the invoice from the foreign mass media concerned, and the applicant will have to submit copy of the advertisement within one month of its issuance. The AD shall preserve the invoice, application and advertisement copy for post facto checking by inspection officials of Bangladesh Bank.

34. Bank charges and sundries

(a) The ADs may effect remittances towards settlement of dues to foreign banks of bank charges, cost of cables & other incidental charges arising in their normal course of the business without prior Bangladesh Bank approval. All such remittances should be reported to the Bangladesh Bank alongwith appropriate return.

(b) ADs may effect remittance towards cost of agent services of legal process under the USA PATRIOT Act of 2001 after satisfying themselves with the genuineness of the request through agreement/proforma invoice duly accepted and after deducting all applicable taxes.

35. Outward remittance by local satellite channel distributor to principal abroad

Outward remittance required by the Local Satellite Channel Distributors toward their Principals abroad may be remitted by the ADs subject to obtaining prior permission from Bangladesh Bank. It is mandatory that the annual audited balance sheet of the local distributor will have clear information about the income received from this sector. In that case, amount determined after adjustment of commission receivable by the agent/distributor as mentioned in the contract, government tax and others, if any, from the gross income, can be remitted abroad after obtaining permission from Bangladesh Bank. To obtain permission for remittance, the concerned authorised dealer bank shall submit the following documents to the Bangladesh Bank after proper scrutiny thereof:

(a) A statement containing information on monthly collection of fees by individual cable operator; government tax paid by the cable operators; amount receivable by the local agent/distributor as fees; other deductibles (if any) and amount to be remitted in favour of the foreign principal(s);

(b) Copy of the monthly statement of revenue collected from the local customers by the agent/distributor;

(c) Copy of invoice received from the foreign principal(s) (based on the statement of monthly

collections).

(d) The auditors' certificate on outward remittance stating whether tax at source is deductible or not, if so whether tax at source has been deducted or not; 104CH 10

(e) Copy of TIN Certificate and copy of documents pertaining to the payment of deducted income tax;

(f) An undertaking by Chief Executive of the agent/distributor (as per Appendix 5/76) to the effect that in case of excess remittance to the foreign principal(s) due to error in calculation or by mistake or otherwise, the amount so remitted will be brought back/repatriated/adjusted;

(g) Audited Balance Sheet, Profit and Loss A/C Statement and other financial statements for the year to which the remittance relates;

(h) Number of imported Decoder(s)/IRD(s) by the distributor from the principal (as per Letter of Permission from the Office of Chief Controller of Export and Import, Commercial Invoice and Packing List) and a detailed list of cable operators to whom the Decoder(s)/IRD(s) was(were) distributed. On being satisfied about the genuineness/correctness of the documents listed above, the authorised dealer bank on behalf of the agent/distributor shall apply to FEOD, Bangladesh Bank, Head Office along with form TM and all other necessary/relevant documents for sending remittance abroad. Remittance can only be made after obtaining approval from the above mentioned department.

36. Membership fee to foreign professional and scientific institutions

ADs may allow remittances on account of membership/affiliation fees payable by local business/professional entities to the professional/scientific institutions abroad without prior permission of Bangladesh Bank as mentioned in Para 9, Chapter 11.

37. Software maintenance/support fees

AD may continue to effect remittance of periodical maintenance/support fee for software during the tenure of the agreement for which maiden approval was accorded from Bangladesh Bank. In this context, the AD banks shall satisfy themselves with the bonafides of the subsequent requests through invoices and validity of the relevant agreement and comply with the instructions contained in first time approval letter of Bangladesh Bank.

38. . Remittance on account of legal expenses of banks

Banks may need to be involved in legal proceedings abroad for taking legal action against any party thereon or to face any litigation abroad sued against them. In both of the cases, bank may require outward remittance(s) of foreign exchange. Prior approval of Bangladesh Bank will be required for making any remittance for the first time needed for such legal proceedings.

However, once permission is granted for any case for the first time, subsequent remittances (if any) needed for the same case may be done without prior permission of Bangladesh Bank. Bank, 105CH 10 while applying to Bangladesh Bank for such remittance, AD shall have to submit the opinion of its own legal adviser regarding justification of being involved to the litigation and prospect for winning thereto along with permission of the board of directors of the bank concerned for participating in such legal proceedings.

39. Remittance facilities to IT/software firms

ADs may remit up to USD 30,000(Thirty thousand) on behalf of IT/software firms in a calendar year on account of international alliance/software registration fee, domain registration/hosting fee, server maintenance fee, account verification/remittance test fee, etc. without prior approval of Bangladesh Bank subject to compliance of the following drill:

(a) ADs shall ensure that the services against which fees have been paid are subsequently provided for;

(b) Invoice/demand note from the beneficiary abroad along with relative documents will have to be attached to the application for remittance;

(c) ADs shall ensure deduction of applicable tax and payment thereof;

(d) An undertaking from the applicant company to the effect that, in case of wrong or excess remittance, the amount remitted will be repatriated to Bangladesh immediately on demand.

(e) BASIS will issue letter of recommendation for a particular firm to a specific AD of applicant's choice. All subsequent letters of recommendations are to be addressed to the same AD. ADs shall maintain separate file for each firm to ensure maintenance of limit as mentioned above for verification by Bangladesh Bank inspection team.

(f) Within the limit of USD 30,000, ADs may issue International card favouring a nominated official of IT/Software firm for USD 6000 with the recommendation of BASIS. The international card may be refilled for another USD 6,000 subject to production of documents evidencing the

fact that the previous transactions were carried out for the purposes mentioned above. ADs shall ensure that the aggregate amount of refills of international card and outward payment through other means do not exceed USD 30,000 in a calendar year. ADs shall report the transactions to the concerned area office of Bangladesh Bank.

40. Remittance of IT Expenses through Virtual Cards (debit, credit or pre-paid)

International card issuing banks may issue 'Virtual Card' to individual developers/freelancers of mobile Apps and Games having acknowledgements/training/boot-camps/hackathons/course participation certificates on mobile application development arranged by government authority, BASIS, or its member organisation and any other recognised training/academic institutes for 106CH 10 online payment of fees for a) Registration/licence fees to reputed online or mobile application marketplace like Google, iTunes, Firefox, Windows, Blackberry, etc. b) Any associated licence fees such as game engine or other software licence for mobile application or game development c) Online training fees for programs such as vendor certification examination, etc. d) Any domain registration/renewal, hosting/cloud solutions within the scope of mobile/game application development. However, The release of foreign exchange for these purposes shall not exceed USD 300(three hundred) or its equivalent in a calendar year.

41. Outward remittance of commission earnings of 'foreign brokerage firm' against service rendered to foreign portfolio investors in Bangladesh

Local stock brokerage firms acting on behalf of foreign stock brokerage firms (registered and operating abroad) to aid foreign portfolio investors for trading of securities through NITAs in Bangladesh can remit share of commission earnings to their foreign counterpart brokerage firms through ADs without prior approval of Bangladesh Bank subject to observance of the following stipulations:

(a) The local brokerage firm (agent) shall have required permission from relevant Government Bodies (including BSEC) to operate their business in Bangladesh.

(b) The local brokerage firm shall request concerned AD for necessary arrangement to remit commissions/fees abroad with documents/information as mentioned in FBC-1 (Appendix 5/77).

(c) Only commission/service charge earned from trading of securities of the foreign investors through BO Account opened with the concerned brokerage firm/securities custodian bank and NITAs (opened with any AD) shall be considered for sharing with the foreign brokerage firm after deduction of taxes and other items (if any) for subsequent remittance to abroad in accordance with the agreement signed between the two parties.

(d) Local brokerage firm (agent) shall request the AD for the purpose of remittance to foreign brokerage firm (principal) abroad. Commission/service charge payable to the foreign stock brokerage firm shall be determined on monthly basis [FBC-2(Appendix 5/78)] in accordance with the agreement signed between the two parties. The statement must be certified by the auditor of the local agent. Supporting documents should contain information relating to transaction volume against stock trading on behalf of non-resident portfolio investors, amount of commission/service charge earned and the amount payable to the principal on account of commission/service charge. Commission/service charge earned in one month may be remitted in any subsequent month. Applications to AD should be accompanied by invoices raised by the brokerage firm abroad for the claimed amount. 107CH 10

(e) AD shall report the transactions as per FBC-2 (Appendix 5/78) and supporting documents with usual monthly returns to the FEOD, Bangladesh Bank, Head Office/concerned Office of Bangladesh Bank following the month of remittance. Besides, consolidated information about remittance of commission earnings shall have to be reported to FEID, Head Office/concerned Office of Bangladesh Bank on half yearly basis (Jan-June information to be submitted by next August and July-Dec information to be submitted by next February) in the format in FBC-3 (Appendix 5/79) for post facto checking.

(f) ADs and Brokerage firms shall also adhere to the instructions mentioned in Section-I, Chapter 17 of this Guidelines.

42. Trading at Border Haats

India and Bangladesh have opened 'border haats,' or 'common marketplaces' in different places of the border of the two countries for carrying on traditional border trade at these places in terms of the Memorandum of Understanding dated October 23, 2010 signed between the Government of the People's Republic of Bangladesh and the Republic of India. To facilitate transactions in these haats, it has been decided that pursuant to the authorisation conferred by the Government of Bangladesh under Section 25 of the Foreign Exchange Regulation Act, 1947 (Act VII of 1947), operations of Section 5(1) and 5(3) of the said Act shall remain suspended in respect of

purchases by each individual not exceeding Bangladesh Taka or Indian Rupee equivalent to USD 100 (one hundred dollars) for any particular day in the border haats (Please see Appendix 3/21).108CH 11

CHAPTER 11

PRIVATE REMITTANCES

1. Transfer of assets of foreign nationals retiring from Bangladesh

Foreign nationals leaving Bangladesh permanently after expiry of period of service in terms of relevant employment contracts, may transfer abroad their genuine savings out of salaries/benefits clearly stated in the employment contracts duly approved by the BIDA/BEPZA/BEZA or other competent government authorities. They shall also be eligible to transfer abroad the retirement benefits such as provident fund, pension, gratuity due as per employment contracts approved by the BIDA/BEPZA/BEZA, etc.

2. The ADs may, without prior approval of Bangladesh Bank, effect remittance of retirement benefits and savings including sale proceeds of investments in government securities made in accordance with Para 5 below (but not including sale proceeds of real assets such as household articles, real estates and other real assets, requests if any for remittance of such sale proceeds should be forwarded to Bangladesh Bank); as per instructions in the following paragraphs.

3. (A) Application and supporting documentation.

Application as per proforma at Appendix 5/80 duly filled in by the applicant and his employer should be accompanied by :

(I) Form TM duly filled in and signed by the applicant;

(II) (a) A certificate from the employer showing:

(i) Net salary and allowances for each year;

(ii) Provident fund and leave salary paid on retirement;

(iii) Bonus and other gratuitous payments for each year;

(iv) Whether the cost of passage for self and family is being paid by the employer.

A certified true copy of the employment contract approved by BIDA or competent authority of the Govt. of Bangladesh should be produced in support of the above.

Where any of the above payments are not covered by the original service contract, a certified copy of the resolution of the board of directors of the employer company allowing the payment and approval thereof from the Govt. Department which originally approved the employment of the foreign national should be submitted.

In case of persons employed in the private sector, certified true copies of the relative permission letters for employment issued by the appropriate Govt. Department should be attached, 109CH 11

(b) Bank's encashment certificate in support of receipt of funds, if any, from abroad.

(c) AD's certificate in regard to the applicant's investment in Govt. securities made for availing of the income tax relief showing also the amount realised from the sale proceeds and income accrued on the investments,

(d) Bank's certificate showing:

(i) Total amount of remittances made on account of family maintenance.

(ii) Total amount of remittances made on account of leave salary.

In case where the period of stay exceeds 10(ten) years, the bank's certificate should cover the period of last 10(ten) years.

(e) Statements of transactions in bank account for the last one year prior to the date of the application with explanation of sources of credit entries of Tk. 500(five hundred) or more other than those relating to receipt of salaries and allowances.

(f) Application for transfer of actuarial reserve and relative insurance record in respect of insurance policy, if any, is required to be submitted through the insurance company concerned.

The statements/certificates mentioned in the sub-para (b), (c), (d), (e) and (f) above are to be prepared by the ADs themselves on the basis of their own records.

(g) Clearance certificate in respect of income tax and other taxes payable.

(h) For remittance of pension/provident fund/gratuity on account of an employee retiring from a foreign-owned/foreign controlled organisation, a certificate signed jointly by the employer organisation and its nominated AD that the relevant pension fund/retirement fund out of which the retirement benefits are payable are maintained in Bangladesh and that no remittance towards contribution to any retirement fund maintained abroad has been made in respect of the applicant employee.

(B) Examination and processing of applications

(I) Before effecting remittance of retirement benefits the ADs should verify with reference to the terms of employment contract approved by the competent government department (currently BIDA/BEPZA/BEZA, etc.) that the benefits applied for remittance are indeed due as per terms of the employment contract. In case of applicants retiring from foreign owned/foreign controlled companies, the ADs shall satisfy themselves, with reference to the certificate mentioned at para 3(A)(II)(h) that the relative pension/retirement funds are maintained locally.110CH 11

(II) Before effecting remittance of funds representing savings, the ADs shall carefully examine the applications and supporting documents to satisfy themselves that the amount applied for remittance are the genuine savings out of the applicant's own legitimate earnings in Bangladesh. For this purpose they will look into the information on earnings of the applicant such as approved salary, allowance, bonus etc., debits for the applicant's local expenses out of such earnings, outward remittances already made or to be made; and inward remittances received from abroad, if any.

Details of credits to bank account of the applicant during the preceding one year at least should be scrutinised to ascertain that only the items of the applicant's own legitimate earnings have been included in arriving at the amount of savings applied for remittance.

If on the basis of the above examination there emerges sufficient grounds to believe that the amount applied for remittance is in excess of the applicant's possible genuine savings, the AD shall effect remittance only to the extent of its own estimate of the applicant's genuine savings and thereafter refer the case to Foreign Exchange Operation Department, Bangladesh Bank for further consideration regarding the excess amount, with such additional explanation /representation as the applicant may wish to furnish.

(III) Pension payments: In cases where pension is payable at regular intervals after the initial lumpsum payment of retirement benefits, the ADs shall effect remittances of regular pension payments provided that life certificate in respect of the pensioner issued by the paying banker abroad is produced and the AD is satisfied on the basis of documentary evidence that the relative pension fund is maintained locally.

4. Remittances effected in accordance with the above instructions will be reported by the ADs to the concerned area office of Bangladesh Bank in the usual monthly returns. The ADs shall maintain full records of cases of remittance of retirement benefits and savings of foreign nationals disposed of by them, for eventual examination by the inspecting officials of Bangladesh Bank.

5. Investments by foreign nationals in certificates/securities etc.

All requests for investment by foreign nationals in Bangladesh Govt. securities such as defense savings certificate etc., for the purpose of claiming income tax relief against investment allowance should be submitted through the applicant's bank to the Bangladesh Bank for prior approval. While forwarding the application to the Bangladesh Bank, the bank will furnish a certificate to the following effect on the application form:111CH 11

(i) The investment is proposed to be made out of the applicant's genuine savings in Bangladesh.

(ii) The applicant does not have local borrowings and overdrafts.

(iii) The proposed investment is for qualifying for tax relief against the investment allowance allowed by income tax authorities.

If, however, the applicant has local borrowings and overdrafts, full details thereof should be furnished viz.,

(i) The date on which the loan /overdraft was obtained;

(ii) The purpose for which the loan /overdraft was obtained; and

(iii) The amount of loan/overdraft outstanding as on the date of application for investment in Govt. securities.

6. Remittance of sales proceeds of real assets

Application for remittance of sale proceeds of real assets such as household articles and real estates, should be forwarded to the Bangladesh Bank with the following documents /certificates:

(i) Statement of sale proceeds realised in respect of locally purchased articles of value Tk. 500(five hundred) or more mentioning:

a) Description;

(b) Purchase price;

(c) Date of purchase;

(d) Date of sale and

(e) Sale proceeds realised.

Relative sale receipts or their certified true copies should be produced.

(ii) A statement of sale proceeds realised in respect of articles imported/brought from abroad of value Tk. 500 or more mentioning (a) description (b) landed cost in Bangladesh (c) date of import (d) date of sale (e) sale proceeds realised. Relative import documents and relative sale receipts or their certified true copies should be produced.

7. Legacies and other distribution of assets from the estates of deceased persons

Application for remittance of legacies and other distributions from estates of deceased persons due to beneficiaries resident outside Bangladesh should be forwarded to the Bangladesh Bank. Such applications should contain the following information and supporting documents:

(i) Name, nationality and place of residence of the deceased at the time of his death. If the deceased person was resident of Bangladesh the period of such residence should be stated. 112CH 11

(ii) A copy of the relative clauses in the Will after probate has been granted or if the deceased died intestate, in the Letters of Administration; in both cases authenticated by a Notary Public, any Court, Judge or Magistrate in Bangladesh or in the country of residence of the deceased if he died abroad. When making applications a full statement of the assets of the deceased in Bangladesh should be given including a statement of bank account and all other assets. The balance in the bank accounts representing income earned during the year should be stated separately in cases where the deceased was a person resident outside Bangladesh. The amounts which are not allowed to be remitted to the beneficiaries will be permitted by the Bangladesh Bank to be credited to a blocked account in the name of the executor or administrator with a bank in Bangladesh. If any security, shares and real estate which have been specifically bequeathed to persons resident outside Bangladesh are to be transferred to such beneficiaries, the application should also contain full particulars of such securities, shares and real estate.

8. Family remittance facility

(a) Foreign nationals who are resident in Bangladesh and who have an income in Bangladesh are permitted to make monthly remittances to the country of their domicile out of their current savings up to 75(seventy five) percent of their net income to cover their commitments abroad.

Such monthly remittances may be sent to other countries where family members of them live in as declared by them in prescribed application form(Appendix 5/81).

(b) This remittance facility is not available to foreign born wives of Bangladesh nationals.

(c) The AD bank branch that receives the pay checks from the employer for credit of the personal account of the foreign national shall process and approve such remittance applications submitted as per Appendix 5/81 along with Form TM and attested copy of the employment contract duly approved by the BIDA or other relevant Govt. authority (renewed/revalidated up to date, where needed).

(d) Salary on which remittance entitlement is calculated would exclude monetary value of various facilities, such as, free house, transport, servants, boarding etc., as also cash payments towards conveyance, entertainment, house rent etc. The term 'net income' would in this context signify gross income of the applicant less all compulsory deductions such as, income tax, provident fund and pension fund, house rent and other deductions which are of a fixed nature. Bonus or commission receivable by foreign nationals cannot be added for calculating monthly entitlement in anticipation of the grant of bonus or commission, the inclusion will be made only after the net amount of bonus or commission has been actually paid by the employers and will be spread over the subsequent twelve months.113CH 11

(e) Remittance of leave salaries of foreign nationals

Net salary (as calculated in terms of the preceding para) of the foreign nationals payable for the period of leave admissible to them as per their service contract duly approved by the Govt. will be remittable. In Such cases a declaration from the employer to be obtained to the effect that leave for which remittance is claimed has been earned exclusively on service tendered in Bangladesh. Such remittance should be effected on approach by the employer. The employer should also be advised that the remittance for the remaining period will not be admissible should the employee return to Bangladesh earlier than the period for which it was intended for. Family remittance facility will not be admissible for the period for which leave salary will be availed of.

(f) Foreign exchange issuance against family remittance facility/leave salary for travel abroad Foreign exchange may be released for short travels abroad during approved employment period of the foreign national and his/her spouse and other family members; amounts so released should be adjusted from the monthly remittance entitlement, or from the leave salary remittable as per sub-para (e) above. Such release of foreign exchange would be against tickets evidencing

confirmed date of travel within two weeks from the date of issuance of foreign exchange in TCs.

(g) Remittances effected in accordance with the above instructions will be reported to the Bangladesh Bank in the usual monthly returns of the ADs. The ADs shall maintain full records of such remittances, for eventual examination by inspection officials of Bangladesh Bank as also for reference while processing applications for remittance of savings on retirement from Bangladesh

9. Membership fees, fees for application, registration, admission, examination, etc.

The ADs may release foreign exchange towards remittance of membership fees of foreign professional and scientific institutions, both for individuals and corporate in Bangladesh. They are also allowed to remit fees for application, registration, admission, examination (TOEFL, SAT etc.) in connection with admission into foreign educational institutions on the basis of written application or demand notice/letter from the concerned foreign institution showing the amount to be remitted. The draft/TT etc. to be issued for such remittances should be payable direct to the Institution concerned and the transaction should be reported to the Bangladesh Bank in the usual monthly return.

Besides traditional mode of payment, international cards (ICs) may be used for online payment through internet of fees mentioned above. Individuals not holding ICs in their names may also make such online payment through internet using 'Virtual Card' for the required amount by an IC 114CH 11 issuing bank for use through its designated bank branch. Online IC transactions including Virtual Card transactions shall have to be reported to Bangladesh Bank in accordance with instructions at Para 20, Chapter 19.

10. Release of foreign exchange for study abroad

Prior approval of Bangladesh Bank is required to release foreign exchange for study of Bangladeshi students abroad at school level. However, ADs are allowed to release foreign exchange for admission and study by Bangladesh nationals in regular courses such as undergraduate, post graduate, language course pre-requisite to bachelor degree & professional diploma/certificate courses in recognised institutions abroad subject to verification of bonafides according to the following drill:

(A) Application and required papers

(i) Application (Appendix 5/82) duly filled in;

(ii) Original and photocopy of admission letter issued by the educational institution in favour of the student (such as the I-20 in the case of US institutions);

(iii) Original and photocopy of estimate relating to annual tuition fee, board and lodging, insurance, incidental expenses etc. issued by the concerned educational institution (I-20 in case of US institutions);

(iv) Attested copies of educational certificates of the applicant; and

(v) Valid Passport.

(B) Examination and processing by AD

(a) After scrutinising the application and the supporting documents submitted, the AD shall issue foreign exchange as per estimate furnished by the educational institution.

(b) In each case of sale of foreign exchange, the front page of the original letter of estimate/acceptance letter issued by the concerned educational institute should bear clearly the round stamp of the foreign exchange issuing bank branch and also the signature of the officer of the said branch.

(c) After verifying the original copies of papers referred to in para (A) above, the foreign exchange issuing ADs would attest the photocopy thereof and preserve the same. Thereafter, the original copies would be returned to the applicant.

(d) Foreign exchange payable to the educational institution should be issued in favour of the institution concerned in the form of TT/MT/Draft. If payment on account of board and lodging/incidental expenses etc. are not required compulsorily to be in favour of the educational 115CH 11 institution, foreign exchange on these counts may be issued in favour of the student in the form of TC/Draft etc. Educational institutions sometimes require applicants to send advance amounts for processing of applications, retention of seats etc. If the papers of the foreign educational institution clearly state such requirement, advance remittance may be effected. ADs may also release foreign exchange for study of Bangladeshi students in permissible courses abroad in favour of the designated intermediary payment processing entity provided it is clearly mentioned in the admission documents (I-20, Admission Acceptance Letter etc.) of the

concerned main educational institution that fees, charges etc. are to be remitted through their designated entity. Besides, on application from the concerned student, unused annual travel quota may also be allowed in freely convertible currency out of travel entitlement described in Para 1 of Chapter 12 of this Guidelines.

ADs may also release foreign exchange on account of Health Coverage/ Health Insurance/ Medical Insurance fee provided that such fees are mandatory for Visa/Admission in permissible courses supported by documentary evidence (I-20, Admission Acceptance Letter, Offer Letter etc.) from the concerned educational institution.

(e) The facility of purchase of foreign exchange/remittance will not be admissible for more than one academic year at a time.

(f) For each release of foreign exchange subsequent to the first release, the current progress report and current estimate of the educational institution should be taken into consideration. The ADs shall maintain separate file for each student with all relevant papers in readiness for perusal by inspecting officials of Bangladesh Bank.

(g) All purchases of foreign exchange throughout the entire duration of a course of study pursued abroad should be from one AD bank branch. For any intended change in this respect, the relevant file shall be transferred direct to the concerned new AD branch on written request by the student. Under no circumstance should the file be handed over to the student.

(h) Deposit in foreign currency to blocked accounts abroad for visa/admission processing against study purpose

If students intending to study abroad are required to deposit foreign currency to be blocked in designated bank accounts or student accounts abroad opened in accordance with the guidance of foreign educational institutes/embassies/high commissions, they are allowed to open such blocked accounts abroad to which necessary funds as set by foreign institutes/competent authority in foreign currency may be released after observing the following instructions:

(i) ADs shall get ensured with documentary evidence that the deposits will be refundable in case of non-availability of visa;

(ii) In case of non-availability of visa, ADs shall ask students/guardians to arrange repatriation of 116CH 11 remittance for which ADs shall obtain due undertaking from them;

(iii) ADs shall follow up students to the effect that they will proceed abroad within one year of remittance;

(iv) The deposits remitted as blocked fund for future use shall be adjusted as relevant expenses including foreign bank charges for the study with proper documentation therein.

(C) Release of foreign exchange for studying abroad in special cases

ADs are allowed to release foreign exchange for admission and study by Bangladesh nationals in regular courses such as undergraduate, post graduate & professional diploma/certificate courses in institutions abroad as per instructions mentioned above. Sometimes students get themselves admitted into the foreign institutions without taking away foreign currency from Bangladesh source. Besides, ADs may need to release foreign exchange in cases of changing institution, changing subject and opening of student file for new higher course by the students. In these cases, ADs may allow the remittances on being satisfied after scrutiny of following documents and in compliance with above mentioned paragraph:

a) Release of foreign exchange for the student studying abroad

(1) Complete and satisfactory explanation regarding request for releasing foreign exchange for study abroad after leaving the country;

(2) Documentary evidence in support of admission executed earlier ;

(3) Academic results of previous semesters;

(4) Sources and amount of the expenses incurred as of date.

b) Change of educational institution

(1) Reasonable explanation by the applicant for the change;

(2) Certificate evidencing that the new institute has agreed to accept the credits earned in the present institution.

c) Change of subject

(1) Reasonable explanation by the applicant for the change.

d) Opening of student file for new higher course after completing one course

(1) In compliance with the prevailing instructions on release of foreign exchange for study abroad.

11(A). Remittance of Consular Fees

Consular fees collected by foreign embassies in Bangladesh Taka and deposited in a Taka Account maintained with an AD solely for depositing the consular fee collections may be 117CH 11 remitted abroad without prior Bangladesh Bank approval. Besides, collection of visa processing fees through nominated resident agents of foreign embassies may be remitted abroad to bank account designated by embassies or their home offices. In this context ADs shall observe the following instructions :

- (i) Collection of visa fee shall be as per the rate determined by the concerned embassies;
- (ii) ADs shall obtain invoice from embassies/home offices supported by visa applicant-wise statement of collection;
- (iii) ADs shall ensure deduction of applicable taxes.

(B) Remittance of visa fee abroad

- (i) Visa fee is remittable abroad by individuals also if embassies of those countries are not located in Bangladesh on the basis of the demand of the foreign embassies concerned. Such fee is also remittable to the visa agents abroad nominated by the concerned countries as per invoice/requirement of the concerned embassies after deduction of applicable taxes.
- (ii) Online payment of visa processing fees through IC as per requirement of concerned Embassies/High commissions may be effected also. IC issuing banks may also issue Virtual Cards for individuals not holding IC to facilitate the online payment of visa processing fees

The AD shall report such remittance in the online monitoring system as well as usual monthly returns to the concerned office of Bangladesh Bank.

12. Remittance of immigration visa processing fees, evaluation fees, right of landing fee. Immigration visa processing fees and evaluation fees for evaluation of educational certificates, demanded by foreign Immigration Authorities from resident Bangladesh nationals applying for immigration visa, may be remitted by ADs as per demand notes of the Foreign Immigration Authorities, on approach by the applicants. Besides, ADs may also allow remittance on account of 'right of landing fee/permanent residence fee' required for resident Bangladesh nationals finally proceeding abroad for migration. Such fees may be remitted in favour of immigration authority abroad upon establishment of bonafide of the demand. While processing the case of remittance on account of right of landing fee/permanent residence fee, ADs are advised to obtain the following papers/documents from the applicant:

- (i) application of the candidate;
- (ii) copy of passport; 118CH 11
- (iii) fee schedule;
- (iv) letter from authority (demand note/offer letter);
- (v) Nikah-nama (for spouse who has been selected);
- (vi) copy of medical report;
- (vii) money receipt for medical check-up.

Such remittances shall be reported to the area offices of Bangladesh Bank in the usual monthly returns.

Fees relating to immigration may also be remittable to the agents nominated by the concerned authorities complying the relevant instruction in this regard.

13. Remittance for family maintenance abroad by residents

Applications for remittance of moderate amounts of foreign exchange for maintenance of family members (dependent parents, spouses and children) living abroad may be forwarded by ADs to the Bangladesh Bank for consideration and prior approval. Each application should be supported by a certificate issued by the relevant Bangladesh Embassy regarding residency of the beneficiaries, extent of income abroad alongwith the Embassy's recommendation as to moderate requirement for family maintenance purpose. The certificate should also indicate the purpose for which the family member(s) went abroad, reasons for continued residence abroad and the probable period of stay abroad.

14. Registration/participation fee for attending training, seminar, workshop abroad

ADs may release foreign exchange on account of registration/participation fee of the Officials of Govt., Autonomous/Semi-autonomous institution, employees of banks and financial institutions operating in Bangladesh, faculty members of nationally recognised banking training institutions, employees/officials of company/firm/institution/NGO registered and operating in Bangladesh under the existing laws of the country subject to observance of following terms and conditions:

- a) the invitation letter is received in the name of applicant from the organising institution;
- b) the tour must be approved by the employer;
- c) the fee as indicated in invoice/demand note is reasonable;
- d) the programme of training/seminar/workshop is appropriate for the intending employee/official based on his/her job specification;
- e) the programme of training/seminar/workshop is financed out of budgetary allocation of the institution; 119CH 11
- f) request for remittance of more than one time for attending training/seminar/workshop in a year favouring a single person is to be justified;
- g) request letter to remit the fee from the employer is received;
- h) registration certificate of the concerned institution is received.
- i) remittance should be in the form of FTT/FDD only favouring organising institutions.

ADs shall report the transactions to the FEOD or other office of Bangladesh Bank in monthly returns/statements. ADs are also advised to collect and retain copies of completion certificate, travel documents from the applicants upon return to Bangladesh for eventual inspection by Bangladesh Bank.

15. Remittance for academic/research journal subscription

ADs may allow remittance of subscription fee for academic/research journals to be procured from abroad by public universities and medical colleges, recognised national research/training institutions, University Grants Commission (UGC) approved private universities and Govt. approved private medical colleges upto USD 3000 (three thousand) or equivalent for an institution per calendar year against production of invoice/relevant supporting documents subject to establishment of bonafides. Such remittances are to be reported to Bangladesh Bank .

16. Remittance towards publication related fees of articles in international journals

ADs may release foreign exchange towards remittance of fees for publication of articles in reputed international journals written by resident Bangladeshi nationals. While effecting remittance, ADs shall satisfy themselves about the genuineness of the invoices from the publishing companies/publishers abroad and deduction of applicable taxes.

17. Registration fee on account of medical check-up for migrant workers

Migrant workers before proceeding abroad may need medical check-up with medical centers approved by the concerned countries for which candidate-wise registration fee is payable to the approving authorities of the countries. In such cases ADs may, upon request from approved medical centers, remit fee to the bank account of the beneficiaries on account of registration fee for medical check-up services to migrant workers subject to production of invoice specifying details of the check-up and deduction of applicable taxes.

18. Other private remittances

Applications for remittances by private individuals for purposes other than those mentioned above should be made on Form TM on which full details of the purpose of the remittance should 120CH 11 be stated and full documentary evidence in support of the application should be attached. The ADs must satisfy themselves regarding the bonafides of each case through personal knowledge of the applicant, if any, or evidence which the applicant may be able to produce. After thus satisfying themselves, the ADs should certify the application and forward it to the Bangladesh Bank for consideration. In each case the nationality of the applicant should be stated and if the applicant is not a resident in Bangladesh, the country of residence of the applicant should be clearly stated. If the applicant is a foreign national, the period of residence in Bangladesh and his intention as to future residence should be declared. Particulars of any permit obtained by him for making monthly remittances to his country of domicile should be given.121CH 12

CHAPTER 12

TRA VEL

1. (i) Release of foreign exchange for travel abroad: endorsement on passport and ticket

The amount of foreign exchange released by an AD to a traveler with the approval of the Bangladesh Bank or under general authority given to the ADs by Bangladesh Bank should be recorded by them on the traveler's valid passport as well as ticket under their stamp and signature at the time of release of such exchange. Release of foreign exchange in excess of USD 200 or equivalent will require valid visa except in the cases mentioned in sub-para (viii) below.

However, while issuing foreign exchange to the Diplomats/Privileged persons/UN personnel, Govt. officials travelling on official duties, such endorsement in their passports need not be

made. The AD should verify to satisfy itself that the ticket covers a journey to be undertaken not later than two weeks after the date on which exchange is issued. No exchange should be sold against tickets, which do not specify the date of departure.

(ii) The ADs may release foreign exchange upto USD 5000(five thousand) or equivalent per person during a calendar year to Bangladesh nationals proceeding to destinations in SAARC member countries and Myanmar. Also for visits of Bangladesh nationals to destinations in countries other than those mentioned above, upto USD 7000(seven thousand) per person may be issued during a calendar year. Out of the prescribed entitlement, ADs may release upto 5,000(five thousand) in the form of USD notes and the remainder in other freely convertible currencies at any one instance as mentioned in Para 18, Chapter 5. For resident Bangladesh nationals proceeding abroad against one way ticket for valid job or migration or study abroad, ADs may release the entire unused foreign exchange of the annual travel entitlement of the person concerned in the calendar year. Irrespective of foreign exchange entitlement, the outgoing passenger is permitted to take upto Bangladesh Taka 10,000(Ten thousand) in cash at each time.

The above limits are indicative. Bangladesh Bank will authorise release of foreign exchange for travel abroad beyond these indicative limits upon submission of documents regarding the bonafides of the expenses. Application for such authorisation should be sent to FEOD/other office of Bangladesh Bank.

(iii) The annual quotas mentioned above are for adult passengers. For minors (below 12 years in age) the applicable quota will be half the amount allowable to adults.

(iv) While releasing foreign exchange for travel abroad, the AD should verify and satisfy itself that any foreign exchange released for an earlier travel was utilised with the journey being actually undertaken or was duly encashed unutilised. 122CH 12

(v) The travel entitlements mentioned above may be utilised also by way of international cards issued in the names of the persons concerned. Instructions relating to the issue and use of such cards are laid down at Chapter 19.

(vi) While releasing foreign exchange for travel purposes the ADs should ensure that:

(a) the intending traveller is a client of the AD bank or is sufficiently well known to the AD bank for it to be satisfied about the bonafide of the application;

(b) the intending traveller is in possession of a confirmed air ticket (where applicable) for journey to be undertaken;

(c) the amount released is endorsed on the passport and air ticket (where applicable) of the traveller with indelible ink, with the signature and name of the AD branch embossed in the passport and ticket (where applicable); the same has been reported to the 'Online Foreign Exchange Transaction Monitoring System' of Bangladesh Bank.

(d) the amount of foreign exchange endorsed/issued (in the forms of cash, international card, etc.) so far during the current calendar year against annual travel quota has been checked to prevent issuance of foreign exchange beyond allowable quota.

(vii) In each case of release of foreign exchange for travel abroad, photocopies of first six pages of the passport/in case of machine readable passport, photocopies of first two pages, page bearing visa on the passport (if available), the page recording endorsement of foreign exchange and photocopies of the pages of ticket showing name of the passenger, route and date of journey and endorsement of foreign exchange alongwith the relative form TM should be preserved by the ADs as mentioned in Para 4, Chapter 1. These transactions shall be reported in usual monthly returns to Bangladesh Bank.

(viii) Release of foreign exchange to the resident Bangladesh nationals travelling abroad without visa

In case of travelling some countries, visa is obtainable on port entry/arrival basis. In such cases ADs may release foreign exchange without visa to the resident Bangladesh nationals proceeding to the countries/zones with provision of visa on port entry/arrival basis upto the unused annual travel quota entitlement applicable for country concerned subject to complying with other relevant instructions. Besides having validity of the passport of the intending traveler for a period of minimum six months, the applicability of providing visa on port entry/arrival basis for travelling the country concerned shall have to be ensured by the AD upon receipt of information from the concerned passenger. However, utilisation of foreign exchange issued without visa as mentioned above shall have to be ensured by AD prior to issuance of foreign exchange for the subsequent foreign tour of the passenger concerned.123CH 12

In case of releasing foreign exchange for official visits abroad by the officials of Government/Semi-Government and Autonomous bodies (Para 3) the above mentioned facility of issuing foreign exchange without visa for traveling the countries/zones having provision of visa on port entry/on arrival basis will also be applicable.

2. Release of foreign exchange for travel on health ground

All applications for foreign exchange for travel abroad on health grounds should be submitted in form as at Appendix 5/83, in duplicate. Upto USD 10,000(ten thousand) or equivalent may be released by the AD on the basis of the recommendation of the Medical Board set up by the Health Directorate or on the basis of the need established through recommendation of appropriate medical specialists and the cost estimate of the foreign medical institution. Request for release of foreign exchange exceeding USD 10,000(ten thousand) for treatment abroad should be forwarded by the AD with supporting documents to Bangladesh Bank (FEOD/other office) which will authorise release upon verification of the bonafides of the expenses.

3. Official or semi-official visits by employees of government/autonomous semi-autonomous bodies

(i) For official or semi-official visits abroad by the officials of Government/Autonomous/Semi-autonomous institutions etc., ADs may release foreign exchange as per entitlements fixed by the Ministry of Finance/respective competent authority from time to time. In such cases, the applicant for foreign exchange shall be required to submit the Competent Authority's Order/Notification/Circular authorising the travel abroad.

(ii) Release of foreign exchange on account of 'overseas allowance' in favour of the cockpit and cabin crews of Biman Bangladesh Airlines Ltd.

ADs may release foreign exchange on account of overseas allowances of the cockpit and cabin crews allowed by Biman Bangladesh Airlines Ltd. Before releasing foreign exchange, ADs shall observe the following instructions:

a) An approval letter from Biman Bangladesh Airlines Ltd. in favour of the crews specifying the amount to be released should be obtained.

b) The amount released should be endorsed properly on the passport of the crews.

Licensed Money Changers may also release foreign exchange for above purpose observing the instructions as laid down above. 124CH 12

4. Release of foreign exchange for attending seminar, conference, workshop, training etc. abroad

Authorized Dealers may release foreign exchange to private sector participants for attending seminar, conference, workshop, training, etc. abroad at the scale of upto (i) USD 350(three hundred and fifty) per diem for SAARC member countries or Myanmar and (ii) USD 400(four hundred) per diem for other countries. Foreign exchange may be released only for the actual period of the program to be held on the basis of invitation letters received in the names of the applicants or their employer institutions. Photocopy of the invitation letter and all other related documents should be kept in record by the ADs for post facto scrutiny by the inspection officials of Bangladesh Bank. Release of foreign exchange beyond the above mentioned indicative limits will be allowed by Bangladesh Bank upon submission of requests supported by documented proof of the expenses. Application for such release should be sent to Bangladesh Bank (FEOD or other offices).

5. Release of foreign exchange by debiting Convertible Taka Account for travel abroad
Foreign exchange may be released to private individuals as well as to officials of Govt., Autonomous and Semi-autonomous bodies for undertaking educational tours, attending seminars, workshops etc. abroad by debit to convertible Taka accounts of foreign NGOs and International Bodies at their request. In the cases of officials of Government/ Autonomous/ Semi-autonomous bodies, the application for release of foreign exchange should be accompanied by the permission letter of the competent authority authorising their proposed travel abroad.

6. (a) Issue of TCs and foreign currency notes to foreign nationals

The ADs may issue foreign currency TCs to foreign nationals without any limit and foreign currency notes upto USD 5000(five thousand) per person (Para 18, Chapter 5) against surrender of equivalent amounts in other foreign currencies. The TCs and foreign currency notes should, however, be delivered only on production of a ticket for a destination outside Bangladesh and the amount issued should be endorsed on the relative passports. In case of travel by car, the ADs may

accept export-cum-import permits in lieu of tickets.

(b) Issue of foreign currency notes to foreign currency account holders

Foreign currency account holders may draw foreign currency notes from balances of their respective accounts without any limit [upto 5000(five thousand) in USD notes, Para 18, Chapter 5] against endorsement on passport and ticket for a destination outside Bangladesh. 125CH 12

7. Business travel quota entitlements for exporters, manufacturers for domestic markets and importers.

Business travel quota entitlements for exporters, manufacturers for domestic markets and importers will be as under :

(i) Exporters, importers and producers for the local market will be entitled to foreign exchange quota for travel abroad @ USD 400(four hundred) per diem, subject to limits of USD 4,000 (four thousand) per trip and USD 10,000(ten thousand) over a calendar year.

(ii) Senior level (top two tiers) expatriate foreign nationals employed in business organisations in Bangladesh with valid visa and work permit will be entitled to the above mentioned business travel quota as Bangladesh nationals.

The above entitlement may be used through international cards (prepaid/credit) held by authorised officials of the enterprise concerned (Para 9, Chapter 19).

Genuine requirements beyond the entitlements enumerated above will be accommodated by Bangladesh Bank upon submission of application supported by documents establishing bonafides of the additional requirements. Application for such release should be sent to Bangladesh Bank (FEOD or other office, Bangladesh Bank).

8. Disposal of unspent foreign exchange by returning residents

Attention of all persons granted foreign exchange for travel should be drawn to sub-section (3) of Section 4 of the FER Act, 1947. No person acquiring foreign exchange for travel may use it for purposes other than living or travelling expenses in the country for which exchange is issued and in case of special allotment, for purposes other than those for which exchange is sanctioned. On return, unspent amounts brought back [with declaration in FMJ form for amounts more than USD 5000(five thousand)] may freely be encashed to Taka or may be retained in RFCD accounts, upto USD 5000(five thousand) may be retained in hand.

9. Reconversion of unspent Taka into foreign exchange by foreign tourists

ADs may allow re-conversion into foreign exchange of the unspent Taka funds of foreign tourists (i.e. foreign nationals on temporary visit to Bangladesh except those on employment in Bangladesh) on production of the certificate evidencing the encashment of foreign currency brought in by the tourist. Re-conversion shall be allowed by the same AD with which the foreign currency was encashed earlier, on the strength of the original encashment certificates which will be retained by the AD while allowing re-conversion. The FMJ Form containing the declaration of the foreign exchange brought in at the time of arrival should be asked for and retained by the AD where re-conversion exceeds USD 5000(five thousand). Likewise, licenced money changer 126CH 12 whether it encashed earlier or not may reconvert the unspent Bangladesh Taka belong to the foreign tourist upto USD 500(five hundred) or equivalent provided that the tourist submits system generated encashment certificate (Para 10.B, Chapter 2) issued by any licenced money changer. While providing reconversion, money changer shall stamp on the original encashment certificate to the effect that reconversion has been executed and preserve a copy thereof. Besides, to facilitate returning foreign tourists/non-resident Bangladesh nationals general permission has been accorded to re-convert their unspent Bangladesh Taka upto USD 100(one hundred) or its equivalent at the bank booths situated at the departure lounges of international airports in Bangladesh upon presentation of encashment certificate. While providing such reconversion facility, the bank both will have to preserve the original encashment certificate/true copy of the encashment certificate attested by the AD/money changer itself issued against conversion of foreign currency into local currency earlier and copy of the boarding card of the passenger wherein passport number, date of issue of passport, nationality and amount of re-converted foreign currency are to be recorded.

10. Release of foreign exchange for Hajj

The Government of Bangladesh announces each year the scale at which foreign exchange may be issued to intending pilgrims for performing Hajj. Release of foreign exchange should be made as per instructions to be issued for this purpose by Bangladesh Bank each year.

11. Issuance of tickets for travel abroad

Airlines/Shipping Companies and their authorised Travel Agents have been given general

authority to issue tickets for travel abroad subject to the following instructions:

(i) Travel abroad by resident Bangladesh nationals

Tickets against payment in Bangladesh Taka may be issued by the Airlines/Travel Agents for these travels on completion of P Form (Appendix 5/56) in duplicate and production of valid passport with valid visa, involving journey by a route and at a fare approved by the CAAB. In case of travel abroad by officials of Govt./Autonomous/Semi-autonomous bodies/Public sector corporations or Local Government Agencies on official duty or as member of official delegation, tickets shall be issued preferably on Bangladesh Biman.

If the passport of the intending traveller shows that the traveller is employed with any Govt./Autonomous/Semi-autonomous bodies or public sector agencies, the Airline/Travel Agent may issue ticket only if the Order or NOC from the concerned administrative Ministry/Division /Department authorising the travel is produced.

The above provision of issuance of ticket against payment in Taka would also be applicable for those foreign nationals who work in Bangladesh with the approval of the competent authorities 127CH 12 of the Government of Bangladesh and draw their pay and allowances in Bangladesh Taka; or whose costs of travel abroad, as per terms of their service, are to be borne by the employing organisation/agency. In such cases, attested photocopies (in duplicate) of sanction letters of the competent authorities of the Govt. of Bangladesh and service contract should be asked for before issuing tickets and submitted to the ADs alongwith monthly statement.

(ii) Travel of Bangladesh nationals to destinations outside the country on employment

The Airline /Travel Agent should ask for the following documents before issuing/okaying tickets for such travels:

(a) Form P or P-2, (Appendix 5/57) as the case may be, duly completed.

(b) Valid passport with valid visa. In case the passport shows that the intending traveller is employed with Govt. or with any Public Sector Agency/Autonomous body, Order/NOC from the concerned administrative Ministry authorising the travel abroad should be produced.

(c) Clearance from The Bureau of Manpower Employment and Training (BMET) in the form of endorsement in passport.

(d) Visa/entry permit issued by the concerned country's Embassy/High Commission in Bangladesh duly attested by the BMET.

In case entry permit or visa including group visa is issued from abroad, the same should be attested by the Bangladesh Mission in that country as well as by the BMET.

In case the entry permit or visa does not bear attestation by Bangladesh Mission abroad, the genuineness of the employment is to be certified in clear terms by the BMET.

(iii) Travel abroad by Bangladesh nationals against tickets/PTAs received from abroad

Passages may be booked by the Airlines/Travel Agents for the above category of travels on completion of P-2 Form and production of valid passport with valid visa by the passengers subject to the condition that the journey will be undertaken exactly for the routes for which tickets/PTAs have been received. If the intending traveller is employed with the Govt. or with any public sector agency or autonomous body, instructions of sub-para (iv) below should be followed. In case the PTAs are meant for travel of Bangladeshi scholars/students for studies abroad, instructions of sub-para (v) below should be followed.

(iv) Travel by Officials of the Govt. and of Public Sector Agencies including Autonomous/Semi-autonomous bodies against PTAs received from abroad where cost of ticket is paid/borne by foreign Government Agencies, UN organisations, international non-profit organisations like International Committee of Red Cross, British Council, Ford Foundation, Commonwealth Secretariat, Colombo Plan Secretariat, OIC Secretariat, 128CH 12 foreign universities etc. for attending conference, seminars etc. or for any other purpose abroad:

Airlines/Travel Agents may book passages for these travels on production of the following documents/particulars to them by the travelers concerned:

(a) A photocopy or an authenticated copy of Order/NOC from the administrative Ministry concerned authorising the travel abroad. In cases where the visits are sponsored by any other Ministry, a photocopy or authenticated copy of clearance from the sponsoring Ministry should also be produced. These Orders/NOCs should be retained by the Airlines for their records.

(b) Valid Passport, with valid visa where required.

(v) Travel by Bangladeshi Scholars/Students for studies abroad against PTAs received from abroad where cost of ticket is paid by foreign governments/foreign universities/

internationally reputed non-profit institutions like British Council, Ford Foundation, Commonwealth Secretariat, Colombo Plan Secretariat, OIC Secretariat etc.

Passages may be booked by the Airlines/Travel Agents for the above categories of travels on production of photocopy or authenticated copy of Order/NOC from the Ministry which has sponsored the travel and valid passport with valid visa. If the intending traveller is employed with Government or with any public sector agency/autonomous/ semi- autonomous body, copy of the Order/NOC from the administrative ministry concerned authorising the travel should be asked for before booking the passage. The Airline should retain the Order /NOC for their record.

(vi) Travel by foreign nationals, foreign diplomats and privileged persons against encashment of foreign currency notes/TCs/Drafts or against inward remittance from abroad or by debit to private foreign currency accounts/convertible Taka accounts maintained by foreign nationals/firms/companies/organisations with ADs in Bangladesh or against PTAs/tickets received from abroad

Airlines/Travel Agents may issue tickets for the above category of travels for journeys originating from abroad or from Bangladesh if the person undertaking the travel is the account holder himself, his/her spouse/children or an employee of the Firm/Mission/Company /Organisation maintaining the foreign currency account/convertible Taka account subject to completion of P-2 Form by the traveler concerned and observance of the following drill:

(a) For issuance of tickets against encashment of foreign currency notes/instruments/TTs /MTs etc. or against encashment of foreign exchange from private foreign currency account, encashment certificate issued by an AD in the proforma prescribed at Appendix 5/58 should invariably be produced by the traveller concerned to the Airline/Travel Agent. The passage should be booked within one month from the date of issue of the encashment certificate. 129CH 12 However, encashment certificate issued by Money changers will not be acceptable for issuing tickets in this regard.

Booking of passage against encashment of foreign exchange from foreign currency accounts maintained by Bangladesh nationals is admissible only for passengers holding Bangladesh passports. Airlines/Travel Agents should not issue tickets in favour of any foreign national against encashment of foreign exchange from foreign currency accounts maintained by Bangladesh nationals without prior approval of the Bangladesh Bank. Off-line airlines also should not issue tickets against encashment of foreign exchange from foreign currency accounts of Bangladesh nationals without prior approval of the Bangladesh Bank.

(b) In case of issuance of tickets by debit to convertible Taka account, the cost of passage should be accepted in the form of Account Payee cheques/Pay Orders drawn on the relevant convertible Taka account in favour of the Airline/Travel Agent. Where the account holder is not a Foreign Mission, International Organisation, diplomat or a privileged person, a certificate from the bank concerned in the proforma as at Appendix 5/59 certifying that the account on which the cheque/pay order has been drawn is a convertible Taka account and also stating the account number and the amount to be debited, will have to be produced alongwith the Cheque/Pay Order. In cases where the account-holder is a foreign diplomatic mission, diplomat/privileged person or expatriate personnel of UN and its affiliated agencies or IMF, IBRD, IDA or other international or regional financial or loan giving agency or their expatriate personnel, a declaration should be obtained by the Airline/Travel Agent/Shipping Company from the concerned organisation/person showing the name of the bank with which the convertible Taka account is maintained, the account number and the amount debited towards cost of passage. The concerned Airline/Travel Agent/Shipping Company should submit these declarations to the ADs alongwith their usual monthly passage statements. The Airline/Travel Agent shall also obtain a certificate from the account-holder stating his/her relationship with the passengers in case ticket is to be issued in favour of spouses or children; and in case of issuance of ticket in favour of officers/staff of foreign missions/organisations, certificate from the mission or the organisation stating that the intending traveller is their employee should be asked for. Airlines/Travel Agents will submit these certificates to the ADs alongwith their usual passage statements.

(c) Passages may be booked for travel of foreign diplomats/privileged persons and other foreign nationals in Bangladesh against PTAs/Tickets received from abroad. Tickets may also be issued to foreign tourists against approved credit cards brought in by them from abroad. Issuance of tickets for travel by foreigners not falling within the above categories would require prior approval of the Bangladesh Bank.

(vii) Travel by ship's crew of Bangladesh origin

(a) In case of ship's crew of Bangladesh origin proceeding abroad to join vessels abroad, tickets may be issued against PTAs received from abroad as well as by debit to the foreign Shipping 130CH 12 Company's account maintained in Bangladesh in the name of the Shipping Company or Shipping Agent. For issuance of tickets against foreign Shipping Company's account, payment of cost of passage should be received by Account Payee Cheques drawn on the Shipping Company's account. The concerned Shipping Agent/Company should furnish certificate from its bank as per proforma at Appendix 5/60 stating the name of the bank with which the account is maintained, the name of the foreign Shipping Company and the amount to be debited. The certificate should be submitted to the AD alongwith the usual monthly passage statements of the Airline.

(b) Before issuing tickets favouring ship's crew of Bangladesh nationality, the Airline/Travel Agent must satisfy itself on the basis of documentary evidence that the crew possesses valid CDC and clearance issued by Shipping Master of Government of Bangladesh about the recruitment abroad. Copy of the Shipping Master's Clearance should be forwarded alongwith the usual monthly passage statement to the AD.

(viii) Travel by ship's crew of foreign nationality

Outward passages of foreign ship's crew of foreign nationality may be booked against inward remittances or by debit to foreign Shipping Company's account maintained in Bangladesh in the name of the Shipping Company/Shipping Agent. For booking of passages against inward remittances, the Shipping Agent/Company should produce encashment certificate from the concerned bank in the proforma at Appendix 5/58 and the drill as contained in sub-para vi(a) should be followed. In case of booking of passages against payment from foreign Shipping Company's account, bank certificate in the proforma at Appendix 5/60 should be produced and the relevant instructions of sub- para vii(a) above should be followed.

(ix) Travel against rebated tickets issued by Airlines/Shipping Companies

(a) Tickets against free passages [i.e. 100(hundred) percent rebated] allowed by the Airlines/Shipping Companies favouring their own employees including family members or to their Travel Agents may be issued subject to completion of P-2 Form by the traveller concerned.

(b) In respect of partly rebated passages allowed by the Airlines/Shipping Companies to their own employees including family members or to their Travel Agents, tickets may be issued on completion of P Form by the traveller concerned for travel abroad once a year.

12. Booking of Passage

(a) (i) Before passages can be booked in terms of paragraph 11 above, the intending travellers shall be required to fill in and submit the P Form/P-2 Form to the Airline/Travel Agent/Shipping Company booking the passage. These should be forwarded to the ADs by the airlines while reporting the sales of tickets in the monthly passage statements. 131CH 12

(ii) Airlines should in their own interest exercise utmost care in booking passage strictly in accordance with the guidelines given in the above paragraph. For any irregularity/discrepancy in booking passage under this authority delegated to them, the concerned officials of the Airline or the Travel Agent will be liable for penal action under the FER Act, 1947.

(iii) Airlines will furnish monthly passage statements to the AD in respect of passages sold/tickets issued under the authority given in the above paragraph in the usual proforma together with the documents as indicated in foregoing paragraphs as per prescribed time schedule.

(iv) If the Airline/Shipping Company/Travel Agent has any reason to doubt in any case the genuineness of the certificates/documents produced to them by the intending traveller, they should immediately get in touch with the concerned area office of Bangladesh Bank for instructions.

(v) Bangladesh Bank reserves the right to inspect at any time the books and records of the Airlines, Shipping Companies and the Travel Agents to ensure compliance with the instructions issued by Bangladesh Bank.

(b) Booking of passage in cases not covered by the general authority given to the Airlines/Shipping companies/Travel agents at paragraph 11 above would require prior approval of Bangladesh Bank in Form P/Form P-2. Bangladesh Bank's approvals in these forms shall remain valid for travel for 3 calendar months from the date of approval. Travel on international sectors should commence within the validity of P Form/P-2 Form failing which such tickets will require revalidation even though the journey on domestic sectors against such tickets had been performed within the validity of the forms.

13. Booking of passage for outward journey

- (i) Booking of passage may be made for outward journey by a route and at a fare approved by the CAAB. Fare ceilings on various routes are notified by the CAAB from time to time for guidance of the Airlines and the Travel Agents.
- (ii) No ticket for outward journey from Bangladesh should be issued by an Airline/Shipping Company or Travel Agent which do not specify the actual date of departure. If an application is made subsequently to the Airline/Shipping Company or Travel Agent to alter or amend the date of departure they should examine such tickets with a view to determining whether any exchange has been drawn against such tickets. Where foreign exchange has been drawn against the ticket, no extension of date of departure should be granted without specific approval of Bangladesh Bank in each case. 132CH 12

14. Booking of inward passage

- (a) Booking of inward passages against payment in Taka for persons holding Bangladesh passports who proceeded abroad on one way tickets would require prior Bangladesh Bank approval in Form P. Booking of inward passages against payment in Taka for foreign nationals would also require prior Bangladesh Bank approval in Form P.
- (b). Airlines/Shipping Companies/their Travel Agents may issue Prepaid Ticket Advices (PTA) in favour of foreign guests invited by Govt./Autonomous/Semi-autonomous organisations, UN organisations, local agencies of international organisations in Bangladesh. These PTAs may be issued against application by the concerned organisation in the Form prescribed at Appendix 5/84.

15. Refund against cancellation of Tickets

Refunds against cancelled/unutilised tickets/vouchers should be made only after the passenger produces his/her passport, and after being satisfied that any foreign exchange issued has been encashed with an AD or the entry has been duly cancelled by an AD or that the document bears no evidence of any exchange issued to the holder. Sometimes exchange is drawn by one passenger on behalf of a group of persons travelling together.

In such cases if any member of the group cancels his/her booking, no refund of passage money should be made unless his/her quota of exchange has been refunded to or encashed with an AD and necessary evidence to this effect is produced to the Airline/Shipping Company/Travel Agent. This requirement of encashment of unutilised foreign exchange applies in all cases. Refunds by the Airline/Shipping Company/Travel Agent should invariably be made by cheques drawn on the official account of the Airline/Shipping Company/Travel Agent concerned with a bank in Bangladesh. In all other cases, no refund should be granted against part or whole cancellation of ticket unless prior approval of the Bangladesh Bank is obtained.

However, where a passenger once undertakes the foreign travel it should be construed that the foreign exchange released to him/her has been utilised for the purpose for which it was released. Airlines /Shipping Companies/Travel Agents may, in such cases allow refund of the cost of the cancelled/unutilised portion of tickets without insisting on production of passport of the passenger concerned if it is otherwise evident that the passenger undertook the foreign travel and stayed back abroad for any reason.

16. No refund outside Bangladesh

In all cases of bookings made against payments in Taka, whether single or round trip, no refund should be granted outside Bangladesh. In all such cases refunds should be made only in 133CH 12 Bangladesh in Taka to the Bangladeshi nominee/authorised person of the passenger concerned. All tickets/vouchers etc., must be marked accordingly. Airlines and Shipping Companies should also ensure that such refunds are not given in the form of exchange vouchers or in any other form which can be used for further transportation. All such refunds must be made either by cheque or by actual cash payment in Bangladesh

17. Performance of journey from one place to another outside Bangladesh

Passages for journeys to be performed from one place out of Bangladesh to another place out of Bangladesh i.e. for performance of journey wholly outside Bangladesh should not be booked against Bangladesh Taka without the prior permission of the Bangladesh Bank in Form P.

18. Adjustment of cost of passage

Airlines/Shipping Companies/Travel Agents may make adjustment upto Tk. 600(six hundred) without prior approval of the Bangladesh Bank towards cost of passages approved on Form P within the validity of the form, if the fare changes upward or downward.

19. Acceptance of fare difference

Airlines/Shipping Companies/Travel Agents may accept freight in local currency for the excess baggage (accompanied or unaccompanied) only in the following cases without prior approval of Bangladesh Bank:

- (a) Freight for transportation from foreign countries to Bangladesh of accompanied as well as unaccompanied baggage by the returning Bangladesh nationals on freight to pay basis;
- (b) Freight on samples, advertisement materials and presentations imported into Bangladesh on freight to pay basis as per provisions of IPO in force.

In both the cases, two sets of dummy P Forms alongwith the monthly statements are to be submitted to the ADs.

c. Acceptance of freight of excess baggage

Shipping/Airline Companies or Travel Agents may collect freight in Taka for transportation of excess accompanied as well as unaccompanied baggage of passengers from Bangladesh to destination abroad without prior permission from the Bangladesh Bank.

d. Acceptance of Taka freight on FOB imports

Freight in Taka may be accepted by the Airlines/Shipping Companies/Travel Agents without prior Bangladesh Bank approval for FOB imports into Bangladesh as per instructions contained in Para 1(viii), Chapter 10. 134CH 12

e. Acceptance of freight in Taka against export samples

Airlines/Shipping Companies may accept freight in Bangladesh Taka from registered exporters against dispatch of bonafide trade samples of exportable items from Bangladesh without prior approval of the Bangladesh Bank on the basis of Customs Clearance Certificate for dispatch of the article. Where the value of trade sample exceeds the prescribed limit indicated in Chapter 8, Para 2(i) of this Guidelines, export permit from the Office of the CCI&E and recommendation of the EPB should also be asked for. While accepting freight in Taka in respect of consignments of such export samples, the Airline/Shipping Company will obtain a declaration (Appendix 5/85) from the exporter concerned to the effect that the parcel contains bonafide trade sample without involving any payment in foreign exchange. The Airlines/Shipping Companies while submitting their returns to the AD will indicate the number and date of the Customs Clearance Certificate and Export Permit from the office of the CCI&E, reference number and date of EPB's recommendation and the registration number of the exporter concerned with date.

20. Reference to Bangladesh Bank

Cases of booking of passage/freight not covered in this Chapter may be referred to Bangladesh Bank for instructions.

21. Airlines and Shipping Companies should furnish to the ADs monthly returns of all passages sold, tickets issued or handed over by them as also of refunds and cancellations as per instructions in Chapter 10. Although Travel Agents are not required to submit monthly returns, they should maintain records of all passages sold by them as per appendices 5/44 and 5/55.

22. Guidelines for tour operators

To expand the tourism industry of Bangladesh and to facilitate foreign tourists visiting Bangladesh, the member tour operating firms of TOAB shall observe the following terms and conditions in the context of foreign exchange transactions:

- a) Outgoing Bangladeshi nationals may purchase tour package from TOAB member firms with an amount of upto 90(ninety) percent of his/her annual travel entitlement in foreign currency.
- b) The firm shall issue invoice to the intending traveler in foreign currency for the price of the tour package. The traveler, in turn, will arrange payment in equivalent Taka through the designated AD. AD shall endorse the passport of the traveller in equivalent foreign currency mentioning that endorsement is done from annual travel quota for purchasing tour package against invoice issued by the tour operator. Afterwards, the AD will transfer the equivalent foreign currency to the FC account of the firm using the exchange rate of the same day and intimate the transaction to the firm. 135CH 12
- c) AD may release balance of travel entitlement (travel entitlement less tour package value) to the traveller and endorse the same in the passport in compliance with the instructions stipulated in Para 1 of this Chapter.
- d) Issue of foreign exchange mentioned in para (b) and (c) above shall have to be reported to the Online Foreign Exchange Transaction Monitoring System of Bangladesh Bank.
- e) In no cases, foreign exchange exceeding 90(ninety) percent of travel entitlement will be endorsed for purchasing tour package in spite of value of tour package exceeds the limit.
- f) For effecting outward remittance on account of outbound package against concerned

invoices, tour operators shall submit necessary documents to ADs on monthly basis. Afterwards, ADs may effect remittance on behalf of the tour operating firms on examination of relevant documents and recording on form TM. Of the total value of tour package, upto 90(ninety) percent may be remitted abroad, minimum 7.5(seven and a half) percent shall be encashed in Taka and the rest 2.5 (two and a half) percent may be retained in FC accounts for utilisation in business travel abroad by the tour operators. ADs shall ensure deduction of applicable tax/V AT and payment thereof. On effecting remittance, ADs shall send the relevant documents to FEOD, Bangladesh Bank, Head Office/area office of Bangladesh Bank for post facto checking.

g) The tour operators shall have to operate inbound tour packages to attract foreign tourists. Inward tour packages must be at least 25(twenty five) percent of total packages sold.

h) In case of cancellation of outbound package tour, tour operators shall arrange refund of the payment through encashment of foreign currency in taka and cancellation of endorsement made earlier in passport. Refund may also be freely remittable to foreign citizens in case of cancellation of inbound package tour for which payment has been received in advance.

i) ADs may deposit foreign exchange received in advance from foreign tourists for purchasing of inbound packages in the FC accounts of tour operators. Besides, foreign tourists may make payment through international credit cards provided ADs are working as acquiring banks under merchant agreement with tour operators. Foreign currency paid by the inbound foreign tourists shall be credited to the foreign currency accounts of the tour operators. The tour operators shall meet local expenses such as hotel/restaurant bills in Taka through encashment of the balance of FC accounts. Upto 90(ninety) percent of the foreign currency received from foreign tourists shall be encashed into Taka.

j) ADs shall not issue any bank guarantee in favor of foreign tour operator or airline on account of sales of tour package by tour operators.136CH 12

k) ADs shall submit the statements of FC accounts and statements of tour packages sold along with photo copy of endorsement on passports of tourists, invoices issued by tour operators, supporting documents relating to rent of hotels and other relevant documents to FEOD, Bangladesh Bank, Head Office/other office of Bangladesh Bank on monthly basis.

l) The tour operators shall apply to FEPD, Bangladesh Bank through ADs for opening FC accounts with certificate issued by TOAB mentioning that the applicants are their member firms.

(m) Transactions of such FC Accounts shall have to be reported to the SFCAMS, operated by Bangladesh Bank as mentioned in Section - VI, Chapter 13.137CH 13

CHAPTER 13

SECTION- I

PRIVATE FOREIGN CURRENCY ACCOUNTS

1. Opening of FC accounts with ADs in Bangladesh

(i) The ADs may without prior approval of the Bangladesh Bank open foreign currency accounts in the names of (a) Bangladesh nationals residing abroad (b) foreign nationals residing abroad or in Bangladesh and also foreign firms registered abroad and operating in Bangladesh or abroad (c) Foreign missions and their expatriate employees. Bangladesh Bank may specially allow opening of foreign currency accounts not covered by this general authorisation.

(ii) Foreign exchange earned through business done or services rendered in Bangladesh can not be put into these accounts. Credits to a foreign currency account may be made against inward remittance of foreign exchange in any form or transfer from another foreign currency account or non-resident Taka accounts of banks abroad.

(iii) Payments may be made freely abroad from these foreign currency accounts to the extent of balances lying therein. Local disbursements may also be made freely in Taka from such foreign currency accounts.

(iv) No payment in foreign exchange may be made to or on behalf of any resident in Bangladesh out of the foreign currency accounts opened as per the above arrangement. However, this restriction will not apply in case of foreign diplomats and privileged persons or any other person or firm who have specific authority from Bangladesh Bank to accept such payments. Bills of the local contractors of the foreign missions in Bangladesh may also be settled in foreign currency from the balances of the foreign currency accounts of such missions. In such cases the beneficiary of the bill will have to encash the foreign currency with any AD within one month from the date of receipt.

(v) Any payment received in foreign exchange by the ADs on behalf of residents of Bangladesh

must not be retained in foreign exchange but must be converted into Taka unless the AD is satisfied that the payee has the general/special permission of the Bangladesh Bank to retain the foreign exchange.

(vi) The ADs maintaining foreign currency accounts under this authority can pay interest on such accounts being maintained in the form of term deposits for the period of one/three/six/twelve months at the prevailing Eurocurrency deposit rates. ADs may apply interest on prevailing Eurocurrency deposit rates also on non-resident foreign currency accounts not specifically maintained as term deposit, for balances not less than USD 1000(one thousand), Pound Sterling 500(five hundred) or equivalent in other currency lying in the accounts for one month or longer period. 138CH 13

2. FC Accounts of non-resident Bangladeshis

(i) Bangladesh nationals working and earning abroad including self employed Bangladeshi migrants proceeding abroad on employment may open foreign currency accounts even without initial deposits. They may operate the accounts themselves or nominate other persons in Bangladesh for this purpose. The accounts can be opened in Pound Sterling, US Dollar, Euro or Japanese Yen at the option of the prospective account holder and maintained as long as the account holder desires. These accounts would ordinarily be fed from remittances by account holders themselves but funds sent by other wage earners may also be placed to the credit of such accounts. ADs may also raise credits to such accounts with the proceeds of convertible foreign exchange viz. currency notes, travellers' cheques, drafts etc. brought into Bangladesh by the account-holders while on temporary visit to Bangladesh provided such foreign exchange in excess of USD 5000 (or its equivalent) has been duly declared by them to the Customs on Form 'FMJ' at the time of their arrival. Foreign currency brought in by NRBs may be deposited to such FC accounts through bank booths operating in airports as mentioned in Para 1(D), Chapter 6.

(ii) Payments may be made freely abroad from these foreign currency accounts to the extent of balances lying therein. Local disbursements may also be made freely in Taka from such foreign currency accounts. Funds lying to the credit of FC accounts of Bangladesh nationals can be utilised for import of goods and commodities as per instructions issued by the CCI&E and Bangladesh Bank.

(iii) Interest on such accounts can be applied as mentioned in 1(vi) of this chapter.

3. FC Accounts of Diplomatic Bonded Warehouse

ADs may open foreign currency accounts in the names of the Diplomatic Bonded Warehouse (duty free shops) licenced by the Custom Authorities on following conditions:

a) Convertible foreign currency (notes and coins, travellers' cheques, drafts, cheques or credit card settlements) received only on account of sale of merchandise may be credited to these accounts.

b) Foreign exchange may be remitted abroad only for the purpose of import of merchandise by the bonded warehouse. For the same purpose foreign exchange may also be transferred from such accounts to foreign currency accounts maintained with other ADs.

For meeting local expenses, foreign exchange from these accounts may be encashed freely at current exchange rate. The requirement of encashment of at least 50 (fifty) percent of the gross profit (sale price of merchandise minus purchase price of merchandise) of the Bonded Warehouse in foreign exchange should be duly fulfilled.

c) Monthly statement of purchase, sale and foreign exchange transaction related thereto alongwith bank certificate concerning encashment in Taka shall be submitted to the FEOD, Head Office or other office of Bangladesh Bank in prescribed form (Appendix 5/3). Besides, ADs are 139CH 13 required to report transactions through such FC accounts in Statement S-13 alongwith relevant schedule [Chapter 2, Para 16(c), V ol. 2].

4. FC accounts of local and joint venture contracting firms

Foreign currency accounts in the names of local and joint venture contracting firms employed to execute projects by foreign donors/international donor agencies may also be opened by the ADs as per terms of the approved contract with the government authority without prior permission of Bangladesh Bank. Only foreign exchange received from the donors/donor agencies to meet expenses of the project can be credited to these accounts. All expenses in foreign exchange as per relevant contract may be met from these accounts. These accounts should be closed as soon as the transactions relating to the project are concluded.

Besides, ADs are required to report transactions through such FC accounts in Statement S-13 alongwith relevant schedule [Chapter 2, Para 16(c), V ol. 2].

5. Foreign nationals residing in Bangladesh are allowed to maintain and operate their foreign

currency accounts abroad.

6. FC Accounts of resident Bangladesh nationals working with foreign/international bodies

Foreign currency accounts may be opened in the names of resident Bangladesh nationals working with the foreign/international organisations operating in Bangladesh provided their salary is paid in foreign currency. Such account may be credited only with the foreign currency portion of the salary and debited for all approved current transactions like cost of travel, education for children, treatment etc. Local disbursements may also be made freely in Taka from such foreign currency accounts. Foreign currency accounts may also be credited with consultancy fees/honoraria received in foreign currency by the above mentioned category of residents, debits to such accounts being subject to same conditions as mentioned above. Besides, ADs are required to report transactions through such FC accounts in Statement S-13 along with relevant schedule [Chapter 2, Para 16(c), V ol. 2].

7. It will be in order for the ADs to issue cheque books to foreign currency account-holders.

8. In terms of Government Notification No. 1(8)-EF/58 dated 20th August, 1958 (Appendix 2/8), issued under Section 9 of the FER Act, 1947 all citizens of Bangladesh and other persons residing in Bangladesh continuously for six months or more who became owner of any foreign exchange whether held in Bangladesh or abroad are required to sell such foreign exchange to an AD within one month of the date of acquisition by them of such foreign exchange. This provision of repatriation of foreign exchange will not, however, apply to the following cases viz:

(i) Foreign exchange held abroad by foreign diplomats and foreign nationals employed in Embassies and Missions of foreign countries in Bangladesh. 140CH 13

(ii) Foreign exchange held abroad by foreign nationals or foreign business houses, except to the extent representing earnings abroad in respect of business conducted in Bangladesh or services rendered while in Bangladesh.

(iii) Foreign exchange held by Bangladesh nationals in accounts abroad which were opened and credited while the account holders were working abroad as resident outside Bangladesh.

(iv) Foreign contractors or consultants working in Bangladesh under contract with any government department or public sector agency or in a project under any loan, credit or grant, where the relevant contract provides for payment of their fees and emoluments partly or entirely in foreign exchange abroad.

(v) Expatriate employees of foreign contractors or consultants as mentioned in sub-para (iv) above where the terms of their employment provide for payment of their salaries partly or entirely in foreign exchange abroad.

(vi) Foreign nationals stationed in Bangladesh as employees of foreign concerns situated abroad and receiving part of their emoluments in Bangladesh for subsistence and the balance abroad for meeting other expenses, including maintenance of their families, will not also be required to repatriate the portion of their emoluments received abroad.

Besides the above mentioned exemptions from repatriation requirement, there are exemptions from surrender (encashment) requirement in respect of (i) portion of repatriated export proceeds that is allowed to be credited to the exporters retention quota account (Please see Chapter 13, Section -IV), (ii) foreign exchange brought in at the time of return from abroad that can be credited to RFCD account (Chapter 13, Section-III) and (iii) upto USD 5000(five thousand) brought in undeclared at the time of return from abroad that can be retained at hand (Chapter 6). For the purposes of the aforesaid Notification the term "residents in Bangladesh" excludes citizens of Bangladesh in foreign countries so long as they stay outside Bangladesh but includes foreign nationals who reside continuously in Bangladesh for six months or more.

9. Payments by foreign nationals in foreign currencies

Payments in foreign currency by foreign nationals residing in Bangladesh to or on behalf of residents of Bangladesh whether Bangladeshis or foreign nationals are prohibited except to a firm like a gift shop or an establishment like a hotel holding a valid authorised money changer's licence. Foreign nationals should not, therefore, directly or indirectly, make foreign currency available to the residents or to other persons on their behalf against payment in Taka. Such payments are prohibited even from their foreign currency accounts which they are permitted to maintain and operate from Bangladesh.141CH 13

SECTION - II

NON-RESIDENT FOREIGN CURRENCY DEPOSIT ACCOUNT

10. Opening of account

All non-resident Bangladesh nationals and persons of Bangladesh origin including those having

dual nationality and ordinarily residing abroad may maintain interest bearing time deposit accounts named "Non-Resident Foreign Currency Deposit (NFCD) Account" with the ADs.

11. Bangladesh nationals serving with Embassies/High Commissions of Bangladesh in foreign countries and also the officers/staff of the government/semi-government departments/nationalised banks and employees of body corporate posted abroad or deputed with international and regional agencies like IMF, World Bank, IDB, ADB etc. during their assignments abroad may open such accounts. Crew members of the Bangladeshi shipping companies are not entitled to open such accounts, but shore staff posted abroad may open such accounts. Accounts may also be opened with funds transferred from existing foreign currency accounts maintained by the wage earners with the ADs in Bangladesh.

12. How to open the account

The accounts are in the nature of term deposits maturing after one month, three months, six months and one year. The accounts may be maintained in US Dollar, Pound Sterling, Euro or Japanese Yen; initially with minimum amount of USD 1000(one thousand) or Pound Sterling 500(five hundred) or equivalent. Accounts may be opened against remittances in other convertible currencies after conversion of those into US Dollar, Pound Sterling, Euro or Japanese Yen.

13. These accounts may be maintained as long as the account holders desire. Eligible persons are also allowed to open such accounts at any time after return to Bangladesh. NRBs may, after their return to Bangladesh, open NFCD accounts with ADs to credit their retirement benefits, periodical pensions, superannuation benefits etc. as per employment agreement with employers while on service abroad. The balances held in the accounts may be used for settlement of legitimate payment abroad, subject to production of documentary evidence and deduction of applicable taxes.

14. Eligible Bangladesh nationals may send application alongwith a set of specimen signatures of the opener of the account to an AD in Bangladesh duly verified by Bangladesh Mission abroad, or a reputable bank or any other person known to the AD in Bangladesh. The application forms may be had from Bangladesh Missions abroad and from the ADs in Bangladesh or their branches abroad. No set of specimen signatures will be required to be enclosed with the application form if the application is submitted to an AD with whom the applicant has already been holding a foreign currency account. In such case a reference to the respective FC account number will serve as self-introduction and the account opening branch will verify the signature with the specimen signature maintained for the FC account.

15. Interest on deposits

The ADs will pay interest on deposits into the accounts at the Eurocurrency deposit rates. In case of premature repayments, the interest amount will be forfeited to the depositing AD. The interest on deposits into this account is exempted from the tax payable under Income Tax Ordinance.

16. The ADs in Bangladesh may at their option sell foreign exchange deposits (in US Dollars only) to the Bangladesh Bank without any lower limit at the Bangladesh Bank's buying rate and repurchase the principal and interest at the Bangladesh Bank's selling rates prevailing on the day of repurchase. The ADs may also invest abroad the amounts deposited with them and pay interest to the depositors out of earnings from such investments.

17. Repatriation of principal and interest

The account holder can freely repatriate the balance and the interest accrued thereon in foreign exchange to the country of his residence or anywhere he chooses and may at his option, convert the balance into local Taka at the prevailing exchange rate.

18. Foreign nationals and companies/firms registered and/or incorporated abroad, banks, other financial institutions including institutional investors and 100(hundred) percent foreign owned (A-Type) industrial units in the EPZs/EZs in Bangladesh, are also allowed to open and maintain NFCD accounts with the ADs. The minimum amount of time deposits in such cases should be USD 25,000(twenty five thousand) or its equivalent in Pound Sterling, Euro or Japanese Yen. Other terms and conditions in respect of these account-holders will be the same as those mentioned above for NFCD accounts of non- resident Bangladesh nationals.

19. Utilisation

The ADs may utilise 50(fifty) percent of the balances of NFCD accounts for (i) discounting of usance export bills of Type A and Type B units of EPZs/EZs and (ii) payment of back to back LC opened on sight basis. Amounts so utilised should immediately be replenished on realisation of respective export proceeds.

20. Reporting

Separate monthly statements summarising currency wise transactions in the NFCD accounts of all AD branches of a bank should be submitted from the head offices/principal offices of the banks as per proforma at Appendix 5/86, by the 15th of the following month that which it relates to the FEOD, Head Office or other offices of Bangladesh Bank. 143CH 13

SECTION-III

RESIDENT FOREIGN CURRENCY

DEPOSIT ACCOUNT

21. Persons ordinarily resident in Bangladesh may open and maintain Resident Foreign Currency Deposit (RFCD) accounts with foreign exchange brought in at the time of their return from travel abroad. Any amount brought in with declaration to Customs Authorities in form FMJ and upto USD 5000(five thousand) brought in without any declaration, can be credited to such accounts. However, proceeds of export of goods or services from Bangladesh or commission arising from business deals in Bangladesh shall not be credited to such accounts.

22. Balances in these accounts shall be freely transferable abroad. Fund from these accounts may also be issued to account-holders for the purpose of their foreign travels in the usual manner [i.e. with endorsement in passport and ticket, upto USD 5000(five thousand) in the form of cash currency notes and the remainder in the form of TC & or other currencies].

23. These accounts may be opened in US Dollar, Pound Sterling Euro or Japanese Yen and may be maintained as long as the account holders desire. While depositing foreign exchange for credit to such account the depositor shall furnish written declaration, mentioning the date of return from abroad and the amount of foreign exchange brought in, that the foreign exchange (i) is not a receipt against export of goods or services from Bangladesh, (ii) is not a commission due from abroad arising from business deal in Bangladesh. The ADs will credit the foreign exchange presented by the depositor to the RFCD account only after examining the passport of the depositor and the FMJ form [if the amount exceeds USD 5000(five thousand) or its equivalent] and after being satisfied about the correctness of the declaration.

24. International Card

ADs may issue International Card against the balance held in the RFCD account favouring the account holders (Please, see Chapter-19).

25. Interest in foreign exchange shall be payable on balances in such accounts if the deposits are for a term of not less than one month and the balance is not less than USD 1000(one thousand) or Pound Sterling 500(five hundred) or its equivalent. The rate of interest shall be one quarter percent (0.25%) less than the rate at which interest is paid on balances of bank in their foreign currency clearing accounts maintained with Bangladesh Bank.

26. The head offices/principal offices of the banks shall prepare currency-wise consolidated monthly statements of transactions in the RFCD accounts in all their AD branches (as per Appendix 5/87) and send the same to FEOD, Head office or other offices of Bangladesh Bank, by the 15th day of the following month. 144CH 13

SECTION- IV

EXPORTERS' RETENTION QUOTA (ERQ) ACCOUNT

27. (a) Retention quota for merchandise exporters

Merchandise exporters are entitled to a foreign exchange retention quota of 60(sixty) percent of repatriated FOB value of their exports. However, for exports of goods having high import content (low domestic value-added) like POL products including naphtha, furnace oil and bitumen, readymade garments made of imported fabrics, electronic goods etc. the retention quota is 15(fifteen) percent of the repatriated FOB value.

(b) Retention quota for deemed exporters

Retention quota account may also be opened and maintained in the names of deemed exporters for supplying inputs against inland back to back letter of credit denominated in foreign currency. Since foreign exchange earned from direct export is to be shared among direct and deemed exporters, ADs are obliged for the meticulous compliance of the followings:

(i) the total amount credited to the direct exporter's retention quota account together with foreign exchange paid to the deemed exporter against supply of input must not exceed the net repatriated FOB export value of the direct exporter; and

(ii) the foreign exchange shall be credited to the retention quota account of the deemed exporter only after settlement of the amount against back-to-back LC for deemed export.

(c) Retention quota for export of software, data entry/processing and other ICT related

services

Exporters of software, data entry/processing and other ICT related services may retain 70(seventy) percent of net export earnings repatriated in foreign exchange in ERQ accounts.

(d) Retention quota for other service exporters

Service exporters other than those mentioned at para (c) above may retain 60(sixty) percent of their repatriated export receipts in ERQ accounts against service rendered in non-physical form. However, foreign exchange earnings on account of indenting commission or agency commission for export from Bangladesh cannot be credited to such accounts since these incomes originate from Bangladesh sources.

28.(A) Eligible currency and utilisation

(i) Foreign exchange out of the retention quota may be maintained in FC accounts with the concerned ADs in USD, Pound Sterling, Euro or Japanese Yen upon realisation of the export 145CH 13 proceeds. Balances in these accounts may be used by the exporters for bonafide business purposes, such as business visits abroad, participation in export fairs and seminars, establishment and maintenance of offices abroad, import of raw materials, machinery and spares, repayment of authorised foreign loan etc. without prior approval of Bangladesh Bank. In addition, ADs on request by the IT/Software exporting firms can remit international alliance/software registration fee, domain registration/hosting fee, server maintenance fee, account verification/remittance test fee, etc. from the ERQ account of the applicant without prior approval of Bangladesh Bank. Foreign exchange from the ERQ account cannot be used for investment abroad by the exporter.

(ii) Transfer of unencumbered foreign currency between the ERQ accounts of same exporter maintained out of export receipts with different ADs is permissible for bonafide transactions as mentioned in (i) above. Besides, fund from ERQ accounts of the exporters may be used for settlement of import liability and repayment of authorised foreign loan of their subsidiaries/sister concerns. However, fund from ERQ accounts of the exporters held at other ADs may be used for (1) settlement of import liability of the exporters and for (2) settlement of import liability & repayment of authorised foreign loan of exporters' subsidiaries/sister concerns under compliance with the following instructions:

(a) Fund transferring AD:

(i) ADs shall be satisfied that the fund will be used only for imports and repayment of foreign loan of the exporters or their subsidiaries/sister concerns by other ADs and the fund is unencumbered.

(ii) Transfer will be executed through FDD to be settled through Bangladesh Bank clearing accounts of ADs. This instruction shall not be applicable for fund transfer and receipt in the same AD.

(b) Fund receiving AD:

(i) ADs shall retain the fund in margin account till settlement of import payments and repayment of foreign loan.

(ii) ADs shall settle the import payments in compliance with Import Policy Order in force, foreign exchange regulations and other import related instructions. For repayment of foreign loan, concerned instructions mentioned in Chapter 15 of this publication and loan approval letter of the competent authority shall have to be followed.

(B) Term deposit and interest thereon

Foreign exchange out of ERQ account may also be kept as interest bearing renewable term deposits with the concerned ADs in Bangladesh in US Dollar, Pound Sterling, Euro or Japanese Yen, with minimum balances of USD 2,000(two thousand) or its equivalent. Periods of such term deposits may be determined in accordance with normal banking practices/normal banking 146CH 13 considerations. Interest on such deposits may be allowed at rates comparable to the prevailing euro deposit rates for the relevant currency.

C) Advance payment against import using ERQ accounts

ADs may effect advance payment not exceeding USD 25,000(twenty five thousand) or its equivalent from the ERQ account against bonafide business purposes provided the relevant contract/proforma invoice stipulates for such payment subject to the following terms and conditions:

- (a) The ADs shall have to be satisfied that repayment guarantee is not obtainable from the supplier against the remittance to be made in advance;
- (b) IPO in force shall have to be meticulously followed;
- (c) The ADs shall, at their own responsibility, have to arrange for repatriation of the remittance made in advance in case the entry of goods into the country is not effected within the stipulated time;
- (d) While opening Back to Back L/C, the ADs should adjust the value of advance payment to

ensure that the value addition requirement as stipulated in the IPO is not breached ; and
(e) Before effecting the advance payment, the ADs must obtain Form of Undertaking (Appendix 5/15) duly signed by the importer.

29. International card

International cards may be issued to the exporters against balances held in ERQ accounts. The arrangements for issuance of international cards and use thereof by exporters are described in Chapter-19. 147CH 13

SECTION - V

FOREIGN CURRENCY ACCOUNTS FOR THE EPZ COMPANIES

30. Disposal of proceeds

The following procedures shall apply to release of foreign exchange to the enterprises against exports made from the EPZs:

- (i) 100 (hundred) percent of repatriated export proceeds of a Type A industrial unit in EPZ may be retained in FC account in the name of the unit with an AD or OBU in Bangladesh. Balances in the FC account may freely be used to meet all foreign payment obligations including import payment obligations of the unit and payment obligations in foreign exchange to BEPZA. Balances from the FC account will also be freely encashable for local disbursements or for crediting Taka account maintained with an AD for meeting Taka payment obligations like wages, rents, rates, taxes etc. Taka account maintained with ADs by Type A units in EPZ may be credited only with encashments of funds from FC accounts or of other inward remittances from abroad. However, receipts from Taka sales of factory refuses and of unusable portion of raw materials of Type A industries may be credited to the Taka accounts provided the permission letter of BEPZA for the sale and evidence of payment of duties/taxes on sale proceeds are produced to the AD. Balances in these Taka accounts cannot be converted to foreign exchange and may only be used for meeting local expenses.
- (ii) Upto 80 (eighty) percent of the repatriated export proceeds of Type B and Type C units other than those in the garments sector may be retained in FC Accounts maintained in the names of the units with their ADs; for a Type B or Type C unit in the garments sector, upto 75 (seventy five) percent of the repatriated export proceeds may be credited to FC account maintained in the name of the unit with an AD. The remainder of the export proceeds should be encashed to taka at the prevailing exchange rate. Besides, Taka accounts of Type B & Type C industrial units may also be credited with authorised payment received in Taka in accordance with same instructions as stipulated in Para 30(i) above. All foreign payment obligations of Type B and Type C units including import payment and repayments of foreign loans may be met out of the balances in their FC accounts; payment obligations in foreign exchange of a type B unit to the BEPZA may also be settled from balances in its FC account. Balances in the FC accounts of the Type B and Type C units are freely encashable to Taka for local disbursements.
- (iii) Equity from foreign shareholders of Type A & B enterprises and authorised loan received in foreign currency by Type A, B & C enterprises may be credited in FC accounts of enterprises of EPZs. ADs may issue a certificate in support of inward equity amount credited in FC account as per Format (Appendix 5/39 or 5/40, as the case may be). Foreign investment in EPZs (in 'Type A' 148CH 13 and 'Type B' enterprises) is subject to report to Bangladesh Bank within 14 (fourteen) days of issuance of shares favoring non-resident investors as per instructions stipulated in Para 2, Chapter 9 of this Guidelines.
- (iv) To facilitate business travel abroad by the officials of enterprises located in EPZs, balances of such accounts may be used through international debit/pre-paid cards also as mentioned in Para 2(b), Chapter 19.

The above instructions shall be applicable for the units of EZs and units of Private Export Processing Zones also. 149CH 13

SECTION - VI

OTHER FOREIGN CURRENCY ACCOUNTS

31. Foreign currency accounts for Initial Public Offerings (IPO)

ADs may open foreign currency accounts titled 'FC Account for IPO' in the name of issuing company only to collect subscription for IPO from non-resident Bangladeshis. The AD shall preserve the copy of the approval of BSEC for floatation of shares and shall immediately inform opening of such account to the Foreign Exchange Investment Department, Bangladesh Bank, Head Office, Dhaka. In the event of over-subscription, excess amount should be refunded back in the same currency. Such accounts should also be closed immediately after the remittance is effected and reported the same to the above mentioned department with a summary of

transactions made through this account as per Appendix 5/88.

32. Foreign currency accounts for ship builders (exporters)

Export oriented shipbuilders in Bangladesh are allowed to open and maintain FC accounts in ADs for retaining advance remittances from abroad against ship exports. Balances of these accounts may be used for payment of input procurements. Separate FC accounts may be opened for each ship for receiving and payment on per ship basis. Such account opened for one ship shall have to be closed within one month of delivery of the ship to the foreign buyer by transferring the balance of the account in usual retention quota account or by converting the balance into Taka. ADs shall submit the quarterly return of transactions (as per Appendix-5/89) of the above FC accounts to FEOD, Bangladesh Bank, Head Office/other offices of Bangladesh Bank within second week at the close of each quarter.

33. Foreign currency accounts of shipping companies, airlines and freight forwarders

Shipping companies/airlines/licenced freight forwarders handling FOB export cargo from Bangladesh receive payments in foreign currency in settlement of costs incurred by them locally towards internal transportation, sea freight/air freight, and related other handling charges.

Likewise they have to pay abroad in foreign currency for similar costs and charges incurred on FOB imports into Bangladesh.

To facilitate these payments in foreign currency for handling of FOB imports from their receipts in foreign currency against handling of FOB exports, shipping companies, airlines and multimodal transport operators licenced as freight forwarders by Customs Authorities can open and maintain accounts in USD or other freely convertible currencies with ADs in Bangladesh. Eligible transactions through these accounts and other requirements for opening and maintaining of such accounts are enumerated below : 150CH 13

Eligible credits to these accounts

(a) Accepting freight on FOB exports in FC : Foreign exchange received by shipping companies, airlines and multimodal transport operators licenced as freight forwarders by Customs Authorities against their handling of FOB export cargos from Bangladesh may be credited to such accounts as mentioned in Para 1(x), Chapter 10. Shipping companies/airlines may accept freight charges on FOB exports in foreign currencies from the eligible licenced freight forwarders. In these cases, shipping companies/airlines should ask the licenced freight forwarders to make payments in foreign currency from the foreign currency accounts maintained with their nominated ADs.

(b) Accepting freight on FOB imports in FC : Shipping companies/airlines may accept freight charges on FOB imports in foreign currencies from the importers/eligible licenced freight forwarders [Para 1 (ix), Chapter 10]. In this process importers' banks may at the request of their importer clients make payments of freight charges in foreign exchange to airlines/shipping companies/eligible licenced freight forwarders, out of the total value of the LCAF issued for the import covering costs of goods and freight. The receipts in foreign exchange will be used through the foreign currency accounts maintained by shipping companies/airlines/eligible licenced freight forwarders. The AD should endorse on the LCAF the amount of freight payable in foreign currency as stated in the bill of lading/airway bill and to issue a certificate in the form prescribed in Appendix 5/13 for presentation to the shipping company/airline/freight forwarder in Bangladesh at the time of payment of freight in foreign currency. This is to mention here that, ADs shall not credit the FC Account of the concerned shipping company/airline/Freight Forwarder in Bangladesh without producing this certificate in case of receiving freight in FC against FOB imports.

Eligible debits from accounts

Balances of such foreign currency accounts may be debited for the following purposes :

a) Encashment to Bangladesh Taka for meeting local expenses;

b) Foreign currency payable abroad towards costs and charges relating to handling of FOB imports into Bangladesh;

c) Foreign currency deposited in foreign currency accounts of shipping companies/airlines may be used for outward remittances on account of surplus earnings.

Balances held in foreign currency accounts shall first be used for outward remittances before use of local currency fund. However, AD Banks shall get themselves ensured of the encashment of 151CH 13 adequate foreign currency by the shipping companies/airlines to meet local expenses in case of shortfall in local currency funds and submit the encashment certificates with the statements.

Reporting : (i) AD banks will inform FEOD, head office or concerned office of Bangladesh

Bank immediately (by the next business day) as and when each such foreign currency account is opened.

(ii) All receipts and payments transactions through these accounts will have to be included in the monthly collection and disbursement statements routinely submitted to Bangladesh Bank by shipping companies/airlines through their AD banks. In this context, collection in foreign currency should be presented in a separate column of relevant statements as mentioned in Para 5, Chapter 10.

(iii) Transaction statements of these foreign currency accounts will also have to be submitted to Bangladesh Bank (FEOD, Head Office or concerned office of Bangladesh Bank) on quarterly basis for post facto checking to satisfy that reasonable amount from the foreign currency accounts have been encashed to Taka towards defraying of local costs and tax liabilities. Besides, eligible licenced freight forwarders shall, through AD banks, submit monthly statements to FEOD/concerned office of Bangladesh Bank as mentioned in Section III, Chapter 17.

34. Special Foreign Currency Account Monitoring System (SFCAMS)

Transactions of FC Accounts which are opened with specific approval of Bangladesh Bank shall have to be reported to the SFCAMS, operated by Bangladesh Bank. The purpose of this software is to monitor transactions of foreign currency accounts. While reporting transactions, ADs are required to follow the instructions enumerated in the user manual available in the website.152CH 14

CHAPTER 14

SECTION- I

CONVERTIBLE AND NON-CONVERTIBLE TAKA ACCOUNTS

1. General

ADs may open convertible Taka accounts in the names of foreign organisations/nationals viz., diplomatic missions, UN organisations, non-profit international bodies, foreign contractors and consultants engaged for specific projects under the Govt./Semi Govt. agencies and the expatriate employees of such missions/organisations who are resident in Bangladesh. To open such accounts the above mentioned organisations/individuals except diplomatic missions, UN organisations, non-profit international bodies will have to submit the copy of permission letter obtained from BIDA or other competent authorities like BEPZA, BEZA or other Specialised Zones Authorities under Section 18(B) of the FER Act, 1947 and Section 14(2) of BIDA Act, 2016 to the ADs.

2. Credits to Convertible Taka Account

These accounts may be credited with foreign currency brought in or remitted from abroad or transferred from a foreign currency account or another convertible Taka account. For transfer from another convertible Taka account, the Taka amount from the transferor's account would be converted into foreign currency for transfer and credit to the recipient account by reconversion into Taka. No money emanating from a business originating in Bangladesh and otherwise repatriable to Bangladesh can be credited to these accounts.

3. Debits to Convertible Taka Account

A convertible Taka account may be debited for payments in foreign currency abroad, for local expenses, for transfers to foreign currency accounts or other convertible Taka accounts or for credits to a non-convertible Taka account.

4. Interest bearing STD Accounts

The ADs may open Taka STD (7-30 days special notice) accounts in the names of foreign diplomatic missions and their expatriate personnel, foreign airlines and shipping lines operating in Bangladesh, international non-profit organisations including charitable organisations, UN organisations and their respective expatriate personnel and pay interest thereon provided that the amount of interest accrued on balances of these accounts will be disbursed locally in non-convertible Taka and that no part of the earned interest will be remittable abroad at any stage. 153CH 14

5. Non-convertible Taka Account

Foreign organisations/their expatriate personnel mentioned at Para 1 above may maintain non-convertible Taka accounts with ADs without prior BB approval. These accounts may be credited with funds from convertible Taka accounts, with remittances from abroad, and with Taka received from authorised sources including interests from STD accounts. These accounts may freely be debited for local expenses. No remittance abroad or transfer to a foreign currency account/convertible Taka account may be made by debit to a non-convertible Taka account. 154CH 14

SECTION : II

PRIVATE NON-RESIDENT TAKA ACCOUNTS

6. (i) Non-resident accounts

The accounts of individuals, firms or companies resident outside Bangladesh are designated as non-resident accounts and are treated as accounts of countries of permanent residence of the account holders. ADs should establish the countries of permanent residence of all account-holders and mark the accounts of all non-resident persons, firms or companies as non-resident accounts; indicating clearly the countries of their permanent residence as established. Where any doubt exists whether an account is to be treated as non-resident, reference should be made to the Bangladesh Bank for decision, giving relevant details.

(ii) In terms of Section 5 of Article II of the schedules appended to the United Nations (Privileges and Immunities) Act, 1948, the accounts of United Nations and its organisations are free from financial controls. The ADs should therefore treat such accounts maintained with them as resident accounts. However, the instructions contained in this Chapter will equally apply to the expatriate employees of the UN and its organisations in Bangladesh except that their convertible Taka accounts will be credited with (i) funds from official accounts of UN organisations in Bangladesh, (ii) remittances from abroad, (iii) foreign exchange encashed with an AD in Bangladesh and (iv) funds from other convertible Taka accounts.

7. Change of residence

All nationals of Bangladesh who go out of Bangladesh for any purpose viz. employment, study, business tour, pleasure trip etc. are required to be treated as non-resident for the purpose of Section 5 of the FER Act, 1947 for so long as they remain outside Bangladesh except in the case of accounts of persons holding office in the Service of Bangladesh who go abroad or who are already abroad and residing outside Bangladesh for the time being either on duty or on leave. Such persons will not, therefore, be able to instruct persons in Bangladesh to make any payment on their behalf to persons in Bangladesh. Such payments, if made, will constitute an offence under the FER Act, 1947 and will be punishable under the provisions of the said Act. If persons proceeding abroad find that they have to make certain payments to a person in Bangladesh, they must obtain prior approval of the Bangladesh Bank before doing so.

However, when such persons come to Bangladesh on temporary visits their accounts may be treated as "Resident" during the period of their stay in Bangladesh. The ADs will, however, ensure that such accounts are immediately redesignated as "Non-resident" after the account-holders leave the country. 155CH 14

It would, however, be in order for the ADs to raise debits and credits to the accounts of such persons during their absence from Bangladesh for the following:

(a) Debits

(i) Payments on account of insurance premium, club bills or other payments in Bangladesh of a regular nature for which the ADs hold standing instructions from their customers provided the payments are supported by bills and vouchers.

(ii) Government and Municipal dues in Bangladesh provided payments are supported by official claims.

(iii) Debits representing payments in Bangladesh for cost of passages by air or by sea.

(iv) Other payments by cheques drawn in favour of payees resident in Bangladesh.

(v) Debits on account of purchase of shares of public limited companies and/or securities of the Government of the People's Republic of Bangladesh provided such shares/securities are purchased and retained by the ADs themselves for and on behalf of the account holder so long as he resides outside Bangladesh. In case the shares/securities are required to be disposed of, the sale proceeds should be credited to the non-resident account.

(vi) Debits on account of disbursements in Bangladesh to resident Bangladesh nationals to the extent of funds received from abroad through banking channel.

(vii) Debits on account of repayments of instalments of loan direct to a financial institution in Bangladesh from which the account holder had obtained loan.

(viii) Debits in reversal of previous credits

(b) Credits

(i) Receipts on account of salary, allowances, bonus, commission etc.,

(ii) Dividend and interest income on investments in shares and securities,

(iii) Income from landed property and agricultural rent,

(iv) House rent and sale proceeds of properties on the basis of documentary evidence,

- (v) Interest accrued on the amounts lying in the non-resident accounts,
- (vi) Sale proceeds of shares of public limited companies and/or securities of the Government of the People's Republic of Bangladesh purchased under Sub-para (v) of Para (7)(a) above,
- (vii) Remittances received from abroad through banking channel
- (viii) Refund of amount previously debited or over-charged. 156CH 14

In these cases, the AD must satisfy himself that the credit falls under any one of the exempted categories and represents the purpose which it purports to do before passing it through the account.

When a person domiciled in Bangladesh leaves Bangladesh to take up permanent residence in another country his account should be treated as an account of the country of his new domicile; similarly, when a foreign national residing in Bangladesh leaves Bangladesh permanently, his account should be treated as an account of the country of his permanent domicile.

8. New non-resident accounts of persons other than banks

(a) New non-resident accounts in the names of persons or firms or companies other than banks may be opened only with prior approval of the Bangladesh Bank. The application for approval should give the full name and permanent address of the applicant and the purpose for which such an account is required and the manner in which it will be kept in funds.

(b) Non-resident Taka accounts may, however, be opened without prior approval of the Bangladesh Bank for crediting the proceeds of inward remittances sent through banking, and postal channels. To the extent the funds credited represent the proceeds of foreign currency, the same may be freely disbursed locally.

9. Accounts of foreign nationals resident in Bangladesh: Form QA 22

The accounts of all foreign nationals who are resident in Bangladesh and the accounts of companies or firms (other than banks) whose head office or controlling interests are outside Bangladesh but are operated on by persons in Bangladesh may be treated as resident accounts. The account-holders or persons in Bangladesh authorised to operate on such accounts must sign Form QA-22 (Appendix 5/90) and the same will be preserved in the respective account opening files. Prior approval of Bangladesh Bank for opening such accounts is, however, not necessary. This form is an undertaking that the signatory will not provide any foreign currency against reimbursement in Taka and that any transaction on the account not directly connected with the signatory's business in Bangladesh or which represents remittance from abroad will be reported to the Bangladesh Bank on Form A-7 (Appendix 5/91). Declaration on Form QA-22 need not be taken from members of foreign embassies, legations, consulates and foreign government officials in Bangladesh. Permission has also been given to banks which are not ADs to open taka accounts of foreign nationals in their books subject to their signing certificates on Form QA-22.

10. Form QA-22 not required from non-residents

In the case of non-resident accounts, declarations on Form QA- 22 are not necessary.

11. Responsibility of ADs regarding irregular operation on accounts

Notwithstanding the fact that a constituent has signed Form QA-22 the AD must take all reasonable steps to ensure that the constituent is not making foreign exchange available to any person in Bangladesh other than an AD against reimbursement in Taka or is not by any other means contravening the provisions of the Act. Any irregularity should immediately be brought to the notice of the Bangladesh Bank.

12. Joint account of residents and non-residents

An account held jointly by a resident and a non-resident should be treated as a resident accounts if it is operated solely by the resident or jointly by the resident and the non-resident. If the joint account is to be operated by the non-resident only, it is to be treated as non-resident account.

13. Operations on non-resident accounts of persons, firms and companies other than banks
Unless prescribed otherwise by the Bangladesh Bank in respect of any particular non-resident Taka account of persons, firms and companies other than banks, all operations on such accounts shall be governed by the rules given below.

Transactions on such accounts should be covered by a Form A-7 (See Appendix 5/91) except for transactions which are specifically exempted from the completion of Form A-7 as given below. Wherever prior approval of Bangladesh Bank is required, it should be obtained on Form A-7.

(I) Credits and debits not subject to report on Form A-7.

(a) Credits:

Refunds of amounts previously debited or overcharged.

(b) Debits:

- (i) Payments in respect of postage, telegram charges, storage or safe custody charges, club bills and other sundry payments where the amount does not exceed Tk.2000(two thousand) per month
- (ii) Debits in reversal of previous credits.
- (iii) Debits in respect of approved remittances in foreign exchange.
- (iv) Payments for disbursements in Bangladesh from the accounts which are opened in terms of para 8(b) of this Chapter and which are fed entirely by remittance from outside Bangladesh.
- (v) Debits as mentioned in Para 7 (a)(i) to (viii) excepting Para 7(a)(iv).

(II) Credits and debits subject to report on Form A-7 but not subject to prior approval of the Bangladesh Bank:

(a) Credits

(i) Proceeds of cheques drawn on banks outside Bangladesh or of remittance received from abroad in favour of the non-resident account holder or proceeds of foreign currency brought in 158CH 14 physically during temporary visits to Bangladesh with declaration on form FMJ with submission of encashment certificate issued by an AD. However, for USD 5000(five thousand) or below Form FMJ will not be required.

Foreign currency brought in by NRBs may be deposited to such accounts through bank booths operating in airports as mentioned in Para 1(D), Chapter 6.

(ii) Credits as mentioned in Para 7(b)(i) to (vi)

(b) Debits:

1. Cheques drawn in favour of payees resident in Bangladesh not exceeding Tk. 5,000(five thousand) in any one month;

2. Transactions referred to in Para 7 (a)(iv) provided the value of the cheque does not exceed Tk. 20,000(twenty thousand) in any one month.

All other credits and debits require prior approval of the Bangladesh Bank. Form A-7 in respect of the credits and debits to private non- resident accounts which require to be reported to the Bangladesh Bank should be forwarded to the FEPD, Head Office, Bangladesh Bank.

14. Responsibility of submitting Forma A-7: Credits to Private to Non-resident Accounts

In the case of credits to a non-resident account the receiving bank, i.e. the bank who credits a non-resident account in his books is responsible for ensuring that Form A-7 has been completed and approved by Bangladesh Bank or an AD as permissible before crediting funds to private non-resident accounts. In order that no difficulty may arise in doing so, the following procedure is suggested for adoption by all banks:

A cheque or draft received for the credit to a non-resident account of a company, firm or person unless accompanied by Form A-7 should not be passed through the clearing, but should be sent by the receiving bank to the paying bank stating that a non-resident account is being credited and requesting in exchange a pay-slip accompanied by Form A-7 duly completed by the drawer or by the paying bank on his behalf and approved by the Bangladesh Bank or the AD as permissible. A similar practice should be followed in the case of bank cheques which represent payment of remittances from abroad for credit to the resident accounts of foreign nationals who have completed Form QA-22.

15. Responsibility of submitting Forma A-7: Debits to Private Non-resident Accounts

In the case of debits to non-resident accounts, cheques representing payments other than those mentioned in paragraph 13(l)(b)(i), (ii), (iii), (iv) & (v) should be returned by the paying bank with the remarks "Non-resident account, Approved Form A-7 required". The collecting bank will then arrange with the customer, for whom the payment is drawn, to submit Form A-7 for approval. 159CH 14

16. Outward remittances

Subject to approval/reporting requirements in form A-7 described in Para 13 of this chapter, debits to balances in Non-resident Taka Accounts will be permissible also for outward remittances towards:

- (i) subsistence expenses of individual account holders and their family member in their country of residence;
- (ii) current payments abroad by institutional account holders for permissible procurement of goods and services from abroad. 160CH 14

SECTION : III

NON-RESIDENT BLOCKED TAKA ACCOUNTS

17. Powers of Bangladesh Bank to block non-resident accounts

Section 6 of the FER Act, 1947 confers powers on the Bangladesh Bank to "block" accounts in

Bangladesh of any person resident outside Bangladesh and to direct that payment of any sum due to a non-resident may be made only to such a blocked account.

18. Definition of a blocked account

A blocked account means an account opened as a blocked account at any branch or office in Bangladesh of a bank authorised in this behalf by the Bangladesh Bank or an account blocked by the order of the Bangladesh Bank.

19. Opening of blocked accounts

A blocked account may not be opened in the name of a resident of Bangladesh unless it is held jointly with a non-resident. No blocked account may be opened by an AD or an existing "free" account blocked except under directions from the Bangladesh Bank.

20. Payment to blocked account

Sub-section (1)(b) of Section 6 of the FFR Act, 1947 provides that where the Bangladesh Bank has directed that any payment due to a non-resident may be made to a blocked account in his name with a bank in Bangladesh, the crediting of the sum due to the blocked account shall, to the extent of the sum credited, be a good discharge to the person making the payment.

21. Items payable to blocked accounts

Payments in discharge of liabilities to non-residents, remittance of which outside Bangladesh cannot be approved by the Bangladesh Bank under the current foreign exchange regulations, notwithstanding that they may have arisen legitimately and lawfully, will be allowed to be made only to blocked accounts. For instance, any payment of a capital nature due to a non-resident or a payment due to a Bangladesh national who has emigrated to another country will be permissible only into a blocked account in the name of the beneficiary.

22. Bangladeshi emigrants-blocking of accounts

Bank accounts and securities belonging to Bangladesh nationals and foreign nationals residing permanently in Bangladesh who emigrate to foreign countries, should be treated as blocked. For blocking the accounts and securities of intending emigrants the Bangladesh Bank will issue necessary instructions to their banks. 161CH 14

Sometimes Bangladesh nationals who had gone abroad for purposes other than migration take up permanent residence in a foreign country. As and when such cases of their clients come to the knowledge of the ADs, it will be their responsibility to report these to the Bangladesh Bank for instructions as to whether or not the bank accounts/securities of the person concerned should be blocked. In such cases pending receipt of instructions from the Bangladesh Bank, the securities should be immobilised and no operation on the bank account should be allowed without its prior approval.

23. a. Operations on blocked accounts

The Bangladesh Bank may issue special instructions regarding operations on individual blocked accounts. In the absence of any such special instruction, no payment into or withdrawal from blocked accounts may be made unless prior approval of the Bangladesh Bank has been obtained.

b. Use of blocked balance

Balances held in blocked accounts may be invested in "approved securities" expressed to be payable in Taka or may be placed on fixed deposit with the bank in which the account is held subject to prior approval of the Bangladesh Bank. The shares or securities in which investment is permitted by the Bangladesh Bank must be bought through the bank with whom the blocked account is kept and registered in the name of the account-holder, the address being his permanent residential address outside Bangladesh. Alternatively, securities so purchased may be registered in the names of the banks keeping the blocked accounts or their nominees in Bangladesh. The securities may not be held in bearer form and may not be sold or transferred out of the name of the stock-holder without prior permission of the Bangladesh Bank.

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SECTION : IV

NON-RESIDENT INVESTOR'S TAKA ACCOUNTS (NITA)

24. (i) In respect of portfolio investment in Bangladesh (as mentioned in Para-4, Chapter 9) the non-resident investor (non-resident person/institutions including non-resident Bangladesh nationals) shall open a NITA with any AD in Bangladesh, with freely convertible foreign currency remitted from abroad through normal banking channel or by transfer of funds from the non-resident investor's foreign currency account, if any, in Bangladesh;

(ii) Balances in the NITA may freely be used to buy Bangladeshi shares/securities. These

balances are also freely transferable to the Foreign Currency Account (opened as per instructions at Chapter 13, Para 1 & 2) of the same person with the respective AD as well as remittable abroad in equivalent foreign exchange. Transfer and outward remittances will be reported to the Bangladesh Bank in the monthly statements of NITA and returns alongwith the TM Form approved by the ADs respectively in terms of this general authorisation.

(iii) The NITA can be operated by the account-holder himself or by a nominee, including the AD itself. Purchase and sale of shares/securities listed in a stock exchange in Bangladesh shall be made only through a member/registered broker of the exchange.

Purchase of new public issues not yet listed in a stock exchange may, however, be made directly from the company issuing the stock/security.

(iv) Dividends/interest earnings on the shares/securities bought through the NITA, net of taxes payable on such earnings of the non-resident holder, received from the issuing company/institution may be credited to the NITA. In these cases (unless the payment is accompanied by a certificate from the issuing company's auditor that the tax payable on the earning of the non-resident holder has been withheld and the net post-tax amount has been paid for credit to the NITA) the AD will ensure that an amount representing taxes payable on the earning of the non-resident holder is withheld from the gross amount received (for eventual payment to the tax authorities) and only the net post-tax amount is credited to the NITA.

(v) Sale proceeds of the shares/securities purchased through the NITA (net of taxes payable, if any, on the capital gain) may also be credited to the NITA. Before crediting the sale proceeds of the stocks/shares held by the non-resident into the NITA, the AD shall ensure that the tax payable (if any) on the capital gain is withheld from the sale proceeds for eventual payment to the tax authorities.

(vi) No local funds from any sources other than those mentioned at (i), (iv) and (v) above can be credited to NITA. 163CH 14

(vii) The AD must ensure that NITA is debited or credited for purchase or sale of shares at the prices prevailing in the stock market on the day of the relative purchase/sale.

(viii) Relevant instructions contained in the Notifications of BSEC regarding placements, allotments and issuance of right shares/bonus shares are to be meticulously complied with.

(ix) No loan facilities shall be allowed by the ADs in the Non-resident Investor's Taka Accounts.

(x) Incidental expenses related to sales and purchases of shares/securities and to operation of the accounts may be debited to NITA.

In addition to the routine reporting regarding inward and outward remittance to and from the NITAs in the usual monthly returns, the ADs will furnish monthly statements of transactions in the NITAs, as per prescribed proforma (Appendix 5/92) to the FEID, Bangladesh Bank, Head Office, Dhaka. The ADs will also submit with the monthly statements their own certificates/certificates from the auditors of the concerned companies regarding payment/withholding or exemption of taxes payable on the capital gains and on dividend/interest earnings of the non-resident holders, as applicable 164CH 15

CHAPTER 15

BORROWING ABROAD BY RESIDENTS

1. Borrowing abroad by private sector industrial enterprises

All proposals for borrowing from abroad by private sector industrial enterprises in Bangladesh (including supplier's credits, financial loans from institutions or individuals and debt issues in capital markets abroad) shall require prior authorisation of the Bangladesh Investment Development Authority (BIDA). Procedures in details for obtaining such credit facilities have been embodied in the Notification No. BOI/R&IM1/4(39)/81(Part)/1209 of Board of Investment (BOI, now BIDA) issued on 10th December, 1998 (Appendix 6/1).

Applications as per proforma at the Annexure-A of Appendix 6/1 for approval of proposals for borrowing from abroad should be submitted to the BIDA with the analyses and supporting documents.

In each case of supplier's credit/loan from abroad approved by BIDA, a copy of the loan agreement should be forwarded by the concerned AD to FEPD, FEID & Statistics Department, Bangladesh Bank, Head Office, Dhaka.

However, short term credit accommodations of up to one year duration from suppliers/buyers abroad are, however, subject to the guidelines/instructions issued by Bangladesh Bank in regard to settlements for current commercial transactions.

2. Remittance towards repayment

Repayment installments of interest and principal against the supplier's credits/loans from abroad availed of in terms of general/ specific authorisation of the BIDA as mentioned in the foregoing para may be remitted abroad by the ADs without prior reference to Bangladesh Bank provided that:

- (i) The amounts of interest and installments of principal repayment are remitted only by the AD through whom the foreign credit was originally received;
- (ii) In case of loan received in convertible foreign exchange, the AD while reporting to Bangladesh Bank the remittance of interest/principal repayment installment in the usual monthly return must furnish a certificate stating the date(s) and amount(s) of receipt of loan funds and mentioning the monthly returns/schedules in which those receipts were originally reported to Bangladesh Bank. A copy of the relevant credit agreement and a copy of the repayment schedule should also be forwarded;
- (iii) In case of foreign loan availed of in the form of supplier's credit the borrower must submit to the AD the attested copy/copies of bill(s) of entry evidencing actual arrival of the relative capital 165CH 15 goods in Bangladesh before any installment of interest/principal can be remitted. Attested copy/copies of the bill(s) of entry alongwith copy of the relative credit agreement and repayment schedule should be forwarded to the Bangladesh Bank by the AD while reporting remittance of installment of principal/interest in the usual monthly returns/schedules.

3. Borrowing abroad by public sector entities

Borrowing abroad by public sector entities requires approval of the Government. All such borrowings on commercial (non- concessional) terms also require specific approval of the Standing Committee on Non-Concessional Loan.

4. Guarantee towards repayments of foreign suppliers' credit

Issuance of repayment guarantees against foreign suppliers' credits shall be subject to the instructions at Para 9, Chapter 16.

5. Short term suppliers' credit from abroad

Availing of short term suppliers' credits from abroad in the form of imports under deferred payment LCs will be subject to compliance with the instructions at Para-33, Chapter 7 (Import).

6. Remittances towards repayment of interest and principal installments against past foreign loans/suppliers' credits

Remittances towards repayment of interest and principal installments against past foreign loans/suppliers' credits availed in terms of specific approvals other than those covered in the preceding paragraphs (such as past marine vessel procurements under the erstwhile Pay as You Earn Scheme) will be subject to such prior permission requirement as prescribed in the original approvals, until and unless decided otherwise by Bangladesh Bank on approach in each case.

7. Medium/long term external borrowing by industrial enterprises in Export Processing Zones/Economic Zones

The procedure outlined below will be followed in processing medium/long term external borrowing approval requests of industrial units in the EPZs/EZs.

- (i) Industrial units in the EPZs/EZs. will submit borrowing approval applications and related documents as per proforma at Annexure-A, Appendix-6/1 through their nominated Authorized Dealer banks for onward referral via BEPZA/BEZA to Bangladesh Bank, Head Office. Besides documentation requirements indicated at Annexure-A, Appendix-6/1, approval application must also be supported by analyses and papers in regard to: (a) commercial viability of the project (b) the project's capacity to service the proposed debt from its earnings (c) cost competitiveness of the project's outputs in domestic and external markets (d) existing domestic output capacity in the sector to which the borrowing proposal relates, and the potential domestic and external 166CH 15 demand given the estimated output cost structure (e) existing indebtedness structure of the project sponsors, duly supported by reports of their bankers and of the CIB at Bangladesh Bank.
- (ii) AD banks will forward the applications to BEPZA/BEZA, after satisfying themselves about completeness of the applications and accompanying documents, as also about prima facie correctness of data/information provided in the applications. While forwarding the applications onward, the Authorized Dealer banks may add such observations/remarks of their own as they may deem necessary to make.
- (iii) The BEPZA/BEZA, after perusal of borrowing approval applications forwarded by ADs, will in turn forward these onward to General Manager, FEID, Bangladesh Bank Head Office, Dhaka; with such observations/remarks as deemed necessary.
- (iv) The borrowing proposals forwarded to Bangladesh Bank by the BEPZA/BEZA will be

scrutinized at the FEID. The decisions taken by Bangladesh Bank in this regard will be communicated simultaneously to the BEPZA/BEZA, the applicant EPZ/EZ units, and their ADs concerned.

8. Reporting of Foreign Loans approved by BIDA/Bangladesh Bank

The Concerned AD bank through their respective head office will have to submit a consolidated quarterly statement of all foreign loans (with providing specific information and comment on utilisation of each loan separately) received by their client under the title of 'The Quarterly Statement of Foreign Loan approved by BIDA/Bangladesh Bank to the General Manager, FEID, Bangladesh Bank through e-mail (gm.feid@bb.org.bd) in the prescribed format (Appendix 5/93) within 15 days of the end of the each quarter of a year.

9. Working capital loans from abroad by foreign owned/controlled companies

Foreign owned/controlled industrial enterprises in Bangladesh (as defined in Para 4A, Chapter 16) having urgent occasional necessity of short term borrowing for business needs other than inputs procurements, for which working capital financing from the local market has not yet been lined up, may access interest free loans from parent companies/shareholders abroad for upto one year without any prior approval, subject to post facto reporting through their AD banks to FEPD, Bangladesh Bank Head Office within one week of availing each such loan. Repayments of these loans will likewise require no prior approval, but will have to be reported to FEPD, Bangladesh Bank, Head Office through AD banks besides usual monthly report to Bangladesh Bank. 167CH 16

CHAPTER 16

SECTION-1

LOANS, OVERDRAFTS AND GUARANTEES

1. Restrictions on lending

Grant of credit facilities in Taka to non-residents, to companies (other than banking companies) controlled directly or indirectly by persons resident outside Bangladesh and to residents against guarantees or collateral lodged outside Bangladesh, the extension of loans and overdrafts in foreign currencies and the giving of guarantees on behalf of residents of Bangladesh in favour of non-residents or on behalf of non-residents in favour of residents are all regulated under sections 3, 4, 5, 18 and 20 of the FER Act., 1947. This Chapter contains the general regulations covering the granting of such loans, overdrafts, credit facilities and guarantees.

2. Loans and overdrafts to non-resident bank branches and correspondents

The ADs may provide short term credit facilities for a period not exceeding 2(two) weeks to their branches and correspondents abroad only by way of overdrafts arising in the latters' non-resident Taka accounts, if any, on account of negotiation of LCs opened by them for import from Bangladesh.

3. Trading & commercial loans and over drafts

The ADs should not grant Taka loan against overseas guarantees or collateral outside Bangladesh without prior approval of the Bangladesh Bank. Applications should be made on Form L (See Appendix 5/94). The applicant is required to state the purpose for which the credit facilities are required, the period for which the facilities would be needed, the value of his stocks and assets in Bangladesh and reasons why borrowing against an overseas guarantee or collateral outside Bangladesh is necessary. The applicant is also required to state in what manner the proposed loan or overdraft is expected to be paid off.

4(A). Foreign owned/controlled companies

A company is deemed to be controlled directly or indirectly by persons resident outside Bangladesh-

(a) if it is a branch office of a company incorporated outside Bangladesh;

(b) in the case of partnership, if

(i) 50 (fifty) percent or more of the capital of the partnership is owned by foreign nationals or,

(ii) the majority of the partners are foreign nationals; and

(c) in case of companies incorporated in Bangladesh, if

(i) 50(fifty) percent of the shares or more are owned by foreign nationals or, 168CH 16

(ii) 50(fifty) percent or more of the directors in the Board of company are foreign nationals. In the case of equal share holding or equal representation on the Board of Directors, a company is deemed to be foreign controlled if its Chairman is a foreign national.

(B) Working capital loans for foreign owned or controlled firms

By virtue of Section 18(2) of the FER Act, 1947 no person resident in Bangladesh may grant any loan, advance or credit facility to any company (other than banking company) which is controlled whether directly or indirectly, by persons resident outside Bangladesh except with the

approval of Bangladesh Bank. For the purpose of Section 18(2) of the FER Act, 1947 the word "Company" includes a firm, branch or office of a company or firm. Pursuant to this provision, Bangladesh Bank has accorded general authorisation to banks for extending to foreign owned/controlled industrial and trading firms/companies operating in Bangladesh Taka working capital loans necessary for their operation in due course of business, according to prevailing credit norms and on the basis of normal banker customer relationship.

Resident persons/companies may purchase Commercial Paper (CP) issued by foreign owned/controlled companies in Bangladesh for financing working capital in terms of general instructions of the guidelines issued by Bangladesh Bank in this regard.

General approval has been accorded for purchase by individuals and institutions resident in Bangladesh of Taka bonds issued with permission of the Bangladesh Securities and Exchange Commission by foreign owned/controlled companies in Bangladesh.

(c) Term lending in Taka to foreign owned/controlled companies

Foreign owned/controlled companies engaged in manufacturing or services output activities for three years or longer in Bangladesh can access Taka term loans from the domestic market for capacity expansion or BMRE regardless of local content in their equity; subject to adherence by banks/financial institutions to all applicable credit norms and prudential parameters including single borrower exposure limit, debt-equity ratio and so forth. This is to mention here that total debt of the firm/company does not exceed the 50:50 debt equity ratio.

The term loan facilities extended will have to be reported post facto to General Manager, FEID, Bangladesh Bank, Head Office, Dhaka in proforma prescribed at Appendix 5/94. Term borrowing proposals not conforming with the stipulations in the above paragraph may as before be forwarded to General Manager, FEID, Bangladesh Bank, Head Office, Dhaka for consideration and specific decision.

In terms of the above authorisation, non-authorised dealer bank branch(es) or non-bank financial institutions may provide such term loan in Taka to foreign owned/controlled firm/company only in association with AD bank branch(es) subject to observance of instructions stipulated above. AD will ensure the compliance of the relevant instructions for entire financing . 169CH 16

(D) The ADs will maintain and carefully preserve separate company-wise records of loans/overdrafts granted to the foreign or foreign controlled companies.

(E) Head Offices/Principal offices of the ADs are also required to submit a consolidated statement (See Appendix 5/95) as of 31st December each year showing local borrowing facilities allowed to foreign or foreign controlled companies in Bangladesh to the General Manager, FEID, Bangladesh Bank, Head Office, Dhaka.

(F) Taka loans to NRBs working abroad

ADs may extend mortgage loans in Taka to NRBs working abroad for the purpose of housing in Bangladesh subject to observance of the existing guidelines of Prudential Regulations for Consumer Financing (Regulation for Housing finance) issued by Banking Regulation and Policy Department, and the following instructions:

a) The housing finance facility shall be provided to NRBs at a maximum debt equity ratio of 75:25. The equity portion shall be provided by the borrower-NRBs either through their inward remittances or through debits to their non-resident bank accounts fed by foreign sources.

b) ADs may obtain securities and savings instruments held by NRBs in Bangladesh as additional collateral beside registered mortgage of the house with registered power of attorney. They may also obtain third party personal guarantee(s).

c) The repayment against the loans shall be made out of inward remittances. However, rental income from the house concerned, net of applicable taxes, may be used for repayment. In this case, ADs may, at their options, provide necessary custodial services to collect rental income.

d)

ADs shall adhere to all applicable credit norms, prudential parameters, and applicable instructions of other competent authorities.

In case of housing finance facility extended by branches of scheduled banks not authorised to deal in foreign exchange, such lending bank branches should have suitable links with ADs channeling inward remittances for equity and repayment.

5. Loans against commodities intended for export from Bangladesh

a) ADs may grant credit facilities against goods intended for export from Bangladesh to companies and business houses controlled by persons resident outside Bangladesh without prior approval of the Bangladesh Bank. Business houses controlled by persons resident outside Bangladesh may be

given credit facilities, without Bangladesh Bank's approval against pledgement of merchandise like jute, hides and skin which are mainly exported from Bangladesh.

(b) Purchase of usance bills

Purchases by the ADs of usance bills covering imports into Bangladesh result in the payment by them in foreign currency or a payment in Taka to a non-resident account, whereas, they do not receive payment for the bills from the importer pending maturity and thus the transactions result in the extension of credit facilities to the importer in Bangladesh. ADs are free to discount/purchase accepted usance/deferred bills against import from abroad on banker customer relationship and normal banking practices applying due diligence .

6(a). Private loans/overdrafts against guarantees or collaterals lodged outside Bangladesh Applications for credit facilities in Taka to any person, whether resident in Bangladesh or otherwise, for purposes other than trading or commercial against overseas guarantee or collateral outside Bangladesh should be referred to Bangladesh Bank for prior approval. The application should be made in Form L (Appendix 5/94)

(b) Taka advance against cheque purchase

Prior Bangladesh Bank approval will however not be required for Taka advances by way of purchase of cheques in freely convertible currencies drawn by foreign embassies/international organisations/foreign nationals employed therein on their bank accounts abroad, provided that (i) the Authorised Dealer is fully satisfied about collectibility of cheque proceeds in foreign currency within four weeks of purchase, (ii) the expected collection period is fully factored in while deciding the purchase price in Taka, and (iii) the purchases are with recourse to drawers of the cheques for any difficulty in collection.

(c) Loan for Investment

No credit facility should be given to foreign nationals for dealings in shares and securities, purchase of cars etc. without prior approval of Bangladesh Bank. Applications in 'Form L' may in such cases be forwarded to Bangladesh Bank for consideration.

7. Loans and advances by the ADs in foreign currency

ADs should not grant any loan or overdraft in foreign currencies whether secured or unsecured except with the prior approval of Bangladesh Bank. Applications for this purpose should be made by letter giving full details of the purpose for which such loans or overdrafts in foreign currency are required, particulars of the guarantee or collateral, if any, and the proposed mode of repayment of the loan or overdraft.

8. Guarantees on behalf of residents in favour of non-residents

ADs may furnish guarantees to non-residents on behalf of residents only within the authority set out in the following paragraphs:

i) ADs may issue bid bonds/performance bonds on behalf of suppliers in Bangladesh in favour of international agencies inviting tenders for supply of goods/services. In such cases ADs should ensure genuineness of the tender/supply contract/work order etc. before issuing of bond/guarantee. 171CH 16

ii) Minor Guarantees

ADs may freely give guarantees on behalf of their customers in their ordinary course of business in respect of missing documents, authentication of signature, release of goods on Trust Receipts and defects in documents negotiated under LC or otherwise.

iii) Export Guarantees

ADs may furnish performance bonds or guarantees in favour of overseas buyers on account of Bangladeshi exporters without prior approval of Bangladesh Bank subject to usual banking norms and the following conditions:

- (a) the tender floated by the foreign buyer calls for bank guarantee/performance bond;
- (b) the tenderer is a bonafide importer/user/trader of the commodity/product concerned;
- (c) there is no export ban in Bangladesh on the commodity/product to be supplied;
- (d) the past performance of the exporter is considered satisfactory by the AD.

The remittance, if any, to the beneficiary as a result of invocation of the bond or guarantee can be made subject to report to the Bangladesh Bank.

iv. Umrah Hajj Guarantee

ADs may, on behalf of approved Umrah agents, furnish bank guarantees/performance bonds not exceeding 2,00,000(Two lac) Saudi Riyal in favor of Official Umrah service agents/providers of Kingdom of Saudi Arabia (KSA) without prior approval of Bangladesh Bank subject to usual banking norms and observance of the following conditions:

(a) Applicant agents shall have up to date licences from the Ministry of Religious Affairs as Umrah agents. They shall also have valid licences from the Ministry of Civil Aviation and Tourism as travel agents and valid Accreditation Certificate from International Air Transport Association.

(b) ADs shall obtain agreements signed between Bangladeshi bonafide Umrah agents and official Umrah service agents of KSA.

(c) The past performance of applicant agents is considered to be satisfactory by ADs. The remittance, if any, to the beneficiary as a result of invocation of the bank guarantee/performance bond can be made subject to report to Bangladesh Bank with detailed reasons of the invocation.

9. Repayment Guarantees against suppliers' credit

(a) Except in the cases as mentioned in (b) below, ADs have to take prior permission from FEPD, Bangladesh Bank before issuing any guarantee on behalf of industrial concerns under public/private sector favouring foreign suppliers towards repayment of suppliers' credits. However, 172CH 16 providing guarantees like corporate guarantee, personal guarantee, third party guarantee, etc. to the foreign lenders as stipulations of foreign loan agreement will not require Bangladesh Bank permission provided the loan concerned has been approved by the BIDA.

(b) ADs may, on behalf of industrial importers, issue repayment bank guarantees without Bangladesh Bank approval favouring International Islamic Trade Finance Corporation extending short term buyers' credit up to 180(one hundred eighty) days for import of industrial raw materials for own use by importers, on sight basis, subject to adherence to all applicable credit norms and prudential parameters including single borrower exposure limit. In case of invocation of the guarantees, ADs shall report Bangladesh Bank giving full details of the circumstances leading to invocation and copy of bill of entry relevant to the concerned imports.

10. Guarantee on behalf of non-residents in favour of residents in Bangladesh

a) Subject to such conditions as may be imposed by Banking Regulations and Policy Department from time to time, ADs may issue Taka guarantees on behalf of foreign or foreign controlled companies/firms operating in Bangladesh in favour of residents in Bangladesh: (i) against 100 (hundred) percent cash deposit and/or where the guarantee is required to be submitted with tender documents in lieu of earnest money deposit, subject to the condition that validity of the guarantee issued in lieu of earnest money will be limited to the period within which the decision regarding acceptance or rejection of the tender is taken, (ii) against adjustment of the amount from the overdraft limit, if any, allowed to the company/firm concerned.

(b) An AD may without prior approval of Bangladesh Bank, issue guarantee, bid bond or performance bond in foreign currency on behalf of a non-resident firm/company favouring residents in Bangladesh provided a back to back guarantee covering the guaranteed amount from an overseas correspondent or other bank abroad is held by the AD. The AD should satisfy itself about the bonafides of the overseas guarantee before issuing its own guarantee/bid bond/performance bond there against. If beneficiaries in Bangladesh require guarantee in Taka instead of foreign currency, ADs may issue guarantee, bid bond or performance bond in local currency against taka equivalent back to back foreign currency guarantee with suitable coverage for exchange rate fluctuation from counter guarantee issuing banks abroad.

(c) In all other cases not specified above prior approval of the Bangladesh Bank is required for issuing guarantees on behalf of non-residents in favour of the residents in Bangladesh.

Applications for these cases should be made by letter in duplicate giving full particulars of the guarantee/bond, the period, purpose and the method by which the AD will be reimbursed in the event of the guarantee/bond being invoked.

11. Guarantee favouring local project authorities on behalf of residents.

ADs may issue, on behalf of residents, bid bonds/performance bonds/guarantees in foreign currency in favour of local project authorities against goods/services procurement tenders 173CH 16 financed by international/foreign donor agencies/Bangladesh Government, on the condition that in case the guarantee is invoked the claim thereagainst would be paid only in Taka equivalent and not in any other currency .

12. Guarantee favouring a non-resident on behalf of another non- resident

Non-resident international agencies may demand bank guarantees from non-resident contractors against supply of materials/down payment for the ongoing projects in Bangladesh financed by them. Such guarantee on behalf of a non-resident contractor in favour of the non-resident beneficiary may be issued by an AD against 100 (hundred) percent counter guarantee from a

reputed international bank abroad, or against 100 (hundred) percent cash collateral in foreign exchange received from abroad through banking channel.

13. Guarantee and pledging of collateral in favour of overseas bank branches and correspondents

ADs may not, without prior approval of Bangladesh Bank, furnish guarantees to or hold collaterals on behalf of overseas bank branches or correspondents in respect of credit facilities or guarantees to be extended by them or for any other purpose. All applications to Bangladesh Bank should be made by letters giving details of the purpose for which guarantee is to be furnished or collateral deposited. Prior approval is not however, necessary in cases where the ADs are satisfied that the amount of the fixed deposit or other collateral held by them represents funds remitted to Bangladesh through normal banking channel from the country of residence of the borrower. However, ADs may, without prior approval of Bangladesh Bank hold collaterals on behalf of overseas bank branches or correspondents in respect of external borrowing by industrial enterprises as approved by BIDA/BB.

14. Renewals of loans, overdrafts and guarantees

In cases where the extension of loans or overdrafts or guarantees require prior approval of the Bangladesh Bank, the renewal of such loans, overdrafts or guarantees shall also require prior approval of the Bangladesh Bank.

15. LCs to finance imports or exports not barred

Nothing in this chapter shall affect the establishment of LCs in accordance with the provisions of Chapter 7 and the advice, confirmation and negotiation of credits established by non-resident banks to finance exports from Bangladesh.

16. Obtaining foreign loan by Non-bank Financial Institutions (NBFIs)

NBFIs operating in Bangladesh licenced under the Financial Institutions Act, 1993 may obtain loan from abroad subject to prior approval of the Bangladesh Bank under the following conditions : 174CH 16

(i) For obtaining such loan, effective rate of interest will have to be consistent with foreign loans availed of by residents with prior approval of Bangladesh Bank;

(ii) Repayment period (including grace period) will not be less than five years;

(iii) Loan thus obtained (in FC) from abroad shall be used as security to obtain Taka loan from any bank in Bangladesh. Taka loans so obtained shall be used for lending to 'manufacturing industries and infrastructure sector (other than real-estate) only.

While applying to Bangladesh Bank for such approval, NBFIs shall submit the following papers/information with application:

a. Reason for obtaining foreign loan, debt-equity ratio (existing and after obtaining proposed foreign loan), source and currency of repayment, particulars of security against foreign loan, particulars of taka loan obtained so far (if any) along with amount, tenure and particulars of security lodged thereof;

b. Specimen copy of draft loan agreement;

c. Specific information regarding effective interest rate factoring in all fees & expenses, tenure, rate of down payment etc.;

Besides, prior permission from Bangladesh Bank will have to be obtained by NBFIs for obtaining Taka loan from entities controlled by non-residents like DEG, FMO etc. While applying to Bangladesh Bank for such loan, it is to be ensured that effective interest rate for proposed loan is competitive with similar loans availed of by other resident entities during the recent past. Since, interest rates in such cases are determined by adding premium with Treasury Bill Rate, tenure of Treasury Bill and rate of premium are to be mentioned separately with such application. 175CH 16

SECTION - II

CREDIT FACILITIES TO INDUSTRIES IN EXPORT PROCESSING ZONES

17. (A) 100 (hundred) percent foreign owned enterprises in the EPZs known as Type A industries may obtain short term foreign currency loans from overseas banks and financial institutions subject to the following conditions:

(i) The loan shall be received through an AD in Bangladesh; and the loan proceeds will be credited to the FC account maintained by the AD in the name of the Type A unit, to be used for financing import of capital machinery and raw materials, payment of interest/service charges, repayment of loans and for crediting Taka account for meeting local expenses;

(ii) Only assets fully owned by the Type A industry may be lodged as collaterals for such loans;

(iii) Repayment of principal and interest on the loan shall be remitted out of the balances available in the FC account without prior Bangladesh Bank approval. No fund may be provided from the AD's own resources for such repayment except with prior approval of Bangladesh Bank;

(iv) In case the loan is called up by the creditor, the assets charged to foreign lender will be allowed to be sold only in foreign exchange and proceeds, after paying off all local liabilities in Bangladesh, may be remitted abroad with Bangladesh Bank's approval;

(v) No Taka loan against repatriable short term foreign currency loan will be allowed to a Type A industry.

(B) Type A industries in EPZs may access short term foreign currency loans from parent companies/shareholders abroad and other Type A subsidiaries/associates operating in EPZs of Bangladesh. In the context of such short term loans within subsidiaries/associates operating in EPZs, ADs shall, before transferring the fund, satisfy themselves that the fund is unencumbered.

(C) Type B industries (joint venture projects) may also obtain such loans subject to conditions applicable to Type A industries as indicated above, except that Type B industries will not be permitted to mortgage/hypothecate their fixed assets, raw materials in favour of any non-resident. The ADs may, however, issue guarantee to overseas banks/ financial institutions for short term foreign currency loans brought into Bangladesh by Type B industries, subject to prior approval of the Bangladesh Bank.

18. Taka loans to Type B units

Taka loan may be granted to a joint venture (Type B) industrial unit in EPZ upto 100 (hundred) percent of short term foreign currency loan brought in and encashed to Taka. Loan in Taka for procurement of capital machinery for setting up a Type B industry, not exceeding the local partners' share of ownership of the unit, may be extended on normal banker-customer relationship. Repayments of the Taka loans along with interests should be received out of the foreign exchange earnings of the unit.

19. In the case of joint venture (Type B) projects in the EPZs, the foreign partners will have to arrange their contributions in foreign exchange from own or borrowed sources outside Bangladesh and the local partners shall contribute their shares in local currency. In the event, however, the contributions as per joint venture project agreements made by the foreign partners and authorised foreign loan are not sufficient to cover the cost of machinery and equipment, the shortfall may be made up by conversion of Taka into foreign currency upto an amount not exceeding the local partners' shares/contributions and authorised local loan for procurement of capital machinery as mentioned in Para 18 of this Chapter.

20. Taka loans to Type C units : ADs may extend credit facilities to Type C industries [100 (hundred) percent locally owned] as admissible to such industries outside EPZ. Authorised loan received in local currency and equity may be converted into foreign exchange to settle obligations for importing capital machinery.

21. Opening of import LCs on account of EPZ units

In establishing import LCs on account of Type A, B and C units in the EPZs ADs shall bear in mind the position that the import payments may be made only out of the foreign exchange earnings of the concerned units or out of their borrowings abroad credited in their FC accounts, and that no funds from the AD's own foreign exchange resources can be used for this purpose except in the cases as mentioned in Paras 19 and 20 of this chapter.

Before opening inputs import LC against an export LC or export order received by an EPZ unit the AD should satisfy itself completely about the clarity of the conditions in the export order/LC, the standing and credit of the foreign buyer and the ability of the exporting unit for timely execution of the export order. In opening inputs import LCs on account of Type B and Type C units, domestic value addition requirements prescribed for the respective items by the Ministry of Commerce should also be abided by.

Import payments against the LCs should be scheduled in a manner that payment obligations do not fall due before receipt of export proceeds. In all cases of opening inputs import LCs on accounts of units in the EPZ, ADs should satisfy themselves that necessary arrangements have been made by the opener that in case of shortfall or delay in export receipts, foreign exchange would be made available from external sources.

22. Discounting of accepted usance bills of EPZ units (Type A and B)

Balances in NFCD accounts may be utilised for discounting usance bills drawn by Type A and Type B units of EPZs for supplying raw materials under back to back (BTB) arrangement and accepted by ADs operating outside EPZs. However, utilisation of NFCD fund for the above 177CH 16

purpose including payment for BTB sight LCs (as mentioned in Chapter 7) will not exceed 50(fifty) percent of total NFCD balance of the concerned bank.

23. Working capital loan to B and C Type units

For working capital, in addition to pre-shipment non-funded facility through BTB LC and post shipment finance through bill discounting as mentioned in para 22 of this chapter, an AD may grant working capital loan from its own source on banker customer relationship considering repayment capacity of the B and C type units up to the extent of value of inputs required for four months production. However, loans so advanced should be adjusted from export receivables within shortest possible time. The amount of importables is to be determined on the basis of export performance of the concerned unit during the previous year while for the new concern the AD should refer to the production capacity as determined by BEPZA.

For Type C units, this facility will include discounting of direct/deemed export as mentioned in Para 25, Chapter 8 of this Guidelines.

24. Discounting of direct/deemed export bills

Discounting of direct/deemed export bills as mentioned in Para 25, Chapter 8 shall be applicable for the Type C units of EPZs also under the stipulations mentioned in Para 23 above.

25. Credit facilities to the enterprises of EZs and industries of private export processing zones.

The above instructions of Section -II shall be applicable for the enterprises of EZs and units of the private EPZs including KEPZ established under Private Export Processing Zone Act, 1996 also.

26. Medium/long term external borrowing by industrial units in EPZs/EZs

Procedures for obtaining medium/long term external borrowing by industrial units in EPZs/EZs are described in Para 7, Chapter 15 of this Guidelines. 178CH 17

CHAPTER 17

SECTION-I

FOREIGN EXCHANGE TRANSACTIONS

FOR AGENCY SERVICES

1. Resident persons/firms can work as agents on behalf of foreign principals without prior permission from Bangladesh Bank. Similarly, no permission is required for encashment of inward remittances repatriated favouring local agents on account of commission, remuneration, fee, service charges, etc. Designated ADs, while conducting foreign exchange transactions on behalf of their agent-customers, shall adhere to following instructions:

(a) ADs shall maintain customer-wise files with updated agency agreements and copies of licences/permissions, if applicable, issued by the competent authorities.

(b) ADs shall be satisfied that agents have necessary arrangements with foreign principals to repatriate their monthly payments. In case of commission, remuneration, fee, service charges, etc. to be receivable by agents on transaction basis as per agreements, the payment shall be repatriated immediately on its closure between foreign principals and concerned persons/firms in Bangladesh.

(c) ADs shall observe relevant other regulations such as AML/CFT standards, taxes, etc. for executing foreign exchange transactions.

2. Foreign exchange transactions on account of agents working in Bangladesh on behalf of foreign shipping companies, airlines, stock brokerage firms, courier services, railway companies, satellite channel distributors, tour operators, freight forwarders shall be guided by instructions contained in different chapters of this Guidelines and subsequent FE Circulars/Circular Letters. 179CH 17

SECTION-II

TRANSACTION WITH BRANCH OFFICES, LIAISON OFFICES, REPRESENTATIVE OFFICES AND OTHER PLACES OF BUSINESS IN BANGLADESH ESTABLISHED UNDER SECTION 18B(1) OF THE FOREIGN EXCHANGE REGULATION ACT, 1947.

3. In terms of section 18B(1) of the Foreign Exchange Regulation (FER) Act 1947 (VII of 1947), amended upto September 09, 2015, person resident outside Bangladesh (whether or not a citizen of Bangladesh) or a person who is not a citizen of, but resident in Bangladesh or a company (other than a banking company) not incorporated under any law for the time being in force in Bangladesh shall report to Bangladesh Bank within 30(thirty) days of obtaining permission from Bangladesh Investment Development Authority (BIDA) or similar competent authority in Bangladesh to establish in Bangladesh a branch office or liaison office or representative office or any other place of business for carrying on any activity of a trading

commercial or industrial nature.

Accordingly, ADs nominated by branch office or liaison office or representative office or any other place of business in Bangladesh established under 18B(1) of the FER Act, 1947, shall observe the following instructions with regards to dealing with such offices:

- (a) Nominated ADs shall prepare and maintain a list of their clients of branch, representative, liaison offices, etc.
- (b) Permission from BIDA or similar competent authority for setting up branch/representative/liaison offices etc. shall have to be reported within 30(thirty) days of obtaining such permission to FEID, Bangladesh Bank, Head Office with copy to FEOD, Bangladesh Bank, Head Office or other offices of Bangladesh Bank (in applicable cases) through the designated ADs of the concerned office with other necessary documents including encashment certificate, etc. Moreover, renewals of permissions (if any) shall have to be reported to the above mentioned departments/offices of Bangladesh Bank within same time period including of those offices who have already obtained similar permission from Bangladesh Bank or BOI/BIDA.
- (c) In case of change of nominated ADs, branch, representative, liaison offices, etc. shall collect a no objection certificate from the current nominated bank for onward submission to new nominated bank. Information related to change of nominated bank shall have to be intimated to FEID, FEOD and concerned office (in applicable case) of Bangladesh Bank. 180CH 17

SECTION-III

FOREIGN EXCHANGE TRANSACTIONS OF FREIGHT FORWARDERS

4. Multimodal transport agencies named as freight forwarders licenced by Customs Authorities will adhere to the following instructions in addition to those mentioned in Chapter 10 & Section VI, Chapter 13, relevant to their operations :

- (A) Licenced freight forwarders may pay freight charges to airlines/shipping companies in Taka in respect of exports made on FOB basis subject to observance of the following terms and conditions:
 - (a) Freight forwarders will provide encashment certificates (Appendix-5/96) issued by the designated AD bank of the concerned freight forwarder to airlines/shipping companies in support of freight charges recovered from the overseas importer through their counterpart freight forwarders abroad and repatriated the same to Bangladesh through normal banking channel. ADs shall issue encashment certificates in support of inward remittances as per Appendix-5/96 and instructions therein.
 - (b) Transactions of a licenced freight forwarder shall be channeled through one AD bank branch designated by it. In case of changing AD bank, the relevant file of licenced freight forwarder shall be transferred direct to new AD bank branch with immediate intimation to FEOD, Head office or other concerned offices of Bangladesh Bank.
- (B) ADs may, in addition to charges against imports on FOB basis, effect outward remittance on account of profit share/service charges payable to counterpart freight forwarders.
- (C) Licenced freight forwarders shall arrange with their foreign counterpart freight forwarders to receive their receivables in such a manner so as to match the credit line extended to them by airlines/shipping companies locally. The same arrangement shall be made with importers for settlement of charges with counterpart freight forwarders against FOB imports.
- (D) Freight forwarders shall, through their designated ADs, report (as per Appendices-5/97, 5/98 & 5/99) their transactions to FEOD, head office/respective area office of Bangladesh Bank by 20th day at the close of the month. 181CH 18

CHAPTER 18

SECTION-I

INSURANCE BUSINESS

1. General : Foreign exchange regulations governing insurance business entered into and completed in Bangladesh are set out in this chapter. Branches and agencies in Bangladesh of insurance companies whose head offices are situated abroad are, from foreign exchange regulations viewpoint, regarded as resident in Bangladesh and are subject to the same instructions as insurance companies registered in Bangladesh.

Life Insurance

2. Types of policies which may be issued : (i) Insurance policies on the lives of residents of Bangladesh may be issued only in Taka. (ii) Existing Taka life policies may not be converted into foreign currency policies except with the prior approval of the Bangladesh Bank. Similarly, the

records of an existing Taka policy may not be transferred to an office outside Bangladesh.

3. Collection of premia : (i) Premia on Taka policies on the lives of non-residents may be accepted in Taka if made by cheques drawn on a non-resident Taka account with an AD or if made out of funds remitted from abroad by the policy-holder through an AD.

(ii) Premia collected on Taka policies must be credited to the insurance company's resident account. The remittance of such collections by the branches of non-resident companies to their overseas head office or branches is not permitted.

4. Assignments : Policies may not be assigned by a resident in Bangladesh to a non-resident or by one non-resident to another non-resident in a different country without the prior approval of the Bangladesh Bank. There is, however, no objection to technical assignments of life policies to the head offices of overseas insurance companies as security for Taka loans granted by the branch in Bangladesh.

5. Payments of claims

(i) The maturity proceeds or surrender value of Taka policies will be paid in Taka only.

(ii) The proceeds at maturity of Taka endowment policies or annuities held by foreign nationals who are temporarily resident in Bangladesh or who having been temporarily resident in Bangladesh have left Bangladesh, may not be transferred for payment outside Bangladesh without the prior approval of the Bangladesh Bank.

6. The foreign currency policy abroad

Bangladesh nationals may buy life insurance policies in foreign exchange while residing abroad.

On their permanent return to Bangladesh they may continue to pay the premia from foreign 182CH 18 currency accounts maintained in Bangladesh. Remittance facility may also be allowed for premia payments provided:

(a) The foreign currency policy abroad was taken while the policy- holder was resident abroad;

(b) Nominee or assignee of the policy is a resident;

(c) The holder furnishes undertaking that the proceeds of the policy will be received in Bangladesh through normal banking channel;

(d) Declaration is furnished by the applicant as per proforma at Appendix 5/100;

(e) The AD shall keep note of maturity date of the policy and inform Bangladesh Bank about non-repatriation of proceeds of the policy at maturity immediately in any such case.

7. Export of policies

Life and endowment policies which fall within the definition of securities cannot be taken or sent out of Bangladesh without the prior approval of the Bangladesh Bank. Applications for export of life policies should be made to the Bangladesh Bank giving full description of the policy and reasons for its export.

Non-Life Business

8. Marine policies-exports

Exporters in Bangladesh may obtain insurance cover for shipments on CIF basis, the policies may be expressed in Taka or in foreign currency. For FOB/CFR export shipments, the insurance covers are arranged by the overseas buyers.

9. (i) Marine policies-imports : (i) Exports from and imports into Bangladesh under the public sector are required compulsorily to be insured with the Sadharan Bima Corporation (SBC). Private sector exporters and importers may take out policies from SBC or from any approved private sector insurance company in Bangladesh.

(ii) The insurance policies on account of imports into Bangladesh should be expressed in Taka except that in case of imports for projects/industries which are financed by foreign loans/grants, policies may be expressed in foreign currency if the terms of the loans/grants so require.

(iii) Marine policies-coastal shipments

Coastal shipments between places in Bangladesh may be insured only in Taka.

10. (a) Insurance cover on non-marine risks (excluding life) inside Bangladesh may be issued only in Taka. Nothing in this paragraph shall affect the operation of the warehouse to warehouse clause in marine insurance policies. 183CH 18

(b) Insurance cover on assets outside Bangladesh owned by residents of Bangladesh may be issued in Taka or in the currency of the country in which the assets are situated.

(c) Insurance of baggage and valuables in transit

Insurance of baggage and valuables in transit is subject to the same regulations as applicable to marine insurance policies.

11. (i) Currency in which policies may be issued for non-marine risks (excluding life) :

Claims on foreign currency policies may be paid to non- resident beneficiaries in the currency in which the policy is issued. Where a remittance from Bangladesh is required for this purpose, an application must be made to the Bangladesh Bank on Form TM accompanied by a declaration as per Appendix 5/73.

(ii) Currency in which policies may be issued-other risks : Claims on foreign currency policies whose beneficiaries are residents of Bangladesh may ordinarily be paid in Taka. Where the beneficiary requires payment in the currency of the policy, permission from Bangladesh Bank should be applied for on Form TM accompanied by declaration as per Appendix 5/73. The beneficiary must explain in the declaration why payment in foreign currency is required.

(iii) All risks insurance : All risks insurance policies on the assets of residents may be issued only in Taka.

(iv) Household policies : Household policies can be issued only in Taka.

(v) Personal accident insurance policies : The issue of personal accident policies is subject to the same conditions as life policies.

(vi) Policies under the Workmen's Compensation Act and Merchant Shipping Act : Policies under the Workmen's Compensation Act and Merchant Shipping Act can be issued only in Taka.

12. (i) Method of collection of premia on (non-life business) Taka policies : Premia on Taka policies of non-residents may be accepted in Taka if made by cheque drawn by the non-resident policy holder on his non-resident Taka account with an AD or if the payment is remitted from abroad by the policy holder through an AD. Insurer should not accept payment in Taka from resident accounts in such cases.

(ii) Premia collection : Foreign currency policies : Premia on foreign currency policies issued by the Insurance Companies in respect of foreign nationals resident in Bangladesh can be collected out of remittable Taka funds of the policy holder or through a remittance received from abroad. In respect of foreigner residing abroad the premia can be collected only through remittance from abroad.

13. Method of settlement of claim (non-life business): Claims against Taka policies can be paid in Taka only, regardless of whether the beneficiary is a resident or otherwise. 184CH 18

SECTION -II

REINSURANCE

14. Remittance facilities for reinsurance (non-life) abroad will be allowed to the insurance companies operating in Bangladesh by ADs without prior Bangladesh Bank approval subject to the following conditions:

(i) Remittances of Premia-Facultative Reinsurance: (a) Application for this purpose should be made on Form TM accompanied by a declaration in the form given in Appendix 5/101. (b) The application is supported by evidence in the nature of cover note etc., in respect of reinsurance effected. (c) In case of applicant insurance companies other than the SBC, a certificate from SBC that the applicant has fulfilled the requirement of obtaining reinsurance cover through SBC to the extent statutorily prescribed.

(ii) Settlement of Account- Treaty Reinsurance: (a) The application is supported by a proforma statement of account signed by the Manager of the applicant company or an officer holding a power of attorney and duly confirmed by the reinsurer. (b) The applicant company has submitted quarterly statements of its reinsurance account to the FEOD, Head office or other offices of Bangladesh Bank through the AD (c) Proceeds certificate in case any amount of claim has been received in cash and the same is being accounted for through the statement of account. (d) Applications for this purpose should be made on Form TM accompanied by a declaration in the form in Appendix 5/102.

15. Reinsurance -life : remittance of premia

Remittance of premia towards reinsurance of life business done by an insurance company in Bangladesh under treaty arrangement with foreign reinsurers may be allowed by the ADs on application in TM Form alongwith declaration as per Appendix 5/102 subject to:

(a) Submission of Bordereaux.

(b) Furnishing of undertaking by the insurance company to repatriate receipts in settlement of claims under the reinsurance through an AD.

(c) A proforma statement of account signed by the authorised official of the insurance company.

1. International cards

Payment in foreign exchange may be made through international card (debit/credit/pre-paid as the case may be) of internationally recognised issuing company against the following entitlements:

- i) Balance in exporters' retention quota account [Ref : Para 27, Chapter 13] and FC accounts of EPZ units (Para 30, Chapter 13) & FC accounts of EZ units (Para 4, Chapter 20)
- ii) Annual personal travel quota entitlement of individuals [Ref : Para 1, Chapter 12].
- iii) Balances held in RFCD accounts [Ref : Chapter 13, Section-III].
- iv) Foreign exchange entitlement (fixed by the Government for each person intending to perform Hajj) of approved private Hajj Agencies for meeting food/lodging expenses of the pilgrims in Saudi Arabia. [Ref : Para 10, Chapter 12].
- v) Personal entitlement fixed by the Government of Bangladesh in each year for intending pilgrims for performing Hajj [Ref : Para 10, Chapter 12].
- vi) Foreign exchange entitlement fixed by the Ministry of Finance/competent authority for official or semi-official visits abroad by the officials of Government/Autonomous/Semi-autonomous institutions etc. [Ref: Para 3, Chapter 12].
- vii) Per diem foreign exchange entitlement for private sector participants for attending seminars, conferences, workshops, training etc. abroad arranged by recognised international bodies [Ref : Para 4, Chapter 12].
- viii) Annual business travel quota [Ref: Para 7, Chapter 12].
- ix) Balances held in private foreign currency accounts [Ref : Para nos. 1, 2 and 6, Chapter 13].
- x) Remittance facilities for BASIS member IT/Software firms within the limit in a calendar year [Ref : Para 39, Chapter 10].
- xi) Payment of membership fees of foreign professional and scientific institutions, both for individual and corporate in Bangladesh, fees for application, registration, admission, examination (TOEFL, SAT etc.) in connection with admission into foreign educational institutions [Ref : Para 9, Chapter 11, Para 36, Chapter 10].
- xii) Remittance for IT expenses [Ref. Para 40, Chapter 10].
- xiii) Payment for visa processing fees [Ref. Para 11(B), 12, Chapter 11].
- xiv) International cards for individual developers/freelancers [Ref : Para 23(b) (3), Chapter 8].

Instructions relating to issuance of international cards are outlined below:

2. International credit/debit/pre-paid card against balances held in ERQ accounts

(a) International credit/debit/pre-paid cards may be issued against the balances held in the ERQ foreign currency account as per entitlement mentioned in Para 27, Chapter 13 of this Guidelines. International cards may be issued in favour of upto three (3) top level executives of an exporting firm/organisation holding ERQ accounts. An exporting firm/organisation may avail of the card facility from one card issuing bank only. It will be upto the card issuing bank to accept or decline a request from an ERQ account holding exporting firm/organisation for issuance of international cards. Cards issued against ERQ accounts may be used only for meeting the bonafide business purposes of the exporting firm/organisation as mentioned in Para 28(A)(i), Chapter 13 (Section-IV) of this Guidelines.

(b) International debit/pre-paid card against balances held in FC accounts of EPZ & EZ companies

To facilitate business travel abroad by officials of enterprises located in EPZs/EZs, balances of FC accounts as mentioned in Para 30, Chapter 13 and Para 4, Chapter 20 may be used through international debit/pre-paid cards also. International cards (debit/pre-paid) may be issued in favour of upto three (3) top level executives of concerned enterprise against balances held in such foreign currency accounts. An enterprise may avail of the card facility from one card issuing bank only.

3. International credit/pre-paid card against travel quota entitlement.

ADs may issue international credit/pre-paid card against the annual personal travel quota entitlements of the prospective card holders as per Para 1, Chapter 12 of this Guidelines. While issuing card, the AD shall endorse on the passport, the value for which the card is issued. The same shall be reported to 'Online Foreign Exchange Transactions Monitoring System' of Bangladesh Bank as mentioned in Para 1(vi)(c), Chapter 12. ADs are advised to establish effective control to ensure utilisation of foreign exchange issued for (1) SAARC countries & Myanmar and (2) Other than SAARC countries & Myanmar in the respective areas.

4. International credit/debit/pre-paid card against balances held in RFCD accounts

International credit/debit/pre-paid card may be issued against the balances held in RFCD

accounts opened and maintained as per instructions mentioned in Chapter 13 (Section III) of this Guidelines by authorised dealers in Bangladesh.

5. International pre-paid card against Hajj entitlement (for private sector Hajj agencies)

In each year government declares general permission for releasing foreign exchange favouring private sector Hajj agencies to meet food, lodging etc. expenses of the pilgrims in Saudi Arabia against foreign exchange entitlement fixed for each individual. Foreign exchange within the approved limit under general authorisation may be issued in favour of approved private sector Hajj agencies operating in Bangladesh by the ADs in the form of pre-paid card besides cash/TC/FDD/FTT under the following arrangements:

(a) Hajj pre-paid card as issued within the said entitlement fixed by the Government for the respective year shall be used in Saudi Arabia only. Unused balance (if any) shall be encashed into Taka after return to Bangladesh and the card will be invalidated;

(b) The ADs shall have to be satisfied that endorsement of the same entitlement has not already been made/will not be made on the pilgrim pass/passport by another AD.

While issuing the card, the AD shall endorse an amount not exceeding Hajj entitlement (as fixed by the Government) on the pilgrim pass/passport.

6. International prepaid card against Hajj entitlement (for individuals)

International prepaid card may be issued to intending pilgrims (individual resident Bangladesh Nationals) for meeting expenses in Saudi Arabia while performing Hajj as per entitlement declared by the Government in each year [Para 10, Chapter 12] for using in Saudi Arabia only. While issuing the card, the AD shall endorse an amount not exceeding Hajj entitlement (as fixed by the Government) on the passport/pilgrim pass.

Hajj pre-paid card as issued within the said entitlement fixed by the Government for the respective year shall be used in Saudi Arabia only. Unused balance (if any) shall be encashed into Taka after return to Bangladesh and the card will be invalidated

7. International credit/pre-paid card against govt. officials etc.

International credit/pre-paid card may be issued favoring officials of government/autonomous/semi-autonomous institutions etc. for official/semi official visits abroad against foreign exchange entitlement fixed by the Ministry of Finance/competent authority from time to time as mentioned in Para 3, Chapter 12 of this Guidelines. In such case, the prospective card holder shall be required to submit the letter of sanction for limit of foreign exchange and the competent authority's order authorising the travel. While issuing the card, the AD shall endorse an amount not exceeding the entitlement (as fixed by the government/competent authority) on the passport.

8. International credit/pre-paid card for private sector officials.

International credit/pre-paid card may be issued favouring private sector participants for attending seminars, conferences, workshops, training etc. abroad arranged by recognised international bodies as per entitlement mentioned in Para 4, Chapter 12. While issuing the card, the AD shall endorse an amount not exceeding the entitlement as stated in the above mentioned Para on the passport.188CH 19

9. International credit/pre-paid card for business travel quota entitlements for exporters, manufacturers for domestic markets and importers.

International credit/pre-paid card may be issued favouring exporters, importers and producers for the local market as per entitlement mentioned in Para 7, Chapter 12. While issuing the card, the AD shall endorse an amount not exceeding the entitlement as stated in the above Para on the passport.

10. International debit/pre-paid card against private foreign currency accounts

International debit/pre-paid card may be issued against the balances held in private foreign currency accounts (accounts opened and maintained as per Para nos. 1, 2 & 6, Chapter, 13).

11. International credit/pre-paid cards for BASIS member IT/software firms

Within the total limit of USD 30,000(thirty thousand) per calendar year, (as mentioned in Para 39, Chapter 10) ADs may issue international credit/pre-paid card favoring a nominated official of IT/software firm for upto the limit of USD 6,000(six thousand) with the recommendation of BASIS. The card may be refilled for another USD 6,000(six thousand) subject to production of documents evidencing the fact that the previous transactions were carried out for the purposes mentioned in Chapter 10, Para 39. ADs shall ensure that the aggregate amount of refills of IC and outward payment through other means do not exceed USD 30,000(thirty thousand) in a calendar year as stated in the said Para of Chapter 10.

12. International cards for online payment of membership fees, etc.

International cards may be used for online payment through internet of membership fees of

foreign professional and scientific institutions, both for individual and corporate in Bangladesh, fees for application, registration, admission, examination (TOEFL, SAT etc.) in connection with admission into foreign educational institutions as mentioned in Para 9, Chapter 11, Para 36, Chapter 10 of this Guidelines. Individuals not holding international cards in their names may also make such online payment through internet using 'virtual card' for the required amount by international card issuing banks, for use through designated bank branches.

13. Virtual (debit/credit/pre-paid) card for IT expenses

International Card issuing banks have been allowed to issue 'Virtual Card' to individual developers/freelancers of mobile Apps and Games having acknowledgements/training/ bootcamps/hackathons/course participation certificates on mobile application development, maximum USD 300 in a calendar year as mentioned in Para 40, Chapter 10 of this Guidelines.

14. International cards/virtual cards for visa processing fees

Remittance on account of visa processing may be made through online using International Cards, as mentioned in Para 11(B) & 12(visa processing), Chapter 11 of this Guidelines. International Cards issuing banks may also issue Virtual Cards for individuals not holding International Cards to facilitate the online payment of visa processing fees. 189CH 19

15. International cards to individual developers/freelancers

ADs may issue international cards to individual developers/freelancers to credit their proceeds received from abroad against ITE services provided by them. Issuance, crediting proceeds and utilisation of balances of such cards are described in Para 23(b)(3), Chapter 8 which are to be followed meticulously.

16. Online hotel booking using international cards on internet

International cards issued under different entitlements as mentioned in Para 1 of this chapter may also be used for online hotel booking by the cardholders in case of travel abroad.

17. Use of international cards for online payment

ADs may allow their cardholder customers to use IC for online payment not exceeding USD 300 (US Dollar three hundred) or its equivalent at a single transaction against legitimate purchase of items of goods and services (such as downloadable application software, e-books, etc.), magazine/newspaper subscription fees from reputed and reliable sources abroad. Online payments for such purchases shall be limited to the available unused annual travel quotas of the IC holders plus an additional amount not exceeding USD 1000 (One thousand) annually. It will be the responsibility of the IC holders using the online purchase option to fulfill tax/duty payment obligations, if any; they should also undertake such transactions with due caution against risks being defrauded by unreliable unscrupulous vendors.

18. Payment of mobile phone roaming bill

Subject to entitlement in each of the categories mentioned above, International Card holder may pay their mobile phone roaming service utilisation bill to mobile phone operators in Bangladesh through International Card. For realisation of roaming bills, the mobile phone operators are advised to specify the followings in their bills:

- i) category of area (SAARC/Non-SAARC including Myanmar);
- ii) name of the country;
- iii) amount of security deposit of the customer (if any, specifying area and country as above)

19. Other instructions

The following requisites, instructions etc. shall have to be meticulously complied with while issuing such international cards :

- i) A declaration from the intending card holder stating that he is not availing himself of any International Credit/Debit/Pre-paid Card from any other AD against the same account or the same entitlement; 190CH 19
- (ii) In case the card is issued by a bank against any ERQ/RFCD/FC account maintained in another bank, an authorisation has to be obtained from the prospective card holder allowing the card issuing bank to have lien and debit authority for the said account from the bank maintaining that account;
- (iii) Effective control system must be ensured by the issuing bank to guard against unwanted drawings in excess of the entitlement or balance in the respective foreign currency accounts (as the case may be). To facilitate monitoring towards limiting the liabilities on account of card use, the FC account holding ADs may from time to time advise the card issuing bank about the credit balances of the FC account;
- (iv) The cards shall have to be withheld/invalidated as soon as the fund available in the

ERQ/RFCD/FC account is fully utilised/exhausted unless there is reasonable prospect of replenishment;

(v) In cases of issuances of International Cards against ERQ/RFCD/FC accounts, the amount of the respective card shall be under lien so that under no circumstances related account is overdrawn. Yet for any unforeseen reason, if any account becomes overdrawn at any point of time, the same shall have to be immediately reported to the Bangladesh Bank clarifying the reason and remedial measure thereof;

(vi) All records, documents, account statements relating to issuance and use of cards should be kept ready and available for inspection /examination by Bangladesh Bank as and when required.

20. Reporting

a. Head Office/Principal Office of ADs are required to submit monthly statement of International Card to FEOD Head office, Bangladesh Bank as per format given in Appendix 5/103.

b. Online reporting

Information regarding issuance of international cards utilisation thereof are required to be reported to 'Online International Card Monitoring System' of Bangladesh Bank.191CH 20

CHAPTER 20

FOREIGN EXCHANGE TRANSACTIONS BY THE ENTERPRISES OF ECONOMIC ZONES (EZs) IN BANGLADESH.

1. Introduction

By an Act of the Parliament, namely 'The Bangladesh Economic Zones Act, 2010 (Act No. 42 of 2010), Economic Zones (EZs) are being established in different areas of Bangladesh including backward and underdeveloped regions under the supervision of the Bangladesh Economic Zones Authority (BEZA). The broad features relating to the operations of the enterprises in the zones will be published by BEZA. Broad features of foreign exchange regulations relating to the operations of enterprises of EZs are being enumerated in the following paras :

2. Enterprises of EZs and their Category

Throughout this chapter, enterprises of EZs will mean industrial enterprises established in different EZs and will also include developers and other service providing enterprises exclusively formed and registered to serve a particular EZ. For foreign exchange regulatory purpose, enterprises of EZs shall be categorised in three types as follows:

(a) 'Type A': 100(hundred) percent foreign owned including those owned by Bangladeshi nationals ordinarily resident abroad;

(b) 'Type B': Joint venture between foreign investors and Bangladeshi entrepreneurs resident in Bangladesh;

(c) 'Type C': 100(hundred) percent owned by Bangladeshi entrepreneurs resident in Bangladesh.

3.(i) Foreign Investment in EZs

Foreign investors are free to invest in EZs, subject to registration with BEZA. Foreign investment in EZs (in 'Type A' and 'Type B' Units) shall have to be reported to FEID, Bangladesh Bank within 14 (fourteen) days of issuance of shares favoring non-resident investors as per instructions mentioned in Para 2, Chapter 9 of this Guidelines. Such investment shall have to be reported to Statistics Department, Bangladesh Bank also as mentioned in Para 25, Chapter 2, GFET (V olume 2) and subsequent circulars/circular letters. Similarly, transfer of shares of the companies not listed in the stock exchanges, from resident to non-resident, non-resident to resident and non-resident to non-resident shall have to be reported to Bangladesh Bank including additional documents mentioned in Para 2 (B), Chapter 9 of this Guidelines.

(ii) Temporary Non-Resident Taka Account for foreign investors : ADs may open

Non-Resident Taka Account (NRTA) in the name of the proposed company/enterprise of foreign investors contemplating to invest in Bangladesh without prior approval of Bangladesh Bank as mentioned in Para 2(C), Chapter 9 of this Guidelines.192CH 20

4. Maintaining FC Accounts and Taka Accounts by Enterprises of EZs

Enterprises of EZs shall maintain FC accounts without prior permission of Bangladesh Bank as mentioned in Section V , Chapter 13 of this Guidelines with ADs. 'Type A' enterprises may also open and maintain such accounts with Offshore Banking Units (OBUs) of scheduled banks of Bangladesh. Proceeds from exports of goods or providing services by enterprises of EZs shall be retained and used through such FC accounts in accordance with instructions as mentioned in Section V , Chapter 13 of this Guidelines. Besides, equity from foreign shareholders and loan received in foreign currency from authorised sources may be credited in such FC accounts of 'Type A' and 'Type B' enterprises of EZs. In case of inward remittance on account of equity, ADs

may issue a certificate (Appendix 5/39 or 5/40 as the case may be) with the amount credited in FC account mentioning equivalent Taka as mentioned in Para 2, Chapter 9. Moreover, authorised external loan proceeds may be credited in FC accounts of 'Type C' units of EZs. Enterprises of EZs may open and maintain Taka accounts in the same manner as mentioned in Section V , Chapter 13 of this Guidelines. However, developers and other service providing enterprises as mentioned in Para 2 of this Chapter may, at the request of the industrial enterprises, receive service charges/fees either in FC or BDT (subject to authorisation by BEZA) for crediting the concerned accounts as the case may be as mentioned above. This is to mention here that all foreign currency and local currency payment obligations of EZ enterprises shall be met from FC accounts and BDT accounts of the enterprise concern respectively as mentioned above. Balances of such FC accounts may be used through International Cards as mentioned in Para 2(b), Chapter 19.

5. Export/Selling of goods from EZs

Selling of goods from EZ to abroad and to other places of Bangladesh through LC or contract (including sales within EZ, to other EZs, to EPZs, to other areas of Bangladesh) shall be treated as exports. Exports from EZs (abroad/within Bangladesh) are subject to the usual requirement of declaration of exports in 'EXP Form' and repatriation of export proceeds mentioned in Chapter 8 of this Guidelines. For identification, EXP Forms for these exports should be rubber stamped or over printed with words "EXPORT FROM EZ" in bold letters. Portion of proceeds in FC received from export of goods or providing services may be retained in FC accounts in the name of the EZ units in the same manner as mentioned in Section V , Chapter 13, of this Guidelines.

6.

Selling of Bangladeshi goods or raw materials or non-physical contents to enterprises of EZs
Selling of permissible Bangladeshi goods or raw materials to enterprises of EZs through LC or contract shall be against convertible FC only to be received from FC accounts maintained by the enterprises of EZs with ADs (also OBUs for 'Type A' enterprises) as mentioned above subject to compliance with other relevant instructions issued by BEZA, National Board of Revenue and Ministry of Commerce. Selling of goods including non-physical contents to enterprises of EZs against payment in FC shall be treated as exports from Bangladesh within the purview of Foreign Exchange Regulation Act, 1947 (as amended upto September 09, 2015). Therefore, normal foreign exchange regulations concerning declaration of exports on 'EXP Forms' in case of export in physical form and repatriation of proceeds shall be applicable for exports to EZs from other areas of Bangladesh.

7. Import by enterprises of EZs

For import from abroad by the enterprises of EZs through LC or contract, usual IMP Form reporting procedures will, however, be applicable as mentioned in Chapter 7 of this Guidelines. For using foreign exchange fund from AD, instructions as mentioned in Para 21, Section-II, Chapter 16 of this Guidelines shall be applicable for enterprises of EZs. However, 'Type C' enterprises of EZs shall be allowed to obtain foreign exchange from ADs to settle obligations for importing capital machinery by the conversion of equivalent amount of equity and/or authorised loan received in local currency. Similarly, 'Type B' enterprises may be allowed to convert their local equity/authorised loan received in local currency into foreign exchange to settle obligations for importing capital machinery if equity/authorised foreign loan received from abroad falls short to meet such obligations.

8. Credit Facilities

For obtaining short term credit facilities from abroad (including from parents, associates or shareholders), other associates in Bangladesh, other banks in Bangladesh (both long and short term, as the case may be) by the enterprises of EZs, instructions mentioned in Section-II, Chapter 16 of this Guidelines shall be applicable. However, for obtaining medium and long term debt from abroad/OBUs of scheduled banks in Bangladesh by the enterprises of EZs, applications for borrowing approvals shall have to be submitted to Bangladesh Bank through BEZA following the procedures as mentioned in Para 7, Chapter 15 of this Guidelines.

9. Repatriation of dividend to non-resident Shareholders of 'Type A' and 'Type B' enterprises of EZs

ADs (also OBUs for 'Type A' enterprises) may remit dividends favoring non-resident shareholders of 'Type A' and 'Type B' enterprises of EZs without prior permission of Bangladesh Bank subject to observance of the instructions stipulated in Para 31, Chapter 10 of this Guidelines. However, submission of documents to Bangladesh Bank as mentioned in 31(e),

Chapter 10 for post facto checking will not be required though usual reporting, online returns etc. shall be submitted by ADs/OBUs.

10. Repatriation of disinvestment proceeds by non-resident shareholders

Sales proceeds of shares held by non-resident investors of EZ enterprises listed with the stock exchange(s) may be repatriated without prior approval of Bangladesh Bank following the 194CH 20 instructions mentioned in Para 3(A), Chapter 9. Repatriation of sales proceeds of shares held by non-resident investors of EZ enterprises not listed with the stock exchange(s) may be effected with prior permission of Bangladesh Bank as mentioned in Para 3(B), Chapter 9.

11. Repatriation of royalty, technical know-how and technical assistance fees

ADs (also OBUs for 'Type A' enterprises) may remit the royalty, technical know-how and technical assistance fees of enterprises of EZs from their FC accounts without prior permission from Bangladesh Bank or BEZA if the total fees and other expenses connected with above mentioned purposes do not exceed the following limits:

- (a) for new projects, not exceeding 6 (six) percent of the cost of imported machinery;
- (b) for ongoing concerns, not exceeding 6 (six) percent of the previous year's sales as declared in the income tax returns.

However, remittance of such fees in excess of the prescribed limit is subject to prior specific approval from BEZA. Besides usual reporting to Bangladesh Bank, each transaction shall have to be reported to BEZA also.

12. Working in EZs by foreign nationals

Foreign nationals working in EZs (with valid work permit issued by BEZA) and who have an income in Bangladesh are permitted to make monthly remittances to the country of their domicile out of their current savings upto 75 (seventy five) percent of their net income as mentioned in Para 8, Chapter 11. They are also permitted to remit 100 (hundred) percent of leave salary, actual savings and all pension benefits without prior Bangladesh Bank approval as mentioned in Chapter 11 of this publication.

13. Reporting

ADs shall report all foreign exchange transactions of enterprises of EZs through 'Online Foreign Exchange Transaction Monitoring System' of Bangladesh Bank. Such transactions are also to be reported in monthly returns to Statistics Department, FEOD and other concerned office of Bangladesh Bank in relevant Statements (S-10 and S-11), Schedules, etc. as mentioned in Para 14, Chapter 02, GFET (Volume 2). APPENDIX 1

THE FOREIGN EXCHANGE REGULATION ACT, 1947
(VII OF 1947)

(As amended upto September 09, 2015) 1APP 1

THE FOREIGN EXCHANGE REGULATION ACT, 1947

(ACT NO. VII OF 1947, 11th March, 1947)

(Amended upto September 09, 2015)

1 An Act to regulate certain payments, dealings in foreign exchange and securities and the import and export of currency and bullion.

WHEREAS it is expedient in the economic and financial interests of Bangladesh to provide for the regulation of certain payments, dealings in foreign exchange and securities and the import and export of currency and bullion;

It is hereby enacted as follows:-

1. (1)

This Act may be called the Foreign Exchange Regulation Act, 1947.

2 [(2) It extends to the whole of Bangladesh, and applies to -

- (a) all citizens of Bangladesh;
- (b) all persons resident in Bangladesh; and
- (c) all persons in the service of the People's Republic of Bangladesh wherever they may be.]

(3)

It shall come into force on such date as the Government may, by notification in the official Gazette, appoint in this behalf.

(4) [Omitted by section 2 of the Foreign Exchange Regulation (Amendment) Act, 1952 (Act No. I of 1952).]

2. In this Act, unless there is anything repugnant in the subject or context,

(a) "authorised dealer" means a person for the time being authorised under section 3 to deal in foreign exchange;

3[(aa) "capital account transaction" means a transaction for the creation, modification, transfer or liquidation of a capital asset, including but not limited to, securities issued in capital and money markets, negotiable instruments, non-securitized claims, units of mutual fund or collective investment securities, commercial credits and loans financial credits, sureties, guarantees, deposit account operations, life insurance, personal capital movements, real estate, foreign direct investment, portfolio and institutional investment;]

Short title,

extent and

commencement

Interpretation 2APP 1

4 [(b) "currency" includes –

(i) all coins, currency notes, bank notes, postal notes, money orders, cheques, drafts, traveller's cheques, letters of credit, bills of exchange and promissory notes; and

(ii) Such other similar physical or non-physical instruments, or both as may be notified by the Bangladesh Bank from time to time;]

5[(bb) "current account transaction" means receipts and payments which are not for the purpose of transferring capital, and also includes-

(i) receipts and payments due in connection with foreign trade, other current business including services, and normal short-term banking and credit facilities in ordinary course of business;

(ii) receipts and payments due as interest on loans and as net income from investments;

(iii) moderate amounts of amortization of loans or for depreciation of direct investments, in the ordinary course of business;

(iv) expenses in connection with foreign travel, education and medical care of self, parents, spouse and children; and

(v) moderate remittances for family living expenses of parents, spouse and children resident abroad;

(bbb) "export" means-

(i) sending of goods, physical or non-physical or both, from Bangladesh to a place outside Bangladesh;

(ii) Providing services by persons resident in Bangladesh to any person outside Bangladesh; or

(iii) selling Bangladeshi goods or raw materials or non-physical contents to the enterprises in Export Processing Zones, Special Economic Zones and Hightech parks of Bangladesh against payment in foreign currency.]

(c) "foreign currency" means any currency other than Bangladesh currency;

(d) "foreign exchange" means foreign currency and includes any instrument drawn, accepted, made or issued under 6[clause (13) of Article 16 of the Bangladesh Bank Order, 1972] all deposits, credits and balances payable in any foreign currency, and any drafts, traveller's cheques, letters of credit and bills of exchange, 3APP 1 expressed or drawn in Bangladesh currency but payable in any foreign currency;

(e) "foreign security" means any security issued elsewhere than in Bangladesh and any security the principal of or interest on which is payable in any foreign currency or elsewhere than in Bangladesh;

(f) "gold" includes gold in the form of coin, whether legal tender or not, or in the form of bullion or ingot, whether refined or not;

7 [(ff) “goods” means any goods as defined in the Customs Act, 1969 (Act No. IV of 1969);

(fff) “import” means bringing into Bangladesh any physical or non-physical goods or services;]

(g) “Bangladesh currency” means currency which is expressed or drawn in Bangladesh Taka;

(h) “owner”, in relation to any security, includes any person who has power to sell or transfer the security, or who has the custody thereof or who receives, whether on his own behalf or on behalf of any other person, dividends or interest thereon, and who has any interest therein, and in a case where any security is held on any trust or dividends or interest thereon are paid into a trust fund, also includes any trustee or any person entitled to enforce the performance of the trust or to revoke or vary, with or without the consent of any other person, the trust or any terms thereof, or to control the investment of the trust moneys;

8 [(hh) “person” means any individual, and also includes-

(i) a partnership firm;

(ii) a company;

(iii) an association of persons or body of individuals, whether incorporated or not;

(iv) every artificial juridical entity not falling within any of the preceding sub-clauses; and

(v) any agency, office, or branch owned or controlled by such person;

(hhh) “person resident in Bangladesh” means-4APP 1

(i) an individual residing in Bangladesh for six months or more in the last twelve months;

(ii) an individual temporarily residing in Bangladesh holding a residential or working visa valid for not less than six months;

(iii) a person whose place of business is in Bangladesh; or

(iv) a person whose principal place of business may be located outside Bangladesh but branch or liaison office or representative office of such business is in Bangladesh;

(v) diplomatic, consular and other representative offices of the Government of the People’s Republic of Bangladesh abroad as well as Bangladeshi citizens employed at these offices;

(vi) persons holding any office in service of the People’s Republic of Bangladesh wherever they may be for the time being either on duty or on leave:

provided that “person resident in Bangladesh” shall not include foreign diplomatic representations or accredited officials of such representations located within Bangladesh and offices of organizations established by international treaty located within Bangladesh;]

(i)

“prescribed” means prescribed by rules made under this Act;

9 [(j) Bangladesh Bank means the Bangladesh Bank established under clause (1) of Article 3 of the Bangladesh Bank Order, 1972];

10 [(k) “security” means either in physical or demat form,-

(i) shares, stocks, bonds, debenture stock and Government securities, as defined in the Securities Act, 1920;

(ii) deposit receipts in respect of deposits of securities, units of mutual fund or collective investment scheme, as defined in Securities and Exchange Commission (Mutual Fund) Rules, 2001; and

(iii)

other instruments defined as security in the Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969);

but does not include bill of exchange or promissory notes other than Government promissory notes;]5APP 1

11[(kk) "service" means services of any description, including but not limited to, business services, professional services, information technology services, information technology enabled services, communication or telecommunication services, construction services, engineering services, distribution services, educational services, environmental services, financial services (such as insurance, banking and capital market related services), health services, social services, tourism services, travel services, recreational services, cultural services, sport services, transport services, electrical or other energy services or such other service as may be notified by the Government or the Bangladesh Bank from time to time;]

(l) "silver" means silver bullion or ingot, silver sheets and plates which have undergone no process of manufacture subsequent to rolling and uncurrent silver coin which is not legal tender in Bangladesh or elsewhere;

(m) "transfer" includes, in relation to any security, transfer by way of loan or security.

3. (1) The Bangladesh Bank may, on application made to it in this behalf, authorise any person to deal in foreign exchange.

(2) An authorisation under this section-

(i) may authorise dealings in all foreign currencies or may be restricted to authorising dealings in specified foreign currencies only;

(ii) may authorise transactions of all descriptions in foreign currencies or may be restricted to authorising specified transactions only;

(iii) may be granted to be effective for a specified period, or within specified amounts, and may in all cases be revoked for reasons appearing to it sufficient by the Bangladesh Bank 12 [after giving the authorised dealer a reasonable opportunity of explaining its position].

(3) An authorised dealer shall in all his dealings, in foreign exchange, comply with such general or special directions or instructions as the Authorised dealers in foreign exchange6APP 1

Bangladesh Bank may from time to time think fit to give, and, except with the previous permission of the Bangladesh Bank, an authorised dealer shall not engage in any transaction involving any foreign exchange which is not in conformity with the terms of his authorisation under this section.

(4) An authorised dealer shall, before undertaking any transaction in foreign exchange on behalf of any person, require that person to make such declarations and to give such information as will reasonably satisfy him that the transaction will not involve, and is not designed for the purpose of, any contravention or evasion of the provisions of this Act or of any rules, directions or orders made thereunder, and where the said person refuses to comply with any such requirement or makes only unsatisfactory compliance therewith, the authorised dealer shall refuse to undertake the transaction and shall, if he has reason to believe that any such contravention or evasion as aforesaid is contemplated by the person, report the matter to the Bangladesh Bank.

13[(5) Without prejudice to the provision of clause (iii) of sub-section

(2) of section 3 or section 23, Bangladesh Bank may, after giving reasonable opportunity of being heard, impose such amount of fine and in such manner as may be prescribed by rules, on an authorised dealer for violation of terms of authorisation or of general or special directions or instructions.]

4. (1) Except with the previous general or special permission of the Bangladesh Bank, no person other than an authorised dealer shall in Bangladesh and no person resident in Bangladesh, other than an authorised dealer shall outside Bangladesh, buy or borrow from, or sell or lend to, or exchange with, any person not being an authorised dealer, any foreign exchange.

(2) Except with the previous general or special permission of the Bangladesh Bank, no person whether an authorised dealer or otherwise, shall enter into any transaction which provides for the conversion of Bangladesh currency into foreign currency or foreign currency into Bangladesh currency at rates of exchange other than the rates for the time being authorised by the Bangladesh Bank.

(3) Where any foreign exchange is acquired by any person other than an authorised dealer for any particular purpose, or where any person has been

Restrictions
on dealing in
foreign
exchange 7APP 1

permitted conditionally to acquire foreign exchange, the said person shall not use the foreign exchange so acquired otherwise than for that purpose or, as the case may be, fail to comply with any condition to which the permission granted to him is subject, and where any foreign exchange so acquired cannot be so used or, as the case may be, the conditions cannot be complied with, the said person shall without delay sell the foreign exchange to an authorised dealer.

(4) Nothing in this section shall be deemed to prevent a person from buying from any post office, in accordance with any law or rules made thereunder for the time being in force, any foreign exchange in the form of postal orders or money orders.

14[(5) Any person resident in Bangladesh may sell or purchase foreign exchange to or from an authorised dealer if such sale or purchase is a current account transaction; provided that the Bangladesh Bank may, in public interest and in consultation with the Government, impose such reasonable restriction on current account transactions as may be needed to respond to current or capital account imbalances;

(6) Subject to such restrictions as may be prescribed, the Bangladesh Bank, in consultation with the Government, may specify the classes of permissible capital account transactions.]

5. (1) Save as may be provided in and in accordance with any general or special exemption from the provisions of this sub-section which may be granted conditionally or unconditionally by the Bangladesh Bank, no person in or resident in Bangladesh shall-

(a) make any payment to or for the credit of any person resident outside Bangladesh;

(b) draw, issue or negotiate any bill of exchange or promissory note or acknowledge any debt, so that a right (whether actual or contingent) to receive a payment is created or transferred in favour of any person resident outside Bangladesh;

(c) make any payment to or for the credit of any person by order or on behalf of any person resident outside Bangladesh;

(d) place any sum to the credit of any person resident outside Bangladesh;

(e) make any payment to or for the credit of any person as consideration

for or in association with-

Restrictions

on payments 8APP 1

(i) the receipt by any person of a payment or the acquisition by any person of property outside Bangladesh;

(ii) the creation or transfer in favour of any person of a right whether actual or contingent to receive a payment or acquire property outside Bangladesh;

(f) draw, issue or negotiate any bill of exchange or promissory note, transfer any security or acknowledge any debt, so that a right (whether actual or contingent) to receive a payment is created or transferred in favour of any person as consideration for or in association with any matter referred to in clause (e).

(2) Nothing in sub-section (1) shall render unlawful-

(a) the making of any payment already authorised, either with foreign exchange obtained from an authorised dealer under

section 4 or with foreign exchange retained by a person in pursuance of an authorisation granted by the Bangladesh Bank;

(b) the making of any payment with foreign exchange received by way of salary or payment for services not arising from business in, or anything done while in Bangladesh.

(3) Nothing in this section shall restrict the doing by any person of anything within the scope of any authorisation or exemption granted under this Act.

(4) For the purposes of this section "security" also includes coupons or warrants representing dividends or interest and life or endowment insurance policies.

6. (1) Where an exemption from the provisions of section 5 is granted by the Bangladesh Bank in respect of payment of any sum to any person resident outside Bangladesh and the exemption is made subject to the condition that the payment is made to a blocked account-

(a) the payment shall be made to a blocked account in the name of that person in such manner as the Bangladesh Bank may by general or special order direct, and

(b) the crediting of that sum to that account shall, to the extent of the sum credited, be a good discharge to the person making the payment.

Blocked

accounts 9APP 1

(2) No sum standing at the credit of a blocked account shall be drawn on except in accordance with any general or special permission which may be granted conditionally or otherwise by the Bangladesh Bank.

(3) In this section "blocked account" means an account opened as a blocked account at any office or branch in Bangladesh of a bank authorised in this behalf by the Bangladesh Bank, or an account blocked, whether before or after the commencement of this Act, by order of the Bangladesh Bank.

7. (1) Where in the opinion of the Government it is necessary or expedient to regulate payments due to persons resident in any territory, the Government may, by notification in the official Gazette, direct that such payments or any class of such payments shall be made only into an account (hereinafter referred to as a special account) to be maintained for the purpose by the Bangladesh Bank or an authorised dealer specially authorised by the Bangladesh Bank in this behalf.

(2) The credit of a sum to a special account shall, to the extent of the sum credited, be a good discharge to the person making the payment: Provided that where the liability of the person making the payment is to make the payment in foreign currency, the extent of the discharge shall be

ascertained by converting the amount paid into that currency at such rate of exchange as is for the time being fixed or authorised by the Bangladesh Bank.

(3) The sum standing to the credit of any special account shall from time to time be applied-

(a) where any agreement is entered into between the Government and the Government of the territory to which the aforesaid notification relates for the regulation of payments between persons resident in Bangladesh and in that territory, in such manner as the Bangladesh Bank having regard to the provisions of such agreement, may direct, or

(b) where no such agreement is entered into, for the purpose of paying wholly or partly, and in such order of preference and at such times as the Government may direct; debts due from the persons resident in the said territory to persons resident in Bangladesh or in such other territories as the Government may, by order, specify in this behalf.

Special

accounts 10APP 1

8. (1) The Government may, by notification in the official Gazette, order that, subject to such exemptions, if any, as may be contained in the notification, no person shall, except with the general or special permission of the Bangladesh Bank and on payment of the fee, if any, prescribed bring or send into Bangladesh any gold or silver or any currency notes or bank notes or coin whether Bangladesh or foreign.

Explanation - The bringing or sending into any part or place in the territories of Bangladesh of any such article as aforesaid, intended to be taken out of the territories of Bangladesh without being removed from the ship or conveyance in which it is being carried, shall nonetheless be deemed to be bringing or as the case may be sending, into the territories of Bangladesh of that article for the purposes of this section.

(2) No person shall, except with the general or special permission of the Bangladesh Bank or the written permission of a person authorised in this behalf by the Bangladesh Bank, take or send out of Bangladesh any gold, jewellery or precious stones, or Bangladesh currency notes, bank notes or coin or foreign exchange.

(3) The restrictions imposed by sub-sections (1) and (2) shall be deemed to have been imposed under 15[section 16 of the Customs Act, 1969,] without prejudice to the provisions of section 23 of this Act, and all the provisions of that Act shall have effect accordingly.

9. The Government may, by notification in the official Gazette, order every person in, or resident in Bangladesh-

(a) who owns such foreign exchange as may be specified in the notification, to offer it, or cause it to be offered for sale to the Bangladesh Bank on behalf of the Government or to such person, as the Bangladesh Bank may authorise for the purpose, at such price as the Government may fix, being a price which is in the opinion of the Government not less than the market rate of the foreign exchange when it is offered for sale;

(b) who is entitled to assign any right to receive such foreign exchange as may be specified in the notification, to transfer that right to the Bangladesh Bank on behalf of the Government on payment of such consideration therefore as the Government may fix:

Restrictions on

import and

export of

certain

currency and

bullion

Acquisition by
Government of
foreign

exchange 11APP 1

Provided that the Government may by the said notification or another order exempt any person or class of persons from the operation of such order:

Provided further that nothing in this section shall apply to any foreign exchange acquired by a person from an authorised dealer and retained by him with the permission of the Bangladesh Bank for any purpose.

10. (1) No person who has a right to receive any foreign exchange or to receive from a person resident outside Bangladesh a payment in Taka shall, except with the general or special permission of the Bangladesh Bank, do or refrain from doing any act with intent to secure-

(a) that the receipt by him of the whole or part of that foreign exchange or payment is delayed, or

(b) that the foreign exchange or payment ceases in whole or in part to be receivable by him.

(2) Where a person has failed to comply with the requirements of sub-section (1) in relation to any foreign exchange or payment in Taka, the Bangladesh Bank may give to him such directions as appear to be expedient for the purpose of securing the receipt of the foreign exchange or payment as the case may be.

11. The Government may, by notification in the official Gazette, impose such conditions as it thinks necessary or expedient on the use or disposal of or dealings in gold and silver prior to, or at the time of, import into Bangladesh.

12. 17[(1) The Government may, by notification in the official Gazette, prohibit the export of any goods or classes of goods or services or classes of services specified in such notification, from Bangladesh directly or indirectly to any place so specified unless a declaration supported by such evidence as may be prescribed or so specified is furnished by the exporter to the prescribed authority that the amount representing the full export value of the goods or services has been or shall within the prescribed period be, received in the prescribed manner.]

(2) Where any export of goods has been made to which a notification under sub-section (1) applies, no person entitled to sell, or procure the sale of, the said goods shall, except with the permission of the Bangladesh Bank, do or refrain from doing any act with intent to secure that-

Duty of

persons

entitled to

receive foreign

exchange etc.

Power to

regulate the uses,

etc. of imported

gold and silver

16 [Receipts of

proceeds for

exported goods

and services] 12APP 1

(a) the sale of the goods is delayed to an extent which is

unreasonable having regard to the ordinary course of trade, or

(b) payment for the goods is made otherwise than in the prescribed

manner or does not represent the full amount payable by the

foreign buyer in respect of the goods, subject to such deductions,

if any, as may be allowed by the Bangladesh Bank, or is delayed

to such extent as aforesaid:

Provided that no proceedings in respect of any contravention of this sub-section shall be instituted unless the prescribed period has expired and payment for the goods representing the full amount as aforesaid has not been made in the prescribed manner.

(3) Where in relation to any such goods the said period has expired and the goods have not been sold and payment therefore has not been made as aforesaid, the Bangladesh Bank may give to any person entitled to sell the goods or to procure the sale thereof, such directions as appear to it to be expedient for the purpose of securing the sale of the goods and payment therefore as aforesaid, and without prejudice to the generality of the foregoing provision, may direct that the goods shall be assigned to the Government or to a person specified in the directions.

(4) Where any goods are assigned in accordance with sub-section (3), the Government shall pay to the person assigning them such sum in consideration of the net sum recovered by or on behalf of the Government in respect of the goods as may be determined by the Government.

(5) Where in relation to any such goods the value as stated in the invoice is less than the amount which in the opinion of the Bangladesh Bank represents the full export value of those goods, the Bangladesh Bank may issue an order requiring the person holding the shipping documents to retain possession thereof until such time as the exporter of the goods has made arrangements for the Bangladesh Bank or a person authorised by the Bangladesh Bank to receive on behalf of the exporters payment in the prescribed manner of an amount which represents in the opinion of the Bangladesh Bank the full export value of the goods.

(6) For the purpose of ensuring compliance with the provisions of this section and any orders or directions made thereunder, the Bangladesh Bank may require any person making any export of goods to which a notification under sub-section (1) applies to exhibit contracts with his foreign buyer or 13APP 1 other evidence to show that the full amount payable by the said buyer in respect of the goods has been, or will within the prescribed period be, paid in the prescribed manner.

13. (1) No person shall, except with the general or special permission of the Bangladesh Bank :

-

(a) take or send any security to any place outside Bangladesh;

(b) transfer any security or create or transfer any interest in a security to or in favour of a person resident outside Bangladesh;

(c) transfer any security from a register in Bangladesh to a register outside Bangladesh or do any act which is calculated to secure, or forms part of a series of acts which together are calculated to secure, the substitution for any security which is either in, or registered in Bangladesh, of any security which is either outside or registered outside Bangladesh;

(d) issue, whether in Bangladesh or elsewhere, any security which is registered or to be registered in Bangladesh, to a person resident outside Bangladesh.

(2) Where the holder of a security is a nominee, neither he nor any person through whose agency the exercise of all or any of the holder's rights in respect of the security is controlled shall, except with the general or special permission of the Bangladesh Bank, do any act whereby he recognises or gives effect to the substitution of another person as the person from whom he directly receives instructions, unless both the persons previously instructing him and the person substituted for that person were, immediately before the substitution, resident in Bangladesh.

(3) The Bangladesh Bank may, for the purpose of securing that the provisions of this section are not evaded, require that the person

transferring any security and the person to whom such security is transferred shall subscribe to a declaration that the transferee is not resident outside Bangladesh.

(4) Notwithstanding anything contained in any other law, no person shall, except with the permission of the Bangladesh Bank -

(a) enter any transfer of securities in any register or book in which securities are registered or inscribed if he has any ground for

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export and

transfer of

securities 14APP 1

suspecting that the transfer involves any contravention of the provisions of this section, or

(b) enter in any such register or book, in respect of any security, whether in connection with the issue or transfer of the security or otherwise, an address outside Bangladesh except by way of substitution for any such address in the same country or for the purpose of any transaction for which permission has been granted under this section with knowledge that it involves entry of the said address.

(5) For the purposes of this section,-

(a) "holder" in relation to a bearer security means the person having physical custody of the security; provided that, where a bearer security is deposited with any person in a locked or sealed receptacle from which the person with whom it is deposited is not entitled to remove it without the authority of some other person, that other person shall be deemed to be the holder of the security;

(b) "nominee" means a holder of any security (including bearer security) or any coupon representing dividends or interest who, as respects the exercise of any rights in respect of the security or coupon, is not entitled to exercise those rights except in accordance with instructions given by some other person, and a person holding a security or coupon as a nominee shall be deemed to act as nominee for the person who is entitled to give instructions either directly or through the agency of one or more persons, as to the exercise by the holder of the security or coupon of any rights in respect thereof and is not, in so doing, himself under a duty to comply with instructions given by some other person;

(c) "security" also includes coupons or warrants representing dividends or interest, and life or endowment insurance policies;

(d) "a person resident outside Bangladesh" includes a foreign national for the time being resident in Bangladesh.15APP 1

14. (1) The Government may, by notification in the official Gazette, order every person by whom or on whose behalf a security or document of title to a security specified in the order is held in Bangladesh to cause the said security or document of title to be kept in the custody of an authorised depository named in the order:

Provided that the Bangladesh Bank may by order in writing permit any such security to be withdrawn from the custody of the authorised depository subject to such conditions as may be specified in the order.

(2) No authorised depository may part with any security covered by an order under sub-section (1) without the general or special permission of the Bangladesh Bank except to, or to the order of, another authorised depository.

(3) Except with the general or special permission of the Bangladesh Bank, no authorised depository shall-

(a) accept or part with any security covered by an order under

sub-section (1) whereby the security is transferred into the name of a person resident outside Bangladesh, or

(b) do any act whereby he recognises or gives effect to the substitution of another person as the person from whom he directly receives instructions relating to such security unless the person previously so instructing him and the person substituted for that person were immediately before the substitution resident in Bangladesh.

(4) Except with the general or special permission of the Bangladesh Bank, no person shall buy, sell or transfer any security, or document of title to a security, covered by an order under sub-section (1) unless such security or document of title has been deposited in accordance with the order.

(5) Except with the general or special permission of the Bangladesh Bank, no capital money, interest or dividend in respect of any security covered by an order under sub-section (1) shall be paid in Bangladesh except to or to the order of the authorised depository having the custody of the security.

(6) For the purposes of this section,-

(a) "authorised depository" means a person notified by the Government to be entitled to accept the custody of securities and documents of title to securities, and

(b) "security" shall include coupons.

Custody of

securities 16APP 1

15. The Government may, by notification in the official Gazette, order that except with the general or special permission of the Bangladesh Bank no person shall in Bangladesh issue any bearer security or coupon or so alter any document that it becomes a bearer security or coupon.

16. (1) Subject to any exemptions that may be contained in the notification, the Government may, if it is of opinion that it is expedient so to do for the purpose of strengthening its foreign exchange position by notification in the official Gazette :

-

(a) order the transfer to itself of any foreign securities specified in the notification at a price so specified, being a price which is, in the opinion of the Government no less than the market value of the securities on the date of the notification, or

(b) direct the owner of any foreign securities specified in the notification, to sell or procure the sale of the securities and thereafter to offer or cause to be offered the net foreign exchange proceeds of the sale to the Bangladesh Bank on behalf of the Government or to such person as the Bangladesh Bank may authorise for the purpose, at such price as the Government may fix, being a price which is in the opinion of the Government not less than the market rate of the foreign exchange when it is offered for sale.

(2)

On the issue of a notification under clause (a) of sub-section (1),-

(a) the securities to which the notification relates shall forthwith vest in the Government free from any mortgage, pledge or charge, and the Government may deal with them in such manner as it thinks fit.

(b) the owner of any of the securities to which the notification relates and any person who is responsible for keeping any register or book in which any of those securities are registered or inscribed, or who is otherwise concerned with the registration or inscription of any of those securities, shall do all such things as are necessary or as the Government or the Bangladesh Bank may order to be done, for the purpose of securing that-

(i) the securities and any documents of title relating thereto are

delivered to the Government and, in the case of registered or inscribed securities, that the securities are registered or

Acquisition by
Government of
foreign
securities

Restrictions on
issue of bearer
securities 17APP 1

inscribed in the name of the Government or of such nominee of the Government as it may specify, and

(ii) any dividend or interest on those securities becoming payable on or after the date of the issue of the notification are paid to the Government or its nominee as aforesaid and where in the case of any security payable to bearer which is delivered in pursuance of the said notification, any coupon representing any such dividend or interest are not delivered with the security, such reduction in the price payable therefor shall be made as the Government thinks fit:

Provided that where the price specified in the notification in relation to any security is ex-dividend or ex-interest, this sub-clause shall not apply to that dividend or interest or to any coupon representing it.

(3) A certificate signed by any person authorised in this behalf by the Government that any specified securities are securities transferred to the Government under this section shall be treated by all persons concerned as conclusive evidence that the securities have been so transferred.

17. (1) No person resident in Bangladesh shall, except with the general or special permission of the Bangladesh Bank, settle any property, otherwise than by will upon any trust under which a person who at the time of the settlement is resident outside Bangladesh elsewhere than in territories notified in this behalf by the Bangladesh Bank, will have an interest in the property or exercise, other than by will, any power for payment in favour of a person who at the time of the exercise of the power is resident outside Bangladesh elsewhere than in such notified territories.

(2) A settlement or power as aforesaid shall not be invalid except in so far as it confers any right or benefit on any person who at the time of the settlement or the exercise of the power is resident outside Bangladesh, elsewhere than in territories notified by the Bangladesh Bank.

18. (1) Except with the general or special permission of the Bangladesh Bank, no person resident in Bangladesh shall do any act whereby a company, which is controlled by person resident in Bangladesh ceases to be so controlled.

(2) Except with the general or special permission of the Bangladesh Bank, no person resident in Bangladesh shall lend any money or security to any company, not being a banking company, which is by any means

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settlement
Certain
provisions as

to companies 18APP 1

controlled, whether directly or indirectly, by persons resident outside Bangladesh elsewhere than in the territories notified in this behalf by the Bangladesh Bank.

In this sub-section, "company" includes a firm, branch or office of a company or firm.

19[***]

18 B. 20[(1) Person resident outside Bangladesh (whether or not a citizen of Bangladesh) or a person who is not a citizen of, but resident in,

Bangladesh or a company (other than a banking company) not incorporated under any law for the time being in force in Bangladesh shall report to Bangladesh Bank within 30(thirty) days of obtaining permission from Bangladesh Investment Development Authority or similar competent authority in Bangladesh to establish in Bangladesh a branch office or liaison office or representative office or any other place of business for carrying on any activity of a trading, commercial or industrial nature.]

21[***]

19. 22[(1) The Government or the Bangladesh Bank may, at any time by notification in the official Gazette, direct any citizen of Bangladesh, any person resident in Bangladesh and any person in the Service of the People's Republic of Bangladesh wherever they may be, subject to such exceptions, if any, as may be specified in the notification, to make a return of their holdings of foreign exchange, foreign securities; and of any immovable property or industrial or commercial undertaking or company outside Bangladesh, held, owned, established or controlled by him or in which he has any right, title or interest, within such period and giving such particulars, as may be so specified.]

(2) The Government may by order in writing require any person to furnish it or any person specified in the order with any information, book or other document in his possession, being information, book or document which the Government considers it necessary or expedient to obtain and examine for the purposes of this Act and may, at any time, by notification in the official Gazette, direct that the power to make such order shall for such period as may be specified in the direction, be exercised by the Bangladesh Bank.

23[(3) On a representation in writing made by a person authorised in this behalf by the Government or the Bangladesh Bank and supported by a statement on oath of such person that he has reason to believe that a

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foreign

companies

18[Omitted]

Power to call

for

information 19APP 1

contravention of any of the provisions of this Act has been or is being or is about to be committed in any place or that evidence of the contravention is to be found in such place, a district magistrate, a Upa-Zilla magistrate or a magistrate of the first class, may by warrant, authorise any police officer not below the rank of sub-inspector-

(a) to enter and search any place in the manner specified in the warrant, and

(b) seize any books or other documents found in or on such place.

Explanation - In this sub-section, "place" includes a house, building, tent, vehicle, vessel or aircraft.

(3A) A police officer authorised under sub-section (3) may search any person who is found in or whom he has reasonable ground to believe to have recently left or to be about to enter such place and to seize any article found in the possession of or upon such person and believed by the police officer so authorised to be evidence of the commission of any offence under this Act.

(3B) A police officer authorised under sub-section (3) shall conduct any search under that sub-section or under sub-section (3A) in accordance with the provisions relating to search in the Code of Criminal Procedure, 1898 (V of 1898).]

(4) The provisions of sub-sections (1), (2) and (3) of section 54 of the Income-tax Act, 1922 (Act no. XI of 1922) shall apply in relation to information obtained under sub-section (2) of this section as they apply to

the particulars referred to in that section, and for the purposes of such application-

(a) the said sub-section (3) shall be construed as if in clause (a) thereof there was included reference to a prosecution for an offence under section 23 of this Act, and

(b) persons to whom any information is required to be furnished under an order made under sub-section (2) of this section shall be deemed to be public servants within the meaning of that section.

24[19A. (1) The Government or the Bangladesh Bank may, at any time, cause an inspection to be made, by one or more of its officers, of the books of accounts and other documents of any person, firm or business

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inspection

V of 1898

XI of 192220APP 1

organisation or concern required to submit to the Bangladesh Bank any return, statement or information under this Act and, where necessary, direct all such books of accounts and other documents to be seized.

(2) Every such person, firm, business organisation and concern shall produce books of accounts and other documents and furnish such statements and information to such officer or officers in connection with the inspection under sub-section (1).

(3) Failure to produce any books of accounts or other documents or to furnish any statement or information required under sub-section (2) shall be deemed to be contravention of the provisions of this Act.]

20. 25[***]

(2) Nothing in this Act relating to the payment of any price or sum by the Government shall be construed as requiring the Government to pay that price or sum otherwise than in Bangladesh currency or otherwise than in Bangladesh.

(3) The Bangladesh Bank may give directions in regard to the making of payments and the doing of other acts by bankers, authorised dealers, travel agents, carriers, whether common or private stock brokers and other persons who are authorised by the Bangladesh Bank to do anything in pursuance of this Act in the course of their business, as appear to it to be necessary or expedient for the purpose of securing compliance with the provisions of this Act and any rules, orders or directions made thereunder.

26[(4). Bangladesh Bank, may, by notification in the official Gazette, require any or all individual or class of individual (other than diplomats or any group of individual, as specified in the notification) who is not a citizen of Bangladesh, but staying or working in Bangladesh or providing any service in Bangladesh for any period to any person to provide information, which Bangladesh Bank considers it necessary or expedient for the purpose of this Act, to Bangladesh Bank or any other authority, as stated in such notification.]

21. (1) No person shall enter into any contract or agreement which would directly or indirectly evade or avoid in any way the operation of any provision of this Act or of any rule, direction or order made thereunder.

(2) Any provision of, or having effect under this Act, that a thing shall

Contracts in
evasion of this
Act

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provisions 21APP 1

not be done without the permission of the Government or the Bangladesh Bank, shall not render invalid any agreement by any person to do that thing, if it is a term of the agreement that that thing shall not be done

unless permission is granted by the Government or the Bangladesh Bank, as the case may be; and it shall be an implied term of every contract governed by the law of any part of Bangladesh that anything agreed to be done by any term of that contract which is prohibited to be done by or under any of the provisions of this Act except with the permission of the Government or the Bangladesh Bank, shall not be done unless such permission is granted.

(3) Neither the provisions of this Act nor any term (whether expressed or implied) contained in any contract that anything for which the permission of the Government or the Bangladesh Bank is required by the said provisions shall not be done without that permission, shall prevent legal proceedings being brought in Bangladesh to recover any sum which, apart from the said provisions and any such term, would be due, whether as a debt, damages or otherwise, but -

(a) the said provisions shall apply to sums required to be paid by any judgment or order of any Court as they apply in relation to other sums; and

(b) no steps shall be taken for the purpose of enforcing any judgment or order for the payment of any sum to which the said provisions apply except as respects so much thereof as the Government or the Bangladesh Bank, as the case may be, may permit to be paid; and

(c) for the purpose of considering whether or not to grant such permission, the Government or the Bangladesh Bank, as the case may be, may require the person entitled to the benefit of the judgment or order and the debtor under the judgment or order to produce such documents and to give such information as may be specified in the requirement.

(4) Notwithstanding anything in the Negotiable Instruments Act, 1881 (Act No. XXVI of 1881), neither the provisions of this Act or of any rule, direction or order made thereunder, nor any condition, whether express or to be implied having regard to those provisions, that any payment shall not be made without permission under this Act, shall be deemed to prevent any instrument being a bill of exchange or promissory note.

XXVI of 1881 22APP 1

22. No person shall, when complying with any order or direction, under section 19 or when making any application or declaration to any authority or person for any purpose under this Act, give any information or make any statement which he knows or has reasonable cause to believe to be false, or not true, in any material particular.

27[22A. (1) The Government may, if it is of the opinion (the reason for such opinion being recorded in writing) that with a view to obtaining the evidence of any person supposed to have been directly or indirectly concerned in, or privy to, the contravention of any of the provisions of this Act or of any rule, direction or order made or given thereunder it is necessary or expedient so to do, grant such person immunity from prosecution under this Act or any other law for the time being in force, and may also grant such person immunity from imposition of any penalty under this Act, subject to the condition of his making full and true disclosure of the whole circumstances relating to such contravention.

(2) An immunity granted to, and accepted by the person concerned under sub-section (1) shall, to the extent to which the immunity extends, render him immune from prosecution for any offence or, as the case may be, from imposition of any penalty under this Act to which the immunity relates.

(3) If the Government is satisfied that any person to whom immunity under sub-section (1) was granted has not complied with any of the conditions subject to which the immunity was granted or is willfully concealing anything or giving false evidence, it may record a finding to that effect and thereupon the immunity so granted shall be deemed to have been

withdrawn and such person may be tried for the offence to which the immunity relates and shall be also liable to such penalty as he would have been liable to but for the grant of immunity under this section.]

28[23. (1) Whoever contravenes, attempts to contravene or abets the contravention of any of the provisions of this Act or of any rules, direction or order made thereunder shall notwithstanding anything contained in the Code of Criminal Procedure, 1898 (Act No. V of 1898), be tried by a Tribunal constituted by section 23A, and shall be punishable with imprisonment for a term which may extend to 29[Seven years] or with fine or with both, and any such Tribunal trying any such contravention may, if it thinks fit, and in addition to any sentence which it may impose for such contravention, direct that any currency, security, gold or silver, or goods or other property in respect of which the contravention has taken place shall be confiscated.

False

statement

Grant of

immunity in

certain cases

Penalty and

procedure23APP 1

(2) Notwithstanding anything contained in the Code of Criminal Procedure, 1898 (Act No. V of 1898), any offence punishable under this section shall be cognizable for such period as the Government may from time to time, by notification in the official Gazette, declare.

(3) A Tribunal shall not take cognizance of any offence punishable under this section and not declared by the Government under the preceding sub-section to be cognizable for the time being or of an offence punishable under section 54 of the Income-tax Act, 1922 (Act No. XI of 1922), as applied by section 19, except upon complaint in writing made by a person authorised by the Government or the Bangladesh Bank in this behalf. Provided that where any such offence is the contravention of any of the provisions of this Act or any rule, direction or order made thereunder which prohibits the doing of an act without permission and is not declared by the Government under the preceding sub-section to be cognizable for the time being, no such complaint shall be made unless the person accused of the offence has been given an opportunity of showing that he had such permission.

(4) Where the person guilty of an offence under this Act is a company or other body corporate, every Director, Manager, Secretary and other officer thereof who is knowingly a party to the offence shall also be guilty of the same offence and liable to the same punishment.

23A. (1) Every Sessions Judge shall, for the areas within the territorial limits of his jurisdiction, be a Tribunal for trial of an offence punishable under section 23.

(2) A tribunal may transfer any case for trial to an Additional Sessions Judge within its jurisdiction who shall, for trying a case so transferred, be deemed to be a Tribunal constituted for the purpose.

(3) A Tribunal shall have all the powers of a Magistrate of the First Class in relation to criminal trials, and shall follow as nearly as may be, the procedure provided in the Code of Criminal Procedure, 1898 (Act No. V of 1898), for trials before such Magistrate, and shall also have powers as provided in the said Code in respect of the following matters, namely:-

(a) directing the arrest of the accused;

(b) issuing search warrants;

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powers, etc. 24APP 1

(c) ordering the police to investigate any offence and report;

(d) authorising detention of a person during police investigation;

(e) ordering the release of the accused on bail.

(4) All proceedings before a Tribunal shall be deemed to be judicial proceeding within the meaning of sections 193 and 228 of the Penal Code (Act No. XLV of 1860), and for the purposes of section 196 thereof, and the provisions relating to the execution of orders and sentences in the Code of Criminal Procedure, 1898 (Act No. V of 1898), shall, so far as may be, apply to orders and sentences passed by a Tribunal.

(5) As regards sentences of fine, the powers of a Tribunal shall be as extensive as those of a Court of Session.

(6) 30[The Bangladesh Bank] or any other person aggrieved by a judgment of a Tribunal may, within three months from the date of the judgment, appeal to the 31[High Court Division].

(7) Save as provided in the preceding sub-section, all judgments and orders passed by a Tribunal shall be final.

24. (1) Where any person is tried for contravening any provision of this Act or of any rule, direction or order made thereunder which prohibits him from doing an act without permission, the burden of proving that he had the requisite permission shall be on him.

(2) If in a case in which the proof of complicity of a person resident in Bangladesh with a person outside Bangladesh is essential to prove an offence under this Act, then after proof of the circumstances otherwise sufficient to establish the commission of the offence, it shall be presumed that there was such complicity, and the burden of proving that there was no such complicity shall be on the person accused of the offence.

25.

For the purposes of this Act the Government may from time to time give to the Bangladesh Bank such general or special directions as it thinks fit, and the Bangladesh Bank shall, in the exercise of its functions under this Act, comply with any such directions.

26. No suit, prosecution or other legal proceedings shall lie against any person for anything in good faith done or intended to be done under this Act or any rule, direction or order made thereunder.

27. The Government may, by notification in the official Gazette, make rules for carrying into effect the provisions of this Act.

Burden of

proof in

certain cases

Power to

Government to

give direction

Bar of legal

proceedings

Power to make

rules25APP 1

1 Throughout this Act, the words “Bangladesh”, “Government”, “the Bangladesh Bank” and “Taka” were substituted for the words “Pakistan”, “Central Government”, “the State Bank” and “rupees” respectively by section 3 and the Second Schedule of the Bangladesh Laws (Revision And Declaration) Act, 1973 (Act No. VIII of 1973)

2 Sub-section (2) was substituted by section 2 of the Foreign Exchange Regulation (Amendment) Act, 2015 (Act No. XVII of 2015).

3 Clause (aa) was inserted by section 3(a) of the Foreign Exchange Regulation (Amendment) Act, 2015 (Act No. XVII of 2015).

4 Clause (b) was substituted by section 3(b) of the Foreign Exchange Regulation (Amendment) Act, 2015 (Act No. XVII of 2015).

5 Clause (bb) and (bbb) were inserted by section 3(c) of the Foreign Exchange Regulation (Amendment) Act, 2015 (Act No. XVII of 2015).

6 The words, brackets, figure and comma “clause (13) of Article 16 of the Bangladesh Bank Order, 1972” were substituted for the words, brackets, figure and comma “clause (8) of section 17 of the State Bank of Pakistan

Act, 1956” by section 3 and the Second Schedule of the Bangladesh Laws (Revision And Declaration) Act, 1973 (Act No. VIII of 1973)

7 Clause (ff) and (fff) were inserted by section 3(d) of the Foreign Exchange Regulation (Amendment) Act, 2015 (Act No. XVII of 2015).

8 Clause (hh) and (hhh) were inserted by section 3(e) of the Foreign Exchange Regulation (Amendment) Act, 2015 (Act No. XVII of 2015).

9 Clause (j) was substituted by section 3 and the Second Schedule of the Bangladesh Laws (Revision And Declaration) Act, 1973 (Act No. VIII of 1973)

10 Clause (k) was substituted by section 3(f) of the Foreign Exchange Regulation (Amendment) Act, 2015 (Act No. XVII of 2015).

11 Clause (kk) was inserted by section 3(g) of the Foreign Exchange Regulation (Amendment) Act, 2015 (Act No. XVII of 2015).

12 The comma and words “after giving the authorized dealer a reasonable opportunity of explaining its position” were added after the words “Bangladesh Bank” by section 4(a) of the Foreign Exchange Regulation (Amendment) Act, 2015 (Act No. XVII of 2015).

13 Sub-section (5) was added by section 4(b) of the Foreign Exchange Regulation (Amendment) Act, 2015 (Act No. XVII of 2015).

14 Sub-section (5) and (6) were added by section 5 of the Foreign Exchange Regulation (Amendment) Act, 2015 (Act No. XVII of 2015).

15 The words, figure and commas “section 16 of the Customs Act, 1969,” were substituted for the words, figure and comma “section 19 of the Sea Customs Act, 1878” by section 3 and the Second Schedule of the Bangladesh Laws (Revision And Declaration) Act, 1973 (Act No. VIII of 1973)26APP 1

16 The existing side note “Payment for exported goods” was substituted by the side note “Receipts of proceeds for exported goods and services” of the Foreign Exchange Regulation (Amendment) Act, 2015 (Act No. XVII of 2015).

17 Sub-section (1) was substituted by section 6(b) of the Foreign Exchange Regulation (Amendment) Act, 2015 (Act No. XVII of 2015).

18 The words, brackets, figure and comma “clause (13) of Article 16 of the Bangladesh Bank Order, 1972” were substituted for the words, brackets, figure and comma “clause (8) of section 17 of the State Bank of Pakistan Act, 1956” by section 3 and the Second Schedule of the Bangladesh Laws (Revision And Declaration) Act, 1973 (Act No. VIII of 1973)

19 Section 18A was omitted by section 7 of the Foreign Exchange Regulation (Amendment) Act, 2015 (Act No. XVII of 2015).

20 Sub-section (1) was substituted by section 8(a) of the Foreign Exchange Regulation (Amendment) Act, 2015 (Act No. XVII of 2015).

21 Sub-section (2) and (3) were omitted by section 8(b) of the Foreign Exchange Regulation (Amendment) Act, 2015 (Act No. XVII of 2015).

22 Sub-section (1) was substituted by section 9 of the Foreign Exchange Regulation (Amendment) Act, 2015 (Act No. XVII of 2015).

23 Sub-sections (3), (3A) and (3B) were substituted for the former sub-section (3) by section 5 of the Foreign Exchange Regulation (Amendment) Act, 1950 (Act No. LXII of 1950)

24 Section 19A was inserted by the Foreign Exchange Regulation (Amendment) Ordinance, 1976 (Ordinance No. LXXVI of 1976)

25 Sub-section (1) was omitted by section 10(a) of the Foreign Exchange Regulation (Amendment) Act, 2015 (Act No. XVII of 2015).

26 Sub-section (4) was added by section 10(b) of the Foreign Exchange Regulation (Amendment) Act, 2015 (Act No. XVII of 2015).

27 Section 22A was inserted by The Foreign Exchange Regulation (Amendment) Ordinance, 1976

28 Sections 23 and 23A were substituted for section 23 by section 5 of the Foreign Exchange Regulation (Amendment) Act, 1957 (Act No. XL of 1957)

29 The words “Seven years” were substituted for the words “four years” by section 11 of the Foreign Exchange Regulation (Amendment) Act, 2015 (Act No. XVII of 2015).

30 The words “The Bangladesh Bank” were substituted for the words “the State Bank of Pakistan” by section 3 and the Second Schedule of the Bangladesh Laws (Revision And Declaration) Act, 1973 (Act No. VIII of 1973)

31 The words “High Court Division” were substituted for the words “High Court” by section 3 and the Second Schedule of the Bangladesh Laws (Revision And Declaration) Act, 1973 (Act No. VIII of 1973)APPENDIX 2

Notifications issued by the Government of the
People's Republic of Bangladesh and the erstwhile

Government of Pakistan under Foreign Exchange Regulation
Act, 1947 (VII of 1947) 1APP 2
NOTIFICATIONS ISSUED BY THE ERSTWHILE GOVERNMENT
OF PAKISTAN UNDER THE FOREIGN EXCHANGE
REGULATION ACT, 1947 (VII OF 1947)
NOTIFICATION NO. 1 (2) ECS/48,
DATED THE 1ST JULY, 1948
AS AMENDED UPTO 5TH NOVEMBER, 1949

In exercise of the powers conferred by sub-section (1) of section 8 of the Foreign Exchange Regulation Act, 1947 (VII of 1947) and in supersession of the Notification of the Government of India in the Finance Department No. 12(11)-F1/47 dated the 25th March, 1947, the Central Government is pleased to direct that except with the general or special permission of the State Bank of Pakistan, no person shall bring or send into the provinces of Pakistan from any place outside Pakistan:

- (a) any gold coin, gold bullion, gold sheets or gold ingot whether refined or not;
- (b) any silver bullion, any silver sheets or plates which have undergone no process of manufacture subsequent to rolling, or any uncurrent silver coin;
- (c) any coin which is legal tender in India.

Import of gold and
silver. 2APP 2

NOTIFICATION NO. 1(6) ECS/48,
DATED THE 1ST JULY, 1948
AS AMENDED UPTO 25TH APRIL, 1958.

In exercise of the powers conferred by sub-section (I) of section 12 of the Foreign Exchange Regulation Act, 1947 (VII of 1947), the Central Government is pleased to prohibit the export otherwise than by post of any goods either directly or indirectly to any place outside Pakistan other than any of the countries or territories in the Schedule appended hereto unless a declaration is furnished by the exporter, in a manner prescribed in this behalf by the State Bank of Pakistan, to the Collector of Customs or to such other person as the State Bank of Pakistan may specify, that an amount representing the full export value of the goods has been or will be disposed of in a manner and within a period specified by the State Bank of Pakistan. Provided that this prohibition shall not apply to the export of:

- 1. Bonafide trade samples;
- 2. Personal effects, whether accompanied or unaccompanied, of travellers;
- 3. Ships stores and transhipment cargo;
- 4. Goods shipped under the order of the Central Government or of such officers as may be appointed by the Central Government in this behalf or of the Military, Naval or Air Force authorities in Pakistan for Military, Naval or Air Force requirement.
- 5. Goods included in Open General Licence No. 7 published with the late Ministry of Commerce and Education (Commerce Division) Notification No. 335/460/42 dated 22nd October, 1952, as modified from time to time, or such other Export Open General Licence, as may be in force for the time being, and exported to Iran by land;
- 6. Gift packets where they are accompanied by a declaration by the sender that the contents of the packet are less than Rs. 50/- in value and that the despatch of the packet does not involve any transaction in foreign exchange.

SCHEDULE

- 1. Afghanistan.

Export Control. 3APP 2

NOTIFICATION NO 1 (7) ECS/48,

DATED THE 1ST JULY, 1948

AS AMENDED UPTO 18TH NOVEMBER, 1954

In exercise of the powers conferred by sub-section (1) of section 12 of the Foreign Exchange Regulation Act, 1947 (VII of 1947) the Central Government is pleased to prohibit the export by post of any goods either directly or indirectly to any place outside Pakistan other than any of the country or territories in the schedule appended hereto unless a declaration, in a form prescribed by the State Bank of Pakistan, for the purpose, is furnished by the exporter to the Postal Authorities at the time of despatch that an amount representing the full export value of the goods has been or will be disposed of in a manner and within a period specified by the State Bank of Pakistan.

Provided that this prohibition shall not apply:

1. Where the postal packet is covered by a certificate issued by the State Bank of Pakistan or by an authorised dealer that the export of the parcel does not involve any transaction in foreign exchange;
2. Where the postal packet is accompanied by a declaration by the sender that the contents of the parcel are less than Rs. 50/ in value and that the despatch of the parcel does not involve any transaction in foreign exchange; and
3. Where the parcels are despatched either under the orders of the Central Government or of the Military, Naval or Air Force authorities in Pakistan accompanied by a certificate to the effect that the parcel does not involve any transaction in foreign exchange signed by a Gazetted Officer or by any person entitled to use service postage stamps, which should be pasted on the outer cover of the parcel;
4. Where the postal packet or parcel consists of goods included in Open General Licence No. 7, published with the late Ministry of Commerce and Education (Commerce Division) Notification No. 335 and 460/42 dated 22nd October, 1952 as modified from time to time, or such other Export Open General Licence as may be in force for the time being, and exported to Iran by land.

SCHEDULE

1. Afghanistan.

Export by Post 4APP 2

NOTIFICATION NO. F. 1/1-EF/49,

DATED THE 9TH APRIL, 1949

In exercise of the powers conferred by Section 15 of the Foreign Exchange Regulation Act, 1947 (VII of 1947), the Central Government is pleased to order that, except with the general or special permission of the State Bank of Pakistan, no person shall, in the Provinces of Pakistan, issue any bearer security or coupon, or so alter any document that it becomes a bearer security or coupon.

NOTIFICATION NO. F. 1(8)-EF/49

DATED THE 2ND MAY, 1949

In exercise of the powers conferred by sub-section (1) of Section 8 of the Foreign Exchange Regulation Act, 1947 (VII of 1947), the Central Government, in supersession of this Ministry's Notification No.

1(3)-ECS/48 dated the 1st July, 1948 is pleased to order that, except with the general or special permission of the State Bank of Pakistan, no person shall bring or send into the Provinces of Pakistan from any place outside Pakistan any currency notes or Bank notes, whether unissued or in circulation.

Import of

Currency notes. 5APP 2

NOTIFICATION NO. 1 (1)-2 EF/56,

DATED THE 1ST AUGUST, 1956

AS AMENDED UPTO 20TH NOVEMBER, 1956

In exercise of the powers conferred by sub-section (1) of Section 19 of the Foreign Exchange Regulation Act, 1947 (VII of 1947) and in supersession of this Ministry's Notification No. 1(5) ECS/48 dated the 1st July, 1948 the Central Government is pleased to direct that all persons resident in Pakistan who are or who may hereafter become the owners of any securities in respect of which the principal, interest or dividends is or are payable in the currency of any foreign country or in respect of which the owner has the option to require the payment of principal, interest or dividends in such currency shall be the 31st December, 1956 or in the case of a person hereafter becoming such owner, within one month of the date of his so becoming make a return to the State Bank of Pakistan in the form prescribed in this behalf by the State Bank of Pakistan giving the following particulars with respect of such securities namely:-

- (a) the full name and address of the owner by whom or on whose behalf the return is made;
- (b) a description of the security in full, including particulars as to whether it is a bearer bond, registered or inscribed stock, etc.;
- (c) the nominal amount of the security;
- (d) whether the security is free or encumbered and if the latter, full details of the nature of the encumbrance including the amount of loans or advances, if any, which have been taken against the security and the currency in which the names and addresses of the persons from whom they have been taken;
- (e) the place in which and the name of the person with whom the security is deposited;
- (f) the full name and address of the person for whose account the security is held (in case a person other than the owner is making the return).

Provided that this order shall not apply to persons not being citizens of Pakistan who have obtained the permission of the State Bank of Pakistan in this behalf. 6APP 2

NOTIFICATION NO. 3(2)-5.EF/52,

DATED THE 18TH JULY, 1952

AS AMENDED UPTO 28TH NOVEMBER, 1957.

In exercise of the powers conferred by Section 27 of the Foreign Exchange Regulation Act, 1947, the Central Government is pleased to make the following rules-

1. Short Title and Commencement:- (1) These rules may be called the Foreign Exchange Rules, 1952. (2) They shall come into force at once.

2. Interpretation: In these rules unless there is anything repugnant in the subject or context: -

- (a) "the Act" means the Foreign Exchange Regulation Act, 1947;
- (b) all other words and expressions shall be assigned the meaning as in the Act.

3. In the case of export of goods or class of goods specified in the notification issued under Section 12 (1) of the Act,

- (1) the authority to whom the declaration has to be submitted by the exporter shall be the Collector of Customs or such other person as the State Bank may from time to time by notification in the official Gazette specify for this purpose;
- (2) the period within which the amount representing the full export value of goods will have to be paid, shall be the period specified from time to time by the State Bank for this purpose generally or otherwise by notification in the official Gazette with reference to any country or countries;
- (3) the manner in which the amount representing the full export value of the goods will have to be paid, shall be the manner specified from time to time by the State Bank for this purpose generally or otherwise by the notification in the official Gazette with reference to any country or countries.

4. All powers vested in the State Bank under the Act shall be exercised and all functions entrusted to the State Bank under the Act shall be performed in the name of the Bank by such officers of the State Bank as may be notified from time to time by the State Bank in the official Gazette with reference to such officers' names or designations,

5. Any order, direction, communication issued by the State Bank in exercise of the powers vested under the Act shall be deemed to have been properly issued, communicated to, or served on the person or persons concerned,-7APP 2

- (i) if it is sent to the address known to the State Bank of such person or persons by registered post with acknowledgement due, or
- (ii) if it is published in any two prominent daily Newspapers, including one in urdu in West Pakistan and one in Bengali in East Pakistan, circulating in the area in which such person or persons reside or carry on business, or

(iii) if it is personally tendered to such person or persons for acceptance, whether accepted or refused and an endorsement or statement of the tendering employee of the Bank as to the acceptance or refusal shall be sufficient proof of such acceptance or refusal.8APP 2

NOTIFICATION NO, 1(8)-EF/58,

DATED THE 20TH AUGUST, 1958

In exercise of the powers conferred by Section 9 of the Foreign Exchange Regulation Act, 1947 (VII of 1947), and in supersession of this Ministry's Notification No. 3(2)-4-EF/52 dated the 14th June, 1952 the Central Government is pleased to order that every citizen of Pakistan in Pakistan and every other person residing continuously for six months or more in Pakistan who owns or who may hereafter become the owner of any foreign exchange whether held in Pakistan or abroad expressed in the currency of any country or territory, excepting the country or territory specified in the Schedule appended hereto, shall before the expiration of one month from the date of this Notification or in the case of a person hereafter becoming such owner, within one month of his so becoming, offer such foreign exchange or cause it to be offered for sale to an authorised dealer, being a person authorised by the State Bank of Pakistan for the purpose, against payment in Pakistan currency at the rate for the time being authorised by the State Bank of Pakistan in pursuance of sub-section (2) of Section 4 of the said Act for the conversion into Pakistan

currency of the foreign currency in which such foreign exchange is expressed:

Provided that this order shall not apply to foreign exchange held by authorised dealers within the scope of their authority or to any person authorised under any permission, general or otherwise granted by the State Bank of Pakistan to hold the foreign exchange.

2. The provisions of this Notification shall not apply to the following cases, namely: -

(i) Foreign exchange held abroad by foreign diplomats and foreign nationals employed in Embassies and Missions of foreign countries in Pakistan.

(ii) Foreign exchange held abroad by foreign nationals or foreign business houses, except to the extent that it represents their earnings abroad in respect of business conducted in Pakistan or services rendered while in Pakistan.

(iii) Foreign exchange held in UK by residents in Pakistan provided the amount does not exceed £100 in all or in USA provided the amount does not exceed \$ 280 in all, provided further that the total amount held in UK and USA does not exceed the equivalent of £100.

Explanation: "Residents in Pakistan" includes foreign nationals residing continuously in Pakistan for six months or more, but does not include citizens of Pakistan in foreign countries during the period of their stay outside Pakistan.

SCHEDULE

1. Afghanistan.9APP 2

NOTIFICATIONS ISSUED BY THE GOVERNMENT OF THE
PEOPLE'S REPUBLIC OF BANGLADESH UNDER THE
FOREIGN EXCHANGE REGULATION ACT, 1947 AS
ADAPTED IN BANGLADESH.

MINISTRY OF FINANCE

Finance Division

External Finance Wing

NOTIFICATION NO. MF/EF-V(AT)/1(30)/82-817

DATED THE 14TH DECEMBER, 1985

In exercise of the powers conferred by sub-section (3) of Section 23 of the Foreign Exchange Regulation Act, 1947 (VII of 1947) and in supersession of this Ministry's Notification No.

MF/EF/2G-S (296)/72- 75/1038 dated the 20th September, 1975, the Government is pleased to authorise the following officers of the Exchange Control Department of Bangladesh Bank to make complaints in writing of offences punishable under the said Section 23.

(1) A General Manager.

(2) A Deputy General Manager.

(3) A Joint Director.

(4) A Deputy Director.

(5) An Assistant Director.

(6) An Officer.

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3| Act VII of 1947 Gi Section 23 Gi msťkvab| - Foreign Exchange Regulation Act, 1947

(VII of 1947) Gi Section 23 Gi "two years" kãMywji cwieťZč "four years" kã,wj cÖwZ`vwcZ

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KvRx iwKeDĩxb Avng`

mwPe11APP 2

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ťhťnZz wbacwYčZ Dťlk`mg~n c~iYKťi F oreign Exchange Regulation Act, 1947 (Act No.

VII of 1947) Gi AwaKZi msťkvab mgxPxb I cÖťqvRbxq;

ťmťnZz GZ`&čvivi wbgčwfc AvBb Kiv nBj t -

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(Amendment) Act, 2015 bvťg AwfwnZ nBťel

(2) Bnv Awejťã KvhčKi nBťel

2| Act No. VII of 1947 Gi section 1 Gi msťkvab| - Foreign Exchange

Regulation Act, 1947 (Act No. VII of 1947), AZťci D³ Act ewjqv DwjčwLZ, Gi section

1 Gi sub-section (2) Gi cwieťZčč wbgčwfc sub-section (2) cÖwZ`vwcZ nBťe, h_v: -

"(2) It extends to the whole of Bangladesh, and applies to -

(a) all citizens of Bangladesh;

(b) all persons resident in Bangladesh; and

(c) all persons in the service of the People's Republic of Bangladesh

wherever they may be."|12APP 2

3| Act No. VII of 1947 Gi section 2 Gi msťkvab| - D³ Act Gi section 2 Gi-

(K) clause (a) Gi ci wbgčwfc clause (aa) mwbcwfcwKZ nBťe, h_v t-

"(aa) "capital account transaction" means a transaction for the creation,

modification, transfer or liquidation of a capital asset, including but

not limited to, securities issued in capital and money markets,

negotiable instruments, non-securitized claims, units of mutual fund

or collective investment securities, commercial credits and loans

financial credits, sureties, guarantees, deposit account operations, life

insurance, personal capital movements, real estate, foreign direct

investment, portfolio and institutional investment;"

(L) clause (b) Gi cwie†Z© wbgœifc clause (b) cÖwZ'vwcz nB†e, h_v:-

"(b) "currency" includes-

- (i) all coins, currency notes, bank notes, postal notes, money orders, cheques, drafts, traveller's cheques, letters of credit, bills of exchange and promissory notes; and
- (ii) Such other similar physical or non-physical instruments, or both as may be notified by the Bangladesh Bank from time to time;"

(M)

Clause (b) Gi ci h_vµ†g wbgœifc Clause (bb) Ges (bbb) mwbo†ewkZ nB†e, h_v t-

"(bb) "current account transaction" means receipts and payments which are not for the purpose of transferring capital, and also includes-

- (i) receipts and payments due in connection with foreign trade, other current business including services, and normal short-term banking and credit facilities in ordinary course of business;
- (ii) receipts and payments due as interest on loans and as net income from investments;
- (iii) moderate amounts of amortization of loans or for depreciation of direct investments, in the ordinary course of business;

(iv) expenses in connection with foreign travel, education and medical care of self, parents, spouse and children; and

(v) moderate remittances for family living expenses of parents, spouse and children resident abroad";13APP 2

(bbb) "export" means-

- (i) sending of goods, physical or non-physical or both, from Bangladesh to a place outside Bangladesh;
- (ii) Providing services by persons resident in Bangladesh to any person outside Bangladesh; or
- (iii) selling Bangladeshi goods or raw materials or non-physical contents to the enterprises in Export Processing Zones, Special Economic Zones and High- tech parks of Bangladesh against payment in foreign currency.";

(N) clause (f) Gi ci h_vµ†g wbgœifc Clause (ff) Ges (fff) mwbo†ewkZ nB†e, h_v t -

"(ff) "goods" means any goods as defined in the Customs Act, 1969

(Act No. IV of 1969);

"(fff) "import" means bringing into Bangladesh any physical or non-physical goods or services;"

(O) clause (h) Gi ci h_vµ†g wbgœifc clause (hh) Ges (hhh) mwbo†ewkZ nB†e, h_v t -

(hh) "person" means any individual, and also includes-

- (i) a partnership firm;
- (ii) a company;
- (iii) an association of persons or body of individuals, whether incorporated or not;
- (iv) every artificial juridical entity not falling within any of the preceding sub-clauses; and
- (v) any agency, office, or branch owned or controlled by such person;"

(hhh) "person resident in Bangladesh" means-

- (i) an individual residing in Bangladesh for six months or more in the last twelve months;
- (ii) an individual temporarily residing in Bangladesh holding a residential or working visa valid for not less than six months;
- (iii) a person whose place of business is in Bangladesh; or
- (iv) a person whose principal place of business may be located outside Bangladesh but branch or liaison office or representative office of such business is in Bangladesh;14APP 2
- (v) diplomatic, consular and other representative offices of the Government of the People's Republic of Bangladesh abroad as

well as Bangladeshi citizens employed at these offices;

(vi) persons holding any office in service of the People's Republic of Bangladesh wherever they may be for the time being either on duty or on leave:

provided that "person resident in Bangladesh" shall not include foreign diplomatic representations or accredited officials of such representations located within Bangladesh and offices of organizations established by international treaty located within Bangladesh;"

(P)

clause (k) Gi cwie†Z© wbgœifc clause (k) cÖwZ`vwcZ nB†e, h_v t -
"(k) "security" means either in physical or demat form-

(i) shares, stocks, bonds, debenture stock and Government securities, as defined in the Securities Act, 1920;

(ii) deposit receipts in respect of deposits of securities, units of mutual fund or collective investment scheme, as defined in Securities and Exchange Commission (Mutual Fund) Rules, 2001; and

(iii) other instruments defined as security in the Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969);

but does not include bill of exchange or promissory notes other than Government promissory notes;"

(Q) clause (k) Gi ci wbgœifc clause (kk) mwbo†ewkZ nB†e, h_v t -
"(kk) "service" means services of any description, including but not limited to, business services, professional services, information technology services, information technology enabled services, communication or telecommunication services, construction services, engineering services, distribution services, educational services, environmental services, financial services (such as insurance, banking and capital market related services), health services, social services, tourism services, travel services, recreational services, cultural services, sport services, transport services, electrical or other energy services or such other service as may be notified by the government or the Bangladesh Bank

from time to time;"|15APP 2

4| Act No. VII of 1947 Gi Section 3 Gi ms†kvab|- D³ Act Gi section 3 Gi -

(K) sub-section (2) Gi clause (iii) Gi "Bangladesh Bank" kãmg-†ni ci, after giving the authorized dealer a reasonable opportunity of explaining its position" Kgv I kã,wj ms†hvwRZ nB†e; Ges

(L) sub-section (4) Gi ci wbgœifc sub-section (5) ms†hvwRZ nB†e, h_v t -

"(5) Without prejudice to the provision of clause (iii) of sub-section (2) of section 3 or section 23, Bangladesh Bank may, after giving reasonable opportunity of being heard, impose such amount of fine and in such manner as may be prescribed by rules, on an authorised dealer for violation of terms of authorization or of general or special directions or instructions."|

5| Act No. VII of 1947 Gi section 4 Gi ms†kvab|- D³ Act Gi Section 4 Gi sub-section (4) Gi ci h_vµ†g wbgœifc sub-section (5) Ges (6) ms†hvwRZ nB†e, h_v t -

"(5) Any person resident in Bangladesh may sell or purchase foreign exchange to or from an authorised dealer if such sale or purchase is a current account transaction; provided that the Bangladesh Bank may, in public interest and in consultation with the Government, impose such reasonable restriction on current account transactions as may be needed to respond to current or capital account imbalances;

(6) Subject to such restrictions as may be prescribed, the Bangladesh Bank, in consultation with the Government, may specify the classes of permissible capital account transactions."|

6| Act No. VII of 1947 Gi Section 12 Gi ms†kvab|- D³ Act Gi section 12 Gi-

(K) we`gvb DcvšlUxKvi cwie†Z© wbœœifc DcvšlUxKv cÖwZ`vwcZ nB†e, h_v t -"Receipts of

proceeds for exported goods and services"; Ges

(L) sub-section (1) Gi cwie†Z© wbæifc sub-section (1) cÖwZ'vwcz nB†e, h_v t -

"(1) The Government may, by notification in the official Gazette, prohibit the export of any goods or classes of goods or services or classes of services specified in such notification, from Bangladesh directly or indirectly to any place so specified unless a declaration supported by such evidence as may be prescribed or so specified is furnished by the exporter to the prescribed authority that the amount representing the full export value of the goods or services has been or shall within the prescribed period be, received in the prescribed manner."|16APP 2

7| Act No. VII of 1947 Gi section 18A Gi wejyßKiY|- D³ AvB†bi section 18A wejyß nB†e|

8| Act No. VII of 1947 Gi Section 18B Gi ms†kvab|- D³ Act Gi section 18B Gi-

(K) sub-section (1) Gi cwie†Z© wbæifc sub-section (1) cÖwZ'vwcz nB†e, h_v t -

"(1) Person resident outside Bangladesh (whether or not a citizen of Bangladesh) or a person who is not a citizen of, but resident in, Bangladesh or a company (other than a banking company) not incorporated under any law for the time being in force in Bangladesh shall report to Bangladesh Bank within 30(thirty) days of obtaining permission from Board of Investment or similar competent authority in Bangladesh to establish in Bangladesh a branch office or liaison office or representative office or any other place of business for carrying on any activity of a trading commercial or industrial nature."; Ges

(L) sub-section (2) Ges (3) wejyß nB†e|

9| Act No. VII of 1947 Gi section 19 Gi ms†kvab|- D³ Act Gi section 19 Gi sub-section (1)

Gi cwie†Z© wbæifc sub-section (1) cÖwZ'vwcz nB†e, h_v t-

"(1) The Government or the Bangladesh Bank may, at any time by notification in the official Gazette, direct any citizen of Bangladesh, any person resident in Bangladesh and any person in the Service of the People's Republic of Bangladesh wherever they may be, subject to such exceptions, if any, as may be specified in the notification, to make a return of their holdings of foreign exchange, foreign securities; and of any immovable property or industrial or commercial undertaking or company outside Bangladesh, held, owned, established or controlled by him or in which he has any right, title or interest, within such period and giving such particulars, as may be so specified."|

10| Act No. VII of 1947 Gi section 20 Gi ms†kvab|- D³ AvB†bi section 20 Gi-

(K) Sub-s ection (1) wejyß nB†e; Ges

(L) Sub-s ection (3) Gi ci wbæifc sub-section (4) ms†hvwrZ nB†e, h_v t -

"(4). Bangladesh Bank, may, by notification in the" official Gazette, require any or all individual or class of individual (other than diplomats or any group of individual, as specified in the notification) who is not a citizen of Bangladesh, but staying or working in Bangladesh or providing any service in Bangladesh for any period to any person to provide information, 17APP 2 which Bangladesh Bank considers it necessary or expedient for the purpose of this Act, to Bangladesh Bank or any other authority, as stated in such notification."|

11| Act No. VII of 1947 Gi section 23 Gi ms†kvab|- D³ AvB†bi section 23 Gi sub-section (1) G

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†gvt Avâyj gv†jK, DccwiPvjK (vwqZ;cÖvß), evsjv†`k miKvwi gy`aYvjq, †ZRMuvl, XvKv KZ...©K gyw`aZ|

†gvt AvjgMxi †nv†mb (DcmwPe), DccwiPvjK, evsjv†`k dig l cÖKvkbv Awdm,

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bs Gg.Gd/B, Gd-5/1(16)
97/Ask/245-1947 mvṭji
%oeṭ`wkK gy`av wbqš;Y AvBb (1947
mvṭji 7bs AvBb 1986 mvṭji 30
Ryb ch©šl msṭkwaZ) Gi 19 avivi
(2) Dc-avivq cÖ`Ē ḡgZveṭj
miKvi wbṭ`©k`vb Kwiṭjb ṭh, D³
Dc-avivi Aaxṭb Avṭ`k Rvixi
ḡgZv 1998 mvṭji 31 wWṭmṣʿi
ZvwiL ch©šl evsjvṭ`k e`vsK KZ©„K
cÖṭqvM Kiv nBṭel
ivóªcwZi Avṭ`kμṭg
cvUlqvix ṭbQvi Dwlb Avnṭg`
Dc-mwPe
A_© gš;Yvjq,A_© wefvM
ewnt A_© AbywefvM
kvLv - 5
weÁwß
ZvwiL, 15B ṭg 2001
bs Gg.Gd/B, Gd-5/1(16) 97/
Ask-63(3)-1947 mvṭji %oeṭ`wkK

gy`av wbqš;Y AvBb (1947 mv†ji 7bs
AvBb 1986 mv†ji 30 Ryb ch©šÍ
ms†kwaZ) Gi 19 avivi (2) Dc-avivq
cÖ`Ě ŷgZve†j miKvi wb†`©k`vb
Kwi†jb †h, D³ Dc-avivi Aax†b
Av†`k Rvixi ŷgZv 2003 mv†ji 31
wW†mⁱi ZvwiL ch©šÍÍ evsjv†`k e`vsK
KZ©„K cÖ†qvM Kiv nB†el
ivóªcwZi Av†`kµ†g
wU,AvB,Gg,†gv`lvwdRyi ingvb
Dc-mwPe (etAt)
A_© gš;Yvjq,A_© wefvM
e`q-wbqš;Y AbywefvM
kvLv - 7
weÁwß
ZvwiL, 31B gvP© 2004
bs Ag/Awe/e`twb-7
(%etgyt-1)/2004/ 54-1947 mv†ji
%e†`wkK gy`av wbqš;Y AvBb (1947
mv†ji 7bs AvBb 1986 mv†ji 30
Ryb ch©šÍ ms†kwaZ) Gi 19 avivi
(2) Dc-avivq cÖ`Ě ŷgZve†j
miKvi wb†`©k`vb Kwi†jb †h, D³
Dc-avivi Aax†b Av†`k Rvixi
ŷgZv 2006 mv†ji 31 wW†mⁱi
ZvwiL ch©šÍÍ evsjv†`k e`vsK KZ©„K
cÖ†qvM Kiv nB†el
ivóªcwZi Av†`kµ†g
mⁱú` eo-qv

Dc-mwPe (e`twbt-2)
A_© gš;Yvjq,A_© wefvM
e`q-wbqš;Y
kvLv - 7
weÁwß
ZvwiL, 11A†±vei 2006
bs Ag/Awe/e`twb-7(%etgytAvBb-1)/
2004/ 60-1947 mv†ji %e†`wkK gy`av
wbqš;Y AvBb (1947 mv†ji 7bs AvBb
1986 mv†ji 30 Ryb ch©šÍ ms†kwaZ) Gi
19 avivi (2) Dc-avivq cÖ`Ě ŷgZve†j
miKvi wb†`©k`vb Kwi†jb †h, D³
Dc-avivi Aax†b Av†`k Rvixi ŷgZv
31-12-2009 ZvwiL ch©š— evsjv†`k
e`vsK KZ©„K cÖ†qvM Kiv nB†el
ivóªcwZi Av†`kµ†g
Zvnwgbv †eMg
Dc-mwPe (e`twbtlct-2)19APP 2
MYcÖRvZš;x evsjv†`k miKvi
A_© wefvM, A_© gš;Yvjq, e`q
wbqš;Y kvLv, kvLv-7
Ag/Awe/e`twbt-7/%etgytAvBb-1/20
04/85
ZvwiL t 15/11/2009 wLªt
weÁwß
1947 mv†ji `e†`wkK gy`av wbqš;Y
AvBb (1947 mv†ji 7 bs AvBb
1986 mv†ji 30 Ryb ch©šÍ

msṭṭkwaZ) Gi 19 avivi (2)
Dc-avivq cÖ`Ē ḡgZv eṭj miKvi
wbṭ`©k`vb Kiṭjb ṭh, D³ Dc-avivi
Aaxṭb Avṭ`k Rvixi ḡgZv
31/12/2012 ZvwiL ch©śl evsjvṭ`k
e`vsK KZ...©K cÖṭqvM Kiv nṭe |
ivóªcwZi Avṭ`kṃṭg
(Zvnwgbv ṭeMg)
Dc-mwPe (e`twbt I Awbt-2)
MYcÖRvZšḡx evsjvṭ`k miKvi
A_© wefvM, A_© gšḡYvjq, e`q
wbqšḡY AwakvLv, -2
Ag/Awe/e`wb-2/%œetgytAvBb-1/200
4/264

ZvwiL t 12/12/2012 wLªt
weÁwß
1947 mvṭji `eṭ`wkK gy`ªv wbqšḡY
AvBb (1947 mvṭji 7 bs AvBb
1986 mvṭji 30 Ryb ch©śl
msṭṭkwaZ) Gi 19 avivi (2)
Dc-avivq cÖ`Ē ḡgZv eṭj miKvi
wbṭ`©k`vb Kiṭjb ṭh, D³ Dc-avivi
Aaxṭb Avṭ`k Rvixi ḡgZv
31/12/2015 ZvwiL ch©śl evsjvṭ`k
e`vsK KZ...©K cÖṭqvM Kiv nṭe |
ivóªcwZi Avṭ`kṃṭg
(ṭgvnvªš` kvgmyj Avjg f,uBqv)
Dc-mwPe
MYcÖRvZšḡx evsjvṭ`k miKvi
A_© wefvM, A_© gšḡYvjq
e`q wbqšḡY I Af`šlixY wbixŷv
AbywefvM
e`q wbqšḡY AwakvLv-2
Ag/Awe/e`wb-2/%œetgytAvBb-1/200
4/70

ZvwiL t 08/11/2015 wLªt
weÁwß
1947 mvṭji `eṭ`wkK gy`ªv wbqšḡY
AvBb (1947 mvṭji 7 bs AvBb
1986 mvṭji 30 Ryb ch©śl
msṭṭkwaZ) Gi 19 avivi (2)
Dc-avivq cÖ`Ē ḡgZv eṭj miKvi
wbṭ`©k`vb Kiṭjb ṭh, D³
Dc-avivi Aaxṭb Avṭ`k Rvixi
ḡgZv 31/12/2018 ZvwiL ch©śl
evsjvṭ`k e`vsK KZ...©K cÖṭqvM Kiv
nṭe |
ivóªcwZi Avṭ`kṃṭg
(bymivZ Rvexb evby)
Dc-mwPeAPPENDIX 3

Notifications issued by the Bangladesh Bank and the
erstwhile State Bank of Pakistan under Foreign Exchange Regulation
Act, 1947 (VII of 1947) and
Bangladesh Bank Order, 1972 (President's Order No. 127 of 1972)1APP 3
NOTIFICATION ISSUED BY THE ERSTWHILE STATE
BANK OF PAKISTAN UNDER THE FOREIGN EXCHANGE
REGULATION ACT, 1947 (VII OF 1947)
NOTIFICATION NO. F E 17/48 SB

DATED THE 1ST JULY, 1948
AS AMENDED UPTO 7TH MAY, 1953

In pursuance of sub-section (2) of Section 8 of the Foreign Exchange Regulation Act, 1947 (VII of 1947), the State Bank of Pakistan is pleased to permit:

- (a) Authorised Dealers to send out of the provinces of Pakistan cheques, drafts or bills of exchange which have been acquired in the normal course of their business and within the terms of their authorisation.
- (b) Any person to take or send out of the Provinces to States which have acceded or accede to Pakistan foreign exchange without limit.
- (c) Any person maintaining an account in accordance with the provisions of the Notification of the State Bank of Pakistan No. FE 56/53-SB dated the 7th May, 1953, to take or send out of the Provinces and the Capital of the Federation cheques or drafts drawn on such account.

NOTIFICATION NO. FE 28/49-SB

DATED THE 14TH MAY, 1949

In pursuance of the Notification of the Government of Pakistan in the Ministry of Finance No.1(2)ECS-48 dated the 1st July, 1948(restricting the bringing or sending into the Provinces of Pakistan of gold and silver) and in supersession of the Notification of the State Bank of Pakistan No. FE 10/48-SB dated the 1st July, 1948, the State Bank of Pakistan is hereby pleased to give general permission to the bringing or sending of any such gold or silver as is specified in the Government notification referred to, by sea or air into any port in the Provinces of Pakistan, provided the Gold or silver is on through transit to a place outside Pakistan and is not removed from the carrying ship or aircraft except for the purpose of transshipment.

Export of
cheques, drafts,
foreign exchange
etc.

Import of Gold
and Silver in
transit.2APP 3

NOTIFICATION NO. FE 30/49-SB

DATED THE 5TH NOVEMBER, 1949

In pursuance of the Notification of the Government of Pakistan No. 1(2)-ECS/48 dated the 1st July, 1948 as amended by Notification of the Government of Pakistan No. 1(14) FE/49 dated the 5th November, 1949, the State Bank of Pakistan is pleased to permit any person to bring into the provinces or the Capital of the Federation from any place outside Pakistan any coin which is legal tender in India not exceeding in all rupees five in value at any one time.

NOTIFICATION NO. FE 38/50-SB

DATED THE 23RD OCTOBER, 1950

In pursuance sub-section (2) of Section 8 of the Foreign Exchange Regulation Act, 1947 (VII of 1947), the State Bank of Pakistan is pleased to permit-

- (i) any person to take out of the provinces and the Capital of the Federation with him foreign exchange issued to him by an Authorised Dealer in Pakistan and endorsed on his passport;
- (ii) any person, other than a person to whom foreign exchange is issued for travelling purposes only, to send out of the Provinces and the Capital of the Federation foreign exchange issued to him by an Authorised Dealer for any purpose other than travelling.

NOTIFICATION NO. FE 72/59-SB

DATED THE 21ST JANUARY, 1959

In exercise of the powers conferred by sub-section (2) of Section 8 of the Foreign Exchange Regulation Act, 1947 (VII of 1947) and in supersession of its Notification No. FE/20/48-SB dated the 1st July, 1948 the State Bank

of Pakistan is pleased to permit any person to export out of Pakistan precious stones or jewellery other than articles made wholly or mainly of gold, to any country without limit provided the packet containing the precious stones or jewellery is despatched in the manner prescribed in the Government of Pakistan, Ministry of Finance Notification No. 1(6) ECS/48 dated the 1st July, 1948 and No. 1(7) ECS/48 dated the 1st July, 1948.

Import of India

Coin.

Export of

Jewellery by post

Export of

Foreign

Exchange3APP 3

NOTIFICATION NO. FE 73/59-SB

DATED THE 25TH FEBRUARY, 1959

In pursuance of the Central Government Notification No. 1 (8)EF/58 dated the 20th August, 1958 and in supersession of the State Bank of Pakistan Notification No. FE 52/52-SB dated the 18th September, 1952 the State Bank of Pakistan is pleased to authorise all dealers for the time being authorised by the State Bank of Pakistan to undertake foreign exchange business, to purchase foreign exchange for the purpose of the said Notification.

NOTIFICATION NO. FE 74/59-SB

DATED THE 25TH FEBRUARY, 1959

In pursuance of sub-section (1) of Section 4 of the Foreign Exchange Regulation Act, 1947 (VII of 1947) and in supersession of the State Bank of Pakistan Notification No. FE 56/53-SB dated the 7th May, 1953 the State Bank of Pakistan is pleased to direct that the prohibitions imposed by that sub-section shall not apply to the operation on an account expressed in a foreign currency held in accordance with para 2 of the Government of Pakistan, Ministry of Finance Notification No. 1(8) EF/58 dated the 20th August, 1958 by a foreign national who is, or is resident, in any Province of Pakistan but is not domiciled in Pakistan.

NOTIFICATION NO. FE 1/63-SB

DATED THE 14TH OCTOBER, 1963

In pursuance of clause (a) of sub-section (1) of Section 20 of the Foreign Exchange Regulation Act, 1947 (VII of 1947) and in partial modification of the State Bank of Pakistan Notification No. FE 13/48-SB dated the 1st July, 1948 the State Bank of Pakistan is pleased to direct that a person, other than a person holding any office in the service of Pakistan and residing outside Pakistan for the time being either on duty or on leave, being domiciled in, or a national of Pakistan who is for the time being resident outside Pakistan, shall, unless otherwise authorised or exempted under the said Act, be treated, for purposes of Section 5 of the said Act, as a person resident outside Pakistan, for so long as he is so resident.

4APP 3

NOTIFICATION NO. F.E. 2/69-SB

DATED THE 4TH DECEMBER 1969

In pursuance of rule 4 of the Foreign Exchange Rules, 1952, and in supersession of the State Bank of Pakistan, Notification No. F.E. 3/61-SB, dated the 10th May 1961, the State bank of Pakistan is pleased to notify that all powers vested in the State Bank under the Foreign Exchange Regulation Act 1947 (VII of 1947) shall be exercised and all functions entrusted to the State Bank under the said Act shall be performed in the name of State Bank by the following Officers of the Exchange Control Department of the State Bank namely:-

1. The Controller of Foreign Exchange.
2. The Additional Controller of Foreign Exchange
3. The Deputy Controllers.
4. The Assistant Controllers
5. The Exchange Control Officers
6. The Assistant Exchange Control Officers.5APP 3

NOTIFICATION ISSUED BY THE BANGLADESH BANK
UNDER FOREIGN EXCHANGE REGULATION ACT, 1947
AS ADAPTED IN BANGLADESH
NOTIFICATION NO. FE 1/77-BB

DATED THE 16TH APRIL, 1977.

In pursuance of Rule 3 of the Foreign Exchange Rules, 1952 and all other powers enabling it in this behalf under the Foreign Exchange Regulation Act, 1947(VII of 1947) and in supersession of the State Bank of Pakistan Notification No. FE 53/53-SB, dated the 8th January, 1953 as amended from time to time the Bangladesh Bank is pleased to notify as follow:-

1. A declaration required to be submitted under sub-section (1) of Section 12 of the FER Act, 1947(VII of 1947) shall be submitted by the exporter -
 - (a) when goods are exported otherwise than by post, to Collector of Customs;
 - (b) when goods are exported by post Master of the Post Office at which the goods are posted for export.
2. For export of goods to any country an amount representing the full export value of the goods shall be paid within four months from the date of shipment or posting as the case may be.
3. An amount representing the full export value of any goods exported to any country shall be paid through an Authorised Dealer in Bangladesh in any freely convertible foreign currency in which an Authorised Dealer maintains accounts or in Bangladesh Taka from a non-resident bank account.6APP 3

NOTIFICATION NO. FE/83-BB

DATED THE 25TH MAY, 1983

In pursuance of sub-section (2) of Section 8 of the Foreign Exchange Regulation Act, 1947 (VII of 1947), and in supersession of the Bangladesh Bank notification No. FE 1/78-BB dated the 12th July, 1978, the Bangladesh Bank is pleased to permit :-

- (a) a person, being an adult female person permanently residing in Bangladesh, to take personal jewellery at any one time out Bangladesh to the countries specified in the Schedule below upto 3 tolas in weight, and to other countries upto 10 tolas in weight which is worn on her person or which forms part of her personal baggage; Provided that the gold content of the jewellery so taken out or proposed to be taken out does not exceed $2\frac{1}{4}$ tolas and $7\frac{1}{2}$ tolas in weight respectively;

Provided further that, unless the said person takes up permanent residence abroad, the jewellery so taken out shall be brought back on her return journey to Bangladesh or within a maximum period of 5 years from the date, it is taken out from Bangladesh, whichever is earlier;

- (b) any person in Bangladesh but not ordinarily resident herein to take out of Bangladesh precious stones and jewellery previously brought by such person from abroad into Bangladesh with the permission of the proper officer of the Customs without limit and precious stones and jewellery other than articles made wholly or partly of gold purchased in Bangladesh upto a further Taka 15,000 in value.

THE SCHEDULE

1. India. 4. Nepal.
2. Pakistan, 5. Bhutan.
3. Sri Lanka. 6. Burma.

Export of
precious Stones
and Jewellery7APP 3

Import of
Currency

NOTIFICATION NO. FE 1/84 BB

DATED THE 22ND MARCH, 1984

IMPORT OF CURRENCY

In pursuance of the Notification of the erstwhile Central Government of Pakistan No. FI(8) EF/49 dated the 2nd May, 1949 and in supersession of Bangladesh Bank Notification No. FE 1/81-BB Dhaka, the 2nd February, 1981, Bangladesh Bank is pleased to permit any person to bring into Bangladesh from any place outside Bangladesh without any limit any currency notes or bank notes other than-

(i) Un-issued notes, and

(ii) Notes legal tenders in Bangladesh in excess of Taka 100 in value:

Provided that he makes a written declaration to the Customs Authorities at the time of arrival, in the form prescribed by Bangladesh Bank of the entire amount; no declaration will, however, be necessary if the amount brought in does not exceed-

(1) US \$ 750 or its equivalent by a person ordinarily resident in Bangladesh.

(2) US \$ 1000 or its equivalent by a person ordinarily resident outside Bangladesh including Bangladesh nationals working abroad.

However, if a Bangladesh national working abroad intends to take the benefit of the Wage Earners' Scheme for encashment of foreign exchange brought in by him, he will have to make declaration even if it does not exceed US \$ 1000 or its equivalent.

(3) Notes legal tender in Bangladesh upto Tk. 100 in value.8APP 3

NOTIFICATION NO. FE 1/85-BB

DATED THE 28TH MARCH, 1985

In pursuance of rule 4 of the Foreign Exchange Rules, 1952 and in supersession of State Bank of Pakistan notification No. EF-2/69-SB, dated the 4th December, 1969 Bangladesh Bank is pleased to notify that all powers vested in the Bangladesh Bank under the Foreign Exchange Regulation Act, 1947 (VII of 1947), as adapted in Bangladesh, shall be exercised and all functions entrusted to the Bangladesh Bank under the said Act, shall be performed in the name of Bangladesh Bank by the following officers of the Exchange Control Department of the Bangladesh Bank namely:

(1) General Managers.

(2) Deputy General Managers.

(3) Joint Directors/Joint Managers.

(4) Deputy Directors/Deputy Managers.

(5) Assistant Directors/Assistant Managers.

(6) Officers.9APP 3

Export of

Currency

NOTIFICATION NO. FE-1/86-BB

DATED THE 25TH FEBRUARY, 1986.

EXPORT OF CURRENCY

In pursuance of sub-section (2) of Section 8 of the Foreign Exchange Regulation Act, 1947 (VII of 1947) and in supersession of Bangladesh Bank Notification No. FE-2/81-BB dated the 2nd February, 1981, Bangladesh Bank is pleased to permit as follows :-

(1) Any person may take out of Bangladesh, Bangladesh Bank Notes and Bangladesh Coins not exceeding in all Tk. 100 (Taka one hundred only) in value at any one time.

(2) Currency which has been brought into Bangladesh in the safes of vessels or aircraft or which has been taken on board vessels or aircraft with the permission of Bangladesh Bank may be taken out of Bangladesh.

(3) Any person ordinarily resident in Bangladesh may take out foreign exchange not exceeding US \$ 150 or its equivalent.

(4) Any person not ordinarily resident in Bangladesh including Bangladesh Nationals working abroad may take out of Bangladesh any amount in foreign exchange not exceeding the amount declared by him to the Customs Authority on arrival in Bangladesh in terms

of Bangladesh Bank Notification No. FE-1/84-BB dated the 22nd March, 1984; however, such a person may take out foreign

exchange not exceeding US \$ 150 or its equivalent even if no declaration covering such amount has been made by him to the

Customs Authority on his arrival in Bangladesh.10APP 311APP 3NOTIFICATION NO. FE-1/93-BB

DATED, THE 12TH JULY, 1993

(28TH ASHAR, 1400)

IMPORT OF CURRENCY

In pursuance of the Notification of the erstwhile Central Government of Pakistan No. FI(8)-EF/49 dated the 2nd May, 1949 and in supersession of Bangladesh Bank Notification No. FE-1/84-BB, FE-1/91-BB, FE-2/91-BB and FE-1/92-BB dated the 22nd March, 1984, the 15th June, 1991, the 5th August, 1991 and the 23rd June 1992 respectively Bangladesh Bank is pleased to permit any person to bring into Bangladesh from any place outside Bangladesh without any limit any currency notes or bank notes other than-

(1) Un-issued notes, and

(2) Notes legal tenders in Bangladesh in excess of Taka 300 in value:

Provided that the concerned person makes a written declaration to the Customs Authorities at the time of arrival, in the form prescribed by Bangladesh Bank of the entire amount; no declaration will, however, be necessary if the amount brought in does not exceed-

(1) US \$ 2500 or its equivalent by a person ordinarily resident in Bangladesh.

(2) US \$ 5000 or its equivalent by a person ordinarily resident outside Bangladesh including Bangladesh nationals working abroad.

(3) Notes legal tender in Bangladesh upto Tk. 300 in value.

12APP 313APP 3

NOTIFICATION NO. FE 2/93 BB

DATED, THE 12TH JULY, 1993

(28TH ASHAR, 1400)

EXPORT OF CURRENCY

In pursuance of sub-section (2) of Section 8 of the Foreign Exchange Regulation Act, 1947 (VII of 1947) and in supersession of Bangladesh Bank Notification No. FE-2/92-BB dated the 9th Ashar, 1399 (23rd June, 1992), Bangladesh Bank is pleased to permit as follows:-

(1) Any person may take out of Bangladesh, Bangladesh Bank notes and Bangladesh Coins not exceeding in all Tk. 300 (Taka three hundred only) in value at any one time.

(2) Currency which has been brought into Bangladesh in the safes of vessels or aircraft or which has been taken on board vessels or aircraft with the permission of Bangladesh Bank may be taken out of Bangladesh.

(3) Any person ordinarily resident in Bangladesh may take out foreign exchange not exceeding US \$ 2500 or its equivalent which was brought in without declaration at the time of returning from abroad.

(4) Any person not ordinarily resident in Bangladesh including Bangladesh Nationals working abroad may take out of Bangladesh any amount in foreign exchange not exceeding the amount declared by him to the Customs Authority on arrival in Bangladesh. However, such a person may take out at the time of his leaving Bangladesh foreign exchange not exceeding US \$ 5000 or its equivalent brought in without declaration to the Customs Authority on his arrival in Bangladesh. 14APP 3

NOTIFICATION NO. FE 1/94-BB

DATED, THE 12TH NOVEMBER, 1994

EXPORT OF CURRENCY

In pursuance of sub-section (2) of Section 8 of FER Act 1947 (VII of 1947) and in partial modification of Bangladesh Bank's Notification No. FE-2/93-BB dated the 12th July 1993, Bangladesh Bank has been pleased to decide that any person may, at the time of departure from Bangladesh, take out Bangladeshi legal tender notes and coins not exceeding Tk, 500/- in value.

NOTIFICATION NO. FE-2/94-BB

DATED, THE 12TH NOVEMBER, 1994

IMPORT OF CURRENCY

In pursuance of the erstwhile central Government Notification No. F.1(8)-EF/49 dated the 2nd May, 1949 and in supersession of Bangladesh Bank Notification No. FE 1/93-BB dated the 12th July, 1993 (28th Ashar, 1400) Bangladesh Bank is pleased to permit any person to bring into Bangladesh from any place outside Bangladesh without any limit any currency notes or bank notes other than:-

(1) Unissued notes, and

(2) Notes legal tender in Bangladesh in excess of Taka 500 in value;

Provided that the concerned person makes a written declaration to the Customs Authority at the time of arrival, in the form prescribed by Bangladesh Bank, of the entire amount; no declaration will, however, be necessary if the amount brought in does not exceed:-

- (a) US Dollar 5000 or equivalent in foreign exchange;
(b) Taka 500 in notes legal tender in Bangladesh.15APP 3

NOTIFICATION NO. FE-3/94-BB

DATED THE 17TH DECEMBER, 1994

(3rd Kartik, 1401)

In pursuance of sub-section (2) of Section 8 of the Foreign Exchange Regulation Act, 1947 (VII of 1947), and in supersession of the Bangladesh Bank notification No. FE/83-BB dated the 25th May, 1983 the Bangladesh Bank is pleased to permit any adult female person to bring into/take out at the time of arrival into/departure from Bangladesh any quantity of personal jewellery worn on her person or as part of her accompanying personal baggage.

NOTIFICATION NO. FE-1/96-BB

DATED THE 14TH JANUARY, 1996

(1ST MAGH 1402)

In exercise of the powers conferred by Section 8 of the Foreign Exchange Regulations Act, 1947 (VII of 1947) read with the erstwhile central government Notification No. 1(2)-ECS/48 dated the 1st July, 1948 and further to Bangladesh Bank's Notification No. FE 1/94-BB dated the 17th December 1994 (3rd Kartik, 1401), Bangladesh Bank has decided that:

- (i) A Bangladesh national returning from abroad may bring into Bangladesh upto 2 (two) kilograms of gold or silver in bullion/ingot form subject to payment of duties and takes as levied by the Government;
- (ii) Export of gold and silver jewellery from Bangladesh and import of gold/silver/precious stones for manufacture and export of jewellery may be effected subject to the terms and conditions laid down in the relative Foreign Exchange Circulars issued by Bangladesh Bank from time to time.16APP 3

evsjvt`k e`vsK

cÖÁvcb

XvKv 23tk tčŠl 1409/6B Rvbyqvix 2003

KvčtYx tčvU Avg`vwb l ißvwb

bs GdB-1/03-wewe-%e`wkK gy`«v wbqš;Y AvBb 1947 Gi 8(1) aviv l 2iv tğ, 1949 ZvwičLi miKvix cÖÁvcb bs Gd 1(8)-BGd/49 Øviv Awc©Z GLwZqvim~čl evsjvt`k e`vsčKi 12B bčf`i, 1994 ZvwičLi cÖÁvcb bs GdB-2/94 wewe Ges GKB AvBčbi 8(2) aviv Øviv Awc©Z GLwZqvim~čl evsjvt`k e`vsčKi 12B RyjvB 1993 ZvwičLi cÖÁvcb bs GdB-2/93-wewe Ges 12B bčf`i, 1994 ZvwičLi cÖÁvcb bs GdB-1/94-wewe Gi AwZµgtY evsjvt`čk KvčtYx tčvU Avg`vwb l evsjvt`k nBčZ KvčtYx tčvU ißvwb i welčq wbčgœv`ifc AbygwZ Ávwcz nBj t

1l KvčtYx tčvU Avg`vwb-

weč`k nBčZ evsjvt`čk AvMgbKvčj tKvb e`w³ wbčgœv³ eY©bvi tčvU e`ZxZ Ab`vb` KvčtYx tčvU tč tKvb cwigvčY mč½ AvwbčZ cvwičeb t

(K) cÖPjčb Avčm bvB (unissued) Gifc KvčtYx tčvU, Ges

(L) cuvPkZ UvKvi Awak cwigvčYi evsjvt`kx KvčtYx tčvU l

AvbxZ mgy`q cwigvčYi Rb` AvMgbKvčj ié KZ,,©cčji wbKU evsjvt`k e`vsčKi wba©vwiZ dičg tNviYv cÖ`vb KwičZ nBč; Zč AvbxZ cwigvY wbgœifc mxgv AwZµg bv Kwičj tKvb tNviYv cÖčqvRb nBč bv t

(1) gvwK©b Wjvi 3000 A_ev Ab`^eč`wkK gy`avq mgZzj` cwigvY;

(2) evsjvt`kx KvčtYx tčvU AbwaK cuvPkZ UvKv cwigvY l

2l KvčtYx tčvU ißvwb-

(K) tKvb e`w³ evsjvt`k nBčZ weč`čk MgbKvčj AbwaK cuvPkZ UvKv g~čji evsjvt`kx KvčtYx tčvU ev gy`av mč½ jBqv hvBčZ cvwičeb;

(L) weč`čk Kg©iZ evsjvt`kx bvMwiKmn evsjvt`čk wbevmx bčnb Gifc e`w³MY evsjvt`čk AvMgbKvčj ié KZ,,©cčji wbKU evsjvt`k e`vsčKi wba©vwiZ dičg tNviYv cÖ`vb Kwiqv AvbxZ mgy`q ^eč`wkK gy`av ev Hifc tNviYv e`wZččK AvbxZ AbwaK gvwK©b Wjvi 3000 ev mgZzj` cwigvY ^eč`wkK gy`av evsjvt`k Z`vMKvčj mč½ jBqv hvBčZ cvwičeb;

(M) weč`k nBčZ cÖZ`vMgbKvčj msčM AvbxZ AbwaK gvwK©b Wjvi 3000 (ev mgZzj` cwigvY Ab`^eč`wkK gy`av) tKvb wbevmx evsjvt`kx bvMwiK cieZ©xčZ weč`k MgbKvčj mč½ jBqv hvBčZ cvwičeb;

(N) Ab` weč`kx Mščč`i Dččč` tčš-hvb ev DčovRvvnčR enbK,,Z l U`vbwRčU evsjvt`čk AvMZ KvčtYx tčvU-Pvjv Ges evsjvt`k e`vsčKi Abyčgv bµčg tčš-hvb ev DčovRvvnčR DččvWjZ KvčtYx tčvU Pvjv evsjvt`čk i evwnčj jBqv hvlqv hvBč |

^včwiZ/

čgv. Av. gv. KvčRgx

čWcywU MfY©i17APP 3

evsjvṯ`k e`vsK
 cÖÁvcb bs bs -GdB-1/04-wewe
 XvKv, 09 `PÍ, 1410 (23 gvP© 2004)
 KvṯiYx ṯbvU Avg`vwb I ißvwb
 evsjvṯ`k e`vsṯKi 23 ṯcŠl, 1409 (06 Rvbyqvix, 2003) ZvwiṯLi cÖÁvcb bs-GdB-1/03-wewe
 GZØviv wbgœifcfvṯe msṯkvwaZ nBj t-
 cÖÁvcbwUi 01 Abyṯ`Qṯ`i ÔL(1)Ô Dc-Abyṯ`Qṯ`i cÖ_g QṯÍ Ges 02 Abyṯ`Qṯ`i ÔLÔ Dc-Abyṯ`Qṯ`i
 Z„Zxq QṯÍ I ÔMÔ Dc-Abyṯ`Qṯ`i cÖ_g QṯÍ ÔgvwK©b Wjvi 3000Ô Gi ṯṯj ÔgvwK©b Wjvi 5000Ô cvV KwiṯZ
 nBṯe |
 ṯ^vṯwiZ/
 (ṯgv. Av. gv. KvṯRgx)
 ṯWcywU MfY©i18APP 3
 evsjvṯ`k ṯMṯRU
 e„n`úwZevi, Aṯ±vei 22, 2009
 evsjvṯ`k e`vsK
 cÖÁvcb
 XvKv, 20 kÖveY, 1416/04 AvMó, 2009
 KvṯiYx ṯbvU Avg`vwb I ißvwb
 bs GdB-1/09-wewe- %œṯ`wkK gy` «v wbgšžY AvBb 1947 Gi 8(1) aviv I 2iv ṯg, 1949 ZvwiṯLi miKvix
 cÖÁvcb bs Gd 1(8)-BGd/49 Øviv Awc©Z GLwZqvim~ṯl evsjvṯ`k e`vsṯKi 12B bṯṯi, 1994 ZvwiṯLi cÖÁvcb bs
 GdB-2/94 wewe Ges GKB AvBṯbi 8(2) aviv Øviv Awc©Z GLwZqvim~ṯl evsjvṯ`k e`vsṯKi 12B RyjvB 1993 ZvwiṯLi
 cÖÁvcb bs GdB-2/93-wewe Ges 12B bṯṯi, 1994 ZvwiṯLi cÖÁvcb bs GdB-1/94-wewe, 06 Rvbyqvix, 2003
 ZvwiṯLi cÖÁvcb bs GdB-1/-03-wewe Ges 23 gvP© 2004 ZvwiṯLi cÖÁvcb bs GdB-1/04-wewe Gi AwZµṯY
 evsjvṯ`ṯk KvṯiYx ṯbvU Avg`vbx I evsjvṯ`k nBṯZ KvṯiYx ṯbvU ißvbx welṯq wṯṯgœv³ifc AbygwZ Ávwcz nBj t
 1| KvṯiYx ṯbvU Avg`vbx-
 weṯ`k nBṯZ evsjvṯ`ṯk AvMgbKvṯj ṯKvb e`w³ wṯṯgœv³ eY©bvi ṯbvU e`ZxZ Ab`vb` KvṯiYx ṯbvU ṯh ṯKvb
 cwigvṯY mṯ½ AvwbṯZ cvwiṯeb t
 (K) cÖPjṯb Avṯm bvB (unissued) Gifc KvṯiYx ṯbvU, Ges
 (L) `yB nvRvi UvKvi AwaK cwigvṯYi evsjvṯ`kx KvṯiYx ṯbvU|
 AvbxZ mgy`q cwigvṯYi Rb` AvMgbKvṯj iē KZ„©cṯji wBKU evsjvṯ`k e`vsṯKi wba©vwiZ diṯg ṯNviYv
 cÖ`vb KwiṯZ nBṯe; Zṯe AvbxZ cwigvY wbgœifc mxgv AwZµṯ bv Kwiṯj ṯKvb ṯNviYv cÖṯqvRb nBṯe bv t
 (1) gvwK©b Wjvi 5000 A_ev Ab` `eṯ`wkK gy` «vq mgZj` cwigvY;
 (2) evsjvṯ`kx KvṯiYx ṯbvU AbwaK `yB nvRvi UvKv cwigvY|
 2| KvṯiYx ṯbvU ißvbx -
 (K) ṯKvb e`w³ evsjvṯ`k nBṯZ weṯ`ṯk MgbKvṯj AbwaK `yB nvRvi UvKv g~ṯj`i evsjvṯ`kx KvṯiYx ṯbvU ev gy`av
 mṯ½ jBqv hvBṯZ cvwiṯeb;
 (L) weṯ`ṯk Kg©iZ evsjvṯ`kx bvMwiKmn evsjvṯ`ṯk wbevmx bṯnb Gifc e`w³MY evsjvṯ`k AvMgbKvṯj iē
 KZ„©cṯji wBKU evsjvṯ`k e`vsṯKi wba©vwiZ diṯg ṯNviYv cÖ`vb Kwiqv AvbxZ mgy`q `eṯ`wkK gy` «v ev Hifc
 ṯNviYv e`wZṯiṯK AvbxZ AbwaK gvwK©b Wjvi 5000 ev mgZj` cwigvY `eṯ`wkK gy` «v evsjvṯ`k Z`vMKvṯj mṯ½
 jBqv hvBṯZ cvwiṯeb;
 (M) weṯ`k nBṯZ cÖZ`vMgbKvṯj msṯM AvbxZ AbwaK gvwK©b Wjvi 5000(ev mgZj` cwigvY Ab` `eṯ`wkK gy`av)
 ṯKvb wbevmx evsjvṯ`kx bvMwiK cieZ©xṯZ weṯ`k MgbKvṯj mṯ½ jBqv hvBṯZ cvwiṯeb;
 N) Ab` weṯ`kx Mšlṯe`i Dṯlṯk` ṯbŠ-hvb ev DṯovRvnvṯR enbK„Z I U^vbwRṯU evsjvṯ`ṯk AvMZ KvṯiYx
 ṯbvU-Pvjv Ges evsjvṯ`k e`vsṯKi Abyṯgv`bµṯg ṯbŠ-hvṯb ev DṯovRvnvṯR DṯĖvwjZ KvṯiYx ṯbvU Pjvjb
 evsjvṯ`ṯki evwnṯi jBqv hvlqv hvBṯe|
 wRqvDj nvmb wmwKx
 ṯWcywU Mfb©i19APP 3
 20APP 3
 evsjvṯ`k e`vsK
 cÖÁvcb bs GdB-01/2017-wewe
 XvKv, 30 Avwkib, 1424(15 Aṯ±vei, 2017)

 KvṯiwY ṯbvU Avg`vwb I ißvwb

 evsjvṯ`k e`vsK KZ©„K 30 Rvbyqvix, 2014(17 gvN, 1420) ZvwiṯL RvixK...Z cÖÁvcb bs-GdB-01/2014-wewe GZØviv
 wbgœifṯc msṯkvwaZ nṯjv-
 weṯ`k nṯZ evsjvṯ`ṯk AvMgbKvṯj Ges evsjvṯ`k nṯZ ewnM©gbKvṯj enbṯhvM` evsjvṯ`kx KvṯiwYi cwigvY gv_vwcQz UvKv
 5,000/- (cvuP nvRvi) nṯZ UvKv 10,000/- (k nvRvi) G DbœxZ Kiv nṯjv|

^vŷwiZ/-

(Avey †nbv †gvnvt ivRx nvmvb)

‡WcywU Mfb©i

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evsjv‡`k †M‡RU

e,,n`úwZevi, AvMó 30, 2012

BANGLADESH BANK

NOTIFICATION

Dated the 10 February, 2011

No. FE-01/2011-BB-Pursuant to the authorization conferred by the Government of Bangladesh under Section 25 of the Foreign Exchange Regulation Act, 1947, operations of Sections 5(1) and 5(3) of the Foreign Exchange Regulation Act, 1947 shall remain suspended in respect of purchases by each individual not exceeding Taka or Indian Rupee equivalent to US\$50(Fifty US Dollars) for any particular day in the Border Haats in terms of the Memorandum of Understanding dated 23rd October, 2010 signed between the Governments of the People's Republic of Bangladesh and the Republic of India.

ZIAUL HASAN SIDDIQUI

Deputy Governor

BANGLADESH BANK

Notification no. FE-01/2013-BB

Dated the 09 June, 2013

Amended Notification on Foreign Exchange Transaction at Border Haats.

As per addendum signed on May 15, 2012 to the Memorandum of Understanding (MOU) maximum limit of purchases by each individual in the Border Haats has been increased to respective local currency equivalent of US\$ 100 (hundred US dollars) from earlier US\$ 50(fifty US dollars) issued vide notification no. FE-01/2011-BB, dated 10th February, 2011.

Under the above circumstance and pursuant to the authorization conferred by the Government of Bangladesh under section 25 of the Foreign Exchange Regulation Act, 1947, operations of section 5(1) and 5(3) of the Foreign Exchange Regulation Act, 1947 shall remain suspended in respect of purchases by each individual not exceeding Bangladesh Taka or Indian Rupee equivalent of US\$ 100 (hundred US dollars) for any particular day in the Border Haats in terms of aforementioned MOU.

SD/-

(Nazneen Sultana)

Deputy GovernorBANGLADESH BANK

FOREIGN EXCHANGE POLICY DEPARTMENT

NOTIFICATION

Dhaka, the 14th December 2015.

No. FE.1/2015-BB.-In pursuance of Rule 4 of the Foreign Exchange Rules, 1952 and in supersession of the Bangladesh Bank Notification No. FE.1/85-BB, dated the 28th March 1985, Bangladesh Bank is pleased to notify that all powers vested in Bangladesh Bank under the Foreign Exchange Regulation Act 1947 (Act No. VII of 1947, as amended upto September 09, 2015) as adopted in Bangladesh, shall be exercised and all functions entrusted to the Bangladesh Bank under the said Act, shall be performed in the name of Bangladesh Bank by the officials of related departments and offices not below the rank of Assistant Director/Assistant Manager.

Signed/-

(Nazneen Sultana)

Deputy Governor

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BANGLADESH BANK

NOTIFICATION NO. FE-1/16-BB

DATED JANUARY 20, 2016

(MAGH 07, 1422)

IMPORT OF GOLD

In exercise of the powers conferred by Section 8(1) of the Foreign Exchange Regulation Act, 1947 (VII of 1947) read with the erstwhile Central Government Notification No. I(2)-ECS/48 dated July 01, 1948, and in supersession of Bangladesh Bank's Notification No. FE-I/96-BB dated January 14, 1996, Bangladesh Bank has decided that incoming passengers irrespective of their resident status may bring into Bangladesh gold or silver in bullion/ingot form up to the prescribed limit in terms of relevant Baggage Rules in force issued under the Customs Act, 1969.

(Nazneen Sultana)

Deputy Governor24APP 3

Notifications issued by the Bangladesh Bank under the Bangladesh Bank Order, 1972

(President's Order No. 127 of 1972),

evsjv`k †M†RU

e„n`úwZevi, †deªæqvix 23, 2012

BANGLADESH BANK

NOTIFICATION

Dated the ... 2011

No. BBO-2/2011-BB-In exercise of the powers conferred by Article 18 of The Bangladesh Bank Order, 1972 (President's Order No. 127 of 1972), Bangladesh Bank is pleased to declare Australian Dollar(AUD), Canadian Dollar(CAD), Euro(EUR), Great Britain Pound(GBP), Japanese Yen(JPY). Special Drawing Rights(SDR), Swiss France(CHF), US Dollar(USD) as approved foreign exchange for the purpose as stipulated in Article 16(3)(c)of the said order.

ZIAUL HASAN SIDDIQUI

Deputy Governor25APP 3

APPENDIX 4

List of Bangladesh Bank's

Offices and Their Jurisdictions 1APP 4

FOREIGN EXCHANGE POLICY DEPARTMENT,

BANGLADESH BANK, HEAD OFFICE, DHAKA

- (1) Dhaka
- (2) Narayangonj
- (3) Munshigonj
- (4) Narsingdi
- (5) Gazipur
- (6) Manikgonj
- (7) Mymensingh
- (8) Netrokona
- (9) Kishoregonj
- (10) Tangail
- (11) Jamalpur
- (12) Sherpur
- (13) Faridpur
- (14) Rajbari
- (15) Brahmanbaria

BANGLADESH BANK, CHITTAGHONG

- (1) Chittagong
- (2) Cox's Bazar
- (3) Bandarban
- (4) Rangamati
- (5) Khagrachhari
- (6) Noakhali
- (7) Feni
- (8) Laxmipur
- (9) Comilla
- (10) Chandpur

BANGLADESH BANK, KHULNA

- (1) Khulna

- (2) Satkhira
- (3) Bagerhat
- (4) Jessore
- (5) Jhenidah
- (6) Magura
- (7) Narail
- (8) Gopalganj 2APP 4

BANGLADESH BANK, BARISAL

- (1) Barisal
- (2) Jhalakathi
- (3) Barguna
- (4) Patuakhali
- (5) Pirojpur
- (6) Bhola
- (7) Shariatpur
- (8) Madaripur

BANGLADESH BANK, SYLHET

- (1) Sylhet
- (2) Sunamgonj
- (3) Habigonj
- (4) Moulvi Bazar

BANGLADESH BANK, RAJSHAHI

- (1) Rajshahi
- (2) Natore
- (3) Chapai Nawabgonj
- (4) Pabna
- (5) Kushtia
- (6) Meherpur
- (7) Chuadanga

BANGLADESH BANK, BOGRA

- (1) Bogra.
- (2) Joypurhat
- (3) Gaibandha
- (4) Serajgonj
- (5) Naogaon

BANGLADESH BANK, RANGPUR

- (1) Rangpur
- (2) Nilphamari
- (3) Lalmonirhat
- (4) Kurigram
- (5) Dinajpur
- (6) Panchagar
- (7) Thakurgaon

APPENDIX 5

Specimen Forms of Applications,
Declaration etc. other than

Periodic Returns & Schedules MONTHLY STATEMENT OF FOREIGN EXCHANGE TRANSACTIONS BY LIMITED MONEY CHANGER
FOR THE MONTH OF, 20.....

Name of the Limited Money Changer:

Address:

Name of the Currency:.....

1APP. 5Para 2See Chapter 2

Note : Separate statement shall have to be submitted for each currency.
Particulars of foreign nationals Particulars of foreign exchange received
Particulars of
encashment
certificate provided SI No. Date of

receipt
Name Country Passport No. Volume in
FC
Volume in
Eqv. BDT
Exchange
Rate No. Date

Part 2: Particulars of encashment of foreign exchange with AD
Particulars of encashment Particulars of encashment
certificate issued by AD SI No. Date of
encashment
Name and address of
AD Volume in FC Volume in Eqv. BDT Ex. Rate No. Date

Part 3: Particulars of closing stock of foreign exchange at the end of(month) 20....
SI No.
Balance at the
beginning of the
month
Amount Received
during the month
Encashment amount
with AD Bank
Other adjustment
(if any)
Closing balance at
the end of the
month
Remarks

Signature of the official of Limited Money Changer :

Name :
Designation:
Phone No.:
Signature of the official of AD :

Name :
Designation:
Phone No.:

Part -1 : Particulars of receiving foreign exchange from foreign nationals MONTHLY STATEMENT OF FOREIGN EXCHANGE

Name of the Limited AD/Booth and Address:

Name of the AD:Reporting Month:Year:

Currency Name:

2APP. 5Para 2See Chapter 2

Note : Separate set of statement shall have to be submitted for each currency.

SI No. Date of
receipt Name of the client Passport no. Country Amount Purpose (Buy
or deposit to A/C) Encashment
certificate No.

SI No. Date of sale/
reconversion Name of the client Passport no. Country Amount Purpose
(sale or reconversion)

Opening

stock
FC Received during
the month Total
(1+2)

Sale to
customer Reconversion Transferred to Head
office/AD Closing
Remarks
1 2 3 4 5 6 7=(3-4-5-6)

Signature :

Name of the authorised
official of the AD:
Designation:
Phone No.
Signature :

Name of the authorised
official of the limited AD/Booth :
Designation :
Phone No:

* Receipts will also include receiving FC for crediting FC A/C and NRTAs as mentioned in Para 1(D), Chapter 6.

Part B : Particulars of sale or reconversion of FC

Part C: Particulars of stock of FC

Part A: Particulars of receiving against buy or deposit to accounts*MONTHLY STATEMENT OF FOREIGN EXCHANGE INFLOWS
WAREHOUSES FOR THE MONTH OF, 20....

Name of the Diplomatic Bonded Warehouse:
Address:

Name of the AD (s) maintaining FC Account(s) with name of currency:
3APP. 5Para 2See Chapter 2

* Please specify, ** Sale price of merchandise minus purchase price of merchandise during the month.

It is certified that the information given above correctly reflects the transaction of foreign exchange with regard to sales and purchases of merchandise in the bonded warehouse. We undertake that we will render ourselves liable for action under the Foreign Exchange Regulation Act, 1947 (amended 09, 2015) if any information furnished above is found incorrect.

Name of the authorised person:
Signature:Contact no : Phone:.....Mobile : E-mail :

Note : All amounts to be shown in USD. For conversion of other foreign currencies, the exchange rate of the last day of the month shall be used, except for the opening balance for which the rate of the last day of the previous month shall be used. If the bonded warehouse has multiple bank accounts, only one consolidated statement will have to be prepared and submitted.

Opening Balance of Foreign Exchange Inflows of Foreign Exchange During the Month Deposited to Bank

At bank Cash FC
in hand

Other (including
cheque, draft at
hand, if any)*
Total Cash Cheque/draft
etc.

Other (A/c
transfer, credit
card settlement)
Cash Cheque/
draft etc.

1 2 3 4 5 6 7 8 9

Outflows of Foreign Exchange During the Month Closing Balance of Foreign Exchange

Payment
against import
during the
month from
FC Account
Amount of FC
converted to
Taka from FC
account
Other
adjustments in
FC account*
Other
adjustments
in cash*
At bank

Cash FC
in hand
Other
(including
cheque, draft
at hand, if
any)*
Total

10 11 12 13 14(1+7+8+9
-10-11-12)
15(2+5-8-
13) 16 (3+6-9) 17(14+15+16)
Gross
profit
during
the
month **

Serial No.....

Date :

ENCASHMENT CERTIFICATE

(Commercial name of the Money Changer)

(Operating under the Money Changer's Licence No..... dt.
issued by Bangladesh Bank)

Certified that we have encashed today the following amounts of foreign currency notes and
coins from Mr./Ms.

..... an/a national, whose passport no. is

..... and whose date of last arrival in Bangladesh as recorded by
immigration authorities in his passport is

Name of currency Amount Rate of exchange

applied in conversion

to Taka

Amount paid in

Taka

Authorised Signature and Seal

4APP. 5Para 5See Chapter 2

Note : ADs/Booths shall issue encashment certificate to their clients against buying of foreign
exchange (Para 14, Chapter 5) using the above mentioned format in their own letter

head pad.Name of the Money Changer

Statement of particulars of sales and purchases of foreign exchange for the month of

Name of foreign currency(separate statement is to be submitted fo

Particulars of the Seller Receipt /Encashment

Date of

SaleSI No. Particulars of Sales (Amount)

Total

5APP. 5Para 10See Chapter 2

Exchange

Amount Sold SI No Date Name of the AD Bank and Branch

(Buyer) Cash From FC Account

Part 2 : Sale of Foreign Exchange to Customers

Part 3 : Sale of Foreign Exchange to ADs

Date of

e

No

MONTHLY RETURNS OF MONEY CHANGERPart -4: Particulars of Transactions with Authorised Dealer Bank Through FC Ac

Certification of Authorised Dealer Bank:

This is to certify that the information furnished on Part -4 are in order with records/books of accounts maintained in this branch.

Signature of Authorised Person of the Authorised Dealer

Date :Seal :

Part -5: Statement of Stock of Cash Foreign Exchange and Blank TC

In the Foreign Currency Account of (Name of

Deposit of

Cash

Deposit of

TC

Received from

Foreign Currency

Account of other

Money Changers

Issue of Cash

Foreign

Currency

Payment to

Blank TC

Supplier

Transfer to

Foreign

Currency

Account of

other Money

Changers

Encashment

to Cash with

any AD

Blank TC Blank TC

5APP. 5Para 10See Chapter 2

Page-2

Signature of Authorised Person of the Money Changer

Date :Seal :Name of The Bank:

HALF YEARLY REPORT ON CORRESPONDENT BANKING :

REPORTING PERIOD : END OF JUNE /DEC, 20.....

Part A : Particulars of Nostro Accounts as on End of Period

SI No SWIFT ID Name of the Correspondents City/Branch Country Currency

Amount Transacted During

the Period (As per corrs.

book)
End Balance

Dr Cr

Part B : Particulars of Nostro Accounts Opened During the Half Year Under Report

SI No SWIFT ID Name of the Correspondents City/Branch Country Currency
Amount Transacted During
the Period (As per corrs.
book)
End Balance

Dr Cr

Part C : Particulars of Nostro Accounts Closed During the Half Year Under Report

SI No SWIFT ID Name of the Correspondents City/Branch Country Currency
Reason for
Closure
Amount Transacted
During the Period (As per
corrs. book)
End
Balance
(If any)
Dr Cr

Part D : Particulars of Vostro Accounts as on End of Period

SI No SWIFT ID Name of the Correspondents City/Branch Country Currency
Amount Transacted During
the Period (As per own
book)
End Balance

Dr. Cr.

6APP. 5Para 1See Chapter 4

Contd..... page 2Part E : Particulars of Vostro Accounts Opened During the Half Year Under Report

SI No SWIFT ID Name of the Correspondents City/Branch Country Currency
Amount Transacted During
the Period (As per own
book)
End Balance

Dr. Cr.

Part F : Particulars of Vostro Accounts Closed During the Half Year Under Report

SI No SWIFT ID Name of the Correspondents City/Branch Country Currency
Reason for
Closure
Amount Transacted
During the Period (As per
own book)
End
Balance

(If any)
Dr. Cr.

Part G : Particulars of Bank A/Cs of Own Exchange Houses Abroad as on End of Period

SI No Name of the Ex
House/City/Country Account Maintaining bank City/Branch Country Currency
Amount Transacted During
the Period (As per
bank's book)
End Balance

Dr Cr

Part H : Particulars of Bank A/C of Own Exchange Houses Abroad Opened During the Half Year Under Report

SI No Name of the Ex
House/City/Country Account Maintaining bank City/Branch Country Currency Amount Transacted During the
Period (As per bank's book)
End
Balance

Dr Cr

6APP. 5Para 1See Chapter 4 Page-2

Contd..... page 3Part I : Particulars of Bank A/C of Own Exchange Houses Abroad Closed During the Half Year Under Report

SI No Name of the Ex
House/City/Country
Account maintaining
bank City/Branch Country Currency Reason for
closure Amount Transacted During the
Period (As per bank's book)
End
Balance(If
any)

Dr Cr

Part J Particulars of Country-wise SWIFT Relationship Management Application (RMA) for the Half Year Under Report

SI No Name of the Country
No. of RMAs at the end
of period
No. of RMA opened
during the period
No. of RMA closed
during the period
Reason for closure

6APP. 5Para 1See Chapter 4 Page-3

Note : Unless otherwise instructed by FEPD, Head office,
Bangladesh Bank, the statement shall be submitted through e-mail
only in MS-Excel. Scanned/PDF copy will not be accepted.

Part K : Comments regarding corresponding banking (any problem, observation or suggestion) : Please use separate page if ne

Note : Information of vostro accounts will include those of banks abroad only . Vostro accounts or nonresident taka accounts of
houses abroad (under drawing arrangement agreement) will not be included in Part D, E and F.

This is to certify that information provided above is correct.

Name of the authorised bank official :

Designation:

Phone No : Land.....Cell.....APPROPRIATENESS MEMO

Customer Name : (Internal Credit Rating)

Transaction Details :

Date :

Products : Commodity Derivatives

What is the customer's annual import volume (Quantity and in USD terms) of the commodity that
he/she wants to hedge? Please provide monthly import figures of the last one year.

Why is the customer doing these transactions? How do the transactions fit the customer's business?

What is the company's general view toward derivatives and how does the company use them?

Does the client have formal/informal derivatives policies? What are they?

Does the customer have the legal authority to enter into derivatives transactions? Is the company
allowed to use derivatives under the terms of its constituent documents? Is there any limitation on
specific types of derivatives, or caveats over capacity (e.g. "only if hedging")?

How has the client used derivatives in the past and in what new areas are they applying derivatives?

Are recent derivatives transactions consistent with the past; if not, why?

How sophisticated is the company? Do they have their own pricing models? Do they build their own
spreadsheets? Do they have access to market data (e.g. Reuters, Telerate, and Bloomberg)?

At what level are derivatives approved at the company? How active is senior management in decision
making and/or monitoring derivatives activity?

Is there evidence of "doubling up" or similar activity to erase earlier losses?

Is documentation complete? Are we comfortable as a credit matter with incomplete
documentation?

Dealing Officer/

Treasury Marketing Officer

Head of Corporate Banking/

Relationship Head

Corporate Banking Officer/

Relationship Manager

7APP. 5Para 14See Chapter 4CUSTOMER'S SUITABILITY AND APPROPRIATENESS

[Periodic Review] (Preferably annual)

From: [Head of Corporate Banking/Relationship Head]

Date:

Re: Customer's Suitability and Appropriateness

I/we have determined the following with regard to the customer identified below:

1. Identity of Client - []. This client has been designated as a [Market Participant (e.g
banks)/Non-Professional Counterparty (customers)].

2. Summary of Client's past trading history with [authorised dealer] and (to the extent known)
with other banks and financial institutions -

3. Summary of the type and tenor of transactions which we expect the Client to enter into with
[authorised dealer] in future and why the Client would enter into such transactions -

4. Description of the Client's personnel with trading authority and their trading experience -

5. Description of the Client's risk management and control processes, including senior
management involvement -

6. Any additional notes/remarks as are relevant or necessary -

Dealer Corporate Banking Officer/

Relationship Manager

8APP. 5Para 14See Chapter 4FORM 'TM'

Travel and Miscellaneous
Purposes (other than import)
APPLICATION FOR PERMISSION UNDER FOREIGN EXCHANGE
REGULATION ACT, 1947 TO PURCHASE FOREIGN EXCHANGE
FOR THE PURPOSE SPECIFIED BELOW
To

.....
.....
.....
(Name & address of the Bank to which application is made)

I/We wish to purchase/remittance for the under

(Amount in figures and words stating currency)

mentioned purpose:-

I/We hereby declare that the statements made by me/us on this form are true and that I/we have not already obtained exchange nor have I/we made any other application for the purpose.

* A. For Travel Purposes:

I /We desire to travel to for the purpose of

The journey will be undertaken by

(Name of the Air/Shipping Company)

My/Our Passport Nos, date & place of issue are given below:-

(a)

(b)

(c)

*B. For miscellaneous purposes other than travel and import:

(a) Reason for payment

(b) Name & address of beneficiary

(c) Country of beneficiary

Signature, Name and Address

of the Applicant

Contd...P/2

9APP. 5Para 2See Chapter 5

TM ID

AD Code Ref. Year

Inward Reference

AD Code Ref. YearDeclaration to be signed by the traveller/remitter

(a) That I/we recognise that in the event of any misrepresentation or suppression of any material fact, I/we shall be liable to action under the Foreign Exchange Regulation Act, 1947.

(b) That the foreign exchange released to me/us shall be used for expenses incurred by means in foreign country/countries for

* (i) my/our living and travelling expenses for business purposes.

* (ii) my/our enroute expenses for travel abroad.

* (iii) my/our living expenses and medical treatment.

(c) I/We am/are aware that exchange issued to me/us under this form for travel purposes may only be taken out by me/us on my/our departure from Bangladesh and may not be sent out by post or through the medium of any other person or by any other means.

(d) That if the travel has not been undertaken for the purpose mentioned above, or if any unspent foreign exchange remaining in my/our possession or at my/our disposal or which could not be utilised for the purpose for which it was granted, will be sold by me/us to an Authorised Dealer in foreign exchange in Bangladesh immediately on my/our return to Bangladesh.

* (e) I/We declare that the payment mentioned against 'b' above is due to be made by me/us for which documentary evidence is enclosed and assume full responsibility for complying with the provisions of the Foreign Exchange Regulation Act, 1947 and rules, orders and directives issued thereunder.

Signature of the applicant

(Certificate by Authorised Dealer)

*(a) We have issued Notes & CoinsT/C L/C

Total..... as per Bangladesh Bank approval dated..... and endorsed the amount released in the traveller's passport after examining the ticket covering the passage.

*(b) We have effected remittance of

(State amount)

in terms of ParaChapter.....of GFET/Bangladesh Bank's

approval No. datedby.....on.....(TT/MT/Draft)

Contd...P/3

Certificate of approval of the Bangladesh Bank (if required).

[Valid for 30 (thirty) days from the date of approval]

Date of approval.

Seal & Signature of the Bangladesh Bank Official

9APP. 5Para 2See Chapter 5

Page-2Cage to be completed by Authorised Dealer indicating Code No. as per Code list circulated by the Bangladesh Bank.

Month

Country of

beneficiary

Purpose Category Currency Amount in foreign currency

Signature and Stamp of the

Authorised Dealer

I/ we hereby certify having received the exchange issued to me/us as above.

Signature(s) of the Applicant(s)

* Strike out items not applicable

9APP. 5Para 2See Chapter 5

Page-3DECLARATION FOR REMITTANCE RECEIVED FROM FOREIGN

COUNTRY OF AMOUNT EXCEEDING USD 10,000 OR EQUIV ALENT

I/We do hereby declare that I/we have received remittance of

(Amount and Currency in figures and in words)

remitted or

to be remitted by on account of

(name and address of remitting bank)

for the purpose of

name and address of remitter)

(purpose of remittance)

(Name of Applicant)

Nationality

Date

Address

Signature and Stamp of the applicant

From-C : Inward Remittance exceeding USD 10,000 (Ten thousand) or equivalent.

Coded by

Checked by

Purpose of remittance

We hereby certify that we are satisfied as to the identity of the applicant and that we have seen documentary evidence which satisfies us as to the bonafides of the declaration made on this form.

Date Signature and Stamp of the

Authorised Dealer

Contd, P/2

Month Country of Ordering

Customers Purpose Amount in

(State Currency)

10APP. 5

FORM-C

Para 10See Chapter 5BANGLADESH BANK

Foreign Exchange Policy Department

Date Assistant Director

(Space for use by the Bangladesh Bank)

Note: Full details must be given for all remittances which are of capital nature. In the case of amounts for investment in Bangladesh in shares or business, the reasons why the investment is required must be clearly indicated. In the case of the remittance of the sale proceeds of securities the name of the true owner of the securities must be given and also the approximate date of purchase.

10APP. 5Para 10See Chapter 5 Page-2

Inward ID

AD Code Ref. Year

Outward Reference

AD Code Ref. Year

**DECLARATION FOR REMITTANCE RECEIVED FROM FOREIGN
COUNTRY OF AMOUNT EXCEEDING USD 10,000 OR EQUIV ALENT**

I/We do hereby declare that I/we have received remittance of
(Amount and Currency in figures and in words)

remitted or

to be remitted by _____ on account of _____

(name and address of remitting bank)

for the purpose of _____

name and address of remitter)

(purpose of remittance)

(Name of Applicant)

Nationality

Date

Address

Signature and Stamp of the applicant

From-C : Inward Remittance exceeding USD 10,000 (Ten thousand) or equivalent.

Coded by

Checked by

Purpose of remittance

We hereby certify that we are satisfied as to the identity of the applicant and that we have seen
documentary evidence which satisfies us as to the bonafides of the declaration made on this form.

Date Signature and Stamp of the

Authorised Dealer

Contd, P/211APP. 5Para 10See Chapter 5

(for AD's use only)

Month Country of ordering Purpose Amount in
customer (state currency)

Coded by :

Checked by :

Purpose of remittance :

Signature and stamp of Authorised Dealer:

Date:

Inward ID

AD Code Ref. Year

Outward Reference

AD Code Ref. Year

FORM-C(ICT)

**DECLARATION FOR INWARD REMITTANCE ON ACCOUNT OF ICT
RELATED SERVICES OF AMOUNT EXCEEDING USD 10,000 OR EQUIVALENT**

I/We do hereby declare that I/we have received remittance of (amount) which is a fair
value against ICT related services described below in respect of which this declaration is made out and
that the particulars given below are true:

a) Re mitter's name and address:

b) Re mitting bank and address:

c) Re ference No (contract/invoice/electronic communication etc.):

d) Purpose (please tick):

■ Information Technology Enabled Services (IT Enabled Services) and Business Process
Outsourcing (BPO) services – code 2410

■ Computer and Information Technology consultancy and management services– code 2411

- Export of computer software including turn-key basis (customized)– code 2412
- Export of computer software including turn-key basis (non-customized) – code 2413
- Installation services concerning hardware and software maintenance and repairs of computers and peripheral equipment services – code 2414
- (please specify)

Note: Please see the “Code lists for Reporting of External Sector transactions by the Authorised dealers” for explanatory notes of above purposes.

Signature with name of applicant :

Address :

Date :evsjv`k e`vs`Ki Kwo

%e` wkK gy`^vi tNvIYv dig

(FOREIGN EXCHANGE DECLARATION FORM)

(1947 mv`ji `e` wkK gy`^v wbqš`Y AvBb Gi 8(1) aviv Abyhvqx evsjv`k e`vsK KZ...©K cÖewZ©Z)

(Prescribed by Bangladesh Bank Under Section 8(1) of the Foreign Exchange Regulation Act, 1947)

GB digwU evsjv`k AvMgbKvix e`w³ KZ...©K c~iY Kwi`Z nB`e|

This form is to be filled in by a person entering Bangladesh.

c~Y© bvg RvZxqZv

(Full Name): (Nationality)

cvm`cvU© bs
(Passport No)

Bmy`i ZvwiL
(Date of Issue)

Bmy`i `vb
(Place of Issue)

AvMg`bi ZvwiL I mgq d~vBU b`^i
(Date & time of arrival) (Flight No.)

evsjv`k wVKvbv we`k Ae`v`bi t`gqv`
(Address in Bangladesh) (Duration of stay in abroad)

tckv t`hvMv`thvM b`^i

(Profession) (Contact No)

12APP. 5Para 1 (A)See Chapter 6

ie Kg©KZ©vi `^v`i t

Signature of Customs Official :

ZvwiL t

tNvIYvKvixi `^v`i t

Signature of Declarant :

ZvwiL t

Avwg wb`æ~^v`iKvix, GZØviv cÖZ`qb Kwi`ZwQ t`h, Dc`i cÖ`Ë Z_`mg~n mwVK|

(I, the undersigned, hereby solemnly declare that the information given above is correct.)

%e` wkK gy`^vi eY©bv

(Description of foreign Currency) cwigvY

(Amount)

K_vq

(In words)

tNvIYv

DECLARATION

ms`M AvbxZ bM` %e` wkK gy`^v Ges n`lvšl`thvM` evn`Ki `wjj (W`vdU, t`c AW©vi, U`v`fjvim t`PK BZ`vw`) /Cash and negotiable bearer instruments in foreign currency (drafts, pay orders, traveler's cheques etc) brought in:

FMJ FORM

GdGg`R digInformation for Declarant

(tNvIYvKvixi Rb` AvZe`)

1. An incoming/outgoing passenger may bring in/take out upto Taka 10,000(Ten thousand) in Bangladesh currency at the time of arrival into/departure from Bangladesh.

GB diqwU evsiv†`†k AvMqbKvix e"w³ KZ...©K c~iY Kwi†Z nB†el

This form is to be filled in by a person entering Bangladesh.

c~Y© bvg RvZxqZv

(Full Name): (Nationality)

cvm†cvU© bs
(Passport No)

Bmy"i Zvwil
(Date of Issue)

Bmy"i "vb
(Place of Issue)

AvMg†bi Zvwil l mgq d~vBU b"i
(Date & time of arrival) (Flight No.)

evsjv† k wVKvbv we† k Ae"v†bi †gqv
(Address in Bangladesh) (Duration of stay in abroad)

†ckv †hvMv†hvM b"i
(Profession) (Contact No)

FMJ FORM

GdGg†R dig12APP. 5Para 1 (A)See Chapter 6 Page-2

Information for Declarant

(†NvlYvKvixi Rb" AvZe")

1. An incoming/outgoing passenger may bring in/take out upto Taka 10,000(Ten thousand) in Bangladesh currency at the time of arrival into/departure from Bangladesh.

1| evsjv† k AvMgb/evsjv† k nB†Z ewnM©gbKv†j †Kvb e" w³ evsjv† kx gy" AvwaK 10,000(k nvRvi) UvKv Avwb†Z/jBqv hvB†Z cvwi†eb|

2. Any amount of foreign currency may be brought in by an incoming passenger with declaration to the customs authorities in Form FMJ. No declaration, however, is necessary for amounts brought in upto US\$ 5000(five thousand) or equivalent. For a foreigner, the entire amount brought in with declaration or upto US\$ 5000(five thousand) brought in without declaration may be taken out freely at the time of departure. Upto US\$ 5000(five thousand) brought in without declaration by a Bangladeshi may also be retained and taken out freely while proceeding abroad. Amount in excess of US\$ 5000(five thousand) brought in by the resident Bangladeshis, should, however, be encashed or deposited in appropriate foreign currency account within 30(thirty) days of arrival. Such amounts brought in by non-resident Bangladeshis can be encashed or deposited in foreign currency account any time after return to Bangladesh.

2| ié KZ...©c†yi wbKU GdGg†R di†g †NvlYv cÖ"vb Kwiv† †h †Kvb cwigvY "e† wkK gy" evsjv† k AvMgbKv†j m†½ Avbv hvB†Z cv†i| Z†e AvbxZ "e† wkK gy" cwigvY AbwaK gvtWt 5000(cuvP nvRvi) ev mgZzj" nB†j ié KZ...©c†yi wbKU †NvlYv cÖ"vb Avek"K nB†e bv| we† kxM†Yi †y†l †NvlYv cÖ"vb Kwiv† AvbxZ mgy" q "e† wkK gy" Ges †NvlYv cÖ"vb e" wZ††K AvbxZ AbwaK gvtWt 5000(cuvP nvRvi) evsjv† k Z"vMKv†j Aev†a cÖZ"vevmb†hvM" nB†e| †NvlYv cÖ"vb e" wZ††K AvbxZ AbwaK gvtWt 5000(cuvP nvRvi) evsjv† kx bvMwiKM†Yi †y†l m†½ i†Y†hvM" Ges evsjv† k nB†Z ewnM©gbKv†j m†½ enb†hvM" nB†e; GZ" & wZwi³ †h †Kvb AsK wbevmx evsjv† kx† i †y†l evsjv† k AvMg†bi 30(wk) w"†bi g†a" UvKvq fv½vB†Z/cÖ†hvR" ai†Yi "e† wkK gy" wnmv†e Rgv Kw†Z nB†e| Awbevmx evsjv† kx KZ...©K AvbxZ GB†fc AsK evsjv† k †diZ Avwmevi ci †h †Kvb mgq UvKvq fv½vB†Z cvwi†eb A_ev "e† wkK gy" wnmv†e Rgv Kw†Z cvwi†eb|

3. Encashment of foreign exchange brought in should be done with licenced Money Changers/ Authorised Dealer bank branches.

3| m†½ AvbxZ "e† wkK gy" UvKvq bM" vqb jvB†mY cÖvß gvwb†PÄvi/Aby†gvw"Z wWjvi e"vsK kvLvi gva"†g m"úv"b Kw†Z nB†e|

4. An incoming/outgoing adult female passenger may bring in/take out any quantity of personal jewellery worn on her person or as part of her accompanying personal baggage.

4| evsjv† k AvMgb/evsjv† k nB†Z ewnM©gbKv†j †Kvb cÖvß eq"v gwnjv hvlx "xq cwia†b A_ev e" w³MZ e"v†M†Ri Ask††c †h †Kvb cwigvY e" w³MZ AjsKvivw" m†½ Avwb†Z/jBqv hvB†Z cvwi†eb|12APP. 5Para 1 (A)See Chapter 6 ié Kg©KZ©vi "Avyi t

Signature of Customs Official :

Zvwil t

†NvlYvKvixi "Avyi t

Signature of Declarant :

Zvwil t

Avwg wb"æ"AvyiKvix, GZØviv cÖZ"qb Kw†ZwQ †h, Dc†i cÖ"Ë Z_"mg~n mwVK|

(I, the undersigned, hereby solemnly declare that the information given above is correct.)

%eṭ`wkK gy`avi eY©bv
(Description of foreign Currency) cwigvY
(Amount)

K_vq
(In words)

†NvIYv

DECLARATION

msṭM AvbxZ bM` %eṭ`wkK gy`av Ges n`lvšlṭhvM` evnṭKi`wjj (W`vdU, †c AW©vi, U`vṭṭjvim †PK BZ`vw`) /Cash and negotiable bearer instruments in foreign currency (drafts, pay orders, traveler's cheques etc) brought in:

hvlxi Kwc (Copy for Passenger) Z...Zxq Kwc (Third Copy)

%eṭ`wkK gy`avi †NvIYv dig

(FOREIGN EXCHANGE DECLARATION FORM)

(1947 mvṭji`eṭ`wkK gy`av wbqš;Y AvBb Gi 8(1) aviv Abyhvqx evsjvṭ`k e`vsK KZ...©K cÖewZ©Z)

(Prescribed by Bangladesh Bank Under Section 8(1) of the Foreign Exchange Regulation Act, 1947)

GB digwU evsjvṭ`ṭk AvMgbKvix e`w³ KZ...©K c~iY KwiṭZ nBṭe|

This form is to be filled in by a person entering Bangladesh.

c~Y© bvg RvZxqZv

(Full Name): (Nationality)

cvmṭcvU© bs
(Passport No)

Bmy`i ZvwiL
(Date of Issue)

Bmy`i`vb
(Place of Issue)

AvMgṭbi ZvwiL I mgq d~vBU bṣ`i
(Date & time of arrival) (Flight No.)

evsjvṭ`ṭk wVKvbv weṭ`ṭk Ae`vṭbi ṭgqv`
(Address in Bangladesh) (Duration of stay in abroad)

ṭckv ṭhvMvṭhvM bṣ`i
(Profession) (Contact No)

FMJ FORM

GdGgṭR dig12APP. 5Para 1 (A)See Chapter 6

Page-2

Information for Declarant

(ṭNvIYvKvixi Rb` AvZe`)

1. An incoming/outgoing passenger may bring in/take out upto Taka 10,000(Ten thousand) in Bangladesh currency at the time of arrival into/departure from Bangladesh.

1| evsjvṭ`ṭk AvMgb/evsjvṭ`k nBṭZ ewnM©gbKvṭṭj ṭKvb e`w³ evsjvṭ`kx gy`av AbwaK 10,000(`k nvRvi) UvKv AvwbṭZ/jBqv hvBṭZ cvwiṭeb|

2. Any amount of foreign currency may be brought in by an incoming passenger with declaration to the customs authorities in Form FMJ. No declaration, however, is necessary for amounts brought in upto US\$ 5000(five thousand) or equivalent. For a foreigner, the entire amount brought in with declaration or upto US\$ 5000(five thousand) brought in without declaration may be taken out freely at the time of departure. Upto US\$ 5000(five thousand) brought in without declaration by a Bangladeshi may also be retained and taken out freely while proceeding abroad. Amount in excess of US\$ 5000(five thousand) brought in by the resident Bangladeshis, should, however, be encashed or deposited in appropriate foreign currency account within 30(thirty) days of arrival. Such amounts brought in by non-resident Bangladeshis can be encashed or deposited in foreign currency account any time after return to Bangladesh.

2| iē KZ...©cṭṭi wbKU GdGgṭR diṭg ṭNvIYv cÖ`vb Kwiqv ṭh ṭKvb cwigvY`eṭ`wkK gy`av evsjvṭ`ṭk AvMgbKvṭṭj mṭ½ Avbv hvBṭZ cvṭi| Zṭe AvbxZ`eṭ`wkK gy`avi cwigvY AbwaK gvtWt 5000(cuvP nvRvi) ev mgZzj`nBṭj iē KZ...©cṭṭi wbKU ṭNvIYv cÖ`vb Avek`K nBṭe bv| weṭ`kxMṭYi ṭṭṭl ṭNvIYv cÖ`vb Kwiqv AvbxZ`mgy`q`eṭ`wkK gy`av Ges ṭNvIYv cÖ`vb e`wZṭṭiṭK AvbxZ AbwaK gvtWt 5000(cuvP nvRvi) evsjvṭ`k Z`vMKvṭṭj Aevṭa

cÖZ"vevmbtþhvM" nBtþel þNvlyv cÖ`vb e"wZtþtK AvbxZ AbwaK gvtWt 5000(cuvP nvRvi) evsjvt`kx bvMwiKMþYi
þÿþl mþ½ iÿYþhvM" Ges evsjvt`k nBtZ ewn©MgbKvtj mþ½ enbþhvM" nBtþe; GZ` &wZwi³ þh þKvb AsK
wbevmx evsjvt`kxþi i þÿþl evsjvt`k AvMgþbi 30(wlk) w`þbi gþa` UvKvq fv½vBtZ/cÖþhvR" aiþYi `eþ`wkK
gy`av wnmvþe Rgv KwiþZ nBtþel Awbevmx evsjvt`kx KZ...©K AvbxZ GBifc AsK evsjvt`k þdiZ Avwmevi ci þh
þKvb mgq UvKvq fv½vBtZ cvwiþeb A_ev `eþ`wkK gy`av wnmvþe Rgv KwiþZ cvwiþeb|

3. Encashment of foreign exchange brought in should be done with licenced Money Changers/
Authorised Dealer bank branches.

3| mþ½ AvbxZ `eþ`wkK gy`av UvKvq bM`vqb jvBþmY` cÖvß gwwbþPÄvi/Abyþgvw`Z wWjvi e`vsK kvLvi gva`þg mþuv`b
KwiþZ nBtþel

4. An incoming/outgoing adult female passenger may bring in/take out any quantity of personal
jewellery worn on her person or as part of her accompanying personal baggage.

4| evsjvt`k AvMgb/evsjvt`k nBtZ ewn©MgbKvtj þKvb cÖvß eq`v gwnjv hvlx`^xq cwiaþb A_ev e`w³MZ
e`vþMþRi Askifþc þh þKvb cwigvY e`w³MZ AjsKvivw` mþ½ AvwbþZ/jBqv hvBtZ cvwiþeb|13APP. 5

FORM OF CERTIFICATE TO BE ISSUED BY THE AUTHORISED DEALER IN CASE OF
IMPORT ON FOB BASIS/SIMILAR OTHER PERMISSIBLE ARRANGEMENTS WHERE
TRANSPORTATION CHARGES ARE TO BE PAID IN BANGLADESH TAKA /OTHER
CURRENCY

Certified that the amount of freight/transportation charges payable in.....(currency

name with amount) Eqv. BDT..... (Amount) as indicated in the Bill of Lading/ Airway

Bill No..... dated the corresponding House Bill of

Lading No/House Airway Bill No.....dated thein respect of

.....imported by Messrs

.....from.....per s.s

..... has been duly endorsed on the Exchange

Monitoring Copy of the relative L.C. Authorisation Form No..... dated the

.....under our stamp and signature.

Signature of the bank official :

Name of the bank official :

Designation :

P.A No. :

Contact Phone No. :

Name of the AD :

Stamp of the AD :

Date :

CERTIFICATE

Para 16See Chapter 7

1(vii)(b), (ix)See Chapter 10DECLARATION FOR IMPORT UNDER LCAF REGISTRATION
INFORMATION ABOUT IMPORT WITHOUT LC

1. LCAF issuing bank..... branch..... for import without LC

2. LCAF No., Date....., Value.....

3. Name of the goods according to Purchase Contract/Purchase Order.....

HS Code Number

4. Value of Import Consignment Quantity

5. Expected date of shipment..... Port of Loading

6. Expected arrival date at Bangladeshi Port

7. Condition for payment of Import Bill: DP/DA fordays from presentation/acceptance

Name and signature of the authorised Name and signature of the

person of the AD with date authorised person of the importer

14APP. 5Para 17See Chapter 7BANGLADESH BANK

FOREIGN EXCHANGE POLICY DEPARTMENT

FORM OF UNDERTAKING

(To be furnished by the importer for making advance remittances for permissible imports of goods and services).

In consideration of Bangladesh Bank permitting me/us an advance remittance of

.....to.....I/we hereby undertake that the amount

so remitted by me/us will be used solely for the purpose of payment for the goods/services described

below to be imported into Bangladesh fromin accordance with the regulations

in force regarding such imports. I/We declare that the goods/services will be imported by me/us on or

about and I/we undertake to produce to the Bangladesh Bank documentary

evidence in respect of goods/services so imported including the authenticated copy of the Customs Bill of Entry for goods and supplier's invoice in original. I/We further declare that the amount paid by me/us in advance will be deducted from the invoice value of the goods (CFR)/services imported and that the deduction will be shown on the invoice.

Signature and Stamp of the Importer

Name of the Importer

Address

Registration Number with CCI & E

Date

Name and address

of the supplier

Invoice Value Description Country of origin

Particulars of

L.C. Authorisation Form

Goods Services Goods Services Goods Services Goods Services

Signature and Stamp of the

Authorised Dealer

15APP. 5Para 27 (i)See Chapter 7AD's Code Serial No. Year IMP No.

Form IMP

For Imports only

FOREIGN EXCHANGE REGULATION ACT, 1947

Application for permission under Section 4/5 of the Foreign Exchange Regulation Act, 1947

to purchase foreign exchange for payment of imports

Name and address of the Authorised Dealer effecting the remittance

for goods imported/to be imported by us/me as per details given below against LC/Contract No..... Date:

I/We, the undersigned hereby apply for permission to remit

(Amount in foreign currency in figures and in words)

(Name and address of the beneficiary)

1 2 3 4 5 6

LC Authorization Form Quantity of goods Invoice value in foreign currency**
Number

Date

Value in

Taka

Registration No.

with the AD

Description
of goods

HS

Code

No.* Unit

Quantity

FOB

Freight

Insurance
Others, if any
(Pls. specify) Total

7 8 9 10 11 12 13

Country of
origin

Incoterm
used

Port of

Shipment

Name of Steamer/Airlines and
date of shipment (if goods are
sent by post state so)

Port of importation in

Bangladesh or name of country
of ultimate destination if other
than Bangladesh

Indentor's name
and address

Indentor's Registration
No. with CCI&E

*For more than one HS Code, A separate sheet should be added.

** (a) ADs shall report FOB value, freight, insurance and other charges separately in Bangladesh Bank reporting system as per December 10, 2013. (b) ADs shall report FOB value of goods in Schedule E-2/P-2 or relevant schedules, and freight, insurance and other charges in schedules mentioning IMP Form number. Contd Page 2

16APP. 5Para 28(a)See Chapter 7

[Original copy for AD's matching

with Authenticated Copy of Bill

of Entry/Customs certified invoice]

to(This form shall be signed by the Importer or his authorised Agent)

(To be completed by the authorized Dealer)

Date..... Signature and Stamp of the Authorised Dealer

16APP. 5Para 28(a)See Chapter 7 Page-2

1. I /We declare:

(a) That the above payment is due and that I/we have not already obtained exchange for payment of (any of) these goods, nor have we made any other application for that purpose.

(b) The amount of Foreign Exchange mentioned above represents the correct prevailing market price for these goods on the date of export to the country of Export.

(c) That I/we am/are neither connected with the exporters abroad directly or indirectly nor do I/we have any financial or other interest in the exporters abroad.

2. I/We certify that the above import is covered by a valid L.C. Authorisation Form.

3. I/We undertake to clear the goods for consumption in Bangladesh within four months of the date of this application and shall, within that period, submit to your bank the authenticated copy/ies of the Customs' Bills of Entry or certified invoice/s covering the above goods (note (a) below).

4. I/We declare that the statements made in this application are true to the best of my/our knowledge and belief.

5. I/We assume full responsibility for complying with the provisions of the Foreign Exchange Regulation Act, 1947 and rules, orders and regulations made or issued thereunder.

Full name and address of the applicant

Registration No. with C.C.I. &EDate.....

Importer's VAT Registration (BIN) No..... D ate.....

1. We hereby certify that the statements made by the applicant in this form are to the best of our knowledge correct and that we

documentary evidence in support thereof.

2. The remittance has been made in accordance with method of payment as per existing Foreign Exchange Regulations.

Signature and Stamp of the Importer

Contd Page 3

Bangladesh Bank Approval No. (if required)..... D ate

Approved for (Amount in words & figures).....

(Bangladesh Bank approval will remain valid for 30 days from the date of approval)

(CODING OF THE TRANSACTION BY AUTHORISED DEALER)

Quantity of goods Month Country Receiving

Payment

Country of origin of

goods Commodity Unit Quantity

Place of

importation

Type of

LCAF Currency Amount

Checked by

Date

NOTES FOR IMPORTERS: (PLEASE READ CAREFULLY)

(a) IMP Form is in one set. The importer should complete and sign the form and hand it over to the Authorised Dealer (Bank) the same day.

(b) The form should be completed in every required detail. There should be no alterations or deletions in the wording of the form. The form should be signed by the Importer or his Authorised Agents holding Power of Attorney from the original importer. Importers are advised that the use of the form constitutes an offence under Section 22 of the Foreign Exchange Regulation Act, 1947. Omission of essential information on the form constitutes an offence under Section 22 of the Foreign Exchange Regulation Act, 1947.

(c) The attention of Importers is drawn to sub-section 3 of the Section 4 of the Foreign Exchange Regulation Act, 1947. Exchange sanction must be utilised for that purpose only and all conditions attaching to the sanction must be complied with. If any of the prescribed conditions are not complied with, as a result the exchange cannot be utilised in whole or in part for the purpose for which it was sanctioned, the unutilised amount of the exchange must be repatriated through an Authorised Dealer in foreign exchange in Bangladesh.

16APP. 5Para 28(a)See Chapter 7 Page-3

Signature and Stamp of the AD

Coded byAD

Code

Serial

No. Year HS

Code Name HS

Code Name Name of

Currency

Amount

(Eqv. US\$)

Name of

Currency

Amount

(Eqv. US\$) Date

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23

Total

Name of the Official : Name of the Official :

Designation : Designation :

Contact No. : Contact No. :

STATEMENT OF CASES WITH MATERIAL DISCREPANCIES BETWEEN PARTICULARS IN IMPORT DOCUMENTS
AND IN THE AUTHENTICATED COPY OF BILL OF ENTRY/CUSTOMS CERTIFIED INVOICE

AS AT THE MONTH ENDED ON.

LC no.

&

Date

.....

(Name of the Bank)

SL NO. Branch

Name

Importer

IRC No.

Importer

name

with full

address

Item of Import (As per Import Documents Item of Import (As per Bill of
Entry/Customs Certified Inv. IMP Form No. Invoice Value Amount Remitted

Remarks

(if any)

Source of Foreign

Exchange (cash/

loan/grant etc.)

Month of return

schedule in which

transaction

reported to BB

Explanation

if any

submitted

by importer

17APP. 5Para 31(c)See Chapter 7

We certify that all outstanding cases of material discrepancies in the import documents including those pending from the previous
been listed in the above statement.

Details of discr.

between particulars

in the imp. doc.

and the copy of

BOE/Cus. cer. Inv

Whether taken

up with the

Importer (pl.

quote letter

no.)18APP. 5Para 31(c)See Chapter 7

Overdue

Value

AD

Code

Serial

No.

Year HS

Code

Name Name of

Currency

Amount
(Eqv.
US\$)

Name of
Currency
Amount

(Eqv.
US\$)

Date

Name of
Currency
Amount

(Eqv.
US\$)

Amount
(Eqv.
US\$)

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18
= (14-17) 19 20 21 22 23 24

Importer IRC
No.

SL No. Importer
name with
full

address

Branch

Name

Bill of Entry
(If Received)

Reason for
overdue

Remarks
(if any)

CUSTOMS CERTIFIED INVOICE WITHIN DUE TIME AS AT THE MONTH ENDED ON.

LC no.

&

Date

STATEMENT OF NON-RECIPT OF AUTHENTICATED COPY OF BILL OF ENTRY/

IMP Form No. Invoice Value Item of Import Amount Remitted

Name of the Official : Name of the Official :

Designation : Designation :

Contact No. : Contact No. :

.....

(Name of the Bank)

We certify that all outstanding cases of non-receipt of authenticated copy of bill of entry/customs certified invoice within the spec
including cases pending from the previous periods have been listed in the above statement

Source of Foreign

Exchange (cash/
loan/grant etc.)

Month of
return

schedule in
which the
transaction
reported to

BB

Whether
taken up

with the
Importer
(pl. quote
letter no.)
Total
Explanation if any
submitted by importerSL
No.
Overdue
Year
Branch
Name
No. of
Bill(s) of
Entry
Remarks
(if any)
Name of
Currency Amount Equivalent
U.S.Dollar
1 2 3 4 5 6 7 8
Total

Name of the Official :
Designation :
Contact No. :
Name of the Official :
Designation :
Contact No. :

Note : Branch having overdue BoEs in more than one currency in a particular month/year shall
use required no of rows for reporting

.....
(Name of the Bank)

**SUMMARY STATEMENT OF NON-RECIPT OF AUTHENTICATED COPY
OF BILL OF ENTRY/CUSTOMS CERTIFIED INVOICE WITHIN DUE TIME
AS AT THE MONTH ENDED ON.**

Overdue Amount against Bill Of

Entry

19APP. 5Para 31 (c)See Chapter 7

Cont.. Page-2

We certify that all outstanding cases of non-receipt of authenticated copy of bill of
entry/customs certified invoice within the specified period including cases pending from
the previous periods have been summarised in the above statement.**INSTRUCTIONS REGARDING SUBMISSION OF STATEMENT
OF AUTHENTICATED COPY OF BILL OF ENTRY/CUSTOMS CERTIFIED
INVOICE AS PER APPENDICES 5/18 AND 5/19**

1. Consolidated information of 'Overdue Bills of Entry (both full and partial)' should be
submitted in above mentioned statements which shall be submitted (softcopy to
feod.import@bb.org.bd) within 10th day of the following month. Late submission of the same
may invite financial penalty in accordance with Section 36(6) of the Bangladesh Bank Order,
1972.

2. Subject line of the e-mail for submission of the above statements would be as follows:

"Monthly Statement of Overdue Bills of Entry for the month <month_name>,<year> of
<bank_name>"

3. The statements should be provided in the excel files.

4. The files must contain name of the bank and name of month on the upper portion as well as
names, designations, and contact nos. of two responsible officials (one maker, one checker) at
the lower portion.

5. The information must contain uniformity with the following reports of the Online Import
Monitoring System:

- a. Overdue Bill of Entry Information and
 - b. Overdue (Partial) with less Bill of Entry Amount of matched IMPs.
 6. If any supporting documents (waiver from non submission of bill of entry, time extension for, submission of bill of entry) are required with these statements, attested scanned copy of those documents should be attached with the same mail.
- 19APP. 5Para 31 (c) See Chapter 7
- Page-2 Form - BC

(To be submitted by the 15th day of the next month)

Part – A
Borrowing cost
SI.

No.
Name and
address of the
borrower-
importer
Item of
import
Name of AD
bank branch
handling the
buyer's credit
Amount of
buyer's credit
and date of
drawal
Interest rate
(percent per
annum)
All in cost
(percent per annum)
including other
charges
Name and
address of
fx fund
provider
Due date(s) of
repayment
1 2 3 4 5 6 7 8 9

Part – B

1. Total outstanding buyer's credit as at close of preceding month, in USD equivalent:
2. Total amount of new buyer's credit drawn during the reporting month, in USD equivalent:
3. Total repayments during the reporting month, in USD equivalent:
4. Outstanding at the close of the reporting month, in USD equivalent
 - (i) total amount :
 - (ii) of which overdue:
 - (iii) reasons for overdue situation mentioned at (ii) above, steps taken towards adjustment:

Official Seal

Signature of Authorised Official

Name:

Designation:

Date:

20APP. 5Para 33 (e)See Chapter 7

MONTHLY STATEMENT ON USE OF BUYERS' CREDIT IN FOREIGN EXCHANGE

Name of Bank.....

Month and yearName of Authorised Personnel :

Designation :

Contact Number :

Name of Authorised Personnel :

Designation :

Contact Number :

MONTHLY SUMMARY STATEMENT OF OVERDUE ACCEPTED BILLS

FOR THE MONTH OF

SI Nature of bills Number of bills Bill value in
equivalent USD Remarks

1 Local Payables

(excluding court case)

2 Unpaid Local Bills due to
court case

3 Total Local Payables (1+2)

4 Foreign Payables

(excluding court case)

5 Unpaid Foreign Bills
due to court case

6 Total Foreign Payables
(4+5)

7 Local Receivables

(excluding court case)

8 Local Bills not received
due to court case

9 Total Local Receivables
(7+8)

21APP. 5Para 34(b)(i)See Chapter 7

Bank NameSI.

No

Name of

the LC

Issuing

Branch

LC/

Contract

Number

Quoted

Currency

LC/

Contract

Value (in

quoted

currency)

LC/

Contract

date

(dd/mm/yy)

Name of the

LC Advising

Bank &

Branch

Bill No. Quoted

Currency

Bill

Value
(in quoted
currency)
Date of Bill
(dd/mm/yy)
Date of
Acceptance
(dd/mm/yy)
Date of
Maturity
(dd/mm/yy)
Delay
Days

Name of
the
Importer
Name of
the
Exporter
Reason
for

Overdue
Comments
(if any)

Bank Name :
Name of Authorised Personnel :
Designation :
Contact Number :
Name of Authorised Personnel :
Designation :
Contact Number :

MONTHLY STATEMENT OF OVERDUE ACCEPTED BILLS (LOCAL PAYABLES)
FOR THE MONTH OF

22APP. 5Para 34 (b)(ii)See Chapter 7

Total In Quoted Currency X =
Total In Quoted Currency Y =
Grand Total (in equivalent USD) =Sl.

No
Name of
the LC
Issuing
Branch
LC/
Contract
Number
Quoted
Currency
LC/
Contract
Value (in
quoted
currency)
LC/ Contract
date
(dd/mm/yy)
Name of the
LC Advising
Bank &

Branch
Bill No. Quoted
Currency
Bill
Value
(in quoted
currency)
Date of Bill
(dd/mm/yy)
Date of
Acceptance
(dd/mm/yy)
Date of
Maturity
(dd/mm/yy)
Delay
Days
Name of
the
Importer
Name of
the
Exporter
Reason
for
Overdue
Comments
(if any)

23APP. 5 Para 34 (b)(iii) See Chapter 7

MONTHLY STATEMENT OF OVERDUE ACCEPTED BILLS (FOREIGN PAYABLES)
FOR THE MONTH OF

Name of Authorised Personnel :

Designation :

Contact Number :

Name of Authorised Personnel :

Designation :

Contact Number :

Total In Quoted Currency X =

Total In Quoted Currency Y =

Grand Total (in equivalent USD) =

Bank Name :

No

Name of
the LC

Issuing

Bank &

Branch

LC /

Contract

Number

Quoted

Currency

LC /

Contract

Value (in
quoted

currency)

LC / Contract

date
(dd/mm/yy)
Name of the
LC Advising
Bank &
Branch
Bill No. Quoted
Currency
Bill
Value
(in quoted
currency)
Date of Bill
(dd/mm/yy)
Date of
Acceptance
(dd/mm/yy)
Date of
Maturity
(dd/mm/yy)
Delay
Days
Name of
the
Importer
Name of
the
Exporter
Reason
for
Overdue
Comments
(if any)

24APP. 5Para 34 (b)(iv)See Chapter 7

MONTHLY STATEMENT OF OVERDUE ACCEPTED BILLS (LOCAL RECEIVABLES)
FOR THE MONTH OF

Bank Name :

Name of Authorised Personnel :

Designation :

Contact Number :

Name of Authorised Personnel :

Designation :

Contact Number :

Total In Quoted Currency X =

Total In Quoted Currency Y =

Grand Total (in equivalent USD) =Number Value(equv. USD) Number Value(equv. USD)

Total

SI No. Local Bills Receivable

Name of the Banks

Local Bills Payable

25APP. 5Para 34 (b)(v)See Chapter 7

Bank Name :

MONTHLY BANK-WISE SUMMARY STATEMENT OF LOCAL OVERDUE

ACCEPTED BILLS FOR THE MONTH OF

Name of Authorised Personnel :

Designation :

Contact Number :

Name of Authorised Personnel :

Designation :

Contact Number :

Page-01INSTRUCTIONS FOR PREPARING MONTHLY STATEMENTS OF OVERDUE
ACCEPTED BILLS (APPENDIX 5/21-5/25)

1. The statements shall contain all the accepted overdue bills (under LC/contract) that remained unpaid/not received till the end of each month.
2. Softcopy of each month's statement in excel format should be mailed to Bangladesh Bank (FEOD, Head Office) by the 15th of next month positively unless otherwise instructed or exempted. If the 15th of next month falls on a non-business day, then it will be due by the next working day. Delay in submission may result in penalty in accordance with Section 36(6) of the Bangladesh Bank Order 1972 (President's Order No 127 of 1972).
3. The mail should be sent ONLY to the mail address of Import Trade section, FEOD, Bangladesh Bank (feod.import@bb.org.bd) unless otherwise instructed. Official E-mail ID must be used while sending the mail.
4. The subject line of the email should be maintained as: Monthly Statement of Overdue Accepted Bills (App 5/21-5/25) for the Month of ____.
5. The body of the email must include the sender's name, designation, department, bank name, contact number and email address.
6. In the 'Local Payables', 'Foreign Payables', 'Local Receivables' statements all columns should be filled properly according to the column headings. For court cases, latest update of the case (e.g. stay order up to which date, next hearing date etc.) should be mentioned in the 'Comments' column.
7. In 'Summary' and 'Bank-wise Summary' statements, no cells in the number/value columns should be left blank. In case of no value, '0'/'-' should be put in those cells. In case of nil statement, 'NIL' should be written in the body of the statement.
8. All the statements must contain name, designation and contact number of two officials (one maker, one checker) of the concerned bank.
9. Hardcopy of the statement along with the body of the sent email should be printed and preserved with the AD banks for eventual inspection by Bangladesh Bank.
10. If any supporting documents are required with these statements, attested scanned copy of those documents should be attached with the same email.

25APP. 5Para 34(b)(i-v)See Chapter 7 Page-0226APP 5

(4+5+6)

month {(2+3)-

as on the end of

exchange retained

foreign

Closing balance of

encashed

Amount

Account

Retention Quota

Credit to

1 2 3 4 5 6 7

MONTHLY STATEMENT OF RETENTION AND USE OF FOREIGN EXCHANGE RECEIVED FROM
DIRECT/DEEMED EXPORT FOR PAYMENT OF IMPORT LIABILITIES FOR THE MONTH OF

.....Bank

Name and

address

of the

exporting firm

report

month under

export in the

direct/deemed

received from

Foreign exchange

bills

payment of import
previous month for

export of the

direct/deemed
retained from

of foreign exchange

Balance of
unutilised portion

report

the month under
import bill during

payment of
nos. 2 and 3 for
utilised from column
foreign exchange
Amount of

bill within 30 days of receipts
but not used for payment of import
Amount of foreign exchange retained
Name and signature of the authorised person
Date :

Para 42(ii) See Chapter 7(3+4+5)

month {(1+2)-
as on the end of
exchange retained
foreign

Closing balance of
encashed

Amount

Account

Retention Quota

Credit to

1 2 3 4 5 6

MONTHLY STATEMENT OF RETENTION AND USE OF FOREIGN EXCHANGE RECEIVED FROM DIRECT/DEEMED
EXPORT FOR PAYMENT OF IMPORT LIABILITIES FOR THE MONTH OF

report

month under

export in the

direct/deemed

received from

Foreign exchange

bills

payment of import
previous month for

export of the

direct/deemed
retained from

of foreign exchange

Balance of
unutilised portion

report

the month under
import bill during

payment of
nos. 1 and 2 for
utilised from column
foreign exchange
Amount of

bill within 30 days of receipts
but not used for payment of import
Amount of foreign exchange retained
Name and signature of the authorised person
Date :

.....
27APP 5Para 42 (ii)See Chapter 7Seal & Signature of the Designated Bank

Date :

Amount of L/C opened.

No

SI.

Date

&

L/C No.

importer

address of

Name &

remarks

Any

currency

In foreign

Taka L/C

In Bangladesh under the

shipment

Last date of

was opened

under which L/C

Loan/credit/grant

of

Identifying name

Bangladesh

in

document

import

receipt of

date of

Probable

import documents.

on receipt of

Counterpart Funds

deposit of

importer for

made with
arrangements
Indicate the

1 2 3 4 5 6 7 8 9 10

STATEMENT OF L/Cs OPENED UNDER LOANS/CREDITS/GRANTS
REQUIRING DEPOSITS OF COUNTERPART TAKA FOR THE MONTH
OF

Name of the Designated Bank

(To be submitted to the Bangladesh Bank by the 15th of every month).

28APP 5Para 47 (ii)(a)See Chapter 7Bill Amount

No.

SI

credit/grant

&d ate of the loan/ of goods

Bill No.

bank

importer importer's

Address of the

Name & Name &

document

of

acceptance

Date of

currency

Foreign

Taka

Bangladesh

applied

exchange

Rate of

bank

designated

by

document

the

receipt of

Date of

1 2 3 4 5 6 7 8 9 10 11

STATEMENT OF DISCREPANT BILLS RFCEIVED ON COLLECTION BASIS

address of

Identification Description

Date

Signature & Seal of the

Designated Bank

29APP 5Para 47 (ii)(b)See Chapter 7*Bill amount

No.

Description

of goods

Bangladesh

in

of bills/ document

receipt of &d ate

Date of Date of Bill No.

Taka funds

Currency Taka funds counterpart

Bangladesh Taka depositing

counterpart any, in

deposit of delay, if

Date of Reasons for
1 2 3 4 5 6 7 8 9 10 11 12 13

Sl. Name and
address
of the
importer

L/C No.
& Date
Identificaton

of the
Loan/
Credit
Grant
negotiation
document

Foreign Rate of
exchange
applied

* If forward cover is taken, indicate the month in which the forward sale has been reported as per para 8 of Chapter- 4, section
Date

STATEMENT OF DEPOSIT OF COUNTERPART TAKA FUNDS.

30APP 5Para 47 (iii)See Chapter 7

Signature & Seal of the

Designated Bank 31APP 5Para 4See Chapter 8

EXP FORM

(Statutory declaration to be furnished by
exporters under FE Regulation Act, 1947
before shipment of goods. An incorrect
declaration constitutes offence under the
said Act.)

EXP NO.

Name and address of the Authorised Dealer

I/We, the undersigned hereby declare that I/we am/are the sellers/consignors of the goods described below in respect
of which this declaration is made out and that the particulars given in the following items are true and that the invoice
value declared in Sl.No.5 in case of firm contract is full value as contracted with the buyers; and in case of
consignment sale, is a fair value of the goods which are being shipped on consignment sale.

I/We do hereby undertake to repatriate full proceeds of the export within the period specified by the Bangladesh Bank in
terms of FER Act.

Sl.

No

Items

Particulars (to be
filled in by Exporter)

Code No. (to be filled in
by Authorised Dealer)

1. Commodity to be exported

2. Country of destination

3. Port of destination

Unit (bales/tons/lbs. etc.) 4. Quantity Volume (Weight/number etc.)

Currency

Incoterm Used

FOB Insurance Freight Invoice Value

5.

Value

CMT Value (if applicable)

6. Terms of sale (Firm Contract/LC or
Consignment sale)

7. Name & address of importer/consignee

8. Name of carrying vessel

9. Bill of Lading/Railway Receipt/Airway

Bill/Truck Receipt/Post Parcel Receipt

No.:

Date:

10. Port of shipment/Post Office of despatch

11. Land Custom Post

12. Shipment date

13. Name of the Exporter (in block letter) with
address

14. CCI&E's Registration Number of the
exporter and date

15. Sector (Public or Private) under which the
exporter falls

Coded by

Checked by

Authorised Signature and Stamp
of the Exporter with date (Signature of authorised official of the bank)

Cont'dP /2

First Original

(To be submitted to the Customs with

Second Original duly completed and certified

by the Authorised Dealers)

AD's Code Serial Number Serial Year

31APP 5Para 4See Chapter 8

Page-2

Date Stamp and Signature of
Authorised Dealer

(TO BE COMPLETED BY CUSTOMS/POST OFFICE)

1. Month in which this item is included in the Customs/Post Office Return

2. Value assessed by the Customs/Post Office
Shipping Bill/Airway Bill/Post Parcel Receipt No

Dt.

3.

Seal Signature of Custom Officer

Date

CERTIFICATE BY AUTHORISED DEALER

1. An irrevocable/confirmed Letter of Credit No. _____
for _____ on _____ has been opened covering the shipment described on page No. 1.
2. Remittance for _____ has been received as per method No. _____ as indicated below on _____
and has been allocated against the shipment described on page No. 1.
 - (i) in Taka from a Non -Resident Bank A/C.
 - (ii) in Foreign Currency on Amount _____
(State Currency)

Date

Signature and Stamp of

Authorised Dealer

CERTIFICATE OF AUTHORISED DEALER

Certified that the above exporter(s) is/are known to us, that he/they is/are bonafide businessman/men in Bangladesh and that he/they has/have made arrangements with us for the realisation of the export proceeds of the goods declared on this form within the stipulated period and that we are satisfied with the said arrangements. We have also satisfied ourselves about the bonafides of the importers/consignees abroad and their credentials etc.

*We undertake that for export shipments on consignment sale, we shall obtain from the exporter(s) and furnish to the Bangladesh Bank a fully documented account sale certified by the consignees/Chamber of Commerce of the country of import.

*We further undertake that in the event of non-realisation or short realisation of export proceeds against shipment within the stipulated period, we shall obtain from the exporter(s) and furnish to the Bangladesh Bank full explanation as to the circumstances resulting in non-realisation/short realisation.

*(Strike out the portion not applicable and authenticate with initials).

(Applicable where advance payment or irrevocable or confirmed Letter of Credit is required in cover of the shipment.)31APP 5Para 4See Chapter 8

EXP FORM

(Statutory declaration to be furnished by exporters under FE Regulation Act, 1947 before shipment of goods. An incorrect declaration constitutes offence under the said Act.)

EXP NO.

Name and address of the Authorised Dealer

I/We, the undersigned hereby declare that I/we am/are the sellers/consignors of the goods described below in respect of which this declaration is made out and that the particulars given in the following items are true and that the invoice value declared in SI.No.5 in case of firm contract is full value as contracted with the buyers; and in case of consignment sale, is a fair value of the goods which are being shipped on consignment sale.

I/We do hereby undertake to repatriate full proceeds of the export within the period specified by the Bangladesh Bank in terms of FER Act.

SI.

No

Items

Particulars (to be
filled in by Exporter)

Code No. (to be filled in
by Authorised Dealer)

1. Commodity to be exported

2. Country of destination

3. Port of destination

Unit (bales/tons/lbs. etc.) 4. Quantity Volume (Weight/number etc.)

Currency

Incoterm Used

FOB Insurance Freight Invoice Value

5.

Value

CMT Value (if applicable)

6. Terms of sale (Firm Contract/LC or
Consignment sale)

7. Name & address of importer/consignee

8. Name of carrying vessel

9. Bill of Lading/Railway Receipt/Airway

Bill/Truck Receipt/Post Parcel Receipt

No.:

Date:

10. Port of shipment/Post Office of despatch

11. Land Custom Post

12. Shipment date

13. Name of the Exporter (in block letter) with
address

14. CCI&E's Registration Number of the
exporter and date

15. Sector (Public or Private) under which the
exporter falls

Coded by

Checked by

Authorised Signature and Stamp

of the Exporter with date (Signature of authorised official of the bank)

Cont'dP /2

Second Original

AD's Code Serial Number Serial Year

(To be returned to the Authorised Dealer)

within 14 days from the date of shipment
along with customs certification and relative
documents for negotiation)31APP 5Para 4See Chapter 8
Page-2

Date Stamp and Signature of
Authorised Dealer

(TO BE COMPLETED BY CUSTOMS/POST OFFICE)

1. Month in which this item is included in the Customs/Post Office Return
2. Value assessed by the Customs/Post Office
- Shipping Bill/Airway Bill/Post Parcel Receipt No Dt.

3.

Seal Signature of Custom Officer
Date

CERTIFICATE BY AUTHORISED DEALER

1. An irrevocable/confirmed Letter of Credit No.
for on has been opened covering the shipment described on page No. 1.
2. Remittance for has been received as per method No. as indicated below on
and has been allocated against the shipment described on page No. 1.
 - (i) in Taka from a Non -Resident Bank A/C.
 - (ii) in Foreign Currency on Amount
(State Currency)

Date
Signature and Stamp of
Authorised Dealer

CERTIFICATE OF AUTHORISED DEALER

Certified that the above exporter(s) is/are known to us, that he/they is/are bonafide businessman/men in Bangladesh and that he/they has/have made arrangements with us for the realisation of the export proceeds of the goods declared on this form within the stipulated period and that we are satisfied with the said arrangements. We have also satisfied ourselves about the bonafides of the importers/consignees abroad and their credentials etc.

*We undertake that for export shipments on consignment sale, we shall obtain from the exporter(s) and furnish to the Bangladesh Bank a fully documented account sale certified by the consignees/Chamber of Commerce of the country of import.

*We further undertake that in the event of non-realisation or short realisation of export proceeds against shipment within the stipulated period, we shall obtain from the exporter(s) and furnish to the Bangladesh Bank full explanation as to the circumstances resulting in non-realisation/short realisation.

*(Strike out the portion not applicable and authenticate with initials).

(Applicable where advance payment or irrevocable or confirmed Letter of Credit is required in cover of the shipment.)EXPORT REGISTER

Bill No.No.

SI

EXP Form

Number of

of the exporter

Name and address

EXP FormCommodity certification
Date of
shipment
Date of
officials
the certifying
Initials of
1 2 3 4 5 6 7 8 9
realisation
Date of
foreign currency
Amount realised in
of export proceeds
sending abroad for collection
Date of negotiation or Date of reporting of
Second Original to BB
online of exchange applied
to the exporter and
Taka amount paid Date of reporting of
realisation to BB online
10 11 12 13 14 15
Amount declared on
32APP 5Para 7(a)See Chapter 8
rate33APP 5Para 11(a)See Chapter 8

INFORMATION RELATING TO EXPORT ORDERS WITH FOREIGN AGENT COMMISSION EXCEEDING PERMISSIBLE LIMIT FOR WHICH APPROVAL IS REQUIRED

A. Statement of export:

Terms of Payment
Sl.
No
Name of
Importer

Export LC/
Contract
No. with
date
Value
in FC
Last Date
of
Shipment
Expiry
Date
Inco
Terms

Agent
Commission
(in %) Sight
Usance
(period)
Usance
Discount

Rate*
Remarks

1

2

3

4 5

6 7 8

9

10 11

12

(Please use separate sheet if necessary.)

Year
Bill value
(in FC)
Repatriated value
(in FC)
Rate of realisation
(in %)
Agent commission
settlement (in FC)
Outstanding/Overdue
(in FC)

1

2 3

4

5 6

Declaration of Authorised Dealer

We do hereby declare that the above statements depict the true information in accordance with documentary records/evidences. We shall be held responsible for wrong information, if any. We shall make available the documents as and when required by Bangladesh Bank/its inspection team. Necessary arrangements are in place to repatriate the export proceeds within the stipulated time.

Signature :
Name :
Designation: Head of export
PA Number :
Date :
Signature :
Name :
Designation: Head of branch/trade operation
PA Number :
Date :

OFFICIAL
STAMP

(To be typed in AD's letter-head)

*in case of export bill to be discounted at sight

B. Calculation of value addition (Net FOB export value less input contents, both foreign and local)
for each export LC/contract as per above A.

C. Export performance of the exporter for the last 3 years:MONTHLY STATEMENT OF OUTSTANDING EXPORT BILLS

(Taka in Crore)

1. Value of Outstanding Export Bills as on the last day of previous month
2. Value of all export bills purchased or sent on collection basis during the month under report
3. Export proceeds realised during the month under report against bills mentioned in items Nos. 1 & 2
4. Total outstanding export bills as on the last day of the month under report:
 - a) Export proceeds due against all bills received from customers on collection basis
 - b) All export bills purchased from customers for which proceeds not yet credited to Authorised

Dealer's account abroad

Total (a + b):

Value of
sight bills
Value of
usance bills
Total

Monthly maturity position of the total outstanding
Export bills

1st month following the month under report
2nd month following the month under report
3rd month following the month under report
4th month following the month under report
5th month following the month under report
6th month following the month under report
After 6th month following the month under report
Total:
No. of Bills

Against current
bills

Against overdue
bills

Stamp and Signature of the Authorised Dealer

34APP 5Para 15(a)See Chapter 8

Position as on(last day of month under report)

(To be submitted within 10th day of the month following that to which relates) AT

Destination CommodityNo.

SI.

and date

Bill No.

exporter

Name & address of

export

Date of

Form No

EXP

DP/DA)

Nature of bill drawn

1 2 3 4 5 6 7 8

Invoice Value Remarks

(currency)

Amount realised

(9-10)

outstanding

Amount actually

of the outstandings

non-realisation

Reasons for

case of deletion

to original entry in

Cross reference

9 10 11 12 13 14

Details as per Part-I

.....Contd.....P/2

STATEMENT OF PARTICULARS OF EXPORT BILLS OUTSTANDING BEYOND THE PRESCRIBED PERIOD OF REALISATION
(END OF MONTH UNDER REPORT)

Part I : Export bills outstanding other than those covered under Parts II & III below :

Note: Please fill in only columns 1,2, 3, 5, 9, 10 and 13 in respect of deletions which should be grouped together.

Note : Please fill in only columns 1, 2, 3, 5, 9, 10 and 13 in respect of deletions which should be grouped together.

Part II : Exports on consignment basis outstanding

35APP 5Para 15(b)See Chapter 8

Para 23(c)See Chapter 8RemarkNo.

SI

the Exporter

Name and address of

outstanding

Total amount

1 2 3 4

See item No. (iv) of instructions for completing the statement

PART : III UNDRAWN BALANCES OUTSTANDING

Note : Please complete additions and deletions separately and fill up all the columns.

.....Contd.....P/3

35APP 5Para 15(b)See Chapter 8

Para 23(c)See Chapter 8 Page-2Tk

(end of previous month)

Outstanding as on

Tk

under report

Add : Additions during the month

Tk

under report

Less : Deletions during the month

Tk

(end of month under report)

as on

Net position of outstandings

Place

Date

.....Contd.P/4

PART : IV : SUMMARY

We certify that all export bills outstanding beyond the prescribed period of realisation as at the end of month under report have been included in the statement.

Signature and Stamp of Authorised Dealer

35APP 5Para 15(b)See Chapter 8

Para 23(c)See Chapter 8 Page-3INSTRUCTION FOR COMPLETING STATEMENT

- (i) Authorised Dealers should submit a consolidated statement giving details of all export bills outstanding beyond the prescribed period of realisation as at the end of each month giving details of additions and deletions of outstanding export bills during the relative month. All additions should be grouped together and shown first and all deletions grouped together and shown later. Net position of outstanding export bills included in parts I to III of the statement should be given in part IV of the statement.
- (ii) In part I, particulars of all outstanding export bills other than undrawn balance and exports on consignment basis should be included.
- (iii) In part II, particulars of all outstandings as in part I, in respect of exports on consignment basis should be reported (although no bills have been drawn) in this part.
- (iv) In part III, only exporter-wise totals of undrawn balances outstanding need be reported in the statements. Full particulars of those bills as in part-I should be reported in this part.
- (v) In part-IV net position of outstanding export bills included in parts I to III of the statement are to be given in this part.
- (vi) Exporter-wise totals/grand totals (converted into Taka wherever necessary) should be given.
- (vii) Advance remittances and part realisations should be shown under the column "Amount realised" and the balance shown as outstanding.
- (viii) Approval number and date of the Bangladesh Bank and the date upto which extension has been given should invariably be indicated in "Remarks" column. Where approval for extension of time has not been obtained from the Bangladesh Bank, steps taken in that regard should be indicated in "Remarks" column.
- (ix) In cases where export proceeds against EXP Forms have been un-realised either in full or in part because legal proceedings have been initiated against the buyers a suitable remarks should be made in the statements.
- (x) Outstanding in respect of which proceeds are not recoverable but which are being reported only for technical reasons should be distinctly denoted quoting Bangladesh Bank's reference and date in terms of which the item is required to be reported as outstanding.

35APP 5Para 15(b)See Chapter 8

Para 23(c)See Chapter 8 Page-4Amount Realised Net FOB value

Currency

Foreign

Taka

Bangladesh Realisation

Date of

Currency

Foreign

Taka

Bangladesh

Exported

Commodity

of and Country of

B/L No. & Date

Date

No. &
value
Invoice
1 2 3 4 5 6 7 8 9 10 11
to Bangladesh Bank
been or will be Reported
which Transaction has
Schedule/Statement in
Reference of the
EXP
No.
Description
Destination
1. Freight paid
2. Commission
3. Insurance

EXPORT PROCEED REALISATION CERTIFICATE AGAINST DIRECT EXPORTS

Name and address of the Exporter ERC No. PRC Issued For.....PRC No.....

We hereby certify that the particulars mentioned above are correct. We also undertake that in case any discrepancy in regard to
mentioned in this certificate is detected, we shall remain responsible for the same and shall abide by any decision taken by the
regard. We further undertake that if any insurance and other export claims relating to the export indicated in the Proceed Realisatio
we shall abide by any decision of the Bangladesh Bank for deduction of appropriate amount from any future Proceed Realisatio
send the 'Verification Copy' of the PRC to Bangladesh Bank for post facto checking in the month of

Signature of the head of the branch :

Full name :

Designation:

PA No. :.....

Phone No. :.....

Seal : Date :.....

Signature of the issuing officer of the branch :

Full name :

Designation:

PA No. :.....

Phone No. :.....

Seal : Date :.....

36APP 5Para 22See Chapter 8Name and address of the Exporter ERC No..... PRC Issued For.....

EXPORT PROCEED REALISATION CERTIFICATE AGAINST DEEMED EXPORTS

We hereby certify that the particulars mentioned above are correct. We also undertake that in case any discrepancy in regard to
in this certificate is detected, we shall remain responsible for the same and shall abide by any decision taken by the Banglades
further undertake that if any insurance and other export claims relating to the export indicated in the Proceed Realisation Certific
by any decision of the Bangladesh Bank for deduction of appropriate amount from any future Proceed Realisation Certificate. W
'Verification Copy' of the PRC to Bangladesh Bank for post facto checking in the month of

Bill Reference Commodity Realised Bill Value

Date of RealisationReference

Concerned Master Export LC/Contract

to Bangladesh Bank

Reporting Reference

No. Date No. Date Value (FC) Currency Amount

1 2 3

(FC)No. Date Value

which PRC is being Issued

LC/Contract Ref. in regard to

Back To Back L/C Local

4 5 6

(FC)

Value

7 8 9 10 11 12 13 14

37APP 5Para 22See Chapter 8

Signature of the head of the branch :

Full name :

Designation:

PA No. :

Phone No. :

Seal : Date :

Signature of the issuing officer :

Full name :

Designation:

PA No. :

Phone No. :

Seal : Date :

MONTHLY STATEMENT OF DISCOUNTING OF D

Name and

address of

the payee

direct and

deemed

exporter

Bill value and due date

Discounted

value net of

charges and

fees

Date of

discounting

AD branch

transacting

the

discounting

Fx fund

source for

the

discounting

Other

remarks, if

any

1 2 3 4 5 6 7 8

i) Total outstanding value of bills discounted in foreign exchange by all AD branches of the bank:

ii) Out of amount in (i), the amount overdue for adjustment if any:

iii) Reasons for overdue situation mentioned at (ii), steps towards adjustment:

Signature of the authorised official

Name :

Designation :

Official Seal : Contact Phone No.

E-mail :

Date :

38APP 5Para 25 (d)See Chapter 8

Part A :

Period : Month :Year:

Part B :39APP 5Para 2See Chapter 9

Name of the Bank : Branch/Department :

Serial No..... Date of issue :

CERTIFICATE OF AUTHORISED DEALER

This is to certify that we have made following payment by debit to Non-Resident Taka Accounts maintained and fed in foreign currency by (overseas branches and

correspondents) for purchase of shares in (company):

- (a) Ordering remitter of overseas branches and correspondents
- (b) Country.....
- (c) Beneficiary.....
- (d) Address.....
- (e) Amount in Taka
- (f) Date of payment.....
- (g) Mode of payment
- (h) Reporting statement/schedule (check/pay order/bank transfer etc.) to BB with month

Signature:

Name of authorised official:

Designation:

Seal:

Date:

40APP 5Para 2See Chapter 9

Name of the Bank : Branch/Department :

Serial No..... Date of issue :

CERTIFICATE OF AUTHORISED DEALER

This is to certify that we have received following inward remittance for purchase of shares in (company) :

- (a) Remitter..... (b) Country.....
- (c) Beneficiary..... (d) Address.....
- (e) Amount in FC..... (f) Date of receipt.....
- (g) Equivalent Taka (h) Credited to Account with date.....
- (i) Type of Account..... (j) Reporting statement/ schedule to BB with month.....

Signature:

Name of authorised official:

Designation:

Seal:

Date:

FOREIGN EXCHANGE REGULATION ACT, 1947

(Return of Securities required to be submitted under Section 19(l) of FER Act, 1947)

(a) Full name and address of the owner by whom or on whose behalf the return is made

(b) Description of the Security in full, including particulars as to whether it is a bearer bond, registered or inscribed stock etc.

(c) Nominal amount of the Security

(d) Whether the Security is free or encumbered and if the latter, full details of the nature of the encumbrance including the amount of loans or advances, if any, which have been taken against the security and the currency in which and the names and addresses of the persons from whom they have been taken

(e) Place in which and name of the person with whom the security is deposited

(f) Full name and address of the person for whose account the security is held (in case a person other than the owner is making the return)

Signature of owner or agent

(Full name and Address)

Stamp of the bank or stock-broker Place

through whom the return is lodged

with Bangladesh Bank. Date

Note: This return (original and duplicate both completed) may be submitted to the Bangladesh Bank either direct at any of its offices or through any bank or recognised stock-broker. In the latter case, the bank or broker will stamp the return with his name A separate form must be used for each security.

41APP 5Para 12See Chapter 9FORM FP

FORM OF DECLARATION TO BE FURNISHED BY SHIPPING/AIRLINE CO./AGENT WHEN
APPLYING FOR REMITTANCE OF SURPLUS FREIGHT AND PASSAGE MONEY DUE TO
FOREIGN OWNERS OR OPERATORS

Foreign Exchange Regulation Act, 1947.

Remittance of

A/C S.S/ Airline

(Amount)

to M/s

of

(Ship owners or operators)

(Address)

We

agent for the above vessel certify that the above sum

(Full name of Agent)

represents freight and passage money earned by this vessel/Airline less our commission, expenses and all
disbursement made by us on account.....

as per statement given below and this sum is now due to be paid to them, they being the owners/operators of
the vessel/Airline. We further confirm that the regulations prescribed by the Bangladesh Bank have been fully
complied with in collecting the freight and passage money. We further confirm that the amount applied for,
will be remitted out of the funds held to the credit of the said principal without recourse to any loan/overdraft.

1. Balance brought forward

2. Passage and Freight collections:

a) Freight on Export (As per statement in Form shipping I enclosed)

b) Freight on Import (- do)

c) Passage collections (- do)

3. Booking of passages and freight on
credit realised during the month as per details enclosed

4. Inward remittances received, if any,
as per Bank encashment certificate enclosed

5. Total (1+2+3+4) above

Less:

6. Outstanding Export/Import/Passage
bookings on credit as per detailed
statement enclosed

7. Disbursements made as per
disbursement statement enclosed

8. Remittances allowed by the AD

9. Total (6+7+8) above

10. Net Remittable/receivable

11. Amount applied for remittance

12. Balance carried over

Signature and Stamp of the

Date : Shipping Co./Airline/Agent

42APP 5Para 1 (i)See Chapter 10STATEMENT OF FREIGHT/PASSAGE COLLECTION AND DISBURSEMENT IN
BANGLADESH FOR THE MONTH OF

Sl.No.

1.

Particulars

Passage and Freight Collection:

(a) Export from Bangladesh as per freight
manifest enclosed

(b) Import into Bangladesh as per freight
manifest enclosed

(Amount in Taka)

(c) Passage collection as per passage statement enclosed

2. Inward remittances received, if any, as per Bank encashment certificate enclosed

3.

4.

5.

6.

7.

Total (1+2 above)

Less:

Disbursements made as per disbursement statement enclosed

Total (3- 4)

Amount remittable

Amount applied for remittance

Date Signature and Stamp of the Airline /Agent.

43APP 5Para 1 (V)(a)See Chapter 10Amount Remarks

passport/pilgrim pass

Particulars of

Date No.

non-resident

or issue

Bangladesh

travelling

date of Traveller

resident of

which journey

No. No. and of

& whether

Departure Airline

to of

SI.

Ticket Name

Nationality

Date of Name of

Destination Route

the sanction

the reference of

on Form P, quote

Bank obtained

the Bangladesh

If sanction of

1 2 3 4 5 6 7 8 9 10 11 12 13 14

By whom

granted

I/We declare that the passengers whose particulars are given above actually travelled on due date shown in column No. 5 and t
been properly recorded in our books.

Date Signature and Stamp of the Airline

STATEMENT OF PASSAGES SOLD/TICKETS ISSUED BY THE AIRLINES FOR THE MONTH ENDED

NAME AND ADDRESS OF THE AIRLINE.

44APP 5Para 1 (V)(b)See Chapter 10

STATEMENT OF THE CARGO SOLD BY THE AIRLINES FOR THE MONTH ENDED20

NAME AND ADDRESS OF THE AIRLINES

SI

No

Airway Bill

No. and

date of issue

Name of the

Exporter/

Shipper

Consignee Port of

destination

Description

of the

consignment

Gross

freight

Discount

(if any)

Actual

freight

Other

charges

Remarks

1 2 3 4 5 6 7 8 9 10 11

Date :

Signature and stamp of the Airline

45APP 5Para 1 (v)(c)See Chapter 10

Items No. Amount in Taka

1. Airport Expenses :

(i) Catering

(ii) Handling

(iii) Landing charges

(iv) Repairs and maintenance

(v) Uplift of fuel/oil

(vi) Sundries

2.

3.

4.

5.

6.

7.

8.

9.

Agency Commission :

(i) Passage

(ii) Cargo

Income Tax

Crew Expenses :

(i) Hotel Bill (ii) Transport (iii) Daily Allowances

(iv) Sundries
Office Expenses :
(i) Salaries, overtime (ii) Provident Fund (iii) Taxes (iv) (a) Office rent
(b) House rent of accommodation, if provided to staff
(v) Telephone and telex
(vi) Printing and Stationery
(vii) Postages and Telegrams
(viii) Conveyance and Company Car
(ix) Advertisement and Publicity
(x) Office equipments
(xi) Electric/Gas consumption charges
(xii) Sundries

Refunds : (i) Passage
(ii) Cargo
Entertainment
Furniture and Fixture
Customs duty etc. on gift articles
10. Local purchases of gift articles
11. Miscellaneous
Total :

Date

Stamp and Signature of the Airline

DISBURSEMENT STATEMENT FOR AIRLINES FOR THE MONTH OF20

Name and address of the Airline

46APP 5Para 1 (V)(d)See Chapter 10Name of Traveller Passport or Pilgrim Pass No. Amount refunded RemarkNo.
Sl.

Bangladesh Bank
which booking was reported to the
Particulars of monthly return in
Date

STATEMENT OF CANCELLATION OR REFUNDS OF PASSAGES FOR THE MONTH OF20

Name and address of the Airline

We hereby certify that the above refunds have been given by us as per foreign exchange regulations in force.

Signature and Stamp of the Airline

47APP 5Para 1 (V)(d)See Chapter 10DETAILS OF CREDIT BOOKINGS OF PASSAGE AND FREIGHT REALISED
IN CASH DURING THE MONTH OF

Name and address of the Airline

Particulars of the Outstanding Credit
Statement in which the bookings made on
credit were reported
Serial number at which
Name of the
Shipper/Importer/

Passenger
Freight/Passage
amount raised
(in Taka)
Items
A. EXPORTS

B. IMPORTS

C. PASSAGES

Month the credit item appears in
the outstanding credit
Statement

GRAND TOTAL

Date

Signature and Stamp of the Airline.

48APP 5Para 1 (v)(e)See Chapter 10SI.

which the credit booking reported
Particulars of Passage Statement in
Importer/Passenger
Name of the Shipper/
(in Taka)
Passage amount
Outstanding Freight and
Month
credit item appears
Freight manifest at which the
Serial number of the passage/

A. EXPORTS

B. IMPORTS

C. PASSAGES

GRAND TOTAL

Date Signature and Stamp of the Airlines

DETAILS OF OUTSTANDING BOOKINGS OF PASSAGE AND FREIGHT ON CREDIT
FOR THE MONTH OF20

Name and address of the Airlines

49APP 5Para 1 (v)(f)See Chapter 103. Name & address of Shipping Agent

2.

1. Name of Foreign Ship-owners/Charterer

(1) (2) (3) (4) (5) (6) (7) (8) (9)

No.

SI.

arrival

Date of

departure

Date of

sailing

Port of

Vessels

the

Name of

Manifests/Bill of Lading

as per Import/Export

quarter (both cash and credit)

Collections in Taka during

certificate

as per bank
remittances
Inward
(receipts) quarter
transfer realised in cash during the
agen relating to previous period
Inter Outstanding Passage/Freight
Freight Passage
Export Import

A b c

FORM SHIPPING - I

To be submitted in duplicate

STATEMENT OF FREIGHT/PASSAGE COLLECTIONS IN RESPECT OF
FOREIGN VESSELS AND DISBURSEMENTS IN BANGLADESH FOR THE
QUARTER ENDED20

Address

Enclosure: (1) Supporting statements and documents for columns 6, 7, 8, 11 (b, c & d) & 13

(2) A certified true copy of the voyage accounts rendered to the principal.

.....Contd.....P/2

50APP 5Para 1 (vi)(a)See Chapter 10(10) (11) (12) (13) (14)

Remarks

Deductions/Disbursements as per statements attached

(6+7+8+9)

Collection

Gross

receivable

payable/

Balance

Net

Export Import

manifest advice

per Import/Export

Bangladesh as

outside

Freight Payable

(paymentt)

Transfer

Agent

Inter

AD

by the

allowed

(a+b+c+d+e)

Remittance

Total

statement)

disbursement

(as per

disbursements

Total of

statement

as per

elsewhere

not shown

expenses

general

Other

per statement

yet realised as
quarter not
of the current
collections
relating to the
on credit
passage/freight
Outstanding
a b c d e f
Date
C/O to next quarter
Add Subtract this quarter (+/-)
Balance B/F from previous quarter (+/-)
Stamp and Signature of the Shipping Co./Agent
50APP 5Para 1 (vi)(a)See Chapter 10 Page-2
SUMMARY:Form Shipping II
(In Support of column 9 of the statement Form Shipping I)

DETAILS OF CREDIT BOOKINGS OF PASSAGE AND FREIGHT REALISED IN CASH DURING THE QUARTER ENDED

Particulars of the Outstanding Credit
Name of the

Freight/Passage

Statement in which the bookings made
Vessel and

Amount

on credit were reported
Shipowners/

realised

Charterer

(in Taka)

Items

Quarter
Serial number at which
the credit item appears
in the outstanding
credit State ment

A. EXPORTS

B. IMPORTS

C. PASSAGES

Grand Total :

Date : Stamp and Signature of the
Shipping Company/Agent

51APP 5Para 1 (vi)(b)See Chapter 10Name and address of the Shipping Company/Agent :

Item Name of the vesselNumber

Bill of Lading

sailing

Date of

sailing

Port of

passage amount in Taka

Outstanding freight and

destination

discharge/

Port of

charterer

Ship owners/

Name of

1 2 3 4 5 6 7 8

A. EXPORTS

B. IMPORTS

C. PASSAGES

Grand Total

Date :

DETAILS OF OUTSTANDING BOOKINGS OF PASSAGE AND FREIGHT ON CREDIT FOR
THE QUARTER ENDED RELATING TO THE CURRENT QUARTER ONLY

Signature and Stamp of

Shipping Company/Agents

Form Shipping III

(In support of column 11 (a) of statement Form Shipping-I)

52APP 5Para 1 (vi)(c)See Chapter 10

BREAKDOWN OF DISBURSEMENTS

S.S./M.V. Nett. Regd. Tons Arrived Sailed

Items No. Amount in Taka

1.

2.

3.

- 4.
- 5.
- 6.

Port Charges:

- a) Port dues, Pilotage etc.
- b) Berth fees, hire of canes etc.
- c) Water supply charges
- d) Sundries

Customs Charges :

- a) Light dues
- b) Custom penalty
- c) Custom overtime
- d) Sundries

Cargo Handling Costs:

- a) Contract rates (Stevedoring)
- b) Addl. labour & overtime
- c) Lighterage
- d) Cartage
- e) Cleaning holds
- f) Dunnage supplied
- g) Tallying
- h) Sundries

Victualling & Store Supplied*

Repairs*

Other Vessel Expenses*:

- a) Cable and Telexes
- b) Postages
- c) Stationery
- d) Advance to Master
- e) Wages paid to Bangladeshi crews
- f) Staff overtime & conveyance
- g) Medical fees
- h) Fumigation
- i) Laundry
- j) Cost of passages
- k) Sundries

.....Contd.P/2

53APP 5Para 1 (vi)(d)See Chapter 10

Form Shipping IV.

(In support of column 11 (b) of the statement Form Shipping-I)

7.

8.

9.

10.

11.

12.

13.

14.

15.

Items No.

Freight and passage Brokerage :

- a) Rebate paid to exporters and importers
- b) Freight brokerage
- c) Passages brokerage

Agency fees & commission:

- a) Inward cargo
- b) Outward cargo
- c) Passage
- d) Mails

Miscellaneous expenses*:

- a) Advertising and Publicity
- b) Hotel bills
- c) Sundries

Income tax.

Provisions for other disbursements due
but not yet paid (Please give details)

Refund/Cancellation of Passage/

Freight Bookings (Please enclose

detailed statement as prescribed.)
Gross Total Expenses
Add/Subtract:
Adjustments for provision made under item 11 in
previous period subsequently found to be short or

in excess (Please specify items and the quarterly
statement to which these relate)
Net total disbursement for the quarter
Amount in Taka

Date :

Signature and Stamp of the
Shipping Company.

53APP 5Para 1 (vi)(d)See Chapter 10 Page-2

*Expenses under those heads involving an amount of Tk. 2500(two thousand five hundred) or over should
be supported by relevant bills/ receipts/vouchers etc. Amount refunded RemarksNo.

SI

Vessel

Name of

Travellers

Name of

Pass No.

Passport or Pilgrim

to the Bangladesh Bank

return in which booking was reported

Particulars of the quarterly

(1) (2) (3) (4) (5) (6) (7)

FORM SHIPPING-V

(In support of item 12 of the statement

for breakdown of disbursement Form Shipping-IV)

STATEMENT OF CANCELLATIONS OR REFUNDS OF FREIGHT/PASSAGES

TO BE SUBMITTED BY THE SHIPPING COMPANY

Name and address of the Shipping Company for the quarter ended ..

We hereby certify that the above refunds have been given by us with the approval of the Bangladesh Bank, where applicable.

Date Signature and Stamp of the Shipping Company

54APP 5Para 1 (vi)(d)See Chapter 10Ship

of

Name

the sanction

granted reference of

Travelling Form 'P', quote

which Journey Pass Bank obtained on

to of Passport/Pilgrim the Bangladesh

Destination Route Particulars of If sanction of

non-resident

or

Bangladesh

resident of

of Departure

(1) (2) (3) (4) (5) (6) (7) (8) (9) (10) (11) (12) (13) (14)

Name and address of the Shipping Company

STATEMENT OF PASSAGES SOLD/TICKETS ISSUED BY THE SHIPPING

COMPANY FOR THE QUARTER ENDED

SI.

No.

Ticket No.

and date

of issue

Name

Traveller

Nationality Date of

& whether

Date No. By whom

Amount Remarks

I/We hereby declare that the passengers whose particulars are given above actually travelled on the dates shown in column No. have been properly recorded in our books.

Date Signature and Stamp of the Shipping Company

55APP 5Para 1 (vi)(e)See Chapter 10

(In support of column 6c of the quarterly

statement Form Shipping-I) Destination Route Cost of passage in Bangladesh Taka

Biman Total

conveyance

method of of departure

Airlines or other Flight No./Date

Name of Shipping/ Name of Steamer/

(as the case may be)

tourist class etc.

i.e. first class/

Class of passage

Carrier

Foreign

1 2 3 4 5 6 7 8

FORM "P" (DUMMY)

FOREIGN EXCHANGE REGULATION ACT, 1947

Application to effect booking of passages by sea or air or any other

mode of conveyance on payment in Bangladesh Taka

I/We apply for permission to book the undermentioned passage/s for journey fromas per details given below:-

1. (a) Full name, nationality & address of the applicant

(b) Full name of the passenger(s)

.....Contd.P/2

56APP 5Para 2A(i)See Chapter 10

Para 11(i)See Chapter 122. Nationality of the passenger, passport no. and date of issue

3. Relationship between applicant and passenger

4. Length of residence of passenger in Bangladesh

5. Profession or business of passenger while in Bangladesh

6. Purpose of visit for which passage is desired to be booked

7. The date on which the country of destination was visited last

8. Was permission of the Bangladesh Bank sought for this passage in the past by the passenger or by the applicant or any person in his behalf? If so, the name of the office of the Bangladesh Bank at which application was made previously and its outcome may be disclosed

9. In the case of *Non-Resident Passengers:

(a) How funds were obtained for support while in Bangladesh?.....

(b) Particulars of remittances received from abroad

10. In case of rebated passage, certificate from airline concerned should be enclosed indicating grant of rebated passage facility under "IATA" Regulations.....

11 Consideration for which the rebated passage has been granted

I declare that the information furnished by me above is correct and in the event of its being not correct, I hold myself liable for such action as may be deemed fit under the Foreign Exchange Regulation Act, 1947.

Signature of the applicant Date

Page-2

*For this purpose, the term "Non-resident" is meant foreign national resident in Bangladesh for less than six months.

56APP 5Para 2A(i)See Chapter 10

Para 11(i)See Chapter 12(To be Submitted in Duplicate)

APPLICATION TO BOOK PASSAGE FOR A DESTINATION
OUTSIDE BANGLADESH AGAINST TICKET ADVICES/
TICKETS PAID FROM ABROAD OR 100% REBATED TICKETS

1. (a) Full name and address of the applicant
(b) Full name/s of the passenger/s
2. (a) Nationality of the passenger/s, Passport
Number/s & date/s of issue
(b) Purpose of visit for which passage is
desired to be booked
3. Full name, address, nationality and occupation
of the person who has made payment for the
ticket outside Bangladesh. In case of 100%
rebated ticket, certificate from the airline
concerned should be enclosed indicating grant
of 100% rebated passage facility under the
IATA Regulations
4. Consideration for which payment has been
made by the person at 3 above or the
consideration for which 100% rebated
passage has been granted by the airline
5. Exact relationship of the applicant with the
payer.

A copy of the P.T.A. or a certificate from the local office of the airlines indicating the amount received in
foreign exchange together with its Taka equivalent received by their office abroad should be attached. The
name of the person favouring whom such payment has been received abroad should be clearly indicated.
(Signature of the Applicant)

.....Contd.P/2

57APP 5Para 2A(ii)See Chapter 10

Para 11(ii)See Chapter 12

'FORM P-2'(To be Submitted in Duplicate)

(FOR USE IN THE BANGLADESH BANK)

Approval No Date

Mesrs..... are hereby authorised to book passage for Mr./Ms.

..... for journey from.....to.....against 100% rebated
ticket/*ticket paid from abroad as mentioned above. No payment is to be accepted in Bangladesh Taka.

BANGLADESH BANK

FOREIGN EXCHANGE POLICY DEPTT.

Assistant Director

*Delete not applicable.

Note: i) This form should be completed in duplicate.

ii) The approval of the Bangladesh Bank is valid for three months from the date of approval.

Page-2

57APP 5Para 2A(ii)See Chapter 10

Para 11(ii)See Chapter 12

'FORM P-2'Serial No

Date of Issue

PROFORMA OF ENCASHMENT CERTIFICATE OF
AUTHORISED DEALERS

We certify having encashed Traveller's Cheques/ Drafts/ T.Ts/M.Ts/ Cash foreign exchange/foreign
exchange from Foreign Currency Accounts for total amount of Bangladesh Takaas detailed
below favouring Mr/Ms/M/s

Currency Amount Account No. Date of Name of the statement/schedule
which has been Encashment and the period in which the
debited* relevant transaction has
been/will be reported

Stamp and Signature of
Authorised Dealer

*This will apply where foreign exchange is encashed by debit to a Foreign Currency Account.

58APP 5Para 2A(iii)See Chapter 10

Para 11(vi)(a), (viii)See Chapter 12Serial No

Date of Issue

CERTIFICATE OF AUTHORISED DEALERS

We certify that the *cheque/pay order No dated
for Tk. (Taka only)

has been issued *on/by debit to Convertible Taka Account No.

maintained by us in the name of Mr./Ms./M/s. as per

Bangladesh Bank's Authority No. (State reference No. with date.)

Date Seal and authorised signature of

Authorised Dealer

*Strike out the words not applicable.

59APP 5Para 2A(iii)See Chapter 10

Para 11(vi)(b)See Chapter 12Serial No Date of Issue

CERTIFICATE OF AUTHORISED DEALERS

We certify that the cheque/pay order No. dated.....

for Taka Say..... Taka..... .has been issued
(state amount in words)

by us by debit to Current A/c. No..... maintained with us by
M/s

(Name of the Shipping Agent/Co.)

Date Seal and authorised signature of

the Authorised Dealer

CERTIFICATE OF SHIPPING AGENT/COMPANY

It is certified that the amount of Bangladesh Taka stated above has been paid by us towards the cost of air
passage of.....crews for the sector.....

(number)

The amount will be reported by us in our Disbursement statement for the month of

Seal and Authorised Signature

Date

60APP 5Para 2A(iii)See Chapter 10

Para 11(vii)(viii)See Chapter 12Weight/Measurement
No.

Voyage

name of port

of departure with

Probable date

and address

Charter's name

with Owner's/

Name of the ship

of port

port with name

at Bangladesh

Date of arrival

Passengers

and No. of

Cargo loaded

Description of

passengers

and

cargo loaded

Destination of

1 2 3 4 5 6 7

Exchange Rate Remarks

fare charges

Rate of freight/

fare received

Total freight/

Taka

in terms of Bangladesh

Total freight/fare

surcharges, if any

fare in Taka plus

on total freight/

80% tax liability

8 9 10 11 12 13

(Agents)

true to the best of our knowledge and belief.

We solemnly affirm that the particulars furnished above is

2. Signature of Customs Authority 3. Signature of Bangladesh Bank Authority

Date : Date :

Seal :

Date :

Commissioner of Taxes

1. Signature of the Deputy

Seal :

(Name and full address)

Seal :

(Name and full address)

PARTICULARS TO BE FURNISHED FOR DETERMINATION OF TAX LIABILITY U/S. 102 OF

THE I.T. ORDINANCE, 1984 IN RESPECT OF SHIPPING BUSINESS OF NON-RESIDENTS

61APP 5Para 2(B) (iv)See Chapter 10CONSOLIDATED STATEMENT SHOWING INCOME & EXPENDITURE

IN RESPECT OF FOREIGN SHIPPING AGENTS OF BANGLADESH

SHIPPING CORPORATION FOR THE QUARTER ENDED

BalanceNo.

S1

(3+4+5)

Total

quarter

during the

collection

Freight

other sources

BSC or any

received from

Amount

Credit Debitagent

shipping

the foreign

address of

Name &

quarter

previous

from

balance

Credit

quarter

previous

from if

balance b/f to BSC's account, (7+8+9)

Debit Total

expenditure

Amount transferred Total

1 2 3 4 5 6 7 8 9 10 11 12

Date

Stamp & Signature of the authorised persons

of the Bangladesh Shipping Corporation

62APP 5Para 6(ii)(a)See Chapter 10Taka equivalent Taka equivalent

(Necessary repatriation certificate to be attached)

2. Amount repatriated to Bangladesh during the quarter

1. Debit balance from the last quarter

3. Amount transferred to BSC's A/C abroad

4. Miscellaneous earnings during the quarter:

b) Ship chartered by the company

a) Ship owned by the company

3. Total collection on account of passage:

ii) Voyage

i) Time chartered

chartered

b) Ship chartered by the company:

a) Ship owned by the company

2. Total collection on account of freights

1. Credit balance from the last quarter

(Details as per annexure 'A' attached)

4. Expenditures incurred abroad during the quarter

c)

d)

c)

b)

a)

Other receipts

Commission

Charter hire

Refund on final adjustment

Refund on ship stores

(Quote approval No. & Date

5, Funds remitted from Bangladesh

(Details of agent-wise position as per Appendix VI/BS

Note : Balance held abroad with agents Debit/Credit Tk.

Date (To be submitted with Annexure A) of the Bangladesh Shipping Corporation

Place Stamp & Signature of the authorised persons

amount remains unaccounted for.

We hereby declare that to the best of our knowledge the above figures are correct and include all the earnings and expenditures

CONSOLIDATED STATEMENT SHOWING EARNINGS & EXPENDITURE IN FOREIGN

EXCHANGE BY THE FOREIGN AGENTS OF BANGLADESH SHIPPING CORPORATION

FOR THE QUARTER ENDED

63APP 5Para 6(ii)(b)See Chapter 10

Foreign exchange earnings Foreign exchange expenditure

Total (Sl.2 to 4)

Grand Total Grand Total

Sl.No.

1. Bunker:

a) Water

b) Coal

2.

3.

4.

5.

6.

7.

8.

9.

10.

11.

12.

13.

14.

15.

16.

Port Dues

Repairs:

a) Emergent Repairs

b) Dry Docking

Ship Stores:

a) Victualling

b) Bonded

c) Engine

d) Dock

Advance to the Master:

a) Bangladesh Nationals

b) Foreign Nationals

Agency Commission/Fees:

a) Imports

b) Exports

Brokerage

Income Tax

Claims (Cargo)

Medical Expenses

Stevedoring, Tallying, etc.

a) Inward Cargo

b) Outward Cargo

c) Dunnage Expenses

Freight Collection/Refund

Charter hire

Travelling, Conveyance, etc.

Postage, Cables, Telephone, etc.

Air Freight

.....Contd. P/2.....

CONSOLIDATED STATEMENT SHOWING EXPENDITURE IN
FOREIGN EXCHANGE EQUIV ALENT BANGLADESH TAKA BY
THE FOREIGN AGENTS OF BANGLADESH SHIPPING
CORPORATION FOR THE QUARTER ENDED20

C) Oil

63APP 5Para 6(ii)(b)See Chapter 10

Annexure -'A'

Nature of expenses incurred Amount in Bangladesh Taka

17.

18.

19.

20.

21.

22.

23.

24.

25.

26.

Boardi ng/L oading

Transhipment Charges

Printing & Stationery

Advertisement

Laundry Charges

Entertainment Charges

Repatriation Expenses

Legal Expenses

Photo Charges

Miscellaneous Charges

27.

Total:

Grand Total :

Date :

63APP 5Para 6(ii)(b)See Chapter 10 Page-2

Annexure -'A'

Other Charges incurred by the Offices

approved by the Bangladesh Bank

a) Salaries etc. of Branch Office.

b) Payment made to P & I Club

c) Marconi Charges

d) Conference Expenses

Signature & Stamp of the authorised person of

the Bangladesh Shipping Corporation Deposits/Credit Withdrawals/Debit Net Balances

Total Total Debit Credit

abroad

For expenses

Bangladesh

Repatriated to
balance
credit
Opening
from agent
receivable

Funds
Bangladesh
from
Remittance
balance
debit
Opening
1 2 3 4 5 6 7 8 9 10

CONSOLIDATED STATEMENT SHOWING BALANCE HELD ABROAD WITH BANKS,
MAIN AGENTS AND OTHER CREDIT AGENCIES FOR THE QUARTER ENDED.....

We hereby certify that the information contained in this statement is true and correct in every respect to the best of our knowledge and statement gives complete information of all our foreign currency accounts allowed to be maintained.

Place

Date Signature & Stamp of the authorised person
of the Bangladesh Shipping Corporation

Note: The statement should be submitted as at 31st March/30th June /30th September /31st December each year within two months of the quarter to which it relates.

64APP 5Para 6(ii)(c)See Chapter 10

RECEIPTSNo. Amount PAYMENTS Amount

1. Balance from the last month 1.
(receivable)

2. Remittances made during the 2.
month (Bangladesh Bank
Approval No., date and
amount)

(i)

(ii)

(iii)

Total :

3. 3.

4.

5. Balance Remittable

Total :

4. Balance Receivable

Total :

Place Signature and Stamp of the Airline
Company

Date

FORM OF STATEMENT OF EARNINGS AND

EXPENDITURE TO BE SUBMITTED BY

BANGLADESH BIMAN

1. NAME AND ADDRESS OF THE AIRLINE
2. NAME AND ADDRESS OF THE AGENT
3. NAME OF CURRENCY
4. FOR THE MONTH OF20

We hereby declare that to the best of our knowledge the above figures are correct and include all earnings of the Company abroad and no amounts remain unaccounted for.

65APP 5Para 6(iii)See Chapter 10

Total collections on account of
passage freight, excess baggage
(Statement showing total
passage and freight earnings
separately, to be attached.)
Miscellaneous earnings
during the month (Refunds,
other receipts etc.)

Balance from the last month
(Remittable)

Amounts received in
Bangladesh during the month
(Bank Certificate to
be attached)

Expenses incurred abroad
during month (Statement giving
breakdown of expenditure to be
attached) A. Earnings

Credit balance from the last
quarter

1. Name of vessels:

- a)
- b)
- c)
- d)

2. Date of Sailing

3. Name of Port

4. Total freight collection

i) Ship owned by the Co.

Export

Import

Passage

ii) Ship chartered by the Co.

Import

Export

Passage

(Export/Import

manifest/BL / Export

certificates to be attached)

5. Other receipts if any (state
details)

6. Fund received from abroad

(Repatriation Certificate
from the bank to be
attached)

Total :

Amount

B. Expenditure

Debit balance from the last
quarter

1. Remittance to foreign agent:
(Quote BB's approval No. &
date and also purpose.)

2. Vessel-wise expenditure
(Vessel-wise expenditure
shown in the schedule
attached)

a)

b)

c)

3. Other payments (state
details)

4. Head office expenses
(state details)

Total :

Amount

.....Contd. P/2

QUARTERLY STATEMENT SHOWING EARNINGS AND
EXPENDITURE IN BANGLADESH IN RESPECT OF VESSELS
OWNED BY THE PRIVATE SHIPPING COMPANIES FOR THE
QUARTER ENDED20

Name and address of the Company

66APP 5Para 7(a)See Chapter 10Page - 2

Freight payable outside Bangladesh
(state name of port where
the freight will be received)

Net Balance (A-B) Dr/Cr

Place

Date

Stamp & Signature of the authorised
person of the Company

66APP 5Para 7(a)See Chapter 10

Note: Supporting Bill/Vouchers in respect of expenditure
for Tk.2,500(Two thousand five hundred) and
above to be submitted.

(To be submitted with Annexure)

The figure will not be added to the total figure of earnings.

We certify that the particulars in the above statement are true and correct in every respect to the best of
our knowledge and belief. SI.No. Nature of Expenses Amount

1. Port Charges :

- a) Port dues
 - b) Pilotage etc.
 - c) Berth fees
 - d) Water supply charges
 - e) Hire of cranes
 - f) Sundries
- 2.

3.

4.

5.

6.

Custom charges :

- a) Light dues
- b) Custom penalty

- c) Custom overtime
- d) Sundries
- Cargo handling costs:
 - a) Stevedoring
 - b) Addl. labour & overtime
 - c) Lighterage
 - d) Dunnage supplied
 - e) Tallying
 - f) Sundries
- Victualling & store supplied
- Repairs
- Other Vessel expenses:
 - a) Cable, telex & Postages
 - b) Stationery
 - c) Advance to Master
 - (Quote custom permission No. & date)
 - d) Wages paid to Bangladesh crews
 - e) Staff overtime & conveyance
 - f) Medical fees
 - g) Fumigation
 - h) Laundry
 - i) Cost of passage (Quote approval No. & Date)
 - j) Bunker supply during..... (month)
 - (Quote approval No. & date)
 - k) Sundries

.....Contd. P/2.....

EXPENDITURE SCHEDULE

Name of Shipping Co Voyage No.

Name of Vessel Date of arrival

Name of Port

Date of Sailing

Para 7(a) See Chapter 10 Annexure to APP. 5 66

Voucher No. Page - 2

7.

8.

9.

10.

11.

12.

Freight and passage brokerage:

- a) Rebate paid to exporters/importers

b) Freight brokerage
Agency fees & commission:
a) Inward cargo
b) Outward cargo
c) Passage
d) Mails
Miscellaneous expenses:
a) Advertisement
b) Hotel bills
(Quote approval No. & date)
c) Sundries
Income Tax
Refund/cancellation of passages/
Freight bookings

Total Tk.

Date Stamp & Signature of the authorised
person of the Shipping Company

Para 7(a) See Chapter 10

Provisions for other disbursements due but not yet paid

Annexure to APP. 5 66A. Earnings Amount B. Expenditure Amount

i) Freight i) Port dues

(freight manifest
to be attached)

Charter hire

iii) Passage

urrage

Other receipts

(state details)

Transfers:

ii) Stevedoring

Agency fees/commission:

a) Export

Import

Bunker/Water

Victualing & Provision

Repairs/Stores

Medical

viii) Income Tax

Other disbursements

(State details)

i) Remittances from Bangladesh i) Remittance to Bangladesh

ii) Remittances from other (Repatriation certificate to

agents (indicating name be enclosed.)
of port and agent).
Transfer from Bank A/C
in the same country

Total earnings (A & B):
Remittance to other agents
(indicating name of
Port and agent).
Transfer to Bank A/C
maintained abroad (the A/C
No. and the name of the
bank should be stated)

Total disbursements (A & B):

.....Contd. P/2

QUARTERLY STATEMENT SHOWING EARNINGS
AND EXPENDITURE OF THE FOREIGN AGENTS
OF BANGLADESH SHIPPING COMPANIES FOR
THE QUARTER ENDED20

- ii)
- iv) Dem
- v)
- iii)
- iii)
- iv)
- v)
- vi)
- vii)
- ix)
- iii)
- ii)

B. Transfers: B.

1. Name of the port
2. Name and address of Agent
3. Name of bank with whom F/C A/C maintained, if any.
4. Total number of vessels called at port during the quarter
5. Name of Vessels called at port
6. Date of sailing
7. Opening balance
 - a) Due to agent
 - b) Due to Company

67APP 5Para 7(b)See Chapter 10

b)Page - 2

Summary Dr Cr

Place

Date

67APP 5Para 7(b)See Chapter 10

Notes:

(1) All earnings and disbursements pertaining to the vessels of the shipping company including those given on chartered (time voyage) as well as foreign vessels chartered by the Company should be included in this statement.

(2) A certified copy of the Agent's Statement of A/C. received shall be furnished.

(3) The statement should be submitted together with required documents within 60(sixty) days from the close of the quarter to which it relates.

We certify that the above information contained in this statement is true and correct in every respect to the best of our knowledge and belief and it gives complete information of our earnings and expenditure and agent's accounts at above port.

Stamp & Signature of the authorised

person of the Shipping Company

1. Opening balance as at 1st January/1st April/1st July/1st October.

2. Add/subtract excess of earnings/
disbursement/over disbursements/earnings

3. Closing balance as at 31st March/30th June/ 30th Sept./31st December Foreign
currency

Balance from previous quarter

1 . Gross earnings/receipts

a) Freight collection in foreign ports

b) Freight collection in Bangladesh ports

c) Charter hire receipts

d) Passage fare/other receipts

e) Funds repatriated during the quarter

Total earnings/receipts

2. Gross disbursements/Payments

a) In foreign ports

b) In Bangladesh ports

c) Charter hire

d) Funds remitted to Bangladesh during the quarter

Total disbursements

Bangladesh currency

4. i) Loan repayments from funds held abroad

a) Towards principal amount

b) Towards interest/commitment charges

c) Towards Insurance premium

d) Miscellaneous purposes

ii) Loan repayment through remittance
from Bangladesh

- a) Towards principal amount
- b) Towards interest/commitment charges
- c) Towards Insurance premium
- d) Miscellaneous purpose

We certify that the particulars in the above statement are true and correct in every respect to wledge and belief.

Place

Date

Stamp & Signature of
Chairman / Managing Director of
the Shipping Company

CONSOLIDATED STATEMENT OF EARNINGS,
DISBURSEMENT AND NET AMOUNT REPATRIATED
TO BANGLADESH FOR THE QUARTER
ENDED20

68APP 5Para 7(c)See Chapter 10

Name of the shipping company

3. Net earnings/receipts (1 -2)

Total repayments

Closing Balance (3-4)

the best of

our kno

N.B. All items are to be reported in equivalent Bangladesh Taka. STATEMENT SHOWING DETAILS OF DEBITS & CREDITS
CURRENCY A/C NO MAINTAINED WITHFOR
THE QUARTER ENDED (TRANSCRIPT RECEIVED FROM FOREIGN BANK
TO BE ENCLOSED).

Date Debit Credit Balance Beneficiary Purpose Remarks

No.

S1

payment made

Place where

Vessel

Name of the

evidence

Documentary

1 2 3 4 5 6 7 8 9 10 11

statement gives complete information of all our foreign currency accounts allowed to be maintained.

We hereby certify that the information contained in this statement is true and correct in every respect to the best of our knowledge

Place

of the Shipping Co.

Signature & Stamp of the authorised persons

Date

the quarter to which it relates (A photo copy of bank statement containing the transactions should be enclosed.)

Note: The statement should be submitted as at 31st March/30th June /30th September/31st December each year within two months

69APP 5Para 7(d)See Chapter 10

Name of the Shipping Company

2. TM form for

(Amount)
Short weight
Commission
Brokerage
Quality claims
Damage
Arbitration/Control fees

3. Particulars of documents attached in support of application

(1)

(2)

(3)

Relative EXP Form Nos.

Date

(FOR USE BY THE AUTHORISED DEALER)
CERTIFICATE

No. Date

Stamp and Signature of Authorised Dealer

70APP 5Para 13,16See Chapter 10
APPLICATION FOR REMITTANCE OF EXPORT CLAIMS

.....
.....
.....
.....
.....
.....
.....
.....
.....

4)

5)

6)

We declare that the full proceeds of exports in respect of which the above claims have arisen have been realised throughand that the

(Name of Authorised Dealer)
claims are genuine and no remittance has been made against these claims through any other source.

Stamp and Signature of Exporters

Certified that the remittance application and supporting documents have been checked and found in

order. Remittance of may be considered.

Part -1

1. Name and address of the exporter:

2. Particulars of discount allowed to the same exporter in last 3 years :

Sl. No.

Export LC/ Export Amount/ Amount of Discount Rate of contract No Bill Value Value of Discount Allowing Discount & Value

3. Export performance of the same exporter in last 3 years:

Sl. No.

Export LC/ Export Bill EXP No Invoice No Realised Amount of
Contract No & Date & Value Value Discount
& Value

E

No. & Date

Part -2: Required information to be submitted with supporting documents/necessary papers:

- i) Reason(s) for claiming discount by foreign buyer(s) and particulars of correspondences with the buyer(s);
- ii) Number, date and value of Back To Back LC(s);
- iii) Date of receiving of imported goods, bill no, bill date and bill value;
- iv) Amount of import liability and date of payment;
- v) No. of master export LC & date, value and date of shipment, etc.;
- vi) Quantity of exported Readymade Garments and invoice value;
- vii) New sales price if goods are proposed to be sold to a new buyer;
- viii) Amount and rate of discount claimed on consignment/bill basis
- ix) Name, address and particulars of licence/registration of the Buying House and Freight Forwarder.

71APP 5Para 18See Chapter 10

APPLICATION FOR APPROVING REMITTANCE OF DISCOUNT

ON ACCOUNT OF READYMADE GARMENTS STATEMENT OF REMITTANCE OF EXPORT CLAIMS
FOR THE MONTH OF20

NAME OF THE AUTHORISED DEALER

EXP Form

Amount realisedExport Proceeds

Amount of

realisation

Date of

claim

Nature of

the exporter

address of

Name and

the buyer

address of
 Name and
 No. Date currency
 foreign remittance
 (Mention in Date of
 Amount remitted
 In F.E In Taka In F.E In Taka
 1 2 3 4 5 6 7 8 9 10 1 12
 Date Signature & Seal of the Authorised Dealer
 72APP 5 Para 20 See Chapter 10 (Including Facultative Reinsurance Business.)
 of currency) (Country)

1. Policy :

- (a) Nature of policy
- (b) Amount and currency of policy
- (c) Date and place of issue
- (d) Insured voyage (for marine policies)
- (c) Claim payable at

2.

3.

4.

5.

6.

7.

Premia :

- (a) Country of collection
- (b) Currency of collection
- (a) Cause of loss
- (b) Amount of claim admitted
- (c) No. of 'EXP' form
- (a) If a foreign currency account is maintained with Bangladesh Bank's approval, a proforma statement of the account showing the latest position should be

submitted.

(b) Date of submission of the last quarterly statement to the Bangladesh Bank and the reference to the covering letter.

(c) Reasons why claim is not being met from this account

Name and address of

(a) the claimant

(b) the claim settling Agent (Where applicable)

Whether the applicant Company has been registered in Bangladesh under the Insurance Act
Name and address in Bangladesh of the applicant Company

Date For and on behalf of
Stamp and Signature of Insurance Company.

73APP 5Para 21, 22See Chapter 10

Para 11See Chapter 18

SETTLEMENT OF NON LIFE CLAIMS

In support of our application on Form 'TM'(enclosed) for the remittance of (Amount)

.....towe make the following declaration: PARTICULARS

OPENED BY A COMPANY/FIRM RESIDENT IN BANGLADESH

1. Name and address of the Principal Company/Firm of Bangladesh:

2. Name and address of Proprietor/Partners/Directors:

3. Nature of business:

4. Amount invested in Bangladesh:

5 Annual turnover and the amount of profit earned during the last financial year

6 Particulars of Income Tax Registration Certificate and amount of Tax paid:

7 Particulars of branch office/Subsidiary Company abroad:

(a) Name & address

(b) Nature of business

(c) Date of opening

(d) Particulars of estimated income and expenditure

8. Justification for opening office abroad:

Signature and name of the authorised official of the AD with stamp

Signature and name of the authorised official of the parent company in Bangladesh with stamp

74APP 5Para 24See Chapter 10Remarks

No.

SI

of shares

allotment/transfer

dividend

Date of

Amount of

registered

shares are

which

Address at

dividend

amount of

remittable

Net

shareholders

of the

present address

nationality &

Name

dividend

due on the

Super Tax

Income Tax/

Amount of

address

address to present shares)

change of original each class of

Bank's authority for (Separate for

Bangladesh of shares held

Reference to No. & value

1 2 3 4 5 6 7 8 9 10

APPLICATION FOR REMITTANCE OF DIVIDENDS TO NON-RESIDENT

SHAREHOLDERS OF

FOR THE YEAR ENDED

1. Certified that:-

(i) the shares mentioned in column 5 are held by non-resident shareholders and stand registered at their foreign address as gi

(ii) the above shares are held by the non-resident shareholders mentioned above on the basis of repatriation of dividends as per Bangladesh Bank.

(iii) the amount of dividends applied for remittance is the net amount due to the non-resident shareholders mentioned above after liabilities, if any, payable thereon; and

(iv) * the above dividends for the year have been declared by our Board of Directors at a meeting held on.....out of the net for the year/period ended..... 20..... as disclosed in its relevant audited accounts after making adequate provision for tax and t

any other undistributed profits as are available for declaration of dividends. The profits made by the Company for the period end20..... after making adequate provision for tax and other liabilities are considered to be adequate by us and our Aud

payment of interim dividends, which have been declared by our Board of Directors on.....

Contd.....Page-02

75APP 5Para 31(a)See Chapter 10We hereby undertake to submit to Bangladesh Bank through our bank the final income tax

Signature.....Placedate

Name

Designation (Director/Secretary)

has been verified by us and found to be Correct.

Certified that the information as furnished above by the Company including those given against items (i) to (iv) paragraph 1 of th

*Strike out whichever is not applicable AUDIT O R S

Date of remittance Amount of remittance allowed

Code Number Remark

of Taka into foreign currency

Rate of Exchange applied for conversion

Foreign currency Taka equivalent

Certified that the amounts mentioned above have been remitted strictly in accordance with the foreign exchange regulations in f

Date :

Seal & Signature Authorised Dealer

Page-02

75APP 5Para 31(a)See Chapter 10DECLARATION MADE BY SATELLITE CHANNEL DISTRIBUTOR

TO WHOM IT MAY CONCERN

I/We do hereby declare/undertake that in the event of any excess amount of foreign

exchange remitted to our foreign principal(s),

the amount remitted as such in excess of the actual entitlement will be

repatriated/adjusted to Bangladesh immediately on demand by the Authorised

Dealer Bank/Bangladesh Bank/any other competent authority.

Signature of the Authorised Person:.....

Name:.....

Designation:.....

Name and Full Address of the Company (Distributor):

Date of Declaration :

76APP 5Para 35See Chapter 10FBC-1

LIST OF PAPERS/DOCUMENTS TO BE SUBMITTED BY

LOCAL STOCK BROKERAGE FIRM TO AD

1. Application of the local brokerage firm in the letter head pad addressing to the AD;
2. Agreement with foreign principal(s) specifying description of the services under the contract, calculation/ratio of sharing of commission etc. between the parties, charges (if any) to be deducted from the commission earnings, signing and expiry date of the agreement, termination of contract, renewal of the contract, etc.;
3. Updated Trade Licence, membership licence of the Central Depository, Bangladesh Ltd (CDBL), membership licence of stock exchange(s), permission of the Bangladesh Securities and Exchange Commission to work as stock broker;
4. Attested Copy of TIN;
5. Bank Solvency Certificate;
6. Partnership deed (for partnership firms);
7. Certificate of Incorporation, Articles of Association, Memorandum of Association (for companies)
8. V AT Registration Certificate (optional).

77APP 5Para 41(b)See Chapter 10Name of the AD.....Bank.....B

Name of Local Brokerage Firm (Agent):

Name of Foreign Brokerage Firm(Principal) :

Distribution of

commission

earnings

(Col 6)

Deductions

from earnings

of Principal

(col 8) .

Agent Principal Taxes Others

Net Amount

Remittable

1 2 3 4 5 6 7 8 9 10

11 = 8-9-10

BDT USD

Total

12. Add: Outstanding as per last statement

13. Net Amount remittable

14. Less: Amount remitted during the month

15. Net outstanding amount

78APP 5Para 41(d,e)See Chapter 10

FBC-2

STATEMENT SHOWING COMMISSION/SERVICE CHARGES PAYABLE TO
FOREIGN STOCK BROKERAGE FIRM (PRINCIPAL) ABROAD AND SETTLED
THEREAGAINST DURING THE MONTH OF,20

Sl. No.
NITA No.
Bank Name and
Branch
BO Account No.
Name of Portfolio
Investors
Gross
commission/service
charges earned Dealer/Bangladesh Bank or any other competent authority.

Signature with date and stamp of the authorised
official of the local stock brokerage firm with
full name and designation.

Signature with date and stamp of the
authorised official of the AD bank
with full name and designation.

Encl. Attested copy of transaction statements of investors

Certificate from the Auditor

Certified that the particulars furnished above truly represent the status of remittable amount to
principal abroad.

Place: Signature :

Date:..... :

Name of the audit firm :

Page-02

78APP 5Para 41(d,e)See Chapter 10

We do hereby certify that the above information is correct. We also certify that taxes,
VAT, etc. applicable to commission earnings have been deducted accordingly. We do
hereby undertake that in the event of any excess amount of foreign exchange remitted to
the foreign principal, the amount remitted as such in excess of the actual entitlement, will
be repatriated/adjusted to Bangladesh immediately on demand by the Authorised
Status

Particulars Amount

in BDT

Amount

in USD

Share of commission earnings earned during the reporting period
(Net as per summation of FBC-2 of the period)

Add : Outstanding as per last statement of preceding half year

Net amount remittable

Less : Remittance effected during the reporting period (as per FBC-2)

Net outstanding amount (as per last FBC-2)

Signature with date and stamp of the authorised
official of the local stock brokerage firm with full
name, designation.

Signature with date and stamp of the
authorised official of the AD bank with
full name, designation.

Encl.: Copies of Appendix FBC-2, approved TM Forms for the period under report.

79APP 5Para 41(e)See Chapter 10

HALF YEARLY CONSOLIDATED STATEMENT SHOWING
COMMISSION/SERVICE CHARGES PAYABLE TO FOREIGN
STOCK BROKERAGE FIRM (PRINCIPAL ABROAD) AND
SETTLED THEREAGAINST DURING THE PERIOD OF

Name of the AD.....Bank.....Branch

Name of Local Brokerage Firm (Agent):

Name of Foreign Brokerage Firm(Principal):..... Application for T

Nationals Retiring Permanently from Bangladesh.

To

(Authorised Dealer in Foreign Exchange)

Dear Sirs,

I hereby apply for permission to remit the sum of Tkto.....in
(country)

respect of my savings for the period of my stay in Bangladesh fromto.....

(a) Sale proceeds of locally purchased articles (list enclosed) Tk.

(b) Sale-proceeds of imported articles (list enclosed). Tk.

(c) Sale-proceeds of Defense Savings Certificates or other
securities (list enclosed) Tk.

TOTAL: Tk.

.....Contd P/2

80APP 5Para 3 (A)See Chapter 11

FOREIGN EXCHANGE REGULATION ACT, 1947

2. I give below the following information in respect of my income and expenses etc. during my stay in
Bangladesh fromtoduring my last 10 years of stay in Bangladesh
fromto.....

(i) My total income in Bangladesh and/or funds brought into Bangladesh from abroad through normal
banking channel during the above period were as under:-

(a) Total amount of pay and allowances received during the
period from..... to..... Tk.
(employer's certificate enclosed)

(b) Total amount of Provident Fund, bonus and other gratuitous
payment (not included in sub-para (a) above) received.
(employer's certificate enclosed). Tk.

(c) Funds brought into Bangladesh from abroad through
normal banking, channel. (Bank's certificate enclosed). Tk.

TOTAL: Tk.

(ii) Amount of sale proceeds of my locally purchased and imported household goods as also the sale
proceeds of my investments in Defense Savings Certificate and other securities made for availing of
Income Tax Relief are given below:- Page-02

(iii) My expenses etc., during my stay in Bangladesh from.....to.....were as under : -

(a)

(b)

(c)

Maintenance and other expenses including private travel expenses etc., incurred in Bangladesh (statement enclosed)

Family remittance against family maintenance permits and leave salary remittances etc., made (details enclosed)

Any other expenditure/commitment not covered under (a) & (b) above (statement enclosed)

Tk.

Tk.

Tk.

3. I confirm that I am a citizen of.....and that I hold Passport No. issued by the Government ofThe cost of return passage for myself and been/is being paid by the employer/myself.

4. I have been working in Bangladesh:

*(a) in the public sector with (Name of the employer)

with the permission of Govt. (copy enclosed)

*(b) in the private sector withwith the permission of Ministry of

*(c) as self employed person in Bangladesh with the permission of the Government (copy enclosed)

Yours faithfully

Signature.....

Name in full.....

Date Full residential

address in Bangladesh.....

Occupation.....

*Strike out which is not applicable.

.....ContdP/3

80APP 5Para 3 (A)See Chapter 11

Total Tk.

my family has

5. I hereby declare that I will be permanently retiring from Bangladesh within 6 months i.e. by and that I have not applied to any other office of the Bangladesh Bank for similar remittance facility.

6. I declare and undertake that in the event of there being any change in my present plan to leave Bangladesh permanently, I shall immediately notify yourselves, giving reference to this application. I shall also arrange immediately to resell the foreign exchange, if any, drawn by me under this application to an Authorised Dealer in foreign exchange in Bangladesh in compliance with Sub-section 3 of Section 4 of Foreign exchange Regulation Act, 1947.

7. Necessary supporting documents, as prescribed, are enclosed. Page-03

Certified that we are the employer of Mr/Ms. and that we have separately issued to him/her certificate showing the amount of pay and

allowances etc. paid to him/her by us during the period of his/her employment with us
from
..... to

Date Signature of the Employer
with their stamp

AUTHORISED DEALER'S CERTIFICATE

We hereby certify that the statements made above are to the best of our knowledge and
belief correct

Date Stamp and Signature of the
Authorised Dealer
80APP 5Para 3 (A)See Chapter 11
EMPLOYER'S CERTIFICATE
Name Relationship Age

1

2

3

.

*Please see instruction No. 1 at the bottom of this form.

**Strike out if not applicable.

.....ContdP/2

81APP 5Para 8(c)See Chapter 11

FORM OF APPLICATION FOR PRIVATE

REMITTANCE BY FOREIGN NATIONALS TO COUNTRIES ABROAD

To

Dear Sirs,

I hereby request you to allow me to remit the sum ofper month
out of my monthly income to.....for a period of twelve months.

2. I declare that: -

*(a)

my net salary per month receivable in Bangladesh during the next twelve months after taxation and
other deductions will be Tk. and in support of this statement, I append a certificate
signed by a responsible official of the Company /Branch/Organisation by whom I am employed in
Bangladesh.

** (b) I am the owner/partner of
(Name of the Company)

and certify that my net income in Bangladesh from this and other sources in Bangladesh, during the next twelve months after taxation will not be less than Tk per annum and in support of the statement I am enclosing for your inspection and return the Income Tax Assessment Order for the year

(c) I have been continuously residing in Bangladesh since.....and to the best of my knowledge and belief I shall continue to reside in Bangladesh until.....

(d) I am single/married and the following members of my family who are dependent on my income are staying, with me in Bangladesh:

I undertake to report to you the particulars of my family members who may join me subsequently.

(e) The following members of my family who are dependent on my income are residing at

(Name of the foreign country)

1.
2.
3.

(f) My monthly financial commitments at home are as under:-

- (i) Family maintenance
- (ii) Payment of insurance premia
- (in) Educational expenses of children
- (iv) Legal charges, mortgage payments etc.
- (v) Loan, Interest etc.

(vi) Other miscellaneous commitments (please specify broad details)

(Suitable documentary evidence where possible, should be produced in support of the above items)

- (i) House Rent
- (ii) Family maintenance
- (iii) Educational expenses
- (iv) Insurance premia payable in Taka
- (v) Transport expenses
- (vi) Servants' salaries

(vii) Club (Please specify names of the club) expenses.....

(viii) Other miscellaneous expenses (Please specify broad details)

3. I confirm that :

(a)

(b)

I am a citizen ofand hold Passport as per details below:

(i) Passport No.

(ii) Issued by the Government of
.....

(iii) Place of birth as per Passport
Passport

I hold stay permit No.datedvalid up to.....

issued byfor staying in Bangladesh.

My passport is submitted to my bankers for certifying the particulars stated above.

.....ContdP/3

Page-02

81APP 5Para 8(c)See Chapter 11

(g) After making the remittances applied for the Taka balance out of my monthly income will be adequate to cover my and my family's living and other expenses in Bangladesh which are broadly as under:-

(iv) Residence as per Yours faithfully

Signature of the Applicant

Date Name in full.....

Full residential address in Bangladesh.....
.....

Occupation

Gross monthly income

(a) Pay Tk.

(b) Allowances Tk.

Less:

(1)

(2)

(3)

(4)

(5)

Income Tax

Provident Fund

Recoveries of advance

House Rent etc.

Others including entertainment allowance,
transport allowance, servant allowance etc.

Tk.

Tk.

Tk.

Tk.

Tk.

Tk.

Total: Tk.

Net monthly income: Tk.

.....ContdP/4

Page-03

81APP 5Para 8(c)See Chapter 11

(c) All remittances against the permission applied for will be made from savings from my current Bangladesh Taka income and that the remittances will not involve any payment to any person directly or indirectly on behalf of any other resident of Bangladesh.

(d) Necessary permission of the Govt. of Bangladesh in regard to my employment in Bangladesh has

been obtained vide their reference No. Date.....(copy enclosed).

I further confirm that I have not applied to any other bank branch in Bangladesh for similar remittance facilities.

I declare that my total salary, allowance etc. in connection with my services rendered in Bangladesh are being received by me in Bangladesh and that no part of my emoluments is being received by me in foreign currency in any foreign country.

We.....are employer of

Mr/Ms.....(and a certificate to this effect is enclosed) and certify that

he/she has been employed by us with the prior approval of the Govt. of Bangladesh, vide their letter

No.....dated..... (original enclosed for reference and return). We hereby

further certify that subject to his/her remaining in our employment his net salary during the next twelve months will be Tkper

months as detailed below:

CERTIFICATE REQUIRED UNDER PARA 2(a)

Date

Name, Designation, Signature and

Stamp of Employer

Date Signature and Stamp of the

Authorised Dealer

.....ContdP/5

Page-04

81APP 5Para 8(c)See Chapter 11

We further certify that to the best of our knowledge and belief the declarations made by the applicant are true and no material fact has been distorted or suppressed.

We also undertake to inform you if the applicant ceases to be in our employment in Bangladesh or if any material change in the circumstances contained in his/her declaration comes to our knowledge.

We hereby certify that the above statements are, to the best of our knowledge, correct

and that we have examined the passport of the applicant and the details given in para

(3)(b) are correct.

I. In the case of a person who has not been resident in Bangladesh for a period of at least six months, a certificate from applicant that the applicant has been appointed to their regular staff in Bangladesh should be produced.

II. The certificate of the employer should be signed by the Manager or a Senior Officer of the Company etc., stating capacity in which he signs.

III. Applications for such remittance facilities should be made by one member of the family. If there are more than one earning member one application stating the joint income should be made by any one of them.

IV. Family means wife and children only.

V. When the applicant is receiving additional facilities like free board/lodging, motor car etc., the monetised value of such facilities as declared to the income tax authorities should be stated itemwise.

In addition to the above he/she gets the following facilities

(a)

(b)

(c)

IMPORTANT INSTRUCTIONS

CERTIFICATE BY THE AUTHORISED DEALER SI Date of Amount Particulars of return in which Stamp and Remarks
No. remittance remitted the transaction reported to signature of
the Bangladesh Bank the AD

1.

2.

3.

4.

5.

6.

7.

8.

9.

10.

11.

12.

Page-05

81APP 5Para 8(c)See Chapter 11

(ENDORSEMENT BY THE AUTHORISED DEALER)

Manager

Dear Sir,

(Name of Branch)

(Name of Bank)

(Address)

I hereby apply for foreign exchange for my studies abroad, the required details are as under:-

1. Name :
2. Address
3. Passport No. :
4. Educational qualifications :
5. Name and address of the educational institution where study will be prosecuted/performed :
6. Name of the course :
7. Duration of the course :
8. Date of commencement of the course :
9. Annual expenditure
 - a) Tuition fee :
 - b) Board, lodging, etc. :
 - :
 - :
10. Amount to be remitted in advance to :
11. Last date for remittance of advance :
amount
12. Whether the remittable advance is refundable :

.....ContdP/2

82APP 5Para 10 (A)See Chapter 11

APPLICATION FOR FOREIGN EXCHANGE FOR STUDIES ABROAD

c) Insurance

d) Travel

the educational institute

:14. Details of foreign exchange
purchased, if any, previously :

(Signature of the Applicant)

Address:

(a)

(b)

(c)

(d)

(e)

Letter issued by the educational institution in support of admission,

Educational certificates,

Estimate/ invoice issued by the educational institution,

Declaration by the student,

Valid passport.

Page-02

82APP 5Para 10 (A)See Chapter 11

13. Amount sent or to be sent in Blocked account abroad

:

Date of purchase of foreign exchange and amount (If the entire amount has not been utilised under the relevant head, the unspent balance should be deposited with the application)

In the light of details given above, I may kindly be allowed to purchase foreign exchange amounting to
..... towards tuition feetowards board lodging etc.....towards
traveltowards insurance.....towards blocked account abroad.

Yours faithfully,

Papers submitted : Page-03

Name of the Student : Passport No :

SI Date of

Rem.

Particulars of Course Amount of FC Released Against (Eqv USD) Stamp and Sig
of AD

Reporting

Particulars to BB 1 Class/Course Semester Institution Tuition
Fee Living Travel

2

3

4

5

6

8

9

10

82APP 5Para 10 (A)See Chapter 11
DISBURSEMENT SCHEDULE (ENDORSEMENT BY THE AD)
RELEASE OF FOREIGN EXCHANGE FOR STUDIES ABROAD
Insurance Blocked
Account

Note : ADs shall preserve information in the respective student file using the above format. The above format shall be used for the remittance. Photocopy of the above statement shall have to be submitted to Bangladesh Bank with monthly return.

To

1.

2.

3.

4.

5.

6.

7.

8.

9.

10.

bank
(Name of the AD)
Branch
(Authorised Dealer branch)

Name and address of the applicant
Nationality, Passport No., date and place of its issue.
Age
Period of continuous residence in Bangladesh
Nature of disease
Particulars of treatment already received
Names of Institutions/Doctors who have carried out the above treatment
Treatment contemplated in which country/countries
Anticipated length of stay abroad for treatment
Estimated cost of the treatment
(i) Estimated expenses for operation.
(ii) Estimated expenses for medicines.
(iii) Estimated expenses for consulting Medical Advice.
(iv) Estimated expenses for boarding and lodging in Hospital/outside.

Total

.....ContdP/2
83APP 5Para 2See Chapter 12
APPLICATION FORM FOR FOREIGN EXCHANGE FOR
MEDICAL TREATMENT ABROAD Page-02

Date
Signature of the Applicant
Name and full address

Date
Place of examination
Seal and Signature of the
Medical Board, Govt. of Bangladesh/
Specialist Physician

83APP 5Para 2See Chapter 12
I hereby certify that the particulars given above are correct. I hereby undertake to submit to you a

detailed account of the expenses incurred by me in connection with any proposed medical treatment and will submit to them medical/hospital bills/vouchers in support of the statement immediately after my arrival in Bangladesh from

1. Applicants are advised to support their applications with all documentary evidence available.
2. Exchange facility for medical treatment will be allowed subject to the conditions that a statement of expenditure together with supporting vouchers will be submitted to the bank issuing foreign exchange. Those not producing such a statement will be liable to action under Foreign Exchange Regulation Act, 1947.
3. Request for further remittances of foreign exchange should be routed through Bangladesh Embassy/High Commission concerned duly supported by a statement of account and bills for the initial release of foreign exchange.

CERTIFICATE OF THE MEDICAL BOARD/SPECIALIST PHYSICIAN
Important Instructions FORM OF APPLICATION FOR ISSUANCE OF PTA

To

..... (Name of Airlines)

..... (Address of Airlines)

..... Airlines

Dear Sir,
Mr/Ms.....would
(Name of the guest)

Yours faithfully,

(Name of the Authorised Officer
of the Applicant Agency with Stamp & Date.)
Telephone No

84APP 5Para 14(b)See Chapter 12

Visit Bangladesh from.....to.....at the invitation of
this Agency for the purpose of His
passage and other expenses as usual would be borne by this Agency. Accordingly, Form 'P', duly
filled in is enclosed herewith.

Please issue a PTA in the name of the above guest per route DECLARATION
I/We

(Name and address of the exporter)

holding Registration No.

datedissued by the

(Name of the office of CCI & E)

do hereby declare that the packet to be sent by me/us to

(Name and address of the person to whom the sample is to be sent)

contains bonafide trade samples of
(name of item)

of
(state quantity)

I/We further declare that this is a free trade sample without involving any payment in foreign exchange.

Date

Authorised Signature and Seal of the Exporter

85APP 5Para 19(e)See Chapter 12

Name and address of the authorised dealer bank.....

Monthly statement of NFCD transactions for(Month)(Year).

Currency: Pound Sterling/US Dollar/EURO/Japanese Yen

Sl. No. Deposits Amount

1.

2.

3.

4.

5.

6.

Opening Balance

a) Bangladesh nationals

b) Foreign nationals, firms, companies etc.

Amount received from abroad including local deposits to NFCD Accounts, as per FE circular No. 28 of 1982. (Please attach a list of country-wise figures.)

Amount received by way of transfer from other FC Accounts

Amount received from abroad from the foreign nationals, companies/firms and institutional investors etc. for deposit to their NFCD Accounts as per FE circular No. 44 of 1986 (Please attach a list of country wise figures)

Interest credited to accounts

a) Bangladesh nationals

b) Foreign nationals, firms/companies etc.

Other receipts.

TOTAL

Sl. No. Withdrawals Amount

- 1.
- 2.
- 3.
- 4.
- 5.

Transfer abroad to the Account holders (Bangladesh nationals)
Transfer to FC Accounts of Bangladesh Wage Earners
Transfer abroad to the account holders (Foreign nationals and foreign firms/companies etc.)
Miscellaneous payments

Closing balance
a) Bangladesh nationals
b) Foreign nationals, firms/companies etc.
86APP 5Para 20See Chapter 13

MONTHLY STATEMENT OF NFCD ACCOUNT TRANSACTIONS

.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....

TOTAL

Monthly statement of RFCD transactions for(Month).....(Year)

Currency: Pound Sterling/US Dollar/EURO/Japanese Yen.

Serial No.

- (1)
- (2)
- (3)

Serial No.

- (1)

Deposits

Opening Balance
Deposits during the month under report
Credit on account of interest earned
Total

Total

Withdrawals

Transfers abroad under instruction from account holders

Amount

Amount

(2)

(3)

(4)

Issues in the form of Cash/TC/Draft on account of travel abroad by account holders

Amount encashed to Taka

Used through International Card

Closing balance

Date Signature and designation of authorised officer

87APP 5Para 26See Chapter 13

MONTHLY STATEMENT OF RFCD ACCOUNT TRANSACTIONS

Name and address of the authorised dealer bank..... STATEMENT

Name and address of the Authorised Dealer:

1. Name and address of the Account Holder:

2. Account No...../

Part-A: Particulars of Receipts of foreign currency

Name of the country	Name of the Currency	Amount received
---------------------	----------------------	-----------------

Part-B: Particulars of foreign currency used against issuance of securities

Name of the country	Name of the Currency	Amount used
---------------------	----------------------	-------------

Part-C: Particulars of remittance towards over-subscription of securities

Name of the country	Name of the Currency	Amount remitted
---------------------	----------------------	-----------------

3. Date of opening of account

4. Date of closure of account

Date : Authorised signature and seal

Note : Please, attach encashment certificate in support of Part-B.

88APP 5Para 31See Chapter 13STATEMENT OF TRANSACTIONS IN FC ACCOUNTS OPENED FOR DEPOSITING AND U

ADVANCE PAYMENTS AGAINST ORDERS FOR BUILDING AND EXPORT OF SHIPS

SI No FC A/C No

and name of

the

account holder
 shipyard
 Export
 contract/LC
 No and
 date
 Export
 value in
 FC
 Date of
 Expiry
 Amount received
 in advance
 Import
 LC No,
 date,
 value
 Payment against
 import LCs
 Remarks
 Date Amount Date Amount
 1 3 4 5 6 7 8 9 10 11

Official Seal : Signature of the authorised official

Name :

Designation :

Contact Phone No.

E-mail :

Date :

89APP 5Para 36See Chapter 7

Para 32See Chapter 13

2FORM QA 22

(Form of undertaking to be furnished by foreign nationals resident in Bangladesh and companies and firms whose head offices are outside Bangladesh for maintaining bank account.)

To,

The Manager,

.....

(Name and address of Bank)

Dear Sir,

I/We hereby certify that the credits paid into my/our account with your bank relate normally to my/our trading business in Bangladesh only and consist of the following:-

(Here state the principal sources from which Taka payments into the account are derived, e.g. payments received for goods sold, stating general nature of goods).

In consideration of the Bangladesh Bank agreeing to dispense with my/our completing Form A-7 in respect of every credit to my/our account, other than from non-resident account, I/we undertake that I/We will not make available to any person or firm in Bangladesh any foreign currency which may be at my/our disposal, against reimbursement in Taka, without first having obtained the permission of the Bangladesh Bank (through an Authorised Dealer) by completing Form A-7 in respect of the Taka payment to my/our account. I/We further agree to complete Form A-7 in respect of any payments into the account which may not be directly connected with my/our trading activities in Bangladesh, or which represent remittances received from overseas.

Yours faithfully,

Signature of applicant

Dated.....

Full name of applicant.....Nationality.....

.....Passport No. datedissued by.....
.....Occupation.....Address.....Date of arrival in
Bangladesh.....

We certify that to the best of our knowledge and belief the information given above is correct.

Dated..... Stamp and Signature of

Authorised Dealer

Note: This form should be completed in on original and submitted to the Authorised Dealer with whom the account is desired to be opened for being preserved in the respective account opening file.

90APP 5Para 9See Chapter 14

I/We the undersigned apply for permission to transfer/pay Taka

Say from/to the account of
(in figures) (in words)

(name and address of transferee/transferor or full title of account debited/credited stating

at to/from

the country of residence) (insert name of bank with whom account is kept)

(name and address of transferee or full title of account credited/debited stating the country of
at

(insert name of bank with whom account is kept) for the
purpose stated below:

Name of Applicant

Nationality

Address

Stamp and Signature (s)
of the applicant

Dated

Contd.P/2

91APP 5Para 9See Chapter 14

FORM A-7

(Application to transfer Bangladesh Taka from/to a private Non-Resident Taka Account held in
Bangladesh.)

N.B. (1) This form should be used only when payment is made in Bangladesh Taka to/or from an account in the name of a person or firm other than a bank resident outside Bangladesh.

(2) This form should be completed in duplicate when the transfer is from one non- resident account to another.

I/We declare that the statements on this form are true, that the transfer is solely for the purpose specified above and that this purpose in no way contravenes the provisions of the Foreign Exchange Regulation Act, 1947.
residence)

We hereby certify that the statements overleaf are to the best of our knowledge correct and that we have seen documentary evidence in support thereof, and allowed transfer in terms

of para 13, Chapter 14 of the Guidelines for Foreign Exchange Transactions/apply for permission of the Bangladesh Bank to effect the transfer.

Date Signature and stamp of the
Authorised Dealer

Space for use by the Bangladesh Bank

BANGLADESH BANK
Foreign Exchange Policy Department
.....

Date Assistant Director

Note : The approval of the Bangladesh Bank will remain valid for one month from the date of approval.

91APP 5Para 9See Chapter 14 Page-2Name of the Bank

Aggregate position of NITA(s) at the end of Month.....

Particulars

01. Aggregate opening Balance of all NITA (s) as at 1st

02. Aggregate amount credited to NITA(s) during the month with :

(i) Direct Inward Remittance

(ii) Transfer from FC A/C(s) other than as mentioned (iii) below

(iii) Transfer from FC A/C(s) of NRBs working abroad

Total (i)+(ii)+(iii)

Equivalent USD Equivalent BDT

(b)

(c)

(d)

03.

04.

a)

b)

c)

d)

e)

5.

Aggregate sales proceeds of shares/securities credited back to NITA(s) during the month.

Break up of (b)

Purchase price of shares/securities sold and credited back to NITA(s) during the month

Add: Capital gain earned and credited to NITA(s) during the month.

Total dividend earned and credited to NITA(s) during the month

Other receipts credited to NITA(s) [please specify]

Aggregate position of credit entries in all NITA(s) during the month [(a)+(b)+(c)+(d)]

Total Balance left in FC A/Cs after part transfer/no transfer to NITA(s) :

(a). FC A/Cs of (ii) of 02 (a) above

(b) FC A/C(s) of (iii) of 02 above

Aggregate position of debit entries raised in the NITA(s) during the month

Total purchase of shares/securities in all NITA(s) during the month

Total outward remittances from the NITA(s) during the month (i+ii+iii below)

Break up of 4(b)

(i) Purchase price of shares/securities

Add: Capital gain earned

Total sales proceeds repatriated abroad

(ii) Repatriation of dividend earned during the month

(iii) Repatriation of NITA(s) credit balance without any utilisation Total (i) +(ii) + (iii)

Total incidental expenses debited in the NITA(s) during the month

Transfer to foreign currency accounts

(i) Transfer to FC A/C(s) other than as mentioned (ii) below

(ii) Transfer to FC A/C(s) of NRBs working abroad

Total (i)+(ii)

Other debit(s) [please specify]

Aggregate position of debit entries in all NITA(s) during the month

Aggregate closing balance of NITA(s) at the end of the month (1+2-4)

.....Contd to page 2

(a)

92APP 5Para 24 (x)See Chapter 14

MONTHLY STATEMENT OF TRANSACTIONS IN NITA 92APP 5Para 24 (x)See Chapter 14

Distribution of Portfolio investment by nationality of the investors during the month

[consolidated figure as reported at 2(a) and 3 above of the statement].

Nationality of the Non-Resident Investors

2(a) representing inward remittance and transfer

(3) Balance left in FC account

U.S.A

United Kingdom

France

Other European Countries

Japan

Singapore

Hong Kong

Middle East

Sub-continental (Pl. specify)

Other countries (pl. specify)

from FC account(s) in

equivalent BDT

USD in equivalent BDT

Page-2QUARTERLY STATEMENT OF FOREIGN LOAN APPROVED BY BIDA/BANGLADESH BANK

Name and address of the borrower:.....

Authorised dealer bank, branch and address:.....

Specific information & comment on utilisation of the loan:.....

Reporting quarter (March/ June/September/December):.....

Decision of loan

approval

Meeting Date

Lender's name &

address Sector Purpose of the

loan

Date of

sanction by

BIDA/BB

Date of

disbursement

Repayment

period

No. of foreign

borrowing of the

borrower
1 2 3 4 5 6 7 8 9

Total
borrowed
amount
Total
installment
Installment
frequency
Other fees
and expenses
Grace
period
Expiry date
of the loan
Date of 1st
repayment
Total
amount due
since 1st
repayment
date
Total amount
paid since 1st
repayment date
Outstanding as

on reference
date.
10 11 12 13 14 15 16 17 18 19

Signature :
Name of the authorised representative of the borrowing firm:
Designation
Contact phone no.....
E-mail ID:
Signature :
Name of the authorised official of the AD
Designation :
Contact phone no.:
E-mail ID :

Note : For any clarification, FEID, Bangladesh Bank, Head Office, Dhaka may be contacted.
93APP 5Para 8 See Chapter 15Application for grant of Taka Loans and Advances

1. Borrower's name and address
2. Borrower's borrowing status i.e. manufacturing,
semi-manufacturing or trading
3. Amount of Taka loan/overdraft applied for
4. Details of security pledged or
guarantee given.
5. Purpose of the loan/overdraft

applied for

6. Period for which loan/overdraft
is required

7. Particulars of existing local
loans/overdrafts:

Sources of borrowing Amount of borrowing Period for which (To be disclosed limits facility is available where possible)

Total :

8. i. For companies incorporated in Bangladesh:

(a) i. Paid-up capital

Foreign equity

Local equity

Total:

(b) General and other free
reserves, un-distributed profits
and un-remitted dividends as
disclosed by their last audited
Balance Sheet

Total:

(c) Less accumulated loss,
if any,

(d) Net paid-up capital

[i.e. (a+b)-c]

As on

Tk.

Tk.

Tk.

Tk.

Tk.

Tk.

Tk.

Percentage

.....%

.....%

Borrowing entitlement% of (d) i.e. Tk.

..... Contd.....P/2

94APP 5Para 3See Chapter 16

FOREIGN EXCHANGE REGULATION ACT, 1947
FORM-Lii. For branches of companies incorporated
outside Bangladesh As on

(a)

(b)

(c)

(d)

Head Office permanent investment in
Bangladesh

On remitted profits as disclosed by
their last audited Balance Sheet.

Less accumulated loss, if any,

Net Head Office Investment in
Bangladesh i.e. [(a+b)-c]

Tk.

Tk.

Tk.

Tk.

9.

Manner in which the loan/overdraft applied for is
proposed to be liquidated.

We certify that the above statements are true and that the
taka loan/overdraft facility being granted to us will be
utilised solely for the purpose stated in paragraph 5 above.
Authorised Signature of
the borrower & full address

*Strike out whichever is not applicable.

AUDITORS' CERTIFICATE

Certified that we have verified the information furnished against columns 7 & 8 of the
above application and found them to be correct.

Auditors

(For use by the Authorised Dealer)

I. Amount of loan/overdraft facility allowed Tk.

II. Period for which allowed.

Authorised Dealer

Page-02

94APP 5Para 3See Chapter 16 FORM-L

(Name of Bank)

IN BANGLADESH DURING THE YEAR ENDED

GENERAL PERMISSION.....

overdraft limit allowed

Particulars of local loan/

of loan mentioned in column 3

existing on the date of grant of

Particulars of other local loan/overdraft limits

company

controlled

or foreign

Name of foreign owned

Amount of overdraft facility

extending local loan/

Authorised Dealer

branch of the

Particulars of the

which allowed

Period of

address (where given)

Lender's name and

1 2 3 4 5 6

Remarks

(7+8)

Total

if any

Losses,

equity participation

Percentage of foreign

(9-10)

investment in Bangladesh

etc./Head Office permanent

Net paid-up capital, reserves

Bangladesh

Investment in

Permanent

Head Office

Paid-up capital or

Balance Sheets

as disclosed by their last audited

un-remitted dividends and profits

reserves undistributed profits/

General reserves & other free

7 8 9 10 11 12 13

Head Office

Authorised Dealer (Signature)Date

95APP 5Para 4(E) See Chapter 16

CONSOLIDATED STATEMENT OF LOCAL BORROWING FACILITY ALLOWED

TO FOREIGN OWNED OR FOREIGN CONTROLLED COMPANIES IN BANGLADESH

BY THROUGH THEIR VARIOUS BRANCHES

Sl.

No.

MAWB/MBL No.

with date

Corresponding

HAWB/HBL No.

with date

Freight charges

(Foreign currency)

Freight charges

(BDT)

Signature:.....

Name:.....

Designation:.....

PA No.:.....

Instructions:

(a) In case of consolidated remittances, ADs may issue separate certificates for use by respective airlines/shipping companies.

(b) ADs shall observe proper caution so that aggregate amount of different certificates issued does not exceed the inward remittances received in consolidation.

(c) Concerned airlines/shipping companies will use the certificates in their usual returns for submission to Bangladesh Bank.

(To be printed on letter head of AD)

Ref. No.....

Date:

For use by: (Name of Airline/Shipping company)

CERTIFICATE OF INWARD REMITTANCE AGAINST FOB EXPORTS

A/c: (Name of licenced freight forwarder)

Licence No.:.....

Certified that we have encashed inward remittances of (amount in foreign currency) on against shipments made on FOB basis for which payment to airlines/shipping companies have been/will be settled in Taka. Of the inward remittances, equivalent Taka of (amount in foreign currency) will be acceptable by airlines/shipping companies as per following shipping details:

96APP 5Para 4(a) See Chapter 17

Para 2(A)(iii) See Chapter 10

Details of
MAWB/MBL
Details of
HAWB/HBL

SI
No
Name of
counterpart
freight
forwarders No Date No Date
EXP
No
.

Date
Charges paid
to airlines/
Shippinglines

(Taka)
Charges
receivable
from overseas
freight
forwarder (FC)
Service
charges/profit
share payable to
overseas freight
forwarder (FC)
Net amount
receivable
(FC)
1 2 4 5 6 7 8 9 10 11 12 13

Details of
MAWB/MBL
Details of
HAWB/HBL

SI
No
Name of
counterpart
freight
forwarders No. Date No. Date

EXP
No.

Date
1 2 3 4 5 6 7 8 9 10 11 12
Declaration by Freight Forwarder

We do hereby declare that the statement furnished above is a complete and factually correct statement of HAWBs/HBLs issued by us during the month of against export made on FOB basis. We do undertake to be held responsible for false statement/declaration, if detected, under FER Act, 1947.

Signature:

Name of designated official of Freight Forwarder:

Designation:.....

Date

2. Particulars of payment repatriated during the reporting month
STATEMENT SHOWING THE PARTICULARS OF SHIPMENTS UNDER
OUTBOUND AIR/SEA CARGO DURING THE PERIOD FROM TO.....

Name and address of the freight forwarder:

Licence No.

1. Particulars of outbound shipments on charges collect basis

97APP 5Para 7 See Chapter 17

Part - A : Statement of earlier months for which receivables remain outstanding

Part - B : Statement of shipments sent during the reporting month

Destination

3

Destination Amount

repatriated

(FC)

Encashment

Certificate

Ref. No.

Date

of

issue Page-02

CERTIFICATE BY AD BANK

We do hereby certify that during the reporting month we have encashed (amount in foreign currency) against inward remittances and issued certificates as per above statement. Necessary taxes of Tk as declared by customers have been deducted/paid.

Signature :

Name of designated official:

Designation:

Date:.....

Instructions:

(a) ADs shall obtain declaration with regards to freight charges and service charges/profit share separately from their freight forwarder-customers and ensure deduction and payment of applicable taxes, where applicable.

(b) ADs shall advise their freight forwarders to maintain relevant documents which will be made available as and when required by Bangladesh Bank/other relevant agencies.

(c) ADs shall maintain customer-wise systematic record of inward remittances and copies of relevant encashment certificates with relevant documents.

97APP 5Para 7 See Chapter 17

Details of

MAWB/MBL

Details of

HAWB/HBL

Charges received/

receivable from

importers

SI

No

Name of
counterpart
freight
forwarders No. Date No. Date

Country
of
shipment
LCAF
No./
Ref.
No.

Date
FC Taka
Charges
payable to overseas
freight
forwarder (FC)
Service
charges/profit share
receivable from
overseas freight
forwarder (FC)
Net amount
payable
(FC)
1 2 4 5 6 7 9 10 11 12 13 14

We do hereby declare that the statement furnished above is a complete and factually correct statement of HAWBs/HBLs against inward shipment during the month of against import made on FOB basis. We do undertake to be held responsible for false statement/declaration, if detected, under FER Act, 1947.

Signature:
Name of designated official of Freight
Forwarder:
Designation:
Date:.....
Details of
MAWB/MBL
Details of
HAWB/HBL Charges received
from importers

SI
No
Name of
counterpart
freight
forwarders
Country
of

shipment
LCAF
No./
Ref. No

Date
FC Taka
Charges paid
to overseas
freight
forwarder (FC)
Date of
remittance
Net amount
payable (FC)
1 2 4 5 6 7 9 10 11 12 13 14

We do hereby certify that during the reporting month we have effected remittance
(amount in foreign currency) against FOB import as per above statement. Necessary taxes of Tk
..... as declared by customers have been deducted/paid.

Signature:

Name of designated official:

Designation:

Date:.....

98APP 5Para 7See Chapter 17

STATEMENT SHOWING THE PARTICULARS OF SHIPMENTS UNDER
INBOUND AIR/SEA CARGO DURING THE PERIOD FROM TO.....

1. Particulars of inbound shipments on charges collect basis

Part - A : Statement of earlier months for which payables remain outstanding

Part - B : Statement of shipments received during the reporting month

2. Particulars of payment made during the reporting month

Name and address of the freight forwarder:

License No.

Declaration by Freight Forwarder

Certificate by AD bank

3 8

3 8

No. Date No. Date

Page-02

Instructions

(a) ADs shall, before effecting remittances, satisfy themselves with verification of necessary documents such as invoices from counterpart freight forwarders, import documents, etc. and ensure deduction/payment of applicable taxes, if applicable.

(b) In case of payment received in Taka/FC from importers against import on FOB basis, ADs shall be ensured that the payment is supported by certificate as per Appendix 5/13 of this Guidelines.

(c) ADs shall advise their freight forwarders to maintain relevant documents which will be made available as and when required by Bangladesh Bank/other relevant agencies.

(d) ADs shall maintain customer-wise systematic record of outward remittances with relevant documents.

98APP 5Para 7See Chapter 17 Details of

MAWB/MBL

Details of

HAWB/HBL

SI
No
Name of
counterpart
freight
forwarders

Country of
Destination EXP No.

Date Charges to airlines/
shippinglines (Tk)
Charges payable
to overseas freight
forwarder (FC)
1 2 3 4 5 6 7 8 9 10 11

Details of
MAWB/MBL
Details of
HAWB/HBL

SI
No
Name of
counterpart
freight
forwarders

Country of
shipment
LCAF No./
Ref. No. Date Charges to airlines/
shippinglines (FC)
Charges
receivable from
overseas freight
forwarder (FC)
1 2 3 4 5 6 7 8 9 10 11

Adjusted receivable/(Payable) [Difference between column 11 of above statements]

Less: Amount repatriated/remitted during the month

Balance receivable/(payable)

STATEMENT SHOWING THE PARTICULARS OF SHIPMENTS

DURING THE PERIOD FROM TO.....

Name and address of the freight forwarder:

Licence No.

1. Particulars of outbound shipments on prepaid basis

Declaration by Freight Forwarder

We do hereby declare that the statement furnished above is a complete and factually correct prepaid

statement of HAWBs/HBLs against outward/inward shipments during the month of During the reporting month, we have repatriated/remitted (amount in foreign currency) for which necessary payment of applicable taxes of Tk..... have been deducted/paid. We do undertake to be held responsible for false statement/declaration, if detected, under FER Act, 1947.

Signature :

Name of designated official of Freight Forwarder:

Designation:.....

Date:

99APP 5Para 7See Chapter 17

Total

Add; Opening balance

Amount payable

Total

Add; Opening balance

Amount receivable

2. Particulars of inbound shipments on prepaid basis

No. Date No. Date

No. Date No. Date

Page-02

CERTIFICATE BY AD BANK

We do hereby certify that during the reporting month we have encashed inward remittances/ effected outward remittance (amount in foreign currency) on as per above statement. Necessary taxes of Tk as declared by customers have been deducted/paid.

Signature:

Name of designated official:

Designation:

Date:.....

Instructions:

(a) Adjustment between receivables and payables may be made subject to deduction/payment of applicable taxes on eligible receivables and payables and without prejudice to permissions/ approvals, if any, required under any other law.

(b) ADs shall, before effecting remittances, satisfy themselves with verification of necessary documents such as invoices from counterpart freight forwarders, etc.

(c) ADs shall advise their freight forwarders to maintain relevant documents which will be made available as and when required by Bangladesh Bank/other relevant agencies.

(d) ADs shall maintain customer-wise systematic record of outward remittances with relevant documents.

99APP 5Para 7See Chapter 17

Full name & permanent address in Bangladesh of the

Assured

2.

3.

4.

5.

6.

7.

8.

9.

The name and address of the Insurance Co. with which the policy was taken out

The date of taking out of the policy

The amount (in foreign currency) for which the policy has been taken out

Type of policy i.e. Life endowment, Educational etc. (Also state whether with or without profit)

The amount of premium intended to be remitted stating whether it is being paid on monthly, quarterly, half-yearly or annual basis

The period that will be covered by the premium giving the commencing and ending dates

The date of maturity of the policy

Name and full address of the Assignee/Nominee in Bangladesh or abroad

Date

Signature of the Applicant

1.

100APP 5Para 6 (d) See Chapter 18

**DECLARATION TO BE MADE BY POLICY HOLDERS FOR
REMITTANCE OF PREMIA TOWARDS LIFE ASSURANCE
POLICIES EXPRESSED IN FOREIGN CURRENCIES**

I hereby declare that I am a Bangladeshi domiciled in Bangladesh and that my Life Assurance Policy No.....in respect of which the above particulars are furnished, was taken out on..... (date) and that the policy is in full force now and not lapsed or become paid up.

I further declare that proposed remittance of premium towards this pertains to the current period and does not include any past premium payable.

In consideration of the Bangladesh Bank having permitted me to remit premium on my policy referred to above, I undertake to bring to Bangladesh the proceeds of the policy mentioned above on its maturity or its surrender value or any claims arising thereunder through an Authorised Dealer in Bangladesh within one month of my becoming owner thereof.

To

Dear Sirs,

In support of our application on Form "TM" (enclosed) for the remittance oftowe make the following declaration:-
(Amount of Currency) (Country)

1. (a) Date and place of issue of reinsurance policy

(b) A certified copy of the reinsurance acceptance note endorsed

2. The currency in which reinsurance is effected

3. Name and address of the beneficiary

4. Whether the applicant Company has been registered
in Bangladesh under the Insurance Act

Name and address in Bangladesh of the applicant Company.

.....
.....

for and on behalf of

.....

Country of incorporation

Date Stamp and Signature of the
Insurance Company

101APP 5Para 14(i)(a) See Chapter 18

FACULTATIVE/RE-INSURANCE-BUSINESS (PREMIA)

(Not to be used if settlement for Premia and Claims is made on an account basis)

We undertake to receive payment of any claim under the reinsurance through an Authorised Dealer in
Foreign Exchange.

To

Dear Sirs,

In support of our application on Form 'TM' (enclosed) for the remittance

ofto

(amount of currency)

..... we make the following declaration:-

(Country)

1. Currency in which re-insurance has been effected

2. Class of business covered

Date of submission of last quarterly
statement of the Reinsurance Account
to the Bangladesh Bank giving particulars
of the forwarding letter

An upto-date proforma statement of the
account signed by the Manager or an
authorised officer of the company is attached

4. Name and address of the beneficiary

5. Whether the applicant company is registered in
Bangladesh under the Insurance Act

Name and Address in Bangladesh
of the applicant Insurance Company for and on behalf of

.....
.....

(Stamp and Signature
of the insurance company) Country of incorporation

Date

102APP 5Para 14(ii)(d) & 15See Chapter 18

TREATY RE-INSURANCE BUSINESS SETTLEMENT OF ACCOUNT

3. (a)

(b)

We undertake to submit quarterly statements of our above re-insurance account regularly to the Bangladesh Bank and recover Claim/Profit/Commission through an Authorised Dealer in Foreign Exchange. It is certified that re-insurance premia is being regularly received through normal banking channels.

103APP 5Para 19 See Chapter 19

Name of the Bank :

Reporting Month : Year :

MONTHLY STATEMENT OF INTERNATIONAL CARD (IC)

Sl.

Country

Name of

Total Amount

TM ID

No

Code

the

Source of FC

(Thousand USD up to

(If applicable)

Country

2 decimals)

Banks'

Customers' own fund

fund

ERQ

FC A/C of

RFCD

Private FC

Others

A/C

EPZs/EZs

of

Bangladesh
Nationals

Signature of the bank official :

Name of the bank official :

Designation :

Phone : Land :.....Cell :..... .

E-mail : APPENDIX 6

1. Notification issued by the Board of Investment (presently Bangladesh Investment Development Authority) for obtaining loan from abroad by industrial enterprises in Bangladesh in the private sector.

2. Policy guidelines for establishment of Drawing Arrangement between the Exchange Houses abroad and the Banks operating in Bangladesh.

3. Procedure for repatriation of sale proceeds of non-resident owned equity in unlisted companies purchased by residents. 1APP 6

Govt. of The People's Republic of Bangladesh

Board of Investment

Prime Minister's Office

Jiban Bima Tower, 10, Dilkusha Commercial Area, Dhaka-1000, Bangladesh.

Notification No. BOI/R&IM1/4(39)/81(Part)/1209

Date : 10.12.1998

Sub: Procedure for approval of borrowing from abroad by industrial enterprises in Bangladesh in the private sector.

In supersession of the instructions contained in the Board of Investment Notification No.

BOI/FLO/4(30)/81/458 dated the 24th June, 1992, the undernoted guidelines and procedures shall henceforth be followed in the matter of approval of borrowing from abroad by industrial enterprises in Bangladesh in the private sector.

2 (a) All proposals for borrowing from abroad by private sector industrial enterprises in Bangladesh (including supplier's credits, financial loans from institutions or individuals and debt issues in capital markets abroad) shall require prior authorisation of the Board of Investment.

Short term credit accommodations of up to one year duration from suppliers/buyers abroad are, however, subject to the guidelines/instructions issued by Bangladesh Bank in regard to settlements for current commercial transactions and shall not be subject to the approval process laid down in this Notification.

(b) In examining the approval requests for the borrowing proposals the Board of Investment shall attach priority mainly to medium and longer term borrowing for installing new capacity, and for upgrading or expanding existing capacity for production of goods and services for export or for domestic use.

Borrowing from abroad for building up of excessive capacity in relation to foreseeable immediate or medium term needs and borrowing for outlays of speculative nature in sectors such as real estate or commercial office building shall be discouraged. Shorter term borrowing proposals will normally not receive favorable consideration except those are temporary and unavoidable necessities as bridging arrangements prior to finalization of a medium or long term borrowing approved by the Board of Investment.

Cont'd.....P/2 (c) Approval requests for borrowing proposals must be supported by analyses and papers in regard to :-

- (i) the commercial viability of the project;
 - (ii) the capacity of the project to service the proposed debt with income flows from the project;
 - (iii) the cost competitiveness of the outputs from the project in the domestic and external markets;
 - (iv) existing production capacity in Bangladesh in the industrial sector to which the borrowing proposal relates and the potential demand in the domestic and export markets given the estimated output cost structure;
 - (v) existing indebtedness structure of the sponsors of the project, duly certified by report of their bankers and CIB of Bangladesh Bank as to their credit worthiness.
- (d) The interest rate and other charges related to the borrowing should be reasonable compared to the prevailing lending rates in the international markets in the concerned currencies for the relevant tenure. Normally, the interest rate should be based on the prevailing government treasury bond rate in that currency for that tenure plus a reasonably modest country risk premium; excessively high risk premium margins will invite additional rigour in scrutiny in the approval process.

3. Applications as per proforma at Annexure-"A" for approval of proposals for borrowing from abroad should be submitted to the BOI with the analyses and supporting documents as indicated in para 02 (c) above. Fully documented proposals will be submitted to a Committee headed by Governor, Bangladesh Bank for final approval.

sd/-

Zahid Hossain
Member, Executive Council
Board of Investment

Cont'd.....P/3

1APP 6Page-2

ANNEXURE-"A"

No. BOI/R&I-1/4(39)/81(Part)

1.

a.

b.i)

ii)

iii)

c.

i)

ii)

iii)

iv)

v)

vi)

vii)

Name, address and telephone
Number of the firm
Registration/Permission
letter No.
Date
Issuing authority
(Please attach copy)
Type of industry
Export oriented and export linkage
industries

Pioneering industries

Industry based on new/
high Technology

Industry that generates
employment

Industry based on local
natural resources and its
diversified uses.

Industry that involves
high value added

Increase industrial efficiency
& productivity

:

:

:

:

:

:

:

:

:

:

:

:

Please Tick

viii) Employment opportunity :

2. a. Name & address of the foreign :
firm(s) from whom borrowing has been
proposed.

b. Principal amount of the : borrowing

c. Purpose of Borrowing :

3. Foreign Borrowing proposal :

a) Copy of Draft/Final :

Agreement should be attached

b) Effective rate of interest

c) Repayment period

d) Effective date :

e) Down payment, if any :

Cont'd.....P/4

1APP 6Page-3

APPLICATION FOR APPROVAL OF FOREIGN BORROWING AGREEMENT

4. Type of Borrowing Please Tick a) Loan :

b) Supplier's Credit :

c) Pay-As-You-Earn Scheme :

d) Deferred Payment :

e) Others (Please describe) :

5. Commercial viability report :

of project along with the

analyses and papers in regards to

a) Name of the sector/Sub-sector :

of the project with item of
products.

b) The commercial viability of :
the project.

c) The capacity of the project to :
service the proposed debt with
income flows from the project

d) The cost competitiveness of the :
outputs from the project
in the domestic and external markets.

e) The existing production capacity :
in Bangladesh and demand of the
products in local as well as export
market abroad on the basis of market study.

f) Existing indebtedness structure of the :
sponsors of the project ; duly certified
by report of their bankers as to their
credit worthiness.

6. Please outline the reasons for entering into
agreement on foreign borrowing (Please :
attach separate sheet, if necessary).

7. Schedule of Repayment in brief

8. Name and address of the firm's nominated Bank :

9. Please enclose the following papers :

- a)
- b)
- c)

Certified copy of the Memorandum and Articles of Association.

Board of Director's Resolution in favour of the loan proposal.

Proforma Invoice of machinery to be imported

Signature

Name and designation of applicant

Date

Effective interest is the sum of the stated annual rate of interest and the annualized fee, such as, commitment fee, syndication fee, front-end fee, project appraisal fee etc.

1APP 6Page-4FOREIGN EXCHANGE POLICY DEPARTMENT

BANGLADESH BANK

HEAD OFFICE

DHAKA

Bangladesh Bank Website : www.bangladeshbank.org.bd

Kartik 14, 1414

Circular Letter No.-FEPD (LDA-1)147/2007-1468

Date : -----

October 29, 2007

Head Office/Principal Office of all

Authorized Dealer Banks in Bangladesh

Dear Sirs,

"Policy regarding the establishment of Drawing Arrangement between the Exchange House abroad and the Bank operating in Bangladesh".

In order to make monitoring set-up on Drawing Arrangements more intensive and effective and accord approval for establishment of Drawing Arrangement between the Exchange House abroad and the Commercial Bank operating in Bangladesh, the "Policy regarding the establishment of Drawing Arrangement between the Exchange House abroad and the Bank operating in Bangladesh" has been adopted (Copy enclosed).

You are advised to follow the policy having considered it to have taken effect from October 09, 2007 (Ashwin 24, 1414) and submit application to Bangladesh Bank for establishment of Drawing Arrangement having prepared it in the light of the texts as contained in the policy.

Yours faithfully,

Encl. : As stated.

(Sd)

(Khondaker Khalidur Rahman)

Deputy General Manager

Phone : 7120375

Contd...P/2

2APP 6FOREIGN EXCHANGE POLICY DEPARTMENT

BANGLADESH BANK

HEAD OFFICE

DHAKA-1000

"POLICY REGARDING THE ESTABLISHMENT OF DRAWING ARRANGEMENT BETWEEN THE EXCHANGE HOUSE ABROAD AND THE BANK OPERATING IN BANGLADESH"

[Amended as on June 2017]

Money/remittance sent by expatriate Bangladeshi is one of the significant sources of inward flow of foreign exchange which plays an important role in the economy of the country. Approval is awarded by the Foreign Exchange Policy Department (FEPD) in respect of establishment of drawing arrangement between the exchange house abroad and bank in Bangladesh in order to collect remittances. Up to 30.06.2017, number of effective drawing arrangements of 47 banks was 1154 with 211 'Money Transfer Operators' i.e. exchange houses abroad. The undernoted policy guidelines shall have to be followed in order to make monitoring set-up on drawing arrangements more intensive and effective and accord

approval for establishment of Drawing Arrangement between the exchange house abroad and the bank operating in Bangladesh.

1. Eligibility of Exchange House

(i) The concern shall have to possess the license/approval from the Central Bank or concerned regulatory authority of the respective country to conduct money transfer business.

(ii) The concern shall have to possess the license/approval/certificate as applicable from other authorities viz. ministry of commerce and industry, ministry of justice, chamber of commerce and industry, registrar of companies, municipality etc. to conduct the business.

(iii) The concern shall have to bear the name that signifies its engagement in money transfer business such as the words like money transfer, exchange, remittance etc. shall have to be included therein.

(iv) Without having permission/consent from the concerned bank operating in Bangladesh, the name of the bank or part of it (viz. Sonali, Rupali, Janata, Agrani etc.) shall not be used by the exchange house with its own name. However, the approval already given for drawing arrangement between the bank in Bangladesh and exchange house having name of Bangladeshi bank and remittance business is in operation under those approval shall though remain effective, the exchange house shall have to obtain permission from the concerned bank (whose name has been used) for establishment of drawing arrangement with other bank. If such consent is not awarded, the name of the exchange house shall have to be amended/changed accordingly.

(v) Owner(s)/Director(s) of the exchange house shall have to be the citizen (or Foreigner thereof other than Bangladeshi without citizenship/residence permit) or the permanent resident of that country.

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Page-2(vi) While considering approval for establishment of drawing arrangement, preference shall be awarded to the exchange house having at least 3 years of experience in money transfer business. The concern shall have to be financially strong (in terms of capital, liquid asset, fixed asset, profit etc.) enough to operate the business. If other eligibility of newly established exchange house is found to be acceptable, according approval for establishment of drawing arrangement with such new exchange house may specially be taken into consideration.

(vii) Minimum limit for remittance: As money laundering activities may become easier under cover of legality derived from the approved drawing arrangement, the minimum yearly limits for inward remittance under drawing arrangement presently remain prescribed for some countries. Region/country wise yearly limits are hereby revised as under:

Country/Region

1. USA
2. UK
3. Italy
4. Canada
5. Middle East (KSA, UAE, Qatar, Oman, Bahrain, Kuwait)
6. Middle East (other countries)
7. Other countries/Region

2. Exchange House(s) to Comply

(i) The concern shall have to follow the exchange rate quoted by the bank concerned for the purpose of remittance.

(ii) The concern shall have to confirm the deposit of money of remittance collected from the remitter/of cover fund to NOSTRO account of the concerned bank within 24 hours of collection thereof.

(iii) The concern shall have to regularly provide statement containing number and amount of remittances sent to the concerned bank.

(iv) The concern shall not use monogram of Bangladesh Bank or words viz. "approved by Bangladesh Bank" in its publicity activities. No such scope of publicity shall be maintained that makes the concern appear to be licensed by the Bangladesh Bank.

Previous limit

USD 3.00 million

GBP 2.00 million

USD 2.50 million

Present prescribed limit

USD 3.00 million

GBP 2.00 million

EUR 2.00 million

USD 2.50 million

USD 3.00 million

USD 1.50 million

USD 1.50 million

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Page-3(v) Conducting remittance business through branch offices thereof is allowed; however, the business of collection of remittance through sub-agent shall be allowed only with prior permission of Bangladesh Bank. Specific approval shall have to be obtained in respect of collection of remittances from more than one country under same/one drawing arrangement.

(vi) The existing rules and regulations in respect of sending remittances to Bangladesh or transactions thereof shall have to be strictly complied with.

3. Bank(s) to Comply

(i) Related information as well as license/approval letter issued by the Central Bank or from the competent authority of the respective country, credit report from any reputed credit agency, 3 years' audited financial statements, profile of directors/owners of the concern, memorandum and articles of association etc., in support of/in assessing its eligibility, shall have to be collected at the time of establishment of drawing arrangement.

(ii) Letter of reference/certificate (must be favorable) from the Bangladesh Embassy/High Commission of the respective country shall have to be collected.

(iii) After having assessed the eligibility of the concern and submitted the required papers, approval of the Bangladesh Bank (from the Foreign Exchange Policy Department) shall have to be applied for.

(iv) The agreement for establishment of drawing arrangement with the exchange house shall have to be concluded having maintained therein the reflection of the terms and conditions as outlined in the letter of approval. In other words, the agreement for drawing arrangement shall contain the terms and conditions of the Bangladesh Bank's letter of approval and no such clause conflicting therewith shall be incorporated therein.

(v) One or more than one non-resident foreign currency account (NRFCA) and only one non-resident non-convertible taka account (NRTA) in the name of the concerned exchange house shall be allowed to be opened; but consent/permission of the Bangladesh Bank as regards the opening thereof (at the time of seeking approval) shall have to be obtained.

(vi) Having confirmed before commencement of transactions under drawing arrangement, the maintenance/collection of security deposit (Bank Guarantee, Security Deposit and minimum balance in NRTA) as stipulated in Bangladesh Bank's letter of approval, Bangladesh Bank shall have to be apprised of.

(vii) Payment shall have to be made to the beneficiary by debiting the concern's NRT account only after confirmation of the deposit of equivalent foreign currency/cover fund into the NOSTRO account of the respective bank in Bangladesh against the remittance sent thereby.

Contd.... P/5

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Page-4(viii) Under no circumstances, overdrawn facility shall be allowed in the account of the exchange house and no lead-time facility shall be awarded either.

(ix) As the concern shall have to follow the exchange rate quoted by the bank for sending remittance, the bank shall ensure intimation of the exchange rate regularly thereto.

(x) The bank shall monitor on daily basis the deposit of cover fund in the NOSTRO account against the remittance to be sent by the proposed exchange house. Bank shall remain alert so that the payment to the beneficiary is not delayed due to creation of outstanding in cover fund and no scope can be created for utilization of the collected remittance in speculative business or for transfer/diversion of fund to other business through delayed deposit of corresponding cover fund by the exchange house.

(xi) A compliance certificate (as per format provided by Bangladesh Bank) shall have to be sent to LDA Section, FEPA, Bangladesh Bank on monthly basis within 10th of the following month to the effect that there is no outstanding of cover fund with the exchange company.

(xii) Authorised dealers shall send their monthly remittance data in T_ME_M_FRC_TRN as usual and also remitters' district-wise remittances on daily transactions basis in the Rational Input Template named

T_ME_D_REMITTANCE to Statistics Department by 11 AM of the following working day. In addition, cumulative amount of daily remittance must be equal to total amount of monthly remittance. The AD must satisfy itself about full coverage of all NRB remittance data in RIT templates and in summary statement FCS-7 with specific schedule.

(xiii) After signing the agreement with the proposed exchange house, a copy of the signed agreement shall have to be sent to LDA Section, FEPD, Bangladesh Bank and soon after effecting the remittance business, effective date along with the full postal address containing phone number, fax number, e-mail etc. thereof, shall have to be notified to the LDA Section, FEPD, Bangladesh Bank.

(xiv) The bank shall not extend the validity of the agreement/drawing arrangement unless the validity of the approval of the central bank or the competent authority of concerned country is extended.

(xv) The prescribed time limit [2(two) working days] for disbursement of remittances received through drawing arrangement shall have to be followed. Besides, caution shall have to be exercised in respect of maintaining standard of the customer service having complied with the existing rules of transactions along with the strictest compliance of anti-money laundering measures as well.

(xvi) In order to prevent the fraud/forgery of foreign Demand Draft, specimen signature(s) (updated) of authorized officer(s) of the exchange house shall have to be maintained at each branch of the bank.

(xvii) Timely and accurate reporting shall have to be ensured.

(xviii) Any suspicion in transactions with the exchange house (viz. excessive remittances in the name of same beneficiary, remittance in the name of corporate instead of individual name, irregular replenishment of cover fund etc.) shall have to be brought to the notice of the FEPD, Bangladesh Bank.

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Page-54. Security Deposit

Considering the element of risk with regard to different types of transactions under the changed circumstances, security deposits are prescribed as under:

(i) Draft Drawing

Transactions under draft drawing arrangement (DD/TT etc.) involve a higher degree of risk as beneficiary hereunder, may be required to be paid with the proceeds of the remittance prior to receipt of cover fund in the NOSTRO account of the bank which implies the risk of creation of overdrawn position in the account of exchange house maintained with local bank and in many occasions risk remains in payment of fraudulent demand draft. Following amounts of security deposit shall be considered reasonable under draft drawing arrangement:

Type of security	Amount fixed previously	Amount fixed at present
------------------	-------------------------	-------------------------

1. Bank Guarantee/Cash deposit.(NRD account or term Deposit)	USD 25,000	USD 50,000
--	------------	------------

2. NRT Account	Tk. 0.20 million to Tk. 0.50 million	Tk. 1.00 million
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(ii) EFT

Under the system of EFT as there is the scope of being instantly apprised of the deposit of the foreign currency collected from the remitter by the exchange house into the correspondent's/NOSTRO A/C abroad of the respective Bank in Bangladesh, the risk of creation of overdrawn position in the A/C of the exchange house maintained with local bank remains very low because of the scope of payment to the beneficiary in Bangladesh only after the credit to NOSTRO A/C abroad.

Therefore, the following amounts of security deposit shall be considered reasonable under the EFT:

Type of security	Amount fixed previously	Amount fixed at present
------------------	-------------------------	-------------------------

1. Bank Guarantee/Cash deposit. (NRD account or term Deposit)	USD 25,000	USD 10,000
---	------------	------------

2. NRT Account	Tk. 0.50 million	Tk. 0.20 million
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(iii) PIN Code

Under some drawing arrangements, beneficiary can draw money by showing PIN Code to any branch of corresponding local banks and the concerned Money Transfer Company remit the total cover fund to NOSTRO account of corresponding local banks at the end of the day after ascertaining total transactions

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Page-6settled by the banks from their on line system (for instance, Western Union, MoneyGram). Under the system of such drawing arrangement, overdrawn position is created in the account of the concerned Money Transfer Company due to procedural set-up. Therefore, following amounts of security deposit shall be considered reasonable under such arrangement:

Type of security	Previous amount	Present amount
------------------	-----------------	----------------

1. Bank Guarantee/Cash Not prescribed USD 50,000 deposit.(NRD account or term deposit)
2. NRT Account ---do--- Equivalent Taka of USD 25,000

Above all, the issue of amounts of bank guarantee in FC/deposit balance being proportionate/consistent with the expansion of branch network of the paying bank in Bangladesh and with the volume of transactions effected with the exchange house may also be taken into consideration. Under the existing drawing arrangements, where amount of security deposit/guarantee is inadequate, the same shall have to be increased to the consistent level in phases.

5. Disbursement Procedure

(i) Existing drill of disbursement of inward remittance among beneficiary through the Branches of scheduled banks shall have to be followed. Besides, remittances received through banks can be disbursed through authorised agents/outlets of Mobile Financial Service Providers, NGOs and Corporate with prior permission of Bangladesh Bank.

(ii) Instant cash payment: Disbursement of remittances under Instant Cash Payment shall have to be fully pre-funded.

It shall have to be kept in mind that the steps shall be taken in phases to make the terms and conditions of this policy effective for the existing drawing arrangements.

6. Bangladesh Bank reserves the right to issue new instructions/advice and to amend/modify the policy/guidelines mentioned above, if required.

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Page-7 Bangladesh Bank

Head Office

Dhaka

www.bb.org.bd

FE Circular No. 32 Date: August 31, 2014

All Authorized Dealers in
Foreign Exchange in Bangladesh

Dear Sirs,

Paragraph 3(B), chapter 9 of the Guidelines for Foreign Exchange Transactions-2009 currently states that the sale proceeds of non-resident equity investment in unlisted companies and private limited companies are repatriable abroad with prior Bangladesh Bank approval to the extent of net asset value of the shares as on the date of sales, based on latest audited financial statements.

02. It has now been decided that in such cases Bangladesh Bank will accept fair value of the shares as on the date of sale based on appropriate combination of three valuation approaches (viz. net asset value approach, market value approach and discounted cash flow approach) depending on the nature of the company.

03. Application for repatriation of sale proceeds of shares shall be submitted to Foreign Exchange Investment Department at head office of Bangladesh Bank with a Valuation Certificate of shares issued by a Merchant banker licensed by BSEC or a Chartered Accountant experienced in company valuation. Annexure-A to this circular provides indicative guidelines for arriving at fair value.

04. The valuation certificates by eligible valuers will have to be supported by full explanation justifying the fair value arrived at. Full set of audited financial statements of the company will have to be submitted to Bangladesh Bank along with application for remittance approval. If not fully satisfied about appropriateness of the valuation arrived at, Bangladesh Bank reserves the right to obtain second opinion from another qualified valuer of its choice.

Please inform all your concerned constituents accordingly.

Yours faithfully,

Enclosure: As stated

(Md. Abdul Mannan)
Deputy General Manager
Phone: 9530319
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Foreign Exchange Policy Department
Repatriation of sale proceeds of non-resident owned
equity in unlisted companies purchased by residents
Annexure-A

Indicative guidelines on determination of fair value of shares of unlisted company

Bangladesh Bank has decided to consider the market value approach and discounted cash flow approach along with currently used net asset value approach in determining the repatriable value of shares of an unlisted company. Following is an illustrative example in determining the fair value of shares of an unlisted company using the three mostly used approaches:

Asset Based Approach

The underlying principle of asset-based approach is equivalent to the fair value of its assets less the fair value of its liabilities. This method is considered most appropriate for resource firms, financial services firms, investment companies (real estate investment trusts, closed-end investment companies) and small businesses with limited intangible assets or early stage companies.

In this approach, net asset value of the target unlisted company (net assets after meeting all the liabilities) is estimated as the fair value.

Asset based approach often indicates the most conservative valuation as it does not take into account the value of intangible assets (such as goodwill).

For 'The Sample Company', asset based approach gives us a fair value of BDT 22,370 million derived from the Balance Sheet as follows:

Balance Sheet (BDT million) 20AC

Current Assets

Cash & Cash Equivalent 981

Accounts Receivable & prepayments 3,561

Inventories

Total Current Assets 7,633

Total Long Term Investment 5,103

Total Fixed Assets 14,520

Total Assets 27,256

3,091

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Page-2Balance sheet (cont'd)

Balance Sheet (BDT million) 20AC

Current Liabilities

Accounts Payable 7

Liabilities for other expense 1,426

Short Term Bank Loan 1,302

Current Portion of Long Term Debt 540

Total Current Liabilities 3,275

Total Non-Current Liabilities 1,611

Total Liabilities 4,886
 Shareholder's Equity
 Share Capital (BDT 10 each) 3,708
 Share Premium 2,035
 Reserve
 Retained Earnings 15,801
 Total Shareholder's Equity 22,370
 Total Liabilities & Shareholder's Equity 27,256

Net Asset Value of Equity = Total Assets – Total Liabilities
 = BDT 27,256 m – BDT 4,886 m = BDT 22,370 m
 Net Asset Value per share = BDT 22,370 m / 370.8 m = BDT 60.33

Market Value Approach

Multiple based analysis or comparable analysis is one of the widely used tools in private company valuation. Comparable company trading multiples analysis utilizes the valuation multiples of similar or comparable publicly or privately traded companies to value a target unlisted company. Peers can be grouped based on any number of criteria, such as industry focus, private company size, or growth.

The multiples can be equity based multiples like Price to Earnings (P/E), Price to Book Value of Equity (P/B) etc. The multiples derived from this type of analysis are for a given point in time and generally change over time.

The most popular equity based multiple is earnings multiple. The price-to-earnings (P/E) ratio, which is equal to a company's market price per share divided by its earnings per share (EPS), is the most widely used earnings multiple. It provides an indication of how much

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investors are willing to pay for a company's earnings. For example, a company whose P/E ratio is 15 is said to be selling for 15 times of earnings i.e. fair market value of a share = EPS * P/E Ratio.

It is often difficult to find out the right comparable listed companies. Hence, adjustments need to be made to reflect differences, such as business mix, geographic spread and capital structure. For instance, conglomerates may have unrelated lines of businesses that probably will require multiples from two different unique companies and then deriving a blended multiple. To select the comparable universe or peer group for a given unlisted company it must be ensured that its peers share similar industry, business, and financial characteristics.

Caution is also needed to get the correct valuation based on this method. It is advisable that at least three years average EPS of the target company to be used in valuation.

The fair value of 'The Sample Company' is as follows

Income Statement (BDT million) 20AA 20AB 20AC				
Sales	16,975	19,798	20,202	
Cost of Goods Sold		9,401	10,872	10,364
Gross Profit	7,574	8,926	9,838	
Administrative Expenses		2,668	3,077	3,521
EBITDA	4,906	5,849	6,317	
Depreciation	1,088	1,234	1,228	
Other income	454	420	378	
EBIT	4,272	5,035	5,467	
WPPF	191	220	247	

Interest Expenses (income)		310	465	357
EBT	3,771	4,350	4,863	
TAX @ 40%	1,508	1,740	1,945	
Profit After Tax	2,263	2,610	2,918	
No. Shares (in million)		196.20	264.80	370.80
EPS in BDT	11.53	9.86	7.87	
Average EPS in BDT	9.75			

P/E ratio of comparable company at the date of sale = 12

Fair Market Value per share = average EPS * P/E Ratio
= BDT 9.75*12 = BDT 117.00

3APP 6
Page-4Income Approach

Valuation of unlisted companies in the income approach is highly sensitive to assumptions of future cash flows. In practice, income approach is not used in isolation and used as one of the drivers to determine the final price.

Income approach is primarily driven by three key inputs i.e. Free Cash Flow (FCF), Terminal Value and Discount rate; valuer needs to carefully verify all the inputs, validating these with rational assumptions. Making valuation for the target company involves the following steps:

1. The last recorded free cash flow in the audited financial statement is assumed to be the terminal perpetual cash flow for future. The free cash flow will be arrived at by taking operating cash flow from audited financial statement minus capital expenditure. The valuer must ensure that all overdue liabilities are deducted while arriving at free cash flow.
2. The discount rate should be the Weighted Average Cost of Capital (WACC) or the yield rate on 20-year BGTB as on the date of sale, whichever is higher.
3. Trend cash flow growth of the company (g) will be the average of annual cash flow growth over the past 3-5 years according to audited financial statements.
4. The valuation of the company would then be calculated by
Fair value = $FCF/(r-g)$

Where FCF

r

g

= Operating Cash Flow – Capital Expenditure

= Discount rate

= Average growth rate of free cash flow in last available five years

Following these steps, one may determine the fair value of 'The Sample Company' as below:

3APP 6
Page-5DCF (BDT million) 20AA 20AB 20AC

EBIT*(1-TAX)	(1)	2,563	3,021	3,280
Depreciation	(2)	1,088	1,234	1,228
Capital Expenditure	(3)	600	1,200	1,250
Change in working capital	(4)	200	49	37
Net Cash Flow (1+2-3-4)	(5)	2,851	3,006	3,221
Terminal Free cash flow		3,221		
Free Cash Flow (FCF)	(6)	2,851	3,006	3,221
Growth of FCF		6.00%	5.43%	7.15%
Average Growth of FCF (g)			6.19%	

Discount Rate = 12.50% (WACC which is higher than the yield rate of 20-year BGTB has been applied)

Fair Value = $FCF/(r-g)$
 $= 3221 / (0.125 - 0.0619) = 51,046 \text{ m}$

Fair Value per share = $51,046 / 370.80 = \text{BDT } 137.66$

Finally, after taking into account all three approaches, we derived three separate values for 'The Sample Company' as follows:

Asset based approach (Net asset value) BDT 60.33 per share

Market value approach (Earnings to P/E) BDT 117.00 per share

Income approach (Discounted cash flow) BDT 137.66 per share

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