



BANGLADESH BANK

Head Office
Motijheel, Dhaka-1000
Bangladesh

Banking Regulation &
Policy Department

BRPD Circular Letter No. 06

21 Kartik, 1416
Date: -----
05 November, 2009

Chief Executives
All Private scheduled banks in Bangladesh.

Dear Sir,

Sub: Opening "SME/Agriculture Branch".

Please refer to BRPD Circular letter No.-06, Date 04-05-2008 as to opening SME Service Centre.

On review of the scope of SME Service Centre it has been observed that SME Service Centre cannot freely serve the clients desires to receive SME and foreign remittance banking services. They require assistance from other bank branches to render aforesaid services. Therefore, banks are facing various difficulties in providing continuous banking services to the clients availing SME/Remittance services. In this regard, the following decisions have been taken to resolve this problem and increase the involvement of banks in financing priority sectors of economy like SME and agriculture :

1. License will be issued in the name of "SME/Agriculture Branch" in stead of "SME Service Centre";
2. "SME/Agriculture Branch" will run all banking activities other than foreign exchange transaction;
3. At least 50% of deposit collected through "SME/Agriculture Branch" must be invested in SME/Agriculture sector;
4. "SME/Agriculture Branch" must be set up outside the divisional cities and upazilas with backward 'unbanked' areas will get priority in this regard;
5. All kinds of rules and regulations of branch opening will be applicable in opening "SME/Agriculture Branch".

All interested Private Commercial Banks are hereby advised to submit their "SME/Agriculture Branch" opening application along with their annual branch expansion programme.

Please acknowledge the receipt.

Yours sincerely,

Sd/-

(Abu Hena Mohd. Razee Hassan)
General Manager
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