

**Foreign Exchange Investment Department**

Bangladesh Bank

Head Office

Dhaka

[www.bb.org.bd](http://www.bb.org.bd)

FEID Circular No. 01

Date: January 27, 2025

All Authorized Dealers in  
Foreign Exchange in Bangladesh.

Dear Sirs,

**Issue of ordinary shares in favor of non-residents in  
private/public limited companies not listed with stock exchanges**

Please refer to Paragraph 2(A), Chapter 9 of the Guidelines for Foreign Exchange Transactions (GFET)-2018, Volume-1 which outlines the requirements for reporting to Foreign Exchange Investment Department (FEID), Bangladesh Bank within 14 (fourteen) days of issuance of shares in favor of non-residents against freely convertible foreign exchange brought in from abroad through the banking channel.

02. To facilitate foreign direct investment, it has now been decided hereby that Authorized Dealers (ADs) will scrutinize the relevant documents for issuance of shares amounting up to BDT 1.00 (one) million against cash consideration in a resident company. After scrutinizing they will submit a declaration letter as per format of Annexure A within 14 days of such issuance to FEID, Bangladesh Bank.

03. ADs shall follow all the instructions laid down in Para-2(A) and Para-2(C), Chapter 9, Vol.-1, GFET-2018 and subsequent circulars with special attention, inter alia, to the following:

- a) Foreign exchange shall be brought in from abroad before issuance of shares.
- b) Shares can be issued against foreign exchange brought in from abroad only through the banking channel.
- c) ADs shall ensure from relevant documents that purpose of the remittance is equity investment.
- d) ADs and clients shall preserve encashment certificate in the format of Appendix 5/39 or 5/40 (whichever is applicable) inscribed thereon the Foreign Exchange Transaction Reporting ID generated in Bangladesh Bank Online Inward Remittance Monitoring System.
- e) The resident status of the shareholders and source country of funds shall be ensured from relevant documents.

04. Issuance of shares shall be reported to FEID as per requirements of Paragraph 2(A), Chapter 9, GFET-2018 while the cumulative issue value exceeds Tk. 1.00 million in the name of a non-resident shareholder and/or all non-resident shareholders.

05. In the matter of shares issued against imported capital machineries, ADs shall forward the application to Bangladesh Bank.

06. In case of any discrepancy found or further clarification needed regarding above, ADs shall forward the application to Bangladesh Bank.

07. The declaration letter format as designed in **Annexure-A** shall be prepared in 3 sets/copies for use in following manner-

- a) First Original shall be preserved in client's file with AD;
- b) Second and Third Original shall be submitted to FEID, Bangladesh Bank;
- c) Bangladesh Bank shall return Third Original to the bank duly signed with instructions (if any);
- d) The AD bank shall preserve the Third original endorsed by Bangladesh Bank and provide a copy to the client.

08. All documents shall be kept readily available for onsite inspections by Bangladesh Bank.

Please bring the instructions of this circular to the notice of all your concerned clientele.

Yours Faithfully,



(Abu Saleh Mohammed Shahab Uddin)  
Director (FEID)  
Phone: +88-02-9530144

To  
 Director  
 Foreign Exchange Investment Department  
 Bangladesh Bank  
 Head Office, Dhaka

Annexure-A  
 First Original  
 (For the preservation of the AD Bank)

Bank Letter Reference Number: (outward reference) \_\_\_\_\_ Letter Issue Date: \_\_\_\_\_

Name of the Bank: ..... AD Branch Name and Code .....  
 Address of the Bank: .....

**Ordinary share issue declaration letter**

Our valued client..... (Company) has been incorporated in RJSC&F having following details:

- (a) Registration No. & Date:.....
- (b) Authorized Share Capital:.....
- (c) Total Paid up Capital:.....
- (d) Total Share issued in favour of non-residents:.....
- (e) Company's Address:.....

The documents required under the provision of Guidelines for Foreign Exchange Transactions (GFET)-2018, Vol.-1, Chapter 9, Para 2(A) have been reviewed and the key information from these documents is listed below:

Sl. No.	Non-resident shareholder's name & address	No. of shares issued & issue date	Face value per share	Share premium (if any)	Total value of shares issued, TK	FC amount brought in as investment and date of remittance	Equivalent BDT	Remitter name & remitting country	Share Money Deposit (BDT) (if any)	Online Reporting transaction ID	Remarks
01.											
02.											
03.											
Total											

This is to certify that documents and information are found satisfactory.

We also undertake that we shall be liable for any false and misinformation to be detected later on.

<p>Checked By</p> <p>Signature: .....</p> <p>Name: .....</p> <p>Designation.....</p> <p>Division/Department.....</p> <p>Bank: .....</p> <p>Contact no: .....</p> <p>Email ID: .....</p> <p>Seal: .....</p> <p>.....</p>	<p>Authorized By</p> <p>Signature: .....</p> <p>Name: .....</p> <p>Designation.....</p> <p>Division/Department.....</p> <p>Bank: .....</p> <p>Contact no: .....</p> <p>Email ID: .....</p> <p>Seal: .....</p> <p>.....</p>
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To  
 Director  
 Foreign Exchange Investment Department  
 Bangladesh Bank  
 Head Office, Dhaka

Annexure-A  
 Second Original  
 (For Bangladesh Bank)

Bank Letter Reference Number: (outward reference) \_\_\_\_\_ Letter Issue Date: \_\_\_\_\_  
 Name of the Bank: ..... AD Branch Name and Code .....  
 Address of the Bank:.....

**(Section-A)**

**Ordinary share issue declaration letter**

Our valued client..... (Company) has been incorporated in RJSC&F having following details:

- (a) Registration No. & Date:.....
- (b) Authorized Share Capital:.....
- (c) Total Paid up Capital:.....
- (d) Total Share issued in favour of non-residents:.....
- (e) Company's Address:.....

The documents required under the provision of Guidelines for Foreign Exchange Transactions (GFET)-2018, Vol.-1, Chapter 9, Para 2(A) have been reviewed and the key information from these documents is listed below:

Sl. No.	Non-resident shareholder's name & address	No. of shares issued & issue date	Face value per share	Share premium (if any)	Total value of shares issued, TK	FC amount brought in as investment and date of remittance	Equivalent BDT	Remitter name & remitting country	Share Money Deposit (BDT) (if any)	Online Reporting transaction ID	Remarks
(As per MoA and/or Form-XV)					(As per SWIFT Message and/or Encashment Certificate/Remittance Certificate)						
01.											
02.											
03.											
Total											

This is to certify that documents and information are found satisfactory.

We also undertake that we shall be liable for any false and fake information to be detected later on.

<p>Checked By</p> <p>Signature: .....</p> <p>Name: .....</p> <p>Designation.....</p> <p>Division/Department.....</p> <p>Bank: .....</p> <p>Contact no: .....</p> <p>Email ID: .....</p> <p>Seal: .....</p> <p>.....</p>	<p>Authorized By</p> <p>Signature: .....</p> <p>Name: .....</p> <p>Designation.....</p> <p>Division/Department.....</p> <p>Bank: .....</p> <p>Contact no: .....</p> <p>Email ID: .....</p> <p>Seal: .....</p> <p>.....</p>
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**(Section-B)**

**For Bangladesh Bank Use Only:**

**Observations and Instructions:**

Please take necessary action to comply with the instructions above/in the annexed letter.

Signature and Seal of BB Officer

\_\_\_\_\_  
Name:  
Contact No:  
Email ID:

BB Letter Reference Number: FEID/I&S/701/2(FDI)/..... Date: \_\_\_\_\_

**(Section-C)**

**To be filled up by Bank**

This copy is returned for your records and necessary actions.

- 1) Managing Director/CEO/Country Head, .....Bank PLC,  
Head office.  
Address of Bank HO:.....
  
- 2) Managing Director,.....Company Ltd.  
Address of Client:.....

To  
 Director  
 Foreign Exchange Investment Department  
 Bangladesh Bank  
 Head Office, Dhaka

Annexure-A  
 Third Original  
 (For AD Bank)

Bank Letter Reference Number: (outward reference) Letter Issue Date:

Name of the Bank: ..... AD Branch Name and Code .....  
 Address of the Bank: .....

**(Section-A)**

**Ordinary share issue declaration letter**

Our valued client..... (Company) has been incorporated in RJSC&F having following details:

- (a) Registration No. & Date:.....
- (b) Authorized Share Capital:.....
- (c) Total Paid up Capital:.....
- (d) Total Share issued in favour of non-residents:.....
- (e) Company's Address:.....

The documents required under the provision of Guidelines for Foreign Exchange Transactions (GFET)-2018, Vol.-1, Chapter 9, Para 2(A) have been reviewed and the key information from these documents is listed below:

Sl. No.	Non-resident shareholder's name & address	No. of shares issued & issue date	Face value per share	Share premium (if any)	Total value of shares issued, TK	FC amount brought in as investment and date of remittance	Equivalent BDT	Remitter name & remitting country	Share Money Deposit (BDT) (if any)	Online Reporting transaction ID	Remarks
01.											
02.											
03.											
Total											

This is to certify that documents and information are found satisfactory.

We also undertake that we shall be liable for any false and fake information to be detected later on.

<p>Checked By</p> <p>Signature: .....</p> <p>Name: .....</p> <p>Designation.....</p> <p>Division/Department.....</p> <p>Bank: .....</p> <p>Contact no: .....</p> <p>Email ID: .....</p> <p>Seal: .....</p> <p>.....</p>	<p>Authorized By</p> <p>Signature: .....</p> <p>Name: .....</p> <p>Designation.....</p> <p>Division/Department.....</p> <p>Bank: .....</p> <p>Contact no: .....</p> <p>Email ID: .....</p> <p>Seal: .....</p> <p>.....</p>
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**(Section-B)**

**For Bangladesh Bank Use Only:**

**Observations and Instructions:**

Please take necessary action to comply with the instructions above/in the annexed letter.

Signature and Seal of BB Officer

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Name:  
Contact No:  
Email ID:

BB Letter Reference Number: FEID/I&S/701/2(FDI)/..... Date: .....

**(Section-C)**

**To be filled up by Bank**

This copy is returned for your records and necessary actions.

- 1) Managing Director/CEO/Country Head, .....Bank PLC,  
Head office.

Address of Bank HO:.....

- 2) Managing Director,.....Company Ltd.

Address of Client:.....