

Foreign Exchange Policy Department

Bangladesh Bank

Head Office

Dhaka.

www.bb.org.bd

Circular Letter No.FEPD (Import) 125/2010-1693

Date: December 12, 2010

Head Office/Principle Offices of  
All Authorized Dealer banks

Dear Sirs,

**Opening LC against Sales Contract**

Paragraph 37, chapter 7 of GFET-2009 permits to open inland back to back letters of credit against export letters of credit, subject to availability of bonded warehouse facilities. Opening of letters of credit on sight or usance basis against export contracts is allowed in paragraph 23(19) of Import Policy Order 2009-2012. Such sight/usance letters of credit which are tantamount to back to back letters of credit are not unacceptable in the light of foreign exchange regulations. However, applicability of bond facilities is related to National Board of Revenue.

02. Please confirm receipt and bring the content of this circular letter to the notice of all concerned.

Yours faithfully,

Sd/-

(Khandaker Abdus Salim)

Deputy General Manager

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