

Foreign Exchange Policy Department
Bangladesh Bank
Head Office
Dhaka
www.bb.org.bd

FE Circular No-06

Date: January 09, 2019

All Authorized Dealers in
Foreign Exchange in Bangladesh

Dear Sirs,

Import of unprocessed yarn on deferred payment basis

Paragraph 33(a)(ii), chapter 7 of the Guidelines for Foreign Exchange Transactions-2018 (GFET), Vol-1 permits import of industrial raw materials on deferred payment basis on up to 180 days by industrial importers for own use. Such imports are permissible under buyer's credit in terms of paragraph 33(b) of GFET.

02. To facilitate backward linkage industries, it has now been decided to enhance usance period up to 270 days from 180 days for import of unprocessed yarn for own use by industrial importers producing outputs for only local delivery against back to back LCs. This usance period is useable for imports within the limits of production capacity of the concerned factory as set by the Department of Textiles or up to delivery value realized in foreign currency in last twelve months, whichever is lower.

03. It has also been decided that Authorized Dealers may arrange refinance under buyer's credit for 90 days to settle EDF loan used to import unprocessed yarn for the tenure of 180 days usance basis in terms of paragraph 5(c) of FE Circular No. 45 dated December 31, 2017. Other instructions in this context shall remain unchanged.

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

Yours faithfully,



(Mohammad Khurshid Wahab)

General Manager

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