

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

FEID Circular No. 01

Date: 05 February, 2020

All Authorized Dealers in
Foreign Exchange in Bangladesh

Dear Sirs,

**Repatriation of residual money payable to foreign shareholders
in case of winding up of a company.**

Please refer to the FEID Circular No. 01, dated 6 May, 2018 which outlines operational procedures to repatriate the sale proceeds of share to foreign shareholders against their shares sold to residents.

02. To facilitate transfer of residual money payable to foreign shareholders in case of winding up of the concerned company, it has been decided that:

(a) in case of winding up of a company by the Court or subject to supervision of the Court, for remittance of money payable to foreign shareholders, Authorized Dealers (ADs) shall submit application to Foreign Exchange Investment Department (FEID), Bangladesh Bank, Head Office, Dhaka along with an order of the honorable Court evidencing endorsement of the amount determined to be distributed to the shareholders after paying up all the liabilities and payments as per law and a certificate confirming that all liabilities in Bangladesh including tax claims and other statutory payment obligations have been fully paid, issued by liquidator/official receiver/or such person as the Government may, by notification in the official Gazette, appoint for the purpose.

(b) in case of voluntary winding up of a company, for remittance of money payable to foreign shareholders, ADs shall apply to FEID, Bangladesh Bank, Head Office, Dhaka along with all relevant documents, mutatis mutandis, including but not limited to the list given in **Annexure-A**.

03. ADs shall forward the permission request for remittance of money payable to foreign shareholders, only after being satisfied that the target company has complied with the provision of Paragraph-2(A)(c) & 2(B), Chapter-9, Volume-I of Guidelines for Foreign Exchange Transactions-2018 or similar guidelines in force at the time of issuance/transfer of share.

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

Yours faithfully,



Enclosure: As stated.

(Abu Saleh Mohammed Shahab Uddin)
Deputy General Manager
Phone: 02-9530488

Annexure- A

Required documents of the target company to be submitted with application for repatriation of residual money payable to foreign shareholders in case of winding up.

- i) Certificate of Incorporation;
- ii) Memorandum & Articles of Association;
- iii) Return of Allotment (Form –XV);
- iv) Latest annual summary of share capital and list of shareholders directors (Schedule-X);
- v) Instrument of Transfer of Shares (Form –117);
- vi) Encashment Certificate in support of shares issued or transferred shares against freely convertible foreign exchange;
- vii) Authenticated copies of import permit, invoice, bill of lading/air way bill and bill of entry for issue of share against capital machinery. Payment against such import must be made from abroad;
- viii) Intimation regarding issuance/transfer of share as per Paragraph-2(A)(c) & 2(B), Chapter-9, Volume-I of Guidelines for Foreign Exchange Transactions-2018 or similar guidelines in force at the time of issuance/transfer of shares;
- ix) Latest audited financial statements;
- x) Certified copy(ies) of Form VIII evidencing special resolution passed for voluntary liquidation and the return of final meeting from the Registrar of Joint Stock Companies and Firms (RJSC);
- xi) Liquidator's certificate to the effect that the winding up is in accordance with the provisions of the Companies Act in force;
- xii) Liquidator's certificate confirming that all liabilities in Bangladesh including tax claims and other statutory payment obligations, have been fully paid;
- xiii) In case of winding up otherwise than by a Court, or subject to supervision of the Court a Liquidator's certificate to the effect that there is no legal proceedings pending in any Court in Bangladesh against the company under liquidation and there is no legal impediment to permitting the remittance;
- xiv) Winding up documents in accordance with the Companies Act in force;
- xv) Liquidation proceeds/distributable realized value of asset supported by latest audited financial statements of the target company;
- xvi) Certification regarding overdue export proceeds and unmatched bill of entry, in case the target company is involved in export-import business;
- xvii) Tax clearance certificate;
- xviii) CIB report;
- xix) List of non-resident shareholder(s) to whom liquidation proceed is payable;
- xx) Undertaking by the liquidator 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 ADs.