

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

FE Circular Letter No. 31

Date: August 16, 2022

Head offices/principal offices of all
Authorized Dealers in Bangladesh

Dear Sirs,

Retention quota facilities against local delivery under back to back LCs

Please refer to paragraph 27(b), chapter 13 of the Guidelines for Foreign Exchange Transactions-2018, Vol.1 (GFET) regarding retention quota facilities to local manufacturer-suppliers against inland back to back letters of credit (BBLCs). While retaining foreign currency, Authorized Dealers (ADs) shall be ensured that foreign currency is to be credited to retention quota accounts of eligible suppliers after settlement of the amount against BBLCs.

02. This is to clarify that retention quota accounts can be credited up to the permissible limit in percentage of proceeds realized under inland BBLCs.

Please bring the above clarification to the notice of your relevant customers.

Yours faithfully,



(Md. Sarwar Hossain)
Director (FEPD)
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