Foreign Exchange Policy Department Bangladesh Bank Head Office Dhaka

Website: www.bb.org.bd

FE Circular No. 25 Date: July 02, 2025

All Authorized Dealers in Foreign Exchange in Bangladesh

Dear Sirs,

Term lending in Taka to foreign owned/controlled companies

Please refer to paragraph 4(C), Chapter 16 of the Guidelines for Foreign Exchange Transactions-2018, Vol-1, in terms of which foreign owned/controlled companies engaged in manufacturing or services output activities for three years or longer in Bangladesh can access Taka term loans from the domestic market for capacity expansion or BMRE regardless of local content in their equity; subject to adherence by banks/financial institutions to all applicable credit norms and prudential parameters including single borrower exposure limit, debt-equity ratio not exceeding 50:50.

- 02. To facilitate local borrowings by foreign owned/controlled companies, it has been decided to set debt-equity ratio at 60:40 from 50:50.
- 03. All other instructions in this regard shall remain unchanged. Please bring the contents of this circular to the notice of your relevant clientele.

Yours faithfully,

(Monoar Uddin Ahmed) Director (FEPD)

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