

DOING BUSINESS IN BANGLADESH



EPCINDIA
ENGINEERING THE FUTURE

THE EEPC INDIA
'DOING BUSINESS' SERIES



DOING BUSINESS IN BANGLADESH



Doing Business in Bangladesh

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Message from Chairman

EEPC India, the premier trade and investment promotion organization in India under the aegis of Ministry of Commerce & Industry, Government of India, has earned recognition as the 'Model Export Promotion Council (EPC)' in the country by the concerned ministry. This acknowledgment is a testament to its ongoing commitment in promoting Indian Engineering exports and developing a positive global perception of the quality and dependability of the Indian Engineering Sector since its establishment in 1955.

Other than assisting the Indian government in framing policies, EEPC engages in organizing and taking part in various promotional events worldwide to enhance the global recognition of 'Brand India Engineering.' One notable initiative of EEPC India is the Indian Engineering Exhibition (INDEE). To date, 44 INDEEs have been conducted in 27 diverse countries spanning six continents. This is our 45th INDEE and the third one in Bangladesh.

Bangladesh is now our largest trade partner in South Asia with total merchandise trade surpassing US\$ 14 billion in 2022-23. Engineering trade saw an even better scenario with engineering exports to Bangladesh recorded over 14 percent Compounded Annual Growth (CAGR) during the last three completed fiscals with India's engineering exports reaching US\$ 2.5 billion in 2022-23. Given the strengthening pace of our commercial relations, it is time to focus more on Bangladesh as a promising destination for Indian businesses.

Bangladesh is therefore the right choice for our 45th INDEE and I firmly believe that the "Doing Business in Bangladesh" booklet will be quite useful for investors and traders, facilitating their exploration of this promising business destination in South Asia. This, in turn, will contribute to the further strengthening of our bilateral ties.

A handwritten signature in dark ink, appearing to read 'Arun Kumar Garodia'.

(Arun Kumar Garodia)
Chairman, EEPC India



Message from Executive Director

Bangladesh has shown remarkable achievement in two areas of economic development that are closely linked to each other. One is reduction in poverty level and the second one is exemplary implementation of Microfinance model that in turn accelerated poverty alleviation through development of rural poor. According to World Bank, poverty declined from 11.8 percent in 2010 to 5.0 percent in 2022. Real GDP growth has also been averaging at an impressive level of around 6 percent over the last two decades. Driven by the improvements in key socio-economic parameters, Bangladesh has achieved World Bank's 'Lower Middle Income Country' status in 2015 and is all set to be graduated from UN's Least Developed Countries (LDC) list in 2026. Focus of the Bangladesh government on developing a market oriented economy with much more participation from the private enterprises has indeed helped the country to successfully upgrade its economic status during the last decade.

India's merchandise as well as engineering trade with Bangladesh has shown good progress over the years barring the pandemic phase. In fiscal 2022-23, India's exports declined due to slowdown in global economy and problem of foreign exchange reserve in Bangladesh. Despite that, India is still the second largest supplier of engineering products to Bangladesh after China. Substantial duty concessions have been extended to Bangladesh under SAFTA, SAPTA and APTA and India also provides duty free quota free access to Bangladesh and other LDCs of SAARC on all tariff lines except tobacco and alcohol under SAFTA since 2011. As a part of economic assistance, India has extended several Lines of Credits to Bangladesh.

As a prominent neighbor with an ever-strengthening economic relationship focusing on trade and investment, Bangladesh, in my belief is the right selection for INDEE with an objective to enhance mutually beneficial bilateral relation.

I also believe that this 'Doing Business in Bangladesh' booklet will provide all necessary information to our member exporters as well as for the prospective investors of Bangladesh that will in turn help them to capture greater market share in Bangladesh.



(Suranjan Gupta)
Executive Director, EEPC India

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Introduction

Bangladesh, officially known as the "Peoples' Republic of Bangladesh", is a sovereign country in South Asia located between India and Myanmar. It forms the largest and easternmost part of the Bengal region. It was under British rule till 1947 and then became 'East Pakistan' after the partition of Bengal. Finally, A Parliamentary Republic established in Bangladesh after it became an independent state in 1971. However, a 'Presidential Government' was in charge between 1975 and 1990 followed by return to parliamentary democracy. Being the eighth most populous country of the world, Bangladesh forms the largest and easternmost part of the Bengal region. Most of Bangladesh



Official Seal of Bangladesh

is covered by the Bengal delta, the largest delta on Earth. With its strategically vital location between Southern, Eastern and Southeast Asia, Bangladesh is an important promoter of regional connectivity and cooperation and has over the years, shaped up as a major developing nation.

The country has a remarkable achievement in poverty reduction and development and also registered notable success in reducing child mortality, controlling population, combating natural disasters, empowering women, earning foreign exchange through the export of textiles. Bangladesh is a perfect example of poverty alleviation through extensive application of microcredit. Within South Asia, the country ranks first in gender equality, second in foreign exchange earnings and third in life expectancy and peacefulness. It is one of the largest Textile exporters of the World and a global centre for 'Muslin' and 'Silk' trade. With the help of international development assistance, Bangladesh has reduced the poverty rate from over half of the population to less than a third, achieved Millennium Development Goals for maternal and child health and made great progress in food security since independence. Bangladesh is a founding member of SAARC, BIMSTEC, the Bangladesh-China-India-Myanmar Forum for Regional Cooperation and the Bangladesh-Bhutan-India-Nepal Initiative. It is also a member of the Commonwealth of Nations, the Developing 8 Countries, the Organisation of Islamic Cooperation, the Non Aligned Movement, the Group of 77 and the World Trade Organization.

Country profile

Geography	
Capital City	Dhaka
Location	Southern Asia, bordering the Bay of Bengal, between Burma and India
Total Area	148,460 sq km
Climate	Tropical; mild winter (October to March); hot, humid summer (March to June); humid, warm rainy monsoon (June to October)
Natural Resource	Natural gas, arable land, timber, coal
Time Difference	Bangladesh is 30 Minutes Behind India
Demography	
Population	167,184,465 (2023 est.)
Languages	Bangla 98.8% (official, also known as Bengali), other 1.2% (2011 est.)
Population Growth Rate	0.91% (2023 est.)
Literacy	74.9% (Literate means people with age 15 and over who can read and write)
Economy	
Currency	Taka (BDT)
Exchange Rate	1 INR = 1.32 BDT 1 USD = 85.084 BDT
GDP (Official Exchange Rate)	\$329.545 billion (2020 est.)
Real GDP Growth Rate	6.94% (2021 est.) 3.45% (2020 est.) 7.88% (2019 est.)

GDP - Per Capita (PPP) (Data in 2017 USD)	\$5,900 (2021 est.) \$5,600 (2020 est.) \$5,500 (2019 est.)
GDP - Composition by Sector	Agriculture: 14.2% (2017 est.) Industry: 29.3% (2017 est.) Services: 56.5% (2017 est.)
Inflation Rate (Consumer Price)	5.55% (2021 est.)
Industries	Jute, Cotton, Garments, Paper, Leather, Fertilizer, Iron and Steel, Cement, Petroleum Products, Tobacco, Pharmaceuticals, Ceramics, Tea, Salt, Sugar, Edible Oils, Soap and Detergent, Fabricated Metal Products, Electricity, Natural Gas.
Exports	\$49.386 billion (2021 est.) \$38.476 billion (2020 est.) \$44.961 billion (2019 est.)
Exports - Commodities	Garments, Knitwear, Agricultural Products, Frozen Food (Fish and Seafood), Jute and Jute Goods, Leather footwear.
Imports	\$85.303 billion (2021 est.) \$56.776 billion (2020 est.) \$64.234 billion (2019 est.)
Imports - Commodities	refined petroleum, cotton, natural gas, scrap iron, wheat (2019)
Import - Partners	China 31%, India 15%, Singapore 5% (2019)
Ports and Terminals	Major Seaport(s): Chittagong

Source: CIA World Fact Book

Economy of Bangladesh

Bangladesh is the third largest economy in the South Asian region after India and Pakistan, maintaining an annual average real GDP growth of about 6% for more than the last two decades and achieved World Bank's 'lower-middle income status' in 2015. Over half of the GDP is generated through the services sector, but almost half of Bangladeshis are employed in the agriculture sector.



Bangladesh has a story of remarkable achievement in poverty reduction and development. From being one of the poorest nations at birth in 1971, Bangladesh reached lower-middle income status in 2015 and it is on track to graduate from the UN's Least Developed Countries (LDC) list in 2026. Poverty declined from 11.8 percent in 2010 to 5.0 percent in 2022, based on the international poverty line of \$2.15 a day (using 2017 Purchasing Power Parity exchange rate).



The Bangladeshi private sector has expanded rapidly in the last few years with numerous conglomerates now driving the economy. Export-oriented industrialization has increased in recent years, with majority of export earnings coming from its garments sector. Garment exports accounted for more than 80% of total exports. The country also has a vibrant social enterprise sector, including the Nobel Peace Prize-winning microfinance institution, Grameen Bank, and the world's largest non-governmental development agency, BRAC (Bangladesh Rural Advancement Committee).

Steady export growth in the garment sector combined with remittances from overseas are the key contributors to the sustained economic growth and rising foreign exchange reserves of Bangladesh.

Commercial Guide

Being the seventh most populous country of the world with a stable macroeconomic environment, booming export sector and strong inflow of remittances, the country really shapes up as a prospective business hub. Bangladesh has now been witnessing strong potential for expanding Intra-regional trade with other nations of the South Asian region. Signing of a Land Boundary Agreement with neighbour India in 2015 was a major step towards smoothening intra-regional trade that eventually settled a longstanding territorial dispute and paved the way for the signing of several other agreements directed towards inviting more foreign investments and developing foreign trade. The World Bank has launched several projects in Bangladesh to develop the overall infrastructure of the country.

Market Opportunities

Bangladesh is highly expected to make its entry into the 'Middle-income-economy' group very soon. The govt. has undertaken initiatives towards major restructuring of the economy for establishing a market economy, with the major thrust coming from the private sector. The country enjoys modest but steady economic growth. Its current development strategy is based on the premise that the creation and distribution of wealth occurs through the acceleration of growth driven by competitive market forces, with the government facilitating growth and making a clean break from the practices of a controlled economy. The government has been gradually withdrawing

its involvement in this industrial and infrastructure sectors and promoting private sector participation.

The incumbent government of Bangladesh is seeking active participation of large foreign players in sectors like power, energy, garments, tourism and infrastructure projects among others while the government itself is keen to develop public sectors like roads, highways, mega-bridges, technology parks and deep-sea ports through large scale investments.

Market Entry Strategy

Bangladesh has increasingly becoming an attractive destination for investment for the foreign investors. Steady growth of the economy, continuous flow of remittances from abroad, reform measures by the government in developing infrastructure and strong inclination towards higher participation of the private sector in the growth process speaks for the potential of Bangladesh as an investment hub of the future.

Foreign investors can set up businesses in Bangladesh in the following ways:

1. Direct (100%) foreign investment or joint venture investment in the Export Processing Zones (EPZs) or outside EPZs.
2. Portfolio investment by purchasing shares in publicly listed companies through the stock exchange.
3. Investment in infrastructure projects such as power generation (private power generation policy announced); oil, gas and mineral exploration, telecommunication, ports, roads and highways.
4. Outright purchase or purchase of shares of state-owned enterprises, which are under process of privatization.
5. Investment in private Export Processing Zones

Marketing through local distributors or agents is an effective strategy for successful business in Bangladesh as personal relationship takes a front seat in making businesses.

Bilateral Relation between India and Bangladesh



The bilateral relationship between India and Bangladesh is based on the sentiment that once Bangladesh was very much an integral part of India and India was the first country to recognize the independence of its neighbour. The relationship between India and Bangladesh is anchored in history, culture, language and shared values of secularism, democracy, and countless other commonalities between the two countries. There are more than 50 bilateral institutional mechanisms between India and Bangladesh in the areas of security, defence, trade & commerce, power & energy, transport & connectivity, S & T, rivers & maritime affairs etc. A Joint Consultative Commission (JCC) led by the Ministers of Foreign/External Affairs coordinates and oversees implementation of initiatives taken between the two countries as well as explores newer avenues for cooperation. It is mention-worthy here that India and Bangladesh signed a series of agreements/MoUs on several important eco-political issues during the visit of Bangladeshi Prime Minister in India in April 2017 that includes MoU on Defence, Education, Nuclear energy, Information Technology and Electronics, Cyber security, border

issue, Judicial cooperation, Transport & Communication and Financial issues among others.

Key Agreements/ MoUs between India and Bangladesh

A number of bilateral agreements/MoUs have been signed between India and Bangladesh till date on several strategically important issues. Some of the most important agreements are mentioned hereunder.

- Agreements on Trade
 - o Agreement on SAARC Preferential Trading Arrangement (SAPTA)
 - o Agreement on South Asia Free Trade Area (SAFTA)
 - o Asia Pacific Trade Agreement (APTA)
- Agreement for the Supply of Crude Oil
- Cultural Cooperation Agreement
- MoU Regarding Joint Power Coordination Board
- Agreement on Telecommunication
- Agreement on Co-operation in the Fields of the Peaceful Uses of Nuclear Energy
- MoU on Cooperation in the Field of Agriculture
- Agreement for the Promotion and Protection of Investments
- Framework Agreement on Co-operation for Development
- MoU on Renewable Energy Cooperation
- Protocol Amending the Convention for Avoidance of Double Taxation
- MoU for Cooperation on Establishing Indian Economic Zone In Bangladesh
- MoU on Mutual Scientific Cooperation in Earth Sciences for Research and Development
- MoU on Bilateral Judicial Cooperation

- MoU on Cooperation in the Field of Information Technology & Services
- Recent development: Both the nations agreed to expedite commissioning of the Joint Study on the prospects of entering into a bilateral Comprehensive Economic Partnership Agreement (CEPA) during the official visit of Prime Minister of Bangladesh to India in October 2019.

Cooperation in Energy Sector

Bangladesh is currently importing 1160 MW of power from India including the supply of additional 500 MW of power that has begun from June 2018. The 1320 MW coal-fired Maitree Thermal Power Plant, which is a 50:50 joint venture between national Thermal Power Corporation (NTPC) of India and Bangladesh Power Development Board (BPDB) is being developed at Rampal. In April 2017, agreements for generation/supply/financing of more than 3600 MW electricity were signed between Indian public/private companies and Bangladesh side.

For the first time in their post-independence history, India and Bangladesh have established inter-grid connectivity in 2013 for the flow of bulk power from India to Bangladesh. A 400 kv line constructed by Power Grid Corporation of India Ltd and Power Grid Company of Bangladesh in the Eastern sector with the load capacity of 500 MW has been commissioned. A new interconnection of 100 MW connecting Comilla with Tripura in the Eastern side has also been inaugurated in 2016.

Energy sector cooperation between India and Bangladesh has also seen considerable progress in the last two years. Various Indian public sector units including Indian Oil Corporation, Numaligarh Refinery Limited are working with their Bangladeshi counterparts in the oil and gas sector of Bangladesh. ONGC Videsh Ltd has acquired two shallow water blocks in consortium with Oil India Limited and is currently exploring these blocks. The Indian government is also extending financial assistance for construction of 130 Km India-Bangladesh Friendship Pipeline for supply of diesel from Siliguri to Parbatipur in Bangladesh.

Economic Relation between India and Bangladesh

Geographical proximity, similarity in climate, common language, resemblance in consumption pattern, common development needs and commonality of the inherited infrastructure speaks for the significance of economic relationship between these two nations that has become multifaceted with time. Mutual benefits achieved by closer economic ties between these two nations have in turn helped to stabilize political relation also. India and Bangladesh's shared bonds are not only rooted in history, language, and culture but also extend into various other dimensions. India and Bangladesh have built a relationship that benefits their citizens and contributes to the stability and development of the South Asian region.

India's Economic Assistance to Bangladesh

- India has extended 3 Lines of Credits to its biggest development partner Bangladesh in the amounting to US\$ 8 billion. Of that amount, \$1.489 billion or 20% has been disbursed till June 2023.
- During the visit of the Honourable Prime Minister of Bangladesh Sheikh Hasina to India in January 2010, India announced a US\$1 billion Line of Credit (LOC) for Bangladesh covering projects in public transportation, roads, railways, bridges and inland waterways etc. Most of these projects have been completed and the remaining are under various stages of completion.
- The honourable Prime Minister of India Mr. Narendra Modi announced another LOC of US\$ 2 billion during his visit to Bangladesh in June 2015. This LOC covers projects in areas of Roads, Railways, Power, Shipping, SEZs, Health & Medical Care and Technical Education.
- India announced a US\$ 4.5 billion LoC for Bangladesh in April 2017. The new LOC will cover projects in areas of Port Construction, Railways, Roads, Airports, Power & Energy, Telecommunications, and Shipping etc.

- Apart from LOCs, the Government of India has also been providing grant assistance to Bangladesh on three development projects are Akhaura - Agartala Cross-Border Rail Link with grant assistance of INR 392.52 crore; Khulna - Mongla Port Rail Line with a total project cost of USD 388.92 million; and Unit – II of the Maitree Super Thermal Power Plant under Indian Concessional Financing Scheme loan of USD 1.6 billion.

Commercial Relation between India and Bangladesh

Trade and investments are two very important accepts of the bilateral relation between India and Bangladesh. Bangladesh is at present the largest trading partner of India among the South Asian countries. Merchandise trade between these two countries has increased steadily over the last years and crossed of US\$ 14 billion in 2022-23.

Substantial duty concessions have been extended to Bangladesh under SAFTA, SAPTA and APTA. India has provided duty free quota free access to Bangladesh and other Less Developed Countries of SAARC on all tariff lines except tobacco and alcohol under SAFTA since 2011.

India's major exports to Bangladesh include cotton, cereals, Motor vehicles, Iron & steel, Nuclear reactors, boilers, Machinery and Mechanical Appliances, electrical machinery and equipments, sugars and sugar confectionery, edible vegetables, Organic chemicals, tanning or dyeing extracts among others. On the other hand, India's key imports from Bangladesh are Textile materials, apparels, plastic and articles, footwear, animal or vegetable fats and oils, Inorganic chemicals, nickel and articles, etc.

Merchandise Trade between India and Bangladesh

Particulars	2018-19	2019-20	2020-21	2021-22	2022-23	CAGR (%)
India's Exports to Bangladesh	9210.06	8200.75	9691.56	16156.37	12215.85	7.3
India's import from Bangladesh	1044.8	1264.74	1091.66	1977.93	2021.24	17.9
India's Total Trade with Bangladesh	10254.86	9465.49	10783.22	18134.3	14237.09	8.5
India's Trade Balance with Bangladesh	8165.26	6936.01	8599.9	14178.44	10194.61	5.7

Source: Ministry of Commerce, Govt. of India

India's merchandise exports to Bangladesh recorded over 7% Compounded Annual Growth (CAGR) with a steady jump in shipments in the last four fiscals. Imports from Bangladesh have witnessed a higher increase with 17.9% CAGR and has crossed US\$ 2 billion. India enjoys a trade surplus with Bangladesh that has also been increasing with time.



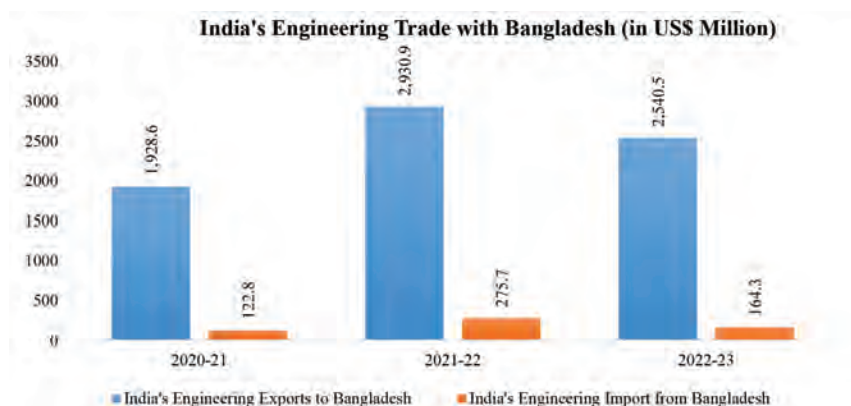
Source: Ministry of Commerce, Govt. of India, EEPC Research

Engineering Trade between India and Bangladesh

Particulars	2020-21	2021-22	2022-23	CAGR (%)
India's Engineering Exports to Bangladesh	1928.59	2930.93	2540.45	14.8
India's Engineering Import from Bangladesh	122.84	275.65	164.27	15.6
India's Total Engineering Trade with Bangladesh	2051.43	3206.58	2704.72	14.8
India's Trade Balance with Bangladesh	1805.75	2655.28	2376.18	14.7

Source: Ministry of Commerce, Govt. of India

Engineering trade with Bangladesh depicts a more optimistic picture as the CAGR of engineering exports to Bangladesh for the last three fiscals far outweighed that of overall merchandise exports. However, CAGR in Imports is higher to that of exports due to a sudden jump in imports in 2021-22 following over US\$ 200 million of imports. Major items exported to Bangladesh are industrial machinery, auto components/parts, iron and steel, aluminium and its products, electrical machinery, products of iron & steel, motor vehicles, etc. while some of the major imported engineering items from Bangladesh are iron and steel, refrigeration machinery and parts, Cranes, Lifts & Winches, copper and its products, etc.



Source: Ministry of Commerce, Govt. of India, EEPC Research

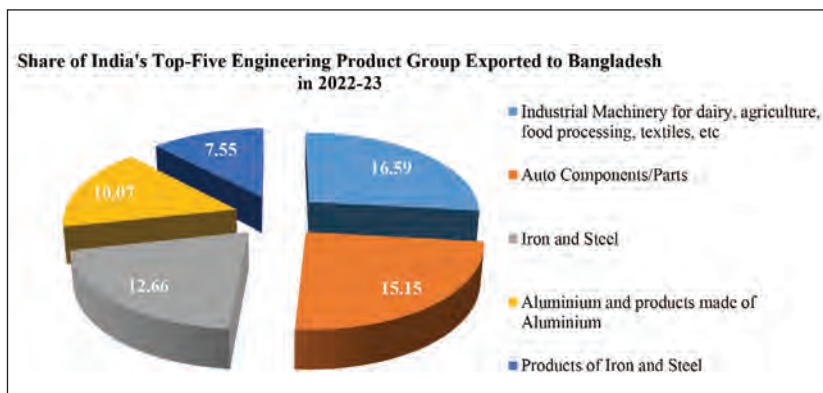
Panel-wise Engineering Exports to Bangladesh (Top 10 Panels)

Table 3: India's Top Ten Engineering Product Groups Exported to Bangladesh			
DGCIS Product Group (Panel)	India's Exports to Bangladesh (US\$ Mn)		
	2020-21	2021-22	2022-23
Industrial Machinery for dairy, agriculture, food processing, textiles, paper, chemicals, etc	204.36	364.39	421.35
Auto Components/Parts	306.96	436.83	384.98
Iron and Steel	221.00	475.79	321.55
Aluminium and products made of Aluminium	152.48	255.56	255.70
Products of Iron and Steel	147.90	148.12	191.79
Electric Machinery and Equipment	150.35	236.53	149.06
Motor Vehicle/cars	158.12	226.96	128.27
IC Engines And Parts	79.45	132.10	114.52
Two and Three Wheelers	98.14	110.93	102.93
Bicycle And Parts	54.80	68.03	50.56

Source: Ministry of Commerce, Govt. of India

Panel-wise analysis depicts a very impressive result. The above table depicts the top ten engineering product groups exported to Bangladesh. Some panels have conceded a decline in overseas shipment to Bangladesh in 2022-23 against 2021-22.

Share of Top Five Engineering Products in India's Total Engineering Exports to Bangladesh in 2022-23



Source: Ministry of Commerce, Govt. of India; EEPC Research

Focus Products for Indian Industries in Bangladesh

Within South Asia, Bangladesh have emerged as important destinations for engineering exports. This collaboration has not only contributed to the growth of both countries' engineering industries but has also played a crucial role in enhancing infrastructure development and industrial capabilities in Bangladesh, while providing India with a significant export market in the sector.

With significant strides in infrastructure development and industrialization, there has been an increased demand for engineering products in Bangladesh, placing the country among top export destination for engineering goods from India like aluminium and its products, power cables, food processing machinery, textile machinery, auto components/parts and two- and three-wheelers. India has been playing an important role in meeting this demand. Furthermore, Bangladesh, with its significant agriculture-based economy has been one of the major market for Indian agricultural machinery.

We have carried out a product-wise analysis of India's engineering exports to Bangladesh at 6 digit HS code level with an objective to find out which are the high potential products for exporting to our largest trade partner in South

Asia. We have considered 50 such products for this purpose based on the value of exports in 2022. For each of the top 50 products, we have also estimated 'India's share in Global Import of Bangladesh' and 'Share of Bangladesh in India's Global Export' in order to provide the readers a clearer view on India's export interest as well as the scope of increasing exports to Bangladesh for a particular product. Needless to say, Bangladesh is a highly potential market for Indian engineering exporters as reflected in the following table.

Table 4: Top Fifty Engineering Products India Exports to Bangladesh in 2022 (US\$ Million)						
HS Code (6 digit)	Product Description	India's Exports to Bangladesh in 2022	Global Import of Bangladesh in 2022	Share of India in Global Import of Bangladesh in 2022 (%)	India's Exports to the World in 2022	Share of Bangladesh in India's Global Export in 2022 (%)
871410	Parts and accessories of motor cycles, incl. mopeds, n.e.s.	287.19	315.79	90.94	688.52	41.71
720310	Ferrous products obtained by direct reduction of iron ore, in lumps, pellets or similar forms	172.11	172.15	99.98	453.28	37.97
761490	Stranded wires, cables, ropes and similar articles, of aluminium (other than with steel core ...	152.01	152.05	99.97	280.93	54.11

HS Code (6 digit)	Product Description	India's Exports to Bangladesh in 2022	Global Import of Bangladesh in 2022	Share of India in Global Import of Bangladesh in 2022 (%)	India's Exports to the World in 2022	Share of Bangladesh in India's Global Export in 2022 (%)
730820	Towers and lattice masts, of iron or steel	130.26	150.72	86.43	530.18	24.57
871120	Motorcycles, incl. mopeds, with reciprocating internal combustion piston engine of a cylinder ...	110.22	140.11	78.67	2450.87	4.50
840732	Spark-ignition reciprocating piston engine, of a kind used for the propulsion of vehicles of ...	88.75	89.12	99.59	104.41	85.00
844520	Textile spinning machines (excl. extruding and drawing or roving machines)	78.11	177.12	44.10	307.69	25.38
870422	Motor vehicles for the transport of goods, with only compression-ignition internal combustion ...	76.60	83.77	91.44	319.89	23.95

HS Code (6 digit)	Product Description	India's Exports to Bangladesh in 2022	Global Import of Bangladesh in 2022	Share of India in Global Import of Bangladesh in 2022 (%)	India's Exports to the World in 2022	Share of Bangladesh in India's Global Export in 2022 (%)
870600	Chassis fitted with engines, for tractors, motor vehicles for the transport of ten or more ...	68.83	76.33	90.18	314.28	21.90
760110	Aluminium, not alloyed, unwrought	57.75	153.99	37.50	5529.64	1.04
730890	Structures and parts of structures, of iron or steel, n.e.s. (excl. bridges and bridge-sections, ...	52.40	445.30	11.77	851.21	6.16
720230	Ferro-silico-manganese	51.63	51.63	100.00	1601.21	3.22
870192	Tractors, of an engine power > 18 kW but <= 37 kW (excl. those of heading 8709, pedestrian-controlled ...	42.10	42.48	99.09	327.52	12.85

HS Code (6 digit)	Product Description	India's Exports to Bangladesh in 2022	Global Import of Bangladesh in 2022	Share of India in Global Import of Bangladesh in 2022 (%)	India's Exports to the World in 2022	Share of Bangladesh in India's Global Export in 2022 (%)
870421	Motor vehicles for the transport of goods, with only compression-ignition internal combustion ...	37.16	59.37	62.59	514.28	7.23
870899	Parts and accessories, for tractors, motor vehicles for the transport of ten or more persons, ...	35.33	88.84	39.77	3143.19	1.12
870423	Motor vehicles for the transport of goods, with only compression-ignition internal combustion ...	33.63	45.53	73.87	250.50	13.43
870193	Tractors, of an engine power > 37 kW but ≤ 75 kW (excl. those of heading 8709, pedestrian-controlled ...	29.81	30.18	98.75	892.99	3.34

HS Code (6 digit)	Product Description	India's Exports to Bangladesh in 2022	Global Import of Bangladesh in 2022	Share of India in Global Import of Bangladesh in 2022 (%)	India's Exports to the World in 2022	Share of Bangladesh in India's Global Export in 2022 (%)
854460	Electric conductors, for a voltage > 1,000 V, insulated, n.e.s.	29.48	143.46	20.55	404.92	7.28
854620	Electrical insulators of ceramics (excl. insulating fittings)	28.77	39.24	73.32	80.39	35.79
847989	Machines and mechanical appliances, n.e.s.	25.06	132.56	18.90	551.31	4.54
760120	Unwrought aluminium alloys	23.11	34.96	66.10	1550.07	1.49
721391	Bars and rods, hot-rolled, in irregularly wound coils, of iron or non-alloy steel, of circular ...	21.09	45.55	46.30	282.78	7.46
840991	Parts suitable for use solely or principally with spark-ignition internal combustion piston ...	20.76	45.79	45.33	403.60	5.14

HS Code (6 digit)	Product Description	India's Exports to Bangladesh in 2022	Global Import of Bangladesh in 2022	Share of India in Global Import of Bangladesh in 2022 (%)	India's Exports to the World in 2022	Share of Bangladesh in India's Global Export in 2022 (%)
842121	Machinery and apparatus for filtering or purifying water	20.36	75.65	26.91	179.35	11.35
871491	Frames and forks, and parts thereof, for cycles, n.e.s. (excl. for motorcycles)	19.04	36.96	51.51	57.24	33.26
850423	Liquid dielectric transformers, having a power handling capacity > 10.000 kVA	18.18	147.26	12.35	134.78	13.49
871499	Parts and accessories, for bicycles, n.e.s.	16.98	77.72	21.85	89.12	19.05
850440	Static converters	16.62	166.73	9.97	1663.73	1.00
720839	Flat-rolled products of iron or non-alloy steel, of a width of ≥ 600 mm, in coils, simply ...	15.46	641.10	2.41	1147.39	1.35

HS Code (6 digit)	Product Description	India's Exports to Bangladesh in 2022	Global Import of Bangladesh in 2022	Share of India in Global Import of Bangladesh in 2022 (%)	India's Exports to the World in 2022	Share of Bangladesh in India's Global Export in 2022 (%)
853710	Boards, cabinets and similar combinations of apparatus for electric control or the distribution ...	14.47	124.37	11.63	508.36	2.85
760719	Aluminium foil, not backed, rolled and further worked, of a thickness of ≤ 2 mm (excl. stamping ...	13.66	23.33	58.54	176.40	7.74
853720	Boards, cabinets and similar combinations of apparatus for electric control or the distribution ...	13.25	89.43	14.82	117.10	11.32
841989	Machinery, plant or laboratory equipment, whether or not electrically heated, for the treatment ...	12.57	54.55	23.05	227.84	5.52

HS Code (6 digit)	Product Description	India's Exports to Bangladesh in 2022	Global Import of Bangladesh in 2022	Share of India in Global Import of Bangladesh in 2022 (%)	India's Exports to the World in 2022	Share of Bangladesh in India's Global Export in 2022 (%)
843139	Parts of machinery of heading 8428, n.e.s.	12.56	41.45	30.31	129.23	9.72
841370	Centrifugal pumps, power-driven (excl. those of subheading 8413.11 and 8413.19, fuel, lubricating ...	12.39	161.49	7.67	299.09	4.14
871494	Brakes, incl. coaster braking hubs and hub brakes, and parts thereof, for cycles (excl. for ...	11.44	27.02	42.35	31.32	36.54
851420	Furnaces and ovens functioning by induction or dielectric loss	11.13	12.46	89.38	68.09	16.35

HS Code (6 digit)	Product Description	India's Exports to Bangladesh in 2022	Global Import of Bangladesh in 2022	Share of India in Global Import of Bangladesh in 2022 (%)	India's Exports to the World in 2022	Share of Bangladesh in India's Global Export in 2022 (%)
720852	Flat-rolled products of iron or non-alloy steel, of a width of ≥ 600 mm, not in coils, simply ...	10.93	52.40	20.86	98.01	11.15
760720	Aluminium foil, backed, of a thickness (excl. any backing) of $\leq 0,2$ mm (excl. stamping foils ...	10.82	43.36	24.95	60.29	17.94
720510	Granules, of pig iron, spiegeleisen, iron or steel (excl. granules of ferro-alloys, turnings ...	10.76	11.34	94.91	105.91	10.16

HS Code (6 digit)	Product Description	India's Exports to Bangladesh in 2022	Global Import of Bangladesh in 2022	Share of India in Global Import of Bangladesh in 2022 (%)	India's Exports to the World in 2022	Share of Bangladesh in India's Global Export in 2022 (%)
842199	Parts of machinery and apparatus for filtering or purifying liquids or gases, n.e.s.	10.65	38.18	27.89	238.14	4.47
870893	Clutches and parts thereof, for tractors, motor vehicles for the transport of ten or more persons, ...	10.13	13.71	73.88	97.97	10.34
851220	Electrical lighting or visual signalling equipment for motor vehicles (excl. lamps of heading ...	9.95	23.36	42.59	187.93	5.29

HS Code (6 digit)	Product Description	India's Exports to Bangladesh in 2022	Global Import of Bangladesh in 2022	Share of India in Global Import of Bangladesh in 2022 (%)	India's Exports to the World in 2022	Share of Bangladesh in India's Global Export in 2022 (%)
870321	Motor cars and other motor vehicles principally designed for the transport of ...	9.80	10.46	93.67	1415.86	0.69
850940	Domestic food grinders and mixers and fruit or vegetable juice extractors, with self-contained ...	9.57	13.68	69.92	50.44	18.96
847290	Office machines, n.e.s.	9.08	23.01	39.46	276.81	3.28
854449	Electric conductors, for a voltage ≤ 1.000 V, insulated, not fitted with connectors, n.e.s.	8.93	101.55	8.80	529.73	1.69

HS Code (6 digit)	Product Description	India's Exports to Bangladesh in 2022	Global Import of Bangladesh in 2022	Share of India in Global Import of Bangladesh in 2022 (%)	India's Exports to the World in 2022	Share of Bangladesh in India's Global Export in 2022 (%)
761410	Stranded wire, cables, plaited bands and the like, of aluminium, with steel core (excl. such ...	8.75	44.09	19.84	238.83	3.66
840999	Parts suitable for use solely or principally with compression-ignition internal combustion ...	8.52	74.95	11.36	1047.83	0.81
848180	Appliances for pipes, boiler shells, tanks, vats or the like (excl. pressure-reducing valves, ...	8.20	132.27	6.20	923.03	0.89

Source: ITC Trade Data

It may be noted that data on global imports of Bangladesh are not available on the website of Ministry of Commerce, Govt. of India. Therefore, the entire dataset for finding out top 50 potential products has been obtained from ITC Trade Map in order to maintain parity.

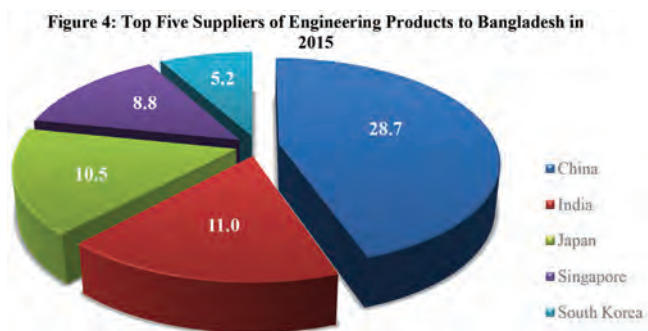
India's Share in Global Imports of Bangladesh - Scope for Expansion of Trade

Table 5: India's Share (in %) in Global Import of Bangladesh					
Particulars	2018	2019	2020	2021	2022
Overall Merchandise Trade					
Share of India in Global Import of Bangladesh	15.19	14.15	15.69	18.03	15.69
Share of Bangladesh in India's Global Exports	2.70	2.55	2.87	3.57	3.06
Engineering Trade					
Share of India in Global Import of Bangladesh	14.90	15.23	13.22	12.61	12.91
Share of Bangladesh in India's Global Exports	3.32	3.10	2.50	2.37	2.28

Source: ITC Trade Data



Top Five suppliers of engineering products to Bangladesh



Source: ITC Trade Data (Data is available till 2015)

Scope for Indian engineering exporters: India is the second largest supplier of engineering products to Bangladesh after China, but the share is not so impressive in case of many products. Here comes the scope for Indian engineering exporters to increase the overseas shipment to Bangladesh for products of their concern. Deepening of trade relation with Bangladesh will definitely provide more room for our exporters.

Indian Investments in Bangladesh

Indian investments and foreign assistance have been critical to Bangladesh's rise as a high performer in multiple sectors such as renewable energy, agriculture, Small and medium-sized enterprises (SMEs) and Information and Communications Technology (ICT). According to the estimates of Indian government, India's Overseas Direct Investment in Bangladesh has more than doubled from USD 243.91 million in 2014 to USD 570.11 million in December 2018 and reached USD 725 million by October 2023. Indian companies have invested in various sectors including telecommunications (Airtel), pharmaceuticals (Sun Pharma), FMCG (Marico) and automobiles (Tata, Hero Motors) sectors in Bangladesh.



Connectivity between India and Bangladesh

The movement of goods is operationalized through 62 Land Customs Stations (which include land border crossing locations, railroad stations, and river banks/ports) along the India-Bangladesh Border and 5 Integrated Check Posts (ICPs) along the border. In May 2023, the Dawki ICP was operationalized, which will better facilitate cross-border movement of people and goods.

Waterways: The Protocol on Inland Water Trade and Transit (PIWTT) was renewed for a period of five years with provision for auto renewal during Indian Prime Minister's visit to Bangladesh in June 2015. In May 2020, India and Bangladesh signed the 2nd addendum to the PIWTT, wherein the number of Indo-Bangladesh Protocol (IBP) routes were increased from eight to ten, and a number of ports were also added.

Railway: Fully AC Passenger train service 'Maitree Express' between Kolkata and Dhaka operates 4 days a week. Trial run of 2nd Maitri Express between Khulna- Kolkata was conducted during the visit of Bangladeshi prime Minister in April 2017. Four Broad Gauge inter-country rail links between the two countries are operational out of the erstwhile 6 rail links that existed. The Radhikapur Birol rail link was the latest to be put back in operation during PM Hasina's visit in April 2017. The Akhaura-Agartala Cross-Border Rail Link project has been executed with the length of the rail link of 12.24 km with a 6.78 km Dual Gauge rail line in Bangladesh and 5.46 km in Tripura. The Khulna-Mongla Port Rail Line Project has been implemented with approximately 65 kms of broad gauge rail route between Mongla Port and the existing rail network in Khulna.

Road Connectivity: There are regular bus services between Kolkata-Dhaka, Shillong-Dhaka and Agartala-Kolkata via Dhaka. Dhaka- Khulna-Kolkata bus service was launched during PM Hasina's visit in April 2017. The Bangladesh, Bhutan, India and Nepal – Motor Vehicle Agreement (BBIN-MVA) will significantly boost connectivity by road. Bus services between the two countries have resumed after the pandemic in June 2022. Royal Maitri International bus Services from Tripura to Kolkata via Bangladesh by

Tripura Road Transport Corporation (TRTC) have started. Further, proposal for developing a road link from Mahendraganj in Meghalaya to Hili in West Bengal through Bangladesh was raised with Bangladesh during the Virtual Summit held in December 2020, as well as during the Prime Minister's visit to Bangladesh in March, 2021. Discussions on establishment of a transit corridor for Bangladesh through India to Bhutan and Nepal are underway.

Aerial Connectivity: National airlines of both countries and a number of private airlines operate from several airports of both the nations.



Dawki, Meghalaya, International Border between India and Bangladesh

Investment Opportunities in Bangladesh

Bangladesh offers an unparalleled investment climate compared to the other South Asian economies. The government has moved speedily to translate its policy pronouncements into specific reforms. It has been consistently pursuing an 'Open-Door-Policy' for investment and playing a catalytic rather than a regulatory role.

The Bangladesh Investment Development Authority (BIDA)

BIDA is the government agency responsible for promoting business opportunities in Bangladesh to investors everywhere. It facilitates the process from first enquiry through registration to implementation and beyond. Here are the lists of activities they perform for new business entities:

- Help with information tailor made to the intended business area for a new entity.
- Advise about the best place to locate your business.
- Introduce a new entity to the most relevant organizations, government agencies and to The Bangladesh Export Processing Zones Authority (BEPZA), the agency responsible for developing EPZs.
- Help to register investments with the BIDA (unless the investment qualifies to be best located in an EPZ), to make a business eligible for all the various incentives on offer.

Twelve Key reasons for investing in Bangladesh

- Bangladesh is a largely homogeneous society with a population having great resilience in the face of natural adversities.
- Broad non-partisan political support for market oriented reform and the most investor-friendly regulatory regime in South Asia.
- Trainable, enthusiastic, hardworking and low-cost (even by regional standards) labor force suitable for any labor-intensive industry.
- The geographic location of the country is ideal for global trade, with very convenient access to international sea and air routes.

- Bangladesh is endowed with abundant supply of natural gas, water and its soil is very fertile.
- Although Bengali (Bangla) is the official language, English is generally used as a second language. The majority of the educated population can read, write and speak in English.
- The policy regime of Bangladesh for foreign direct investment is one of the best in South Asia.
- Stable macroeconomic condition with a remarkable GDP growth averaging around 6 percent in more than last two decades.
- Poverty level has been reduced significantly in the last 30 years or so.
- Sustained economic growth accompanied by sizeable reduction in poverty has rapidly increased the demand for energy, transport and urbanization.
- As a result of low per capita GDP, present domestic consumption is not significant. However, it should always be considered that there exists a middle class with over 10% of the population. As economic growth picks up, the purchasing power will also grow substantially.
- The World Bank has identified job creation as the country's top development priority.

Potential Sectors for Investments

- Agribusiness
- Garments and Textiles
- ICT and Business Services
- Pharmaceutical Sector
- Leather and Leather Goods
- Plastic Industry
- Light Engineering
- Ship Building Industry

- Tourism Industry
- Frozen Foods
- Renewable Energy
- Active Pharmaceutical ingredient Industry and Radio pharmaceutical Industry
- Automobile Sector

Incentives for Investing in Bangladesh

Fiscal Incentives

- 5 to 10 years of Tax Holiday and reduced tax depending on area
- Dhaka and Chittagong divisions, excluding Dhaka, Mymensingh, Narayanganj, Gazipur, Chittagong, Rangamati, Bandarban and Khagrachari districts, for a period of five years
- Rajshahi, Khulna, Sylhet, Barisal and Rangpur divisions (excluding City Corporation area) and Rangamati, Bandarban and Khagrachari districts, for a period of ten years
- 100% tax exemption on income and capital gain for certain projects under Public Private Partnership (PPP) for 10 years.
- 100% tax exemption from software development, Nationwide Telecommunication Transmission Network or Information Technology Enabled Services.
- 50% of income derived from export is exempted from tax.
- Tax exemption on royalties, technical knowhow and technical assistance fees and facilities for their repatriation
- Tax exemption on interest paid on foreign loan
- Accelerated Depreciation: Accelerated depreciation for machinery and plants
- Exemption on Import Duties: Reduced rate from customs duties on capital machineries. Exemption of import duties on raw material used for producing export goods

- Tariff Refund: Tariff (if paid) refund on import of raw materials for export
- Double Taxation Prevention: Benefits for 34 countries with double taxation avoidance treaty.
- Bonded warehousing Facilities: For export oriented industries and for large import for local selling in certain items
- Ownership: 100% ownership is allowed
- Repatriation of invested capital and dividend: Full repatriation of capital invested from foreign sources will be allowed. Similarly, profits and dividend accruing to foreign investment may be transferred in full. If foreign investors reinvest their dividends and or retained earnings, those will be treated as new investment.

Cash & Other Incentives

- Cash incentives and export subsidies ranging from 5% to 20% on the FOB value of selected products:
- Funds for export promotion, export credit guarantee scheme, permission for domestic sales up to 20% by export-oriented companies outside EPZ.
- Remittance of royalty, technical know-how and technical assistance fees
- Citizenship for investment of US\$ 10,00,000 or more incentive
- Resident visa for investment of US\$ 75,000 or more
- Many other incentives

Financial incentives:

- Businesses exporting 80% or more of goods or services
- Reduced import duty on machinery & spares
- (1% for export oriented industries and 3% for other industries)
- Export credit guarantee scheme
- Domestic market sales up to 20% allowed to export-oriented companies outside EPZ (relevant duties apply)

- Cash incentives and export subsidies (on the FOB value)
- Additional 4% cash incentive for export items produced from local fabrics, 10% export subsidy on export of ships, 2% to 10% on shrimp and other fish, 5% to 20% for jute products exports, 15% on light engineering products, 10% PET flex, 10% for export of residuals of cow and buffalo (except bone), 10% on potato, 15% for leather products, 20% special rebate on electricity consumption to agro-processing sector including poultry, 20% for 100% halal meat export.

Others:

- No restrictions on issuance of work permits to foreign nationals and employees related to projects.
- Facilities for repatriation of invested capital, profits and dividends.
- Provision of transfer of shares held by foreign shareholders to local investors.
- Reinvestment of remittable dividends would be treated as new investment.
- Remittance of royalty, technical know-how and technical assistance fees.
- The Foreign Private Investment (Promotion & Protection) Act. 1980 ensures legal protection to foreign investment in Bangladesh against nationalization and expropriation
- Equal treatment of both local and foreign investment.
- Bilateral and multilateral investment agreements ensure protection of investment.
- 100% FDI, Joint Ventures, Partnerships, PPPs, Non-equity mode (Technology transfer, licensing Franchising, contracting etc.), and Foreign Lending are allowed
- 100% FDI or Joint Venture FDIs are allowed to participate in the primary and secondary stock markets.
- Foreign Investors are allowed to have access to local banks for working capital requirements.

- Intellectual Property right is protected by Law.

Export Processing Zones of Bangladesh

- Export Processing Zones (EPZs) are export oriented industrial enclaves which provide the infrastructures, the facilities, administrative and support services for a wide variety of enterprises.
- The Bangladesh Export Processing Zones Authority (BEPZA) is the official organ of the government to promote, attract and facilitate foreign investment in the Export Processing Zones.
- Businesses from more than 30 countries have so far invested in these EPZs.

There are currently 8 EPZs are in operation in Bangladesh

- EPZ-Adamjee
- EPZ-Dhaka
- EPZ-Mongla
- EPZ-Chattogram
- EPZ-Ishwardi
- EPZ-Uttara
- EPZ-Cumilla
- EPZ-Karnaphuli

3 proposed EPZs are as follows:

- EPZ-Rangpur
- EPZ- Jessore
- EPZ- Patuakhali

Incentives and facilities offered to firms established in EPZs

Fiscal Incentives

- Tax Holiday: 100% for first 2/3 years, 50% for next 2/3 years, 25% for next 1 year depending on exports zones.
- Duty free import of construction materials
- Duty free import of machineries, office equipment & spare parts etc.
- Duty free import and export of raw materials and finished goods
- Relief from double taxation
- Exemption from dividend tax
- GSP facility available
- Accelerated depreciation on machinery or plant allowed
- Remittance of royalty, technical and consultancy fees allowed
- Duty & quota free access to EU, Canada, Norway, Australia etc.

Non-fiscal Incentives

- 100% foreign ownership permissible
- Enjoy MFN (most favored nation) status
- No ceiling on foreign and local investment
- Full repatriation of capital & dividend
- Foreign Currency loan from abroad under direct automatic route
- Non-resident Foreign Currency Deposit (NFCD) Account permitted
- Operation of FC account by 'B' and 'C' type Industries allowed.

Other Facilities

- No UD, IRC, ERC and renewal of Bond license
- Work permits issued by BEPZA
- Secured and protected bonded area
- Off-Shore banking available

- Import on Documentary Acceptance (DA) basic allowed
- Bank of Back L/C
- Import and Export on CM basis allowed
- Import from DTA (Domestic Tariff Area)
- 10% sale to DTA (Domestic Tariff Area)
- Customs clearance at factory site
- Simplified sanction procedure
- Sub-contracting with export oriented Industries inside and outside EPZ allowed
- Relocation of foreign industries allowed
- Accords Resident-ship and Citizenship
- One Window same day service and simplified procedure.

Important Utility Connections to set up businesses in Bangladesh

- Trade License from respective city corporation and local government body are given within 48 hours, assuming all required documents are provided. Bangladesh Investment Development Authority with local government division insures this service.
- Company registration from Joint Stock Register's office company registration complete within 48 hours.
- Registration of Board of Investment is complete within a day, assuming all required documents are provided.
- Electricity connection's result are given within 10 days after receive the application from BIDA where representative of power development board authority is working.
- Environmental certificate are given within 10 days from BIDA where respective officer from Environment Department are working.
- From Board of Investment representative of Titas Gas Authority the result of gas connection are given within 10 days from the date of application received.

- Foreign loan borrowing application disposed within 30 days assuming all required documents are provided.
- Tax related complication is taken from BIDA by respective National Board of Revenue officer after getting application from entrepreneur and result are given within 10 days.
- Assistance for Land acquire are supported by BIDA.

Legal Security for Investments in Bangladesh

- Foreign Private Investment (Promotion and Protection) Act, 1980 ensures legal protection to foreign investment.
- Bangladesh is a member of Multi-Lateral Investment Guarantee Agency (MIGA), Overseas Private Investment Corporation (OPIC) of USA and International Centre for Settlement of Industrial Disputes (ICSID)
- Member of World Intellectual Property Organization (WIPO) and World Association of Investment Promotion Agencies (WAIPA).

Source: Official Website of the Govt. of Bangladesh and BIDA.

Labour Market in Bangladesh

Bangladesh offers an abundant supply of disciplined, easily trainable and low-cost work force suitable for any labor-intensive industry. Of late, there is an increasing supply of professionals, technologists and other middle and low level skilled workers. The expenditure incurred by an employer to train his employee is exempted from income tax.

The minimum age for workers in Bangladesh is 16 years in factories and establishments. Contracts are made in the form of a letter of offer. Workers may also be engaged on verbal agreements. In the private sector, the dignity of labor is ensured in accordance with the principles enunciated in the International Labour Organization (ILO) convention and recommendations.



In Bangladesh the following major labor laws are now in operation:

- Labor Acts 2006
- Private Road Transport Labor Welfare Fund Law 2005
- Labor Welfare Foundation Law 2006
- Minimum Wages Board Laws
- The main labor policies are:
- Child Labor Policy
- Domestic Worker Protection and Welfare Policy 2010

Working Hours

Workers in the public or private sector typically work eight and a half hours daily (including half an hour for meal or prayer), or 48 hours per week. Friday and Saturday are typically the weekly holidays.

Banking and Financial System of Bangladesh

The financial sector in Bangladesh is continuously evolving towards a more modern and efficient system of finance which is supportive of greater investment and inclusive economic growth. The financial system of Bangladesh consists of The Bangladesh Bank (The Apex Bank of Bangladesh), scheduled banks, non-bank financial institutions, micro finance institutions, insurance companies, co-operative banks, credit rating agencies and stock exchange.

There are 56 scheduled banks in Bangladesh and 31 Non-Bank Financial Institutions (NBFIs) that operate under the full control and supervision of the Bangladesh Bank. Scheduled Banks are classified into following types:

- State-Owned Commercial Banks (SOCBs): There are five SOCBs that are fully or majority owned by the government of Bangladesh.
- Specialized Banks (SDBs): Three specialized banks are now operating which were established for specific objectives like agricultural or industrial development. These banks are also fully or majority owned by the government of Bangladesh.
- Private Commercial Banks (PCBs): There are 39 private commercial banks that are majority owned by private entities.
- Foreign Commercial Banks (FCBs): Nine FCBs are operating in Bangladesh as the branches of banks incorporated abroad.

Major Banks Operating in Bangladesh

Sonali Bank

The largest nationalized bank

Registered Office: 35-42, 44 Motijheel Commercial Area,
Dhaka, Bangladesh

PABX: 0257161080-88 Telex : 642644 SBD/BJ, 642824 SBD/BJ,

WhatsApp: +8801324417006

E-mail: itd@sonalibank.com.bd

Website: www.sonalibank.com.bd

SWIFT: BSONBDDH

Janata Bank Limited

The second largest nationalized bank

Registered Office

110, Motijheel Commercial Area

Dhaka - 1000, Bangladesh.

Phone: +88 02-223380029, +88 02-223380042, +88 02-223385042, +88 02-223386142, +88 02-223350193

Fax: +88 02 223384644

SWIFT: JANBBDDH

Website: www.jb.com.bd

E-mail: mis@janatabank-bd.com

ICB Islamic Bank Ltd.

Head Office

T.K. Bhaban (15th floor),

13 Kazi Nazrul Islam Avenue

Kawran Bazar, Dhaka -1215, Bangladesh

Phone : +88 02 55012061 ,+88 02 55012063 ,+88 02 55012065

FAX : +8802 55012060

SWIFT : BBSHBDDH

E-mail : care@icbislamic-bd.com

Web-site: www.icbislamic-bd.com

Dutch Bangla Bank Limited

Head Office

47 Motijheel Commercial Area

Dhaka-1000, Bangladesh

Tel: 02223354196-8, 02223359229

(8802) 47110465, 47115155, 47114795

Fax: (8802) 9561889

SWIFT: DBBLBDDH

Web-site: www.dutchbanglabank.com

Prime Bank Limited

A Private commercial bank

Head Office

Adamjee Court Annex Building-2,

119-120, Motijheel C/A, Dhaka-1000

Bangladesh

Phone: +880 (2)223387265, +880 (2)223390747-8 PABX, +88 09610990000

Fax: 880-2-55068685

E-mail: info@primebank.com.bd

Web Site: www.primebank.com.bd

SWIFT: PRBLBDDH

Major foreign banks operating in Bangladesh

- Hong Kong Shanghai Banking Corporation Ltd.
- State Bank of India
- Habib Bank Limited
- Standard Chartered Bank

Currency System and Exchange Rate

The official currency of Bangladesh is 'Taka'. Bangladesh has adopted a series of measures towards the liberalization of foreign exchange transaction since 1990s. Bangladesh adopted Floating Exchange Rate regime since 31 May 2003, the regime that has been prevailing in India also. Under the regime, the exchange rate is being determined in the market on the basis of market demand and supply forces of the respective currencies. However, to avoid any unusual volatility in the exchange rate, Bangladesh Bank, the regulator of foreign exchange market intervenes by buying and selling foreign currencies whenever it deems necessary to maintain stability in the foreign exchange market.

Taka has been declared fully convertible on current account but not on capital account. Direct investments of non-residents in the industrial sector and portfolio investments of non-residents through stock exchanges are repatriable abroad, as also are capital gains and profits/dividends thereon. Investment abroad of resident-owned capital is subject to prior Bangladesh Bank approval, which is allowed only sparingly.

Mobile Network

Following are the roster of leading 3G mobile service providers in Bangladesh:

- Grameen Phone Limited - leading telecommunications service provider in Bangladesh with around 50% market share
- Rabi Axiata (Bangladesh) Limited - second largest mobile network operator of Bangladesh. It is a joint venture between Axiata Group Berhad, of Malaysia, Bharti Airtel Limited, of India and NTT DoCoMo Inc. of Japan.
- Banglalink Digital Communications Ltd. - one of the largest cellular service providers in Bangladesh
- Citycell - only mobile operator in the country using CDMA and EVDO technology.
- Teletalk Bangladesh Limited - only state-owned GSM and 3G based mobile phone operator in Bangladesh.

Transportation

The transport system of Bangladesh consists of roads, railways, inland waterways, two seaports, maritime shipping and civil aviation catering for both domestic and international traffic. The public sector is involved in transport operations in road, inland water transport (IWT) and ocean shipping alongside the private sector. In the road transport and IWT sub-sectors, the private sector is dominant. In ocean shipping, however, public sector still predominates, although the private sector has considerably increased its role in this sector in recent years. Private sector has also been involved in domestic air transport and railway in a very limited scale.



Visa Requirements

General requirements:

1. Filled-in application form
2. Photographs (Size: 37mmX37mm and recent one): 02 copies
3. Valid passport
4. Payment receipt of visa fee (No fee is required for Indian citizens)
* For other countries please call: 011 24121389-94

Category specific requirements, in addition to general requirements:

Category	Requirements
Government Delegates	Note Verbale
Diplomatic / other Embassy officials Visa	Note Verbale ¹
UN and other International Organizations visa	Note Verbale
Business visa	<ol style="list-style-type: none"> 1. Invitation letter from Bangladesh 2. Letter from the company that is sending the applicant to Bangladesh
Investor visa	Recommendation letter from Board of Investment (BOI)/BEPZA
Work / Employment visa	<ol style="list-style-type: none"> 1. Letter of appointment from the employer in Bangladesh 2. Recommendation letter from BEPZA/BOI
NGO workers' visa	Permission Letter from NGO Affairs Bureau, Bangladesh
Expert Visa	<ol style="list-style-type: none"> 1. Recommendation letter from BEPZA/BOI

Student visa	2. Invitation Letter from the concerned company in Bangladesh
	1. Letter from Educational Institution
	2. Bank solvency certificate
Research Visa	1. Letters from the concerned institutions of the both ends
	2. Consent letter of the concerned Ministry in Bangladesh
Tourist visa	1. Invitation letter from Relatives / Hotel Booking
	2. Tentative flight itineraries/air-ticket reservation
Tablig Jamaat visa	1. Letter from central Markas of the country
	2. Letter from Bangladesh Tablig Markas
Journalist visa	1. Filled in Online form
	2. Photocopy of the first five pages of the passport
	3. Original passport and necessary payment receipt only after Embassy's clearance
	4. Flight particulars when clearance is conveyed
Spouses and dependents of all categories (except the person attending Tablig Jamaat and Tourists Visa)	Certification/necessary letter in support of relations

Note Verbale1 = An unsigned diplomatic note written in the third person, of the nature of a memorandum but sometimes considered to be more formal.

Source: <http://www.bdhcdelhi.org/>

Useful Contacts: Government Organisations

High Commission of India at Dhaka, Bangladesh

Address: Plot No. 1-3, Park Road, Baridhara, Dhaka 1212

Working hours: 0900 to 1730 hrs

(Sunday to Thursday)

Telephone Numbers: 00880-2-55067647

EPABX : 00880-2-55067301-308 and 55067645-649

Fax Number: 00880-2-55067361

Website: <https://www.hcidhaka.gov.in>

E-mail: hc.dhaka@mea.gov.in

Office of The Bangladesh High commission in New Delhi, India

EP-39, Dr. S. RadhaKrishnan Marg Chanakyapuri,

New Delhi-110 021, INDIA

PABX : +91 11 2412 1391-94

FAX: (91-11)26878953

Website: www.bdhdclhi.org

E-mail: mission.newdelhi@mofa.gov.bd

Ministry of Commerce, Govt. of Bangladesh

Phone: +88 02 9545006

Fax: +88 02 9540213

Email: secy@mincom.gov.bd

Ministry of Foreign Affairs, Govt. of Bangladesh

Segunbagicha, Dhaka 1000, Bangladesh

Fax: +8802223350927 & +8802223352259 (incoming) & +8802223382557-8 (outgoing)

Bangladesh Investment Development Authority (BIDA)

Prime Minister's Office

E-6/B Agargaon, Sher-e-Bangla Nagar

Dhaka-1207. Bangladesh

Tel: +880-2-44826795-99 Fax: +880-2-44826792

Web: www.bida.gov.bd Email: info@bida.gov.bd

Bangladesh Economic Zones Authority (BEZA),

Level 7,8,9

Biniyog Bhaban,

Plot- E-6/B, W Agargaon,

Dhaka 1207

Website: <http://www.beza.gov.bd/>

Bangladesh Export Processing Zones Authority (BEPZA)

BEPZA Complex, House: 19/D, Road: 6, Dhanmondi R/A, Dhaka, Bangladesh

Phone: +880 0241060870, 0241060861, 0241060851, 0241060116, 0241060858

PABX : +880 029613459, 029613467, 029613462

Fax: +880 02223361849, 02223363020, 02223365545

Email: chairman@bepza.gov.bd

URL: www.bepza.gov.bd

Trading Corporation of Bangladesh, Ministry of Commerce

TCB Bhaban (2nd Floor), 1, Kawran Bazar

Dhaka-1215, Bangladesh

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Major Industry and Trade Associations of Bangladesh

The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI)

60, Motijheel C/A, Dhaka, Bangladesh.

Tel: 223381470, 02-223350002

E-mail: secretariat@fbcci.org URL: www.fbcci-bd.org

Dhaka Chamber of Commerce & Industry

Dhaka Chamber Building, 65-66 Motijheel C/A

Dhaka-1000, Bangladesh

Office Hour: Saturday-Wednesday: 9am - 5pm Thursday: 9am - 1pm

Phone: +88-0247122986
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Web Site: www.dhakachamber.com

India-Bangladesh Chamber of Commerce and Industry

Rupayan Center (16th Floor), 72, Mohakhali C.A,
Dhaka 1212, Bangladesh
Tel: +88-02-222290527, 58817345, +8802-222287074-6, Ext-147
Fax: +8802-222287072
E-mail: indiabanglachamber@gmail.com
Website: <http://www.ibcci.net>
Office Hours: Sun - Thu (8:30am-4:30pm)

Bangladesh Engineering Industry Owners' Association (BEIOA)

38, Tipu Sultan Road
Dhaka - 1100, Bangladesh
Telephone: +880-2-9583565
Fax: +880-2-7119011
[http:// www.beioa.org.bd](http://www.beioa.org.bd)

Bangladesh Electrical Merchandise Manufacturers Association

6, BCC Road (1st Floor),
Thatari Bazar, Nawabpur, Dhaka-1100, Bangladesh
Phone: 880-2-9562126
E-mail: bemmabd@gmail.com
Website: <https://bemma.org.bd/>

Upcoming Trade Exhibitions in Bangladesh on Engineering Sector

Exhibition Name	Cycle	City / Location	Next Date
Dhaka International Trade Fair	Yearly	International Convention City, Bashundhara	Jan 2024
GTB - Garmentech Technology Bangladesh	Yearly	Bangabandhu International Conference Centre (BICC) Agargaon, Sher-E-Bangla Nagar Dhaka - 1207	11 – 14 Jan 2024
GAPEXPO	Yearly	International Convention City Bashundhara, Kuril Bishwa Road Near Purbachal Express Highway Dhaka, Bangladesh	11 – 14 Jan 2024
IITF - INDIA TEXTILE TRADE FAIR - BANGLADESH	Yearly	Bangabandhu International Conference Centre (BICC) Agargaon, Sher-E-Bangla Nagar Dhaka - 1207	11 – 14 Jan 2024
IPF BANGLADESH	Yearly	International Convention City Bashundhara, Kuril Bishwa Road Near Purbachal Express Highway Dhaka, Bangladesh	24 – 27 Jan 2024

Exhibition Name	Cycle	City / Location	Next Date
Dhaka Auto Parts Show Dhaka Bike Show Dhaka Motor Show	Yearly	Bangladesh China Friendship Exhibition Centre, Dhaka	22 – 24 Feb 2024
DTG	Yearly	International Convention City Bashundhara, Kuril Bishwa Road Near Purbachal Express Highway Dhaka, Bangladesh	1 – 4 Feb 2024
ASIA PHARMA + ASIA LAB EXPO	Yearly	International Convention City Bashundhara, Kuril Bishwa Road Near Purbachal Express Highway Dhaka, Bangladesh	29th Feb – 3rd Mar 2024

Source: <http://www.eventseye.com>

Source:

Ministry of Commerce, Govt. of India
 Ministry of External Affairs, Govt. of India
 ITC Trade map
 CIA Fact Book
 Official website of the Govt. of Bangladesh
 Bangladesh Investment Development Authority (BIDA)
 Office of the Bangladesh High Commissioner in Delhi
 Office of the Indian High Commissioner in Dhaka
 World Bank
 Bangladesh Bank
 Accident Research Center (ARC), BUET, Dhaka, Bangladesh.
www.eventseye.com

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