

f. Application for Approval of Foreign Borrowing Agreement

ANNEXURE-'A'

1. a. Name Address with location and telephone number of the firm :
- b. i) Registration/Permission letter No. :
- ii) Date :
- iii) Issuing authority :
(Please attach copy)
- C. Type of industry : Please Tick
- | | | |
|--|---|--------------------------|
| i) Export oriented and export linkage industries. | : | <input type="checkbox"/> |
| ii) Pioneering industries | : | <input type="checkbox"/> |
| iii) Industry based on new/high Technology. | : | <input type="checkbox"/> |
| iv) Industry that generates employment | : | <input type="checkbox"/> |
| v) Industry based on local natural resources and its diversified uses. | : | <input type="checkbox"/> |
| vi) Industry that involves high value added. | : | <input type="checkbox"/> |
| vii) Increase Industrial efficiency & productivity. | : | <input type="checkbox"/> |
| viii) Employment opportunity. | : | <input type="checkbox"/> |
2. a) Name & address of the Foreign firm(s) from whom borrowing has been proposed :
- b) Principal amount of the borrowing :
- c) Purpose of borrowing :
3. Foreign Borrowing proposal :
- a) Copy of Draft/Final Agreement Should be attached. :
- b) Effective rate of interest @ :
- c) Repayment period :
- d) Effective date :
- e) Down payment, if any :

- 4. Type of Borrowing** :
- a) Loan :
- b) Supplier's Credit :
- c) Pay-As-You-Earn Scheme :
- d) Deferred payment :
5. Commercial viability report of project along with the analysis and papers in regards to :
- a) Name of the sector/sub-sector of the project with item of products. :
- b) The commercial viability of the project. :
- c) The capacity of the project to service the proposed debt with income flows from the project. :
- d) The cost competitiveness of the outputs from the project in the domestic and external markets. :
- e) Existing production capacity in Bangladesh and demand of the products on local as well as export market abroad on the basis of market study. :
- f) existing indebtedness structure of the sponsors of the project, duly certified by report of their bankers as to their credit worthiness. :
6. Please outline the reasons for entering into agreement on foreign borrowing (please attach separate sheet, if necessary)
7. Schedule of Repayment in brief :
8. Name and address of the firms nominated Bank. :
9. Please enclose the following papers :
- a) Certified copy of the memorandum and Articles of Association.
- b) Board of Director Resolution in favour of the loan proposal.
- c) Proforma Invoice of machinery to be imported.

Signature:

Name and designation of applicant:

Date:

@ Effective rate of interest is the sum of the stated annual rate of interest and the annualized fee, such as, commitment fee, syndication fee, project appraisal fee etc.

Check List Foreign Borrowing

1. Copy of BOI Registration (Full set);
2. Loan Agreement;
3. Board's Resolution;
4. Application form (Annexure-A) duly filled in;
5. Repayment Period along with Repayment schedule in details;
6. Grace period if any;
7. Calculation of effective rate of interest as defined in the application form (Annexure-A);
8. Feasibility report of the project;
9. Financial Analysis :
 - a) Internal Rate of Return (I.R.R);
 - b) Break-Even Analysis;
 - c) Payback Period;
 - d) Sensitivity Analysis;
 - e) Debt Service Coverage Ratio (DSCR) analysis;
 - f) Track Record of past FDI including Foreign borrowing;
 - g) Credential of the Sponsors;
 - h) Debt-equity ratio of the project.
10. Memorandum & articles of Association (Certified copy);
11. Certificate of Incorporation with Joint Stock Company;
12. Relevant inquiry forms (CIB-1A, CIB-2A, CIB-3A) and under taking from sponsors
Director duly filled in for collection of up-to-date CIB report from Bangladesh Bank;
13. Proforma Invoice/Price Quotation through international tender for importing of capotal
machinery;
14. Bank certificate as to indebtedness and creditworthiness of the borrowing company and
its sponsors based on latest CIB report;
15. Certificate from BRTC, BUET in respect of Quality, Price and Economic life of capital
machinery to be imported (in case of supplier's credit only).