

## **BUSINESS POWER OF BSB EXECUTIVES**

| Sl No. | Name of Business   | Officer empowered   | Remarks  |
|--------|--|---|--|
| 1.     | <b>SANCTION OF INDUSTRIAL LOAN FOR EACH CONCERN</b>  |   |  |
|        | i) Up to Tk.200.00 Lac (in foreign exchange or local currency or both).  | Managing Director   | The total industrial loan including IDCP shall be taken into consideration in determining the sanction limit. This will also include outstanding loan, if any. |
|        | ii) Upto Tk..100.00 lac (in foreign exchange or local currency or both)  | General Manager   | -do-   |
|        | iii) Upto Tk..100.00 lac (in foreign exchange or local currency or both)   | General Manager as Head of Zonal Office   | -do-   |
|        | iv) Upto Tk..75.00 lac (in foreign exchange or local currency or both)   | Head of Zonal Office  | -do-   |
|        | vi) Upto Tk..50.00 lac (in foreign exchange or local currency or both)   | Head of Branch  | -do-   |
| 2.     | <b>UNDERWRITING OF SHARES/ SANCTION OF BRIDGE LOAN</b>   |   |  |
|        | Allowing bridge finance/ underwriting of shares of public limited company, (if industrial loan not extended by BSB) not exceeding 50% of public issue subject to a maximum of Tk.150.00 lac. | Managing Director   | -  |
| 3.     | <b>EQUITY SUPPORT:</b>   |   |  |
|        | Issuing NOC for bridge loan/underwriting of BSB financed projects as per terms of sanction order.  | Head of concerned Deptt./Branch   |  |
| 4.     | <b>PURCHASE OF DEBENTURE</b><br>Purchase of shares/debentures of a profitable company subject to recommendations of a Committee to be formed by the Managing Director.                       | Managing Director   | -  |
| 5.     | All kinds of changes in the terms & conditions of New/BMRE/Rephased loan sanctioned/ approved as well as closure/withdrawal of sanctioned loan .   | Respective Sanctioning Authority  |  |
| 6.     | Reduction in the original sanction or cancellation of sanction order at the genuine request of the Borrower.   | Respective Sanctioning Authority  | -  |
| 7.     | Sanction of additional loan or enhancement of Loan   | Respective Sanctioning Authority.   | Within their sanction limit – including earlier sanction and outstanding if any.   |
| 8.     | Refund of fees, technical or otherwise deposited by the borrowers subject to fulfillment of terms, if any  | Head of concerned Deptt./Branch   | -  |
| 9.     | <b>Closure of project proposal:</b>  |   |  |
|        | i) During appraisal  | i) General Manager/<br>Head of Zonal Office<br><br>ii) Head of Branch, if the limit is within the sanctioning power of Branch Head. |  |
|        | ii) Before appraisal   | Head of concerned Deptt./Branch   | -  |
| 10.    | Release/withdrawal of project deposit  | Head of concerned Deptt./Branch   | -  |

| Sl No. | Name of Business  | Officer empowered                                  | Remarks |
|--------|---|--|---------|
| 11.    | (a)Permission to open L/C against signing of credit agreement for term loan on fulfilment of major terms & conditions   | Managing Director                                  | -       |
|        | (b)Permission to open L/C against signing of credit agreement for term loan on fulfilment of terms & conditions   | General Manager                                    |         |
| 12.    | Approval for amendment of L/C:  |  |         |
|        | i) Extension of time for shipment negotiations etc.   | Head of concerned Deptt./Branch                    | -       |
|        | ii) Other pertinent changes   | General Manager/ Head of Zonal Office              | -       |
| 13.    | i) Disbursement of instalment of loan after fulfilment of major terms and conditions.   | Managing Director                                  | -       |
|        | ii) Disbursement of instalment of loan on fulfilment of terms and conditions  | Head of concerned Deptt./Branch                    | -       |
| 14.    | Changes in the orders of disbursement of instalment of loan   | Respective sanctioning authority.                  | -       |
| 15.    | Approval of project layout and building plan and subsequent changes, if any   | General Manager/Head of Zonal Office.              | -       |
| 16.    | Changes in the construction schedule/ list of machinery/approved head of the project cost without affecting the viability of the project  | Respective sanctioning authority.                  | -       |
| 17.    | Changes in the foreign credit line partially or wholly  | Respective sanctioning authority.                  | -       |
| 18.    | Release/retirement of shipping documents of imported machinery to the borrowers-  |  |         |
|        | i) If the documents are discrepant subject to acceptance of the borrowers   | General Manager/ Head of Zonal Office              | -       |
|        | ii) If the documents are in order   | Head of concerned Department/Branch                | -       |
| 19.    | Approval of repayment schedule without extension of time  | Head of concerned Deptt./Branch                    | -       |
| 20.    | Approval of FCR (Final Construction Report)   | Head of concerned Deptt./Branch                    | -       |
| 21.    | Release of project deposit for investment in the project as per sanctioned terms  | Head of concerned Deptt./Branch                    | -       |
| 22.    | Release of cash margin obtained from the borrowers at the time of opening L/C to meet the cost of machinery, cleaning & forwarding duties, taxes etc. of imported machinery when approached by the borrowers. | Head of concerned Deptt./Branch                    | -       |
| 23.    | Acceptance of collateral securities, in case of those stipulated provided the value thereof is not less than the value originally stipulated and the quality is satisfactory.                                 | Respective sanctioning authority                   |         |
| 24.    | Conversion of foreign exchange loan into taka loan and vice-versa   | i) MD-in case of loan sanctioned by the Board      | -       |
|        |   | ii)Respective sanctioning authority in other cases | -       |
| 25.    | Replacement of project assets wholly or partly  | Managing Director                                  | -       |
| 26.    | RELEASE OF BG/PBG:  |  |         |
|        | i) On fulfilment of requirements & on receipt of consent from the concerned party/satisfaction of the Bank as the case may be   | General Manager                                    | -       |

| Sl No. | Name of Business   |  | Officer empowered                                   | Remarks      |
|--------|--|--|---|--------------|
|        | ii)  | Invocation of BG/PBG   | Head of concerned Deptt./Branch                     | -            |
| 27.    | Rephasement of arrear loans not exceeding original loan period   |  |   |              |
|        | i)   | Rephasement of unlimited loan (1st & subsequent)   | Managing Director                                   |              |
|        | ii)  | Upto Tk. 150.00 lac.   | General Manager/Head of Z.O.                        | -            |
|        | iii)   | Upto Tk. 75.00 lac.  | Head of concerned Deptt./Head of Branch             | -            |
|        | iv)  | Effecting rephasement / restructuring subject to acceptance of the terms & conditions by the Company . | Head of concerned Deptt                             | -            |
| 28.    | Changes in the capital structure of the borrowing company.   |  | Respective sanctioning authority.                   | -            |
| 29.    | Declaration of dividend by the borrowing companies with the Bank's permission  |  | i) General Manager                                  | -            |
|        |  |  | ii) Head of Zonal Office                            | -            |
| 30.    | Approval of capital expenditure beyond the project cost (without financing by the bank and only for FCR)   |  | General Manager/ Head of Zonal Office               | -            |
| 31.    | Release of insurance claim for re-investment for satisfactory regaining of the position (if account is regular).   |  | General Manager/Head of Zonal Office                | Not in cash. |
| 32.    | Changes in the corporate set-up Directorate of borrowing company, partners of partnership concern & proprietor of proprietary concern without affecting network                                |  | Respective sanctioning authority                    | -            |
| 33.    | Release of Bank's charge on the project assets on liquidation of loan accounts subject to no involvement in other irregular liability  |  | Head of concerned Deptt./Branch                     | -            |
| 34.    | Release of additional securities obtained from the borrowers on liquidation of loan accounts subject to no involvement in other irregular liability  |  | Head of concerned Deptt./Branch                     | -            |
| 35.    | Synchronization of repayment schedules of the existing loans with that of the additional loan without affecting rate of interest.  |  | i) MD-in case of loan sanctioned by the Board       | -            |
|        |  |  | ii) Respective sanctioning authority in other cases | -            |
| 36.    | Changes in the repayment schedule from yearly to half-yearly, half-yearly to quarterly and from quarterly to monthly basis depending on cash flow without reducing the total annual repayment. |  | Respective sanctioning authority.                   | -            |
| 37.    | Pre-payment of Taka loan and also foreign currency loan by the borrower if there is no bar under the relative loan protocol  |  | Head of concerned Deptt./Branch                     | -            |
| 38.    | Obtention of insurance policy by debiting borrowers loan account (As per Circular).  |  | Head of concerned Deptt./Branch                     | -            |
| 39.    | Adjustment of insurance claim with borrowers consent   |  | Head of concerned Deptt./Branch                     | -            |
| 40.    | Issuance of NOC for other types of loan, working capital loan etc from other institutions with or without creating any second charge on assets mortgaged to BSB                                |  |   |              |
|        | i)   | If loan account is irregular, but not classified.  | General Manager/ Head of Zonal Office               | -            |

| Sl No.  | Name of Business  | Officer empowered  | Remarks |
|---|---|--|---------|
|   | ii) If loan account is regular  | Head of concerned Deptt./Branch                                | -       |
| 41.   | Adjustment of cash margin with the borrowers consent against the overdues installment and interest where no condition for the release of the margin has been stipulated   | Head of concerned Deptt./Branch                                | -       |
| 42.   | Pre-payment of foreign currency loan by the borrower even where not permissible under foreign credit line with appropriate intimation to the concerned authority of the foreign credit line covering exchange loss if any   | General Manager/Head of Zonal Office                           | -       |
| 43.   | Permission to create second charge on the project assets for purposes related to the project (not for other purpose)  | i) General Manager   | -       |
|   |   | ii) Head of Zonal Office                                       | -       |
| 44.   | (a) Taking action against the defaulting borrowers for taking over management of a project of direct sale under Article-34 of the BSB Order-1972 and the Bangladesh Shilpa Bank (Direct sale of Mortgaged Property) Rules, 1980   | Managing Director  | -       |
|   | (b) Permission for commencement of winding-up proceedings and actions under insolvency Act/Bankruptcy Act. against defaulting borrowers   | Managing Director  | -       |
|   | (c) Initiation/settlement of criminal case  | General Manager/Head of Zonal Office                           | -       |
| 45.   | (a) Taking of action against the defaulting borrowers under Articles-32, 33 & 35 of BSB Order-1972.   | General Manager/ Head of Zonal Office                          | -       |
|   | (b) Compromise of Law Suits filed against defaulting borrowers  | Concerned approving authority                                  | -       |
|   | <u>(c) Sale of Mortgage Property through court:</u>   |  |         |
|   | i) If bid amount is less than suit amount/ disbursed amount (after three auction).  | Managing Director  | -       |
|   | ii) If bid amount is equivalent to disbursed amount and other charges (after three auction) .   | General Manager/Head of Zonal Office                           | -       |
| iii) If Bid amount is equivalent to suit amount | Concerned Head of Deptt./Branch Head  | -  |         |
| 46.   | To refer to arbitration any claims or disputes in law suits   | General Manager/ Head of Zonal Office                          | -       |
| 47.   | To engage solicitors, advocates, pleaders, vakils and other legal agents from approved pannel   | Head of concerned Deptt./Branch                                | -       |
| 48.   | Approval for serving of legal notice on the borrowers in defaulting cases   | Head of Law Deptt./Branch                                      | -       |
| 49.   | Signing of plaints, affidavits uakalatnamas, compromise petition and/or any other papers, documents, required in connection with the suits filed by the bank against the defaulting borrowers and or other cases where approval for filing of such suits has been accorded by the competent authority | Head of Law Deptt./Head of Branch/Any other authorised Officer | -       |
| 50.   | Changes in the name of a project  | Respective sanctioning authority.                              |         |
| 51.   | To enlist Legal Advisor, Lawyers & other Legal Agents of National/ International repute   | Managing Director  | -       |
| 52.   | To enlist Lawyers & other Legal Agents  |  |         |
|   | a) In case of Head Office<br>b) In case of Branch Office  | General Manager.<br>Head of Zonal Office.                      | -       |
| 53.   | Appeal/revision to higher court against verdict/order of lower court  | General Manager/ Head of Zonal Office                          | -       |

-( 5):-

| Sl No. | Name of Business  | Officer empowered                               | Remarks                             |
|--------|---|---|-------------------------------------|
| 54.    | Appeal to Appellate Division against verdict/order passed by High Court   | Respective approving authority of original suit | -                                   |
| 55.    | Refund of Earnest/Security/Retention money or other wise deposited by the quoter/bidder/supplier subject to fulfillment of terms, if any. | -   | Head of concerned Department/Branch |

Note:

- (i) All powers viz signing passing financial and business powers delegated to the officials shall be exercisable by them within the functional jurisdiction of the respective officials and the budgetary allocation.
- (ii) All powers delegated to the subordinate officers may be exercisable by the supervising officers as and when required.
- (iii) All these powers delegated here will be exercisable within the guidelines as may be provided by the Govt./Ministry of Finance/Bangladesh Bank/Bank's Board of Directors from time to time.
- (iv) In case of approved absence of Zonal Head, Officer in-charge of Zonal Office, Chittagong will take prior approval from the Managing Director in individual cases.
- (v) In case of approved absence of Zonal Head, Officer in -charge of Zonal Office, Rajshahi & Khulna will take prior approval from the supervising General Manager of Head Office in individual cases.