KHAN AKBER & CO.
ICAB Registered Chartered Accountants | Dhaka, Bangladesh | khanakber.com

Branch Office & Liaison Office Setup Checklist

Bangladesh | BIDA Approval Process | Use this checklist alongside professional guidance

Branch office vs liaison office: key differences at a glance

	Branch Office	Liaison Office
Can earn revenue in Bangladesh	**Yes (if BIDA approved)**	**No**
Can bill local clients	**Yes**	**No**
Can bill overseas clients	**Yes**	**No**
Permitted activities	Commercial operations	Research, coordination only
Operating costs funded by	Local revenue + remittances	Parent remittances only
Parent company liability	Fully liable	Fully liable
Separate legal entity	No	No
BIDA approval required	Yes	Yes
BIDA renewal	Every 3 years	Every 3 years

Both a branch office and a liaison office are direct extensions of the foreign parent company in Bangladesh. **Neither is a separate legal entity.** The parent company is fully liable for both. Both require BIDA (Bangladesh Investment Development Authority) approval before they can legally operate. The registration process is identical for both structures. The difference is what each is permitted to do once operational.

STEP 1 Before you start

- [ ] Decide which structure you need (see comparison table above)
  A liaison office registered for research cannot later earn revenue without a full new application. Get the structure right from the start.
- [ ] Appoint a local authorized representative in Bangladesh (an individual who will be named in the BIDA application)
- [ ] Confirm registered office address in Bangladesh (rented or serviced office with a valid lease agreement)
- [ ] [LIAISON OFFICE] Confirm the parent company will fund all Bangladesh operating costs by remittance from abroad
  A liaison office has zero local income. All salaries, rent, and overheads are paid from parent company funds remitted to Bangladesh.

STEP 2 Prepare parent company documents (allow 2-4 weeks for notarization and apostille)

- [ ] Certificate of incorporation from country of origin
  Must be notarized by a local notary AND apostilled under the Hague Convention. For countries not in the Hague Convention, embassy attestation is required instead of apostille.
- [ ] Memorandum and Articles of Association of the parent company (notarized)
- [ ] Audited financial statements for the last 2 years (notarized)
  BIDA uses these to assess the financial standing of the parent company. Both years must be fully audited, not management accounts.
- [ ] Board resolution authorizing establishment of Bangladesh office (notarized)
  The resolution must state: the type of office (branch or liaison), the intended activities in Bangladesh, and the name of the authorized representative.
- [ ] Power of attorney naming the Bangladesh authorized representative (notarized)
- [ ] Latest annual report of the parent company
- [ ] Passport copy of the authorized representative (person who will sign in Bangladesh)

STEP 3 BIDA application (6-10 weeks from submission to approval)

- [ ] Access the BIDA One Stop Service portal at bidaoss.gov.bd
- [ ] Create an account and start a new branch office or liaison office application
- [ ] Complete the application form (specify: proposed activities, number of foreign employees needed, initial operating budget)
- [ ] Upload all parent company documents (Step 2 above)
- [ ] Upload office lease agreement for the Bangladesh registered address
- [ ] Upload passport copy and CV of the authorized representative
- [ ] Pay BIDA application fee: BDT 25,000 (for a 3-year approval term)
- [ ] Submit the application through the BIDA portal
- [ ] Monitor the portal for BIDA clarification requests (respond within stated deadline to avoid delays)
- [ ] Receive BIDA approval letter
  The approval letter specifies: permitted activities, number of foreign employees authorized, and approval term (3 years). Read it carefully before proceeding.

STEP 4 Post-BIDA registrations (3-4 weeks)

RJSC registration (5-7 working days)

- [ ] Access RJSC online portal at roc.gov.bd
- [ ] Submit: BIDA approval letter, parent company certificate of incorporation, MOA/AOA, authorized representative details
- [ ] Pay RJSC registration fee
- [ ] Receive RJSC certificate of registration

Trade license (3-7 working days)

- [ ] Apply to relevant city corporation (DNCC for Dhaka North, DSCC for Dhaka South)

- [ ] Documents: RJSC certificate, BIDA approval letter, office lease agreement
- [ ] Pay trade license fee (BDT 5,000-15,000 depending on category)
- [ ] Receive trade license

TIN registration (same day, online)

- [ ] Register at NBR e-TIN portal
- [ ] Documents: RJSC certificate, BIDA approval letter, trade license
- [ ] Receive TIN certificate

Bank account (7-14 working days)

- [ ] Open account at a scheduled commercial bank in Bangladesh
- [ ] Documents: BIDA approval letter, RJSC certificate, trade license, TIN, authorized representative passport, board resolution
- [ ] [BRANCH OFFICE] Set up account for both local revenue collection and parent company remittances
- [ ] [LIAISON OFFICE] Set up account to receive parent company remittances only (inform bank this is a liaison office with no local revenue)

[BRANCH OFFICE ONLY] VAT registration (if making taxable local supplies)

- [ ] Register at NBR VAT portal at mushak.gov.bd
- [ ] Documents: TIN, trade license, RJSC certificate, bank account details
- [ ] Receive BIN (Business Identification Number)
  Not required for liaison offices. Only required for branch offices that will charge VAT on local services or goods.

STEP 5 Ongoing compliance after registration

Annual obligations (both branch office and liaison office)

- [ ] File annual accounts with BIDA (showing activities during the year; liaison office must show zero local revenue)
- [ ] Corporate income tax return with NBR (deadline: 15 January for companies on July-June financial year)
- [ ] Annual return at RJSC (within 21 days of the annual general meeting)
- [ ] BIDA renewal application (every 3 years; start the process 3-6 months before expiry)
  Late BIDA renewal blocks fund remittances from the parent and can put work permit renewals at risk.

[BRANCH OFFICE ONLY] Monthly obligations (if earning local revenue)

- [ ] VAT return (Mushak 9.1) by 15th of following month
- [ ] TDS deposit by 15th of following month (if employing staff)

Estimated timeline from start to finish

Step	Activity	Estimated time
1-2	Preparation + parent company notarization and apostille	2-4 weeks
3	BIDA application review and approval	6-10 weeks
4	RJSC registration	5-7 working days
4	Trade license	3-7 working days
4	TIN registration	Same day
4	Bank account	7-14 working days
	Total: start to active bank account	**Approx. 10-14 weeks**

Important notes

Apostille requirement: parent company documents must be apostilled in the country of origin before arriving in Bangladesh. For countries not in the Hague Convention (e.g., some Middle Eastern countries), embassy attestation is required instead.

A liaison office that earns local revenue violates BIDA approval conditions and Bangladesh law. This can result in the office being closed and penalties for the parent company.

The number of foreign employees permitted is fixed in the BIDA approval letter. If you need more than approved, you must apply to BIDA for an amendment before hiring.

BIDA renewal must be filed before the 3-year term expires. Start the renewal process at least 3-6 months early. Late renewal blocks remittances and work permit renewals.

BIDA approval does not mean the branch can do everything. Read the permitted activities section of your approval letter carefully. Any activity outside that list requires a BIDA amendment.

Timeline assumes BIDA does not request multiple clarification rounds. Complex or unusual business descriptions, or missing documents, can extend the BIDA review to 12-16 weeks.

Need help with BIDA approval? Khan Akber & Co. handles the full process: document preparation, BIDA application, RJSC registration, trade license, TIN, and bank account. We review every application before submission to avoid the most common causes of delay. Initial consultation is free. **khanakber.com/contact**