



# Bangladesh Bank

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Bangladesh  
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**Banking Regulation &  
Policy Department- 1**

BRPD-1 Circular Letter No.- 21

25 June 2026  
Date: -----  
11 Ashar 1433

Managing Director/Chief Executives  
All Scheduled Banks operating in Bangladesh

Dear Sir,

**Prudential Regulations for Consumer Financing  
(Regulations for Auto Loans and Personal Loans).**

Please refer to BRPD Circular No. 07, dated November 03, 2004, BRPD Circular No. 04, dated April 03, 2017, and BRPD-1 Circular Letter No. 15, dated May 05, 2026 on the captioned subject.

2. To support the growth of the domestic vehicle manufacturing industry, it has been decided to make changes in Regulation-16 of Prudential Regulations for Consumer Financing (as circulated in BRPD-1 Circular Letter No. 15/2026), which shall stand as under:

**Regulation 16 (Regulations for Auto Loans):**

“The banks shall not allow auto loans (including insurance) exceeding Tk. 60 (Sixty) Lac per individual under this head. However, banks may allow auto loan facility up to Tk. 80 (Eighty) Lac per individual for purchasing electric, hybrid, and domestically manufactured vehicles. For the purpose of this regulation, any auto loan facility provided to the dependent members of an individual shall also be treated as part of the exposure of that individual.

While allowing auto loans, the financing facility shall be provided at a maximum debt-equity ratio of 60:40. However, in case of allowing auto loans for purchasing electric, hybrid, and domestically manufactured cars, the financing facility shall be provided at a maximum debt-equity ratio of 80:20.”

3. To align loan tenure with the increased limit for “personal loans including loans for the purchase of consumer durables” (as circulated in BRPD-1 Circular Letter No. 15/2026), it has been decided to make changes in Regulation-32 of Prudential Regulations for Consumer Financing (circulated vide BRPD Circular No. 07/2004)

**Regulation 32 (Regulations for Personal Loans Including Loans for the Purchase of Consumer Durables):**

“The maximum tenure of the loan shall not exceed 08 (Eight) years.”

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4. Besides, the instruction that the growth rate of total loans under 'Consumer Financing' must not exceed the growth rate of the bank's total loans, as stated in clause no. 02 of BRPD Circular No. 04/2017 and clause no. 04 of BRPD-1 Circular Letter No. 15/2026 is hereby revoked effective from the date of publication of this circular letter.
5. All other Instructions provided vide BRPD Circular No. 07/2004 and subsequent circulars or circular letters on the captioned subject will remain unchanged.
6. This directive has been issued by Bangladesh Bank in exercise of its power conferred on it under Section 45 of the Bank Company Act, 1991, as amended. This circular Letter will come into force with immediate effect.

Yours faithfully,



(Gazi Md. Mahfuzul Islam)  
Director (BRPD)  
Phone: 9530252