

**Banking Regulation & Policy Department
Bangladesh Bank
Head Office
Dhaka**

BRPD Circular No. 16

**Date: November 18, 2014

Agrahayan 04, 1421**

**Chief Executives
All Scheduled Banks in Bangladesh**

Dear Sir,

Loan Classification and Provisioning

Please refer to **BRPD Circular No. 14, dated September 23, 2012** on the captioned subject.

With a view to encouraging participation of the banks in disbursing agricultural and micro-credits, the above circular has been reviewed and following amendments have been made:

Section 4(c) of the aforesaid circular will be replaced as under:

“(c) Provision for Short-term Agricultural and Micro-Credits:

- | | |
|--|----------|
| (1) All unclassified Credits (irregular and regular) | : 2.5% |
| (2) Classified as ‘Sub-standard’ and ‘Doubtful’ | : 5% |
| (3) Classified as ‘Bad/Loss’ | : 100%.” |

This circular shall be effective immediately.

Yours sincerely,



(Chowdhury Md. Feroz Bin Alam)
General Manager
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