

Department of Financial Institutions & Markets
Bangladesh Bank
Head Office
Dhaka

DFIM Circular No-04

Date: 26 July 2021

Chief Executives/ Managing Directors
All Financial Institutions in Bangladesh

Dear Sir,

Master Circular: Loan/Lease Classification and Provisioning

Please refer to FID Circular No-08, dated-03 August 2002, FID Circular No-11, dated-31 October 2005, FID Circular No-03, dated-03 May 2006, FID Circular No-06, dated-20 August 2006, DFIM Circular Letter No-03, dated-29 April 2013 and attached CL templates on the captioned subject.

In order to update and make the evaluation and reporting process of loan/lease classification and provisioning more inclusive, certain aspects of the above circulars and CL templates have been revised and a master circular is issued hereby.

With a view to maintaining required provision, Financial Institutions (FIs) will classify Short Term Finance, Lease Finance, Term Finance, Housing Finance, Financing to Subsidiaries and/or Sister Concerns, Brokerage House, Merchant Banks and Stock Dealers and similar Shariah based financing be those termed in any name on quarterly basis i.e. 31 March, 30 June, 30 September and 31 December. Financial Institutions will submit Loan/Lease Classification and Provisioning Statement within 30 (Thirty) days after the end of the each quarter in Bangladesh Bank.

Objectives:

The objectives of classification and provisioning against loan/lease provided by Financial Institutions are as follows:

- a) To assess the quality of loan/lease based on prescribed objective and subjective criteria;
- b) To ensure maintenance of required provision for anticipated losses against different classification of loan/lease;
- c) To ensure appropriate disclosure on the quality of loan/lease in the financial reports and statements.

1. Categories of Loans and Leases:

All loans and leases will be grouped into 4 (four) categories for the purpose of classification, namely-(a) Short Term Finance (b) Lease Finance (c) Term Finance (d) Housing Finance.

a) Short Term Finance: All conventional and Shariah based financing be those termed in any name which are fully repayable within 12 months will be treated as Short Term Finance.

b) Lease Finance: All types of financing which are repayable within a specific time period under a specific repayment schedule for the purpose of acquisition of capital machineries, equipments, vehicles and other types of assets, be those termed in any name in Shariah based financing will be treated as Lease Finance.

c) Term Finance: All types of loans which are repayable within a specific time period under a specific repayment schedule, be those termed in any name in Shariah based financing will be treated as Term Finance.

d) Housing Finance: All types of loans which are repayable within a specific time period under a specific repayment schedule for construction of housing and purchase of apartments either for residential or commercial purposes, be those termed in any name in Shariah based financing will be treated as Housing Finance.

2. Classification related Terminology and Categories:

a) Base Date: Base Date is the date at which the loans/leases are classified and provisions are calculated. The base dates will be 31 March, 30 June, 30 September and 31 December for Financial Institutions.

b) Past Due/Overdue:

i. The Short Term Finance if not repaid/renewed within the fixed expiry date for repayment, the loan will be deemed as past due/overdue from the following day of the expiry date.

ii. In case, any installment(s) or part of installment(s) of a Lease Finance and Term Finance [Repayable in more than 1 (one) year but less than 5 (five) years] is not repaid within the fixed expiry date for repayment, the amount of unpaid installment(s) will be treated as past due/overdue from the following day of the expiry date.

iii. In case, any installment(s) or part of installment(s) of a Lease Finance and Term Finance [repayable in more than 5 (five) years] is not repaid within the fixed expiry date for repayment, the amount of unpaid installment(s) will be considered as past due/overdue at the date when the time equivalent of past due/overdue installments is 6 (six) months.

iv. In case, any installment(s) or part of installment(s) of Housing Finance [Repayable in more than 1 (one) year but less than 5 (five) years] is not repaid within the fixed expiry date for repayment, the amount of unpaid installment(s) will be considered as past due/overdue at the date when the time equivalent of past due/overdue installments is 6 (six) months.

v. In case, any installment(s) or part of installment(s) of Housing Finance [repayable in more than 5 (five) years] is not repaid within the fixed expiry date for repayment, the amount of unpaid installment(s) will be considered as past due/overdue at the date when the time equivalent of past due/overdue installments is 12 (twelve) months.

C) Classification Category of Loan/Lease: There are five categories of loan/lease classification:

- i. Standard
- ii. Special Mention Account (SMA)
- iii. Sub-Standard
- iv. Doubtful
- v. Bad/Loss

3. Basis for Loan/Lease Classification:

3.1 Objective Criteria:

a. All unclassified loans/leases other than Special Mention Account (SMA) will be treated as “Standard”.

b. "Special Mention Account (SMA)" is another kind of unclassified loan/lease, which will help FIs to oversee the accounts with potential problems in a focused manner and it will capture early warning signals for accounts showing first sign of weakness. Early recognition of non-performing loan/lease stimulates collection efforts and helps reducing the possibility of loss of such loan/lease. Accordingly, loan/lease in the "Special Mention Account (SMA)" will have to be reported to the Credit Information Bureau (CIB) of Bangladesh Bank.

c. Any Short Term Finance will be classified as:

i) ‘Special Mention Account’ (SMA) if it remains past due/overdue for 02 (two) months or beyond but less than 03 (three) months.

ii) ‘Sub-standard’ if it remains past due/overdue for 03 (three) months or beyond but less than 06 (six) months.

iii) ‘Doubtful’ if it remains past due/overdue for 06 (six) months or beyond but less than 09 (nine) months.

iv) ‘Bad/Loss’ if it remains past due/overdue for 09 (nine) months or beyond.

d. Classification of Lease Finance and Term Finance [repayable in more than 1 (one) year but less than 5 (five) years]:

i) If the time equivalent of past due installments is equal to or more than 03 (three) months but less than 06 (six) months, the entire loan will be treated as "Special Mention Account (SMA)".

ii) If the time equivalent of past due installments is equal to or more than 06 (six) months but less than 12 (twelve) months, the entire loan will be classified as "Sub-standard".

iii) If the time equivalent of past due installments is equal to or more than 12 (twelve) months but less than 18 (eighteen) months, the entire loan will be classified as "Doubtful".

iv) If the time equivalent of past due installments is equal to or more than 18 (eighteen) months, the entire loan will be classified as "Bad/Loss".

e. Classification of Lease Finance and Term Finance [repayable in more than 5 (five) years]:

i) If the time equivalent of past due installments is equal to or more than 06 (six) months but less than 12 (twelve) months, the entire loan will be treated as "Special Mention Account (SMA)".

ii) If the time equivalent of past due installments is equal to or more than 12 (twelve) months but less than 18 (eighteen) months, the entire loan will be classified as "Sub-standard".

iii) If the time equivalent of past due installments is equal to or more than 18 (eighteen) months but less than 24 (twenty four) months, the entire loan will be classified as "Doubtful".

iv) If the time equivalent of past due installments is equal to or more than 24 (twenty four) months, the entire loan will be classified as "Bad/Loss".

f. Classification of Housing Finance [repayable in more than 1 (one) year but less than 5 (five) years]:

i) If the time equivalent of past due installments is equal to or more than 09 (nine) months but less than 12 (twelve) months, the entire loan will be treated as "Special Mention Account (SMA)".

ii) If the time equivalent of past due installments is equal to or more than 12 (twelve) months but less than 18 (eighteen) months, the entire loan will be classified as "Sub-standard".

iii) If the time equivalent of past due installments is equal to or more than 18 (eighteen) months but less than 24 (twenty four) months, the entire loan will be classified as "Doubtful".

iv) If the time equivalent of past due installments is equal to or more than 24 (twenty four) months, the entire loan will be classified as "Bad/Loss".

g. Classification of Housing Finance [repayable in more than 5 (five) years]:

i) If the time equivalent of past due installments is equal to or more than 09 (nine) months but less than 18 (eighteen) months, the entire loan will be treated as "Special Mention Account (SMA)".

ii) If the time equivalent of past due installments is equal to or more than 18 (eighteen) months but less than 24 (twenty four) months, the entire loan will be classified as "Sub-standard".

iii) If the time equivalent of past due installments is equal to or more than 24 (twenty four) months but less than 36 (thirty six) months, the entire loan will be classified as "Doubtful".

iv) If the time equivalent of past due installments is equal to or more than 36 (thirty six) months, the entire loan will be classified as "Bad/Loss".

Explanation: If any Loan/Lease is repayable on monthly installment basis, the amount of installment(s) due for 06 (six) months will be equal to the sum of 06 monthly installments. Similarly, if the loan/lease is repayable on quarterly installment basis, the amount of installment(s) due for 06 (six) months will be equal to the sum of 2 quarterly installments.

3.2 Qualitative Judgment:

a) If any uncertainty or doubt arises in respect of recovery of any Short Term Finance, Term Finance, Lease Finance and Housing Finance, the same will have to be classified on the basis of qualitative judgment be it classifiable or not on the basis of objective criteria. If any situational changes occur in the stipulations in terms of which the loan/lease was extended or if the capital of the borrower is impaired due to adverse conditions or if the value of the collateral decreases or if the recovery of the loan/lease becomes uncertain due to any other unforeseen situation, the loan will have to be classified on the basis of qualitative judgment.

b) Despite the probability of any loan/lease being affected due to the reasons stated above or for any other reasons, if there is any hope for change of the existing condition by resorting to proper steps, the loan/lease, on the basis of qualitative judgment, will be classified as “Sub-standard”. But even after resorting to proper steps, there exists no certainty of total recovery of the loan/lease, it will be classified as “Doubtful” and even after exerting the all-out efforts, there exists no chance of recovery, it will be classified as “Bad/Loss” on the basis of qualitative judgment.

c) The financial institutions have to maintain required provision against classified loan/lease based on qualitative judgment.

d) In qualitative judgment, whether a loan/lease is overdue or not will not be considered. Rather, FIs have to use their own judgment and the following assessment factors:

1. Special Mention Account

i) Loan/lease must be classified no higher than 'Special Mention Account' if any of the following deficiencies of FI management is present: the loan/lease was not made in compliance with the FI's internal policies; failure to maintain adequate and enforceable documentation; or poor control over collateral.

ii) Loan/lease must be classified no higher than 'Special Mention Account' if any of the following deficiencies of the obligor is present: occasional overdrawn within the past year, below-average or declining profitability; barely acceptable liquidity; problems in strategic planning.

2. Sub-standard

i) Loan/lease must be classified no higher than 'Sub-standard' if any of the following deficiencies of the obligor is present: recurrent overdrawn, low account turnover, competitive difficulties, business in a volatile industry with an acute drop in demand; very low profitability that is also declining; inadequate liquidity; cash flow less than repayment of principal and interest; weak management; doubts about integrity of management; conflict in corporate governance; unjustifiable lack of external audit; pending litigation of a significant nature.

ii) Loan/lease must be classified no higher than 'Sub-standard' if the primary sources of repayment are insufficient to service the debt and the Financial Institution must look to secondary sources of repayment, including collateral.

iii) Loan/lease must be classified no higher than 'Sub-standard' if the Financial Institution has acquired the asset without adequate documentations of the obligor's net worth, profitability, liquidity, and cash flow that are required in the FI's lending policy, or there are doubts about the validity of that documentations.

3. Doubtful

Loan/lease must be classified no higher than 'Doubtful' if any of the following deficiencies of the obligor is present: permanent overdrawn; business in an industry with poor aggregate earnings or loss of markets; serious competitive problems; failure of key products; operational losses; illiquidity, including the necessity to sell assets to meet operating expenses; cash flow less than required interest payments; very poor management; non-cooperative or hostile management; serious doubts of the integrity of management; doubts about true ownership; complete absence of faith in financial statements.

4. Bad/Loss

Loan/lease must be classified as 'Bad/Loss' if any of the following deficiencies of the obligor are present: the obligor seeks new loans to finance operational losses; business in an industry that is disappearing or in diminishing profitability; technological obsolescence; very high losses; asset sales at a loss to meet operational expenses; cash flow less than production costs; no repayment source except liquidation; presence of money laundering, fraud, embezzlement, or other criminal activity; no further support by owners.

3.3 Improvement in Classification:

From time to time, in the judgment of the Financial Institution, the condition of a loan/lease may improve and it may be justified to shift it to a more favorable classification category. The decision to shift a loan/lease to a more favorable classification category must be accompanied by analysis showing that there has been improvement in the payment performance of the loan/lease and/or in the financial condition of the borrower. The decision to shift a loan/lease from Bad/Loss to Doubtful or Sub-standard or from Doubtful to Sub-standard, may, with appropriate justification, be taken by the Chief Credit Officer, with the concurrence of the Chief Financial Officer. The decision to shift a loan/lease from Sub-standard, Doubtful or Bad/Loss to Special Mention Account or to declassify it completely must be taken by the Board of Directors, with appropriate justification presented by the branch manager who originated the loan/lease in question and the Managing Director.

A Financial Institution may request the concerned department i.e. Financial Institution Inspection Department of Bangladesh Bank to review the classification of any loan/lease for which there is a disagreement on classification that is not resolved during the on-site inspection. Bangladesh Bank will respond to the FI within 15 days of receiving such request. However, in any case where there is a lingering disagreement between the classification determined by management of Financial Institution and the classification determined by Bangladesh Bank, the judgment of Bangladesh Bank will prevail. Any loan/lease classified during Bangladesh Bank's on-site inspection on the basis of qualitative judgment cannot be declassified without the consent of Bangladesh Bank.

3.4 Accounting of the Interest of Loan/Lease:

a. If any loan/lease is under 'SMA' or classified as 'Sub-standard' and 'Doubtful', interest accrued on such loan/lease will be credited to Interest Suspense Account, instead of crediting the same to Income Account.

b. As soon as any loan/lease is classified as 'Bad/Loss', charging of interest in the same account will be suspended. In case of filing a law-suit for recovery of such loan/lease, interest for the period till filing of the suit can be charged in the loan/lease account in order to file the same for the amount of principal plus interest. But interest thus charged in the loan/lease account has to be preserved in the 'Interest Suspense' account. If any interest is charged on any 'Bad/Loss' account for any other special reason, the same will be preserved in the 'Interest Suspense' account. If classified loan/lease or part of it is recovered i.e cash is realized against the loan/lease account, first the "interest charged" and "interest accrued but not charged" is to be adjusted from the paid amount and the principal to be adjusted afterwards.

3.5 Maintenance of Provision:

a. General Provision: Financial Institutions will be required to maintain General Provision in the following way:

i) @ 0.25% against all standard amount of loans of Cottage, Micro, Small and Medium Enterprise (CMSME) as defined by the SME & Special Programmes Department of Bangladesh Bank from time to time.

ii) 2% on the standard amount for loan/lease to the Subsidiaries/Sister Concerns, Brokerage House, Merchant Banks, Stock dealers etc.

iii) @ 1% on the standard amount for all types of loan/lease except the loan under CMSME and loan/lease to the Subsidiaries/Sister Concerns, Brokerage House/Merchant Banks/Stock Dealers etc.

iv) @ 5% on the outstanding amount of loan/lease kept in the 'Special Mention Account' after netting off the amount of interest suspense.

v) @ 1% on the off-balance sheet exposures. (Provision will be kept on the total exposure. Amount of cash margin or the value of eligible collateral will not be deducted while computing off-balance sheet exposure base.)

b. Specific Provision: Financial Institutions will maintain provision at the following rates in respect of all classified loan/lease:

- i) Sub-standard : 20%
- ii) Doubtful : 50%
- iii) Bad/Loss : 100%

3.6 Provisions to Cover All Anticipated Losses:

The above mentioned minimum percentages of provisions for exposures in each classification category are absolute minimums and Financial Institutions are encouraged to keep higher provisions if anticipated losses on the loan pools (for general provisions) or individual loans (for specific provisions) warrant.

3.7 Base for Provision:

Provision would be maintained at the prescribed rates in Paragraph 3.5 on the higher amount between the following two:

- i) Outstanding Balance -the amount of Interest Suspense - the value of Eligible collateral.
- ii) 15% of the outstanding balance of the loan/lease.

3.8 Eligible Collateral:

The following collateral will be considered as “Eligible Collateral” in following ways for determining base for provision:

- 100% of deposit under lien against the loan/lease;
- 100% of the value of government bond under lien;
- 100% of the value of guarantee given by Government or Bangladesh Bank;
- 50% of the market value of easily marketable commodities kept under control of FI;
- Maximum 50% of the market value of land and building mortgaged with the FI;
- 50% of the average market value for last 06 months or 50% of the face value, whichever is less, of the shares traded in stock exchange.

3.9 Determination of Market Value of Eligible Collateral:

In determining market value of easily marketable commodities, land and building, Financial Institutions are advised to follow the instructions mentioned below:

a. Easily marketable goods mean pledged, easily en-cashable/salable goods that remain under full control of the FI. Official of the concerned Financial Institution will conduct periodic inspection to verify as to whether requirements have been met such as the suitability of goods for use, expiry period, appropriateness of documentary evidences and up to date insurance coverage as well as the same will have to be assessed by the professional assessor from time to time.

b. For land and building, FIs will have to ensure whether title documents are in order and concerned land building will have to be valued by the professional valuation firm along with completion of proper documentation in favor of the Financial Institution. In the absence of a professional valuation firm, a certificate in favor of such valuation will have to be collected from a professional civil engineer from a recognized university. It is to mention that, temporary houses/factories such as tin-shed structure shall not be shown as building.

c. In order to facilitate on-site inspection by Financial Institution Inspection Department of Bangladesh Bank, Financial Institutions are also advised to maintain a complete statement of eligible collateral on a separate sheet in the concerned loan/lease file. Information such as a description of eligible collateral, their assessment by a recognized firm, marketability of the commodity, control of the Financial Institution and reasons for considering eligible collateral etc. will have to be included in that sheet.

d. In case of security deposit, FI's should not take any amount from the approved/disbursed loan/lease amount. If the borrower pay some amount as security deposit from his own source, that amount should not be considered as down payment at the time of rescheduling.

e. FIs must be cautious or to keep an eye on the reduction of value of collateral by periodic assessment of collateral value, at least once in a year for movable's and at least once in three years for immovable's.

4. In terms of the above policies, the Financial Institutions will conduct their classification and provisioning functions on quarterly basis. The classification and provisioning of each individual loan/lease must be justified in writing and the documentation must contain the signatures of both the persons assigning the classification and the person reviewing it. These written justifications must be maintained in the loan/lease files and have to be available for viewing by the Bangladesh Bank inspection teams. Henceforth, revised templates for loan/lease classification and provisioning i.e. CL-1 to CL-7 have been enclosed herewith which will replace the existing ones.

- a) CL-1 is the summary of 12 other templates. This template is for showing summary of classification status for different loan/lease categories mentioned earlier.
- b) CL-2 is for reporting classification of Short Term Finance.
- c) CL-3A is for reporting classification of Lease Finance [repayable in more than 1 (one) year but less than 5 (five) years].
- d) CL-3B is for reporting classification of Lease Finance [repayable in more than 5 (five) years].
- e) CL-4A is for reporting classification of Term Finance. [repayable in more than 1 (one) year but less than 5 (five) years].
- f) CL-4B is for reporting classification of Term Finance. [repayable in more than 5 (five) years].
- g) CL-5A is for reporting classification of Housing Finance [repayable in more than 1 (one) year but less than 5 (five) years].
- h) CL-5B is for reporting classification of Housing Finance [repayable in more than 5 (five) years].
- i) CL-6A is for the reporting classification of Short Term Financing to the Subsidiaries and/or sister concerns, brokerage house, merchant banks and stock dealers.
- j) CL-6B is for the reporting classification of Loans to the Subsidiaries and/or sister concerns, brokerage house, merchant banks and stock dealers [repayable in more than 1 (one) year but less than 5 (five) years].
- k) CL-6C is for the reporting classification of Loans to the Subsidiaries and/or sister concerns, brokerage house, merchant banks and stock dealers [repayable in more than 5 (five) years].
- l) CL-7A is for the reporting classification of Staff Loan [repayable within 5 (five) years].
- m) CL-7B is for the reporting classification of Staff Loan [repayable in more than 5 (five) years].

Branches of Financial Institutions shall send the completed templates (CL-1 to CL-7) to their Head Offices. The Head Offices of Financial Institutions should make arrangements for scrutiny of all the templates prepared by the branches. Where necessary, they should carry out corrections and ensure maintenance of the corrected templates in the records of the branch.

After scrutiny of all templates (CL-1, CL-2, CL-3, CL-4, CL-5, CL-6, CL-7) prepared by branches and being satisfied with the results, they should prepare a consolidated position of classification and provisioning using template 'CL-1' and send the same to the Department of Financial Institutions and Markets of Bangladesh Bank and upload in Enterprise Data Warehouse (EDW) of Bangladesh Bank. Financial Institutions are also advised to preserve the CL Statements in both their head offices and branches to be inspected by the Bangladesh Bank inspection team and Credit Information Bureau (CIB) of Bangladesh Bank.

5. Financial Institutions will ensure reflection of the position of loan/lease classification and provisioning in Annual Financial Statements with the instructions laid out in this revised circular.

These instructions will be effective from the quarter ended on September 2021.

Instructions of FID Circular No-08, dated-03 August 2002, FID Circular No-11, dated-31 October 2005, FID Circular No-03, dated-03 May 2006, FID Circular No-06, dated-20 August 2006, DFIM Circular Letter No-03, dated-29 April 2013 hereby stand superseded by this circular.

Please acknowledge receipt.

Yours Sincerely,



(Md. Zulkar Nayn)

General Manager

Department of Financial Institutions and Markets

Phone-9530178

CL-3A

**RETURNS FOR CLASSIFICATION OF LEASE FINANCE OF FINANCIAL INSTITUTIONS
(Repayable in more than 1 year but less than 5 years) AS OF.....**

Page No.

FI Name:

Branch Name :

Nature of Facilities:

(Amount in Taka)

Sl. No.	Name of Borrower & NID	Lease Identification No.	Lease Amount	Date of Lease Execution DD/MM/YY	Rescheduled/Restructured Amount (if any)	No. & Date of Last Rescheduling/Restructuring (if any) DD/MM/YY	Balance Outstanding as of Reference Date	Date of Expiry DD/MM/YY	Installment		Date of First Repayment Due DD/MM/YY	Period since 1st Repayment Due (Base Date – Col.12) (in months)	Amount Paid since Sanctioning /Last Rescheduling/ Last Restructuring	Time Equivalent of Amount Paid (in months)	Period of Arrears (in months) (Col.13-Col.15)	Preliminary Status of Classification		Final Classification	
									Size	Frequency						Objective Criteria	Qualitative Judgment	Classification Status	Basis for Classification
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Total																			

Sl. No.	Amount					Cumulative Interest Suspense as of Reference Date				Value of Eligible Collateral (to nearest amount)	Base for Provision for				Amount of Provision Required	Remarks
	Unclassified (UC)		Classified			Unclassified (UC)		Classified A/Cs	Total		SMA Col. (22-27)	Sub-standard (SS) Col. (23-28-30)	Doubtful (DF) Col. (24-28-30)	Bad/Loss (B/L) Col. (25-28-30)		
	Standard	SMA	Sub-Standard (SS)	Doubtful (DF)	Bad/Loss (B/L)	(Standard) (If any)	SMA									
1	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36
Total																

Note :

Col. 11 = Installment Frequency in months

Col. 15 = (Col.14 X Col.11) ÷ Col.10

CL-3B

**RETURNS FOR CLASSIFICATION OF LEASE FINANCE OF FINANCIAL INSTITUTIONS
(Repayable in more than 5 Years) AS OF.....**

Page No.

FI Name:

Branch Name :

Nature of Facilities:

(Amount in Taka)

Sl. No.	Name of Borrower & NID	Lease Identification No.	Lease Amount	Date of Lease Execution DD/MM/YY	Rescheduled/Restructured Amount (if any)	No. & Date of Last Rescheduling/Restructuring (if any) DD/MM/YY	Balance Outstanding as of Reference Date	Date of Expiry DD/MM/YY	Installment		Date of First Repayment Due DD/MM/YY	Period since 1st Repayment Due (Base Date- Col.12) (in months)	Amount Paid since Sanctioning /Last Rescheduling/ Last Restructuring	Time Equivalent of Amount Paid (in months)	Period of Arrears (in months) (Col.13-Col.15)	Preliminary Status of Classification		Final Classification	
									Size	Frequency						Objective Criteria	Qualitative Judgment	Classification Status	Basis for Classification
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Total																			

Sl. No.	Amount					Cumulative Interest Suspense as of Reference Date				Value of Eligible Collateral (to nearest amount)	Base for Provision for				Amount of Provision Required	Remarks
	Unclassified (UC)		Classified			Unclassified (UC)		Classified A/Cs	Total		SMA Col. (22-27)	Sub-standard (SS) Col. (23-28-30)	Doubtful (DF) Col. (24-28-30)	Bad/Loss (B/L) Col. (25-28-30)		
	Standard	SMA	Sub-Standard (SS)	Doubtful (DF)	Bad/Loss (B/L)	(Standard) (If any)	SMA									
1	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36
Total																

Note :

Col. 11 = Installment Frequency in months

Col. 15 = (Col.14 X Col.11) ÷ Col.10

CL-4A

**RETURNS FOR CLASSIFICATION OF TERM FINANCE OF FINANCIAL INSTITUTIONS
(Repayable in more than 1 year but less than 5 years) AS OF.....**

Page No.

FI Name:

Branch Name :

Nature of Facilities:

(Amount in Taka)

Sl. No.	Name of Borrower & NID	Loan Identification No.	Loan Amount	Date of Loan Execution DD/MM/YY	Rescheduled/Restructured Amount (if any)	No. & Date of Last Rescheduling/Restructuring (if any) DD/MM/YY	Balance Outstanding as of Reference Date	Date of Expiry DD/MM/YY	Installment		Date of First Repayment Due DD/MM/YY	Period since 1st Repayment Due (Base Date- Col.12) (in months)	Amount Paid since Sanctioning /Last Rescheduling/ Last Restructuring	Time Equivalent of Amount Paid (in months)	Period of Arrears (in months) (Col.13-Col.15)	Preliminary Status of Classification		Final Classification	
									Size	Frequency						Objective Criteria	Qualitative Judgment	Classification Status	Basis for Classification
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Total																			

Sl. No.	Amount					Cumulative Interest Suspense as of Reference Date				Value of Eligible Collateral (to nearest amount)	Base for Provision for				Amount of Provision Required	Remarks
	Unclassified (UC)		Classified			Unclassified (UC)		Classified A/Cs	Total		SMA Col. (22-27)	Sub-standard (SS) Col. (23-28-30)	Doubtful (DF) Col. (24-28-30)	Bad/Loss (B/L) Col. (25-28-30)		
	Standard	SMA	Sub-Standard (SS)	Doubtful (DF)	Bad/Loss (B/L)	(Standard) (If any)	SMA									
	21	22	23	24	25	26	27	28	29		30	31	32	33		
Total																

Note :

Col. 11 = Installment Frequency in months

Col. 15 = (Col.14 X Col.11) ÷ Col.10

CL-4B

**RETURNS FOR CLASSIFICATION OF TERM FINANCE OF FINANCIAL INSTITUTIONS
(Repayable in more than 5 Years) AS OF.....**

Page No.

FI Name:

Branch Name :

Nature of Facilities:

(Amount in Taka)

Sl. No.	Name of Borrower & NID	Loan Identification No.	Loan Amount	Date of Loan Execution DD/MM/YY	Rescheduled/Restructured Amount (if any)	No. & Date of Last Rescheduling/Restructuring (if any) DD/MM/YY	Balance Outstanding as of Reference Date	Date of Expiry DD/MM/YY	Installment		Date of First Repayment Due DD/MM/YY	Period since 1st Repayment Due (Base Date- Col.12) (in months)	Amount Paid since Sanctioning /Last Rescheduling/ Last Restructuring	Time Equivalent of Amount Paid (in months)	Period of Arrears (in months) (Col.13-Col.15)	Preliminary Status of Classification		Final Classification	
									Size	Frequency						Objective Criteria	Qualitative Judgment	Classification Status	Basis for Classification
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Total																			

Sl. No.	Amount					Cumulative Interest Suspense as of Reference Date				Value of Eligible Collateral (to nearest amount)	Base for Provision for				Amount of Provision Required	Remarks
	Unclassified (UC)		Classified			Unclassified (UC)		Classified A/Cs	Total		SMA Col. (22-27)	Sub-standard (SS) Col. (23-28-30)	Doubtful (DF) Col. (24-28-30)	Bad/Loss (B/L) Col. (25-28-30)		
	Standard	SMA	Sub-Standard (SS)	Doubtful (DF)	Bad/Loss (B/L)	(Standard) (If any)	SMA									
1	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36
Total																

Note :

Col. 11 = Installment Frequency in months

Col. 15 = (Col.14 X Col.11) ÷ Col.10

CL-5A

**RETURNS FOR CLASSIFICATION OF HOUSING FINANCE OF FINANCIAL INSTITUTIONS
(Repayable in more than 1 year but less than 5 years) AS OF.....**

Page No.

FI Name:

Branch Name :

Nature of Facilities:

(Amount in Taka)

Sl. No.	Name of Borrower & NID	Housing Finance Identification No.	Housing Finance Amount	Date of Housing Finance Execution DD/MM/YY	Rescheduled/Restructured Amount (if any)	No. & Date of Last Rescheduling/Restructuring (if any) DD/MM/YY	Balance Outstanding as of Reference Date	Date of Expiry DD/MM/YY	Installment		Date of First Repayment Due DD/MM/YY	Period since 1st Repayment Due (Base Date- Col.12) (in months)	Amount Paid since Sanctioning /Last Rescheduling/ Last Restructuring	Time Equivalent of Amount Paid (in months)	Period of Arrears (in months) (Col.13-Col.15)	Preliminary Status of Classification		Final Classification	
									Size	Frequency						Objective Criteria	Qualitative Judgment	Classification Status	Basis for Classification
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Total																			

Sl. No.	Amount					Cumulative Interest Suspense as of Reference Date				Value of Eligible Collateral (to nearest amount)	Base for Provision for				Amount of Provision Required	Remarks
	Unclassified (UC)		Classified			Unclassified (UC)		Classified A/Cs	Total		SMA Col. (22-27)	Sub-standard (SS) Col. (23-28-30)	Doubtful (DF) Col. (24-28-30)	Bad/Loss (B/L) Col. (25-28-30)		
	Standard	SMA	Sub-Standard (SS)	Doubtful (DF)	Bad/Loss (B/L)	(Standard) (If any)	SMA									
1	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36
Total																

Note :

Col. 11 = Installment Frequency in months

Col. 15 = (Col.14 X Col.11) ÷ Col.10

CL-5B

**RETURNS FOR CLASSIFICATION OF HOUSING FINANCE OF FINANCIAL INSTITUTIONS
(Repayable in more than 5 Years) AS OF.....**

Page No.

FI Name:

Branch Name :

Nature of Facilities:

(Amount in Taka)

Sl. No.	Name of Borrower & NID	Housing Finance Identification No.	Housing Finance Amount	Date of Housing Finance Execution DD/MM/YY	Rescheduled/Restructured Amount (if any)	No. & Date of Last Rescheduling/Restructuring (if any) DD/MM/YY	Balance Outstanding as of Reference Date	Date of Expiry DD/MM/YY	Installment		Date of First Repayment Due DD/MM/YY	Period since 1st Repayment Due (Base Date- Col.12) (in months)	Amount Paid since Sanctioning /Last Rescheduling/ Last Restructuring	Time Equivalent of Amount Paid (in months)	Period of Arrears (in months) (Col.13-Col.15)	Preliminary Status of Classification		Final Classification	
									Size	Frequency						Objective Criteria	Qualitative Judgment	Classification Status	Basis for Classification
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Total																			

Sl. No.	Amount					Cumulative Interest Suspense as of Reference Date				Value of Eligible Collateral (to nearest amount)	Base for Provision for				Amount of Provision Required	Remarks
	Unclassified (UC)		Classified													
	Standard	SMA	Sub-Standard (SS)	Doubtful (DF)	Bad/Loss (B/L)	Unclassified (UC)		Classified A/Cs	Total		SMA Col. (22-27)	Sub-standard (SS) Col. (23-28-30)	Doubtful (DF) Col. (24-28-30)	Bad/Loss (B/L) Col. (25-28-30)		
						(Standard) (If any)	SMA									
1	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36
Total																

Note :

Col. 11 = Installment Frequency in months

Col. 15 = (Col.14 X Col.11) ÷ Col.10

CL-6B

RETURNS FOR CLASSIFICATION OF FINANCING TO SUBSIDIARIES AND/OR SISTER CONCERNS, BROKERAGE HOUSE, MERCHANT BANKS AND STOCK DEALERS (Repayable in more than 1 year but less than 5 years) AS OF.....

Page No.

FI Name:

Branch Name :

Nature of Facilities:

(Amount in Taka)

Sl. No.	Name of Borrower & NID	Types of Borrowers & Loan Identification No.	Loan Amount	Date of Loan Execution DD/MM/YY	Rescheduled/Restructured Amount (if any)	No. & Date of Last Rescheduling/Restructuring (if any) DD/MM/YY	Balance Outstanding as of Reference Date	Date of Expiry DD/MM/YY	Installment		Date of First Repayment Due DD/MM/YY	Period since 1st Repayment Due (Base Date- Col.12) (in months)	Amount Paid since Sanctioning /Last Rescheduling/ Last Restructuring	Time Equivalent of Amount Paid (in months)	Period of Arrears (in months) (Col.13-Col.15)	Preliminary Status of Classification		Final Classification	
									Size	Frequency						Objective Criteria	Qualitative Judgment	Classification Status	Basis for Classification
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Total																			

Sl. No.	Amount					Cumulative Interest Suspense as of Reference Date				Value of Eligible Collateral (to nearest amount)	Base for Provision for				Amount of Provision Required	Remarks
	Unclassified (UC)		Classified			Unclassified (UC)		Classified A/Cs	Total		SMA Col. (22-27)	Sub-standard (SS) Col. (23-28-30)	Doubtful (DF) Col. (24-28-30)	Bad/Loss (B/L) Col. (25-28-30)		
	Standard	SMA	Sub-Standard (SS)	Doubtful (DF)	Bad/Loss (B/L)	(Standard) (If any)	SMA									
	21	22	23	24	25	26	27	28	29		30	31	32	33		
Total																

Note :

Col. 11 = Installment Frequency in months

Col. 15 = (Col.14 X Col.11) ÷ Col.10

CL-6C

RETURNS FOR CLASSIFICATION OF FINANCING TO SUBSIDIARIES AND/OR SISTER CONCERNS, BROKERAGE HOUSE, MERCHANT BANKS AND STOCK DEALERS (Repayable within 5 Years) AS OF.....

Page No.

FI Name:

Branch Name :

Nature of Facilities:

(Amount in Taka)

Sl. No.	Name of Borrower & NID	Types of Borrowers & Loan Identification No.	Loan Amount	Date of Loan Execution DD/MM/YY	Rescheduled/Restructured Amount (if any)	No. & Date of Last Rescheduling/Restructuring (if any) DD/MM/YY	Balance Outstanding as of Reference Date	Date of Expiry DD/MM/YY	Installment		Date of First Repayment Due DD/MM/YY	Period since 1st Repayment Due (Base Date- Col.12) (in months)	Amount Paid since Sanctioning /Last Rescheduling/ Last Restructuring	Time Equivalent of Amount Paid (in months)	Period of Arrears (in months) (Col.13-Col.15)	Preliminary Status of Classification		Final Classification	
									Size	Frequency						Objective Criteria	Qualitative Judgment	Classification Status	Basis for Classification
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Total																			

Sl. No.	Amount					Cumulative Interest Suspense as of Reference Date				Value of Eligible Collateral (to nearest amount)	Base for Provision for				Amount of Provision Required	Remarks
	Unclassified (UC)		Classified			Unclassified (UC)		Classified A/Cs	Total		SMA Col. (22-27)	Sub-standard (SS) Col. (23-28-30)	Doubtful (DF) Col. (24-28-30)	Bad/Loss (B/L) Col. (25-28-30)		
	Standard	SMA	Sub-Standard (SS)	Doubtful (DF)	Bad/Loss (B/L)	(Standard) (If any)	SMA									
1	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36
Total																

Note :

Col. 11 = Installment Frequency in months

Col. 15 = (Col.14 X Col.11) ÷ Col.10

CL-7A

**RETURNS FOR CLASSIFICATION OF STAFF LOANS OF FINANCIAL INSTITUTIONS
(Repayable within 5 Years) AS OF.....**

Page No.

FI Name:

Branch Name :

Nature of Facilities:

(Amount in Taka)

Sl. No.	Name of Borrower & NID	Loan Identification No.	Loan Amount	Date of Loan Execution DD/MM/YY	Rescheduled/Restructured Amount (if any)	No. & Date of Last Rescheduling/Restructuring (if any) DD/MM/YY	Balance Outstanding as of Reference Date	Date of Expiry DD/MM/YY	Installment		Date of First Repayment Due DD/MM/YY	Period since 1st Repayment Due (Base Date- Col.12) (in months)	Amount Paid since Sanctioning /Last Rescheduling/ Last Restructuring	Time Equivalent of Amount Paid (in months)	Period of Arrears (in months) (Col.13-Col.15)	Preliminary Status of Classification		Final Classification	
									Size	Frequency						Objective Criteria	Qualitative Judgment	Classification Status	Basis for Classification
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Total																			

Sl. No.	Amount					Cumulative Interest Suspense as of Reference Date				Value of Eligible Collateral (to nearest amount)	Base for Provision for				Amount of Provision Required	Remarks
	Unclassified (UC)		Classified			Unclassified (UC)		Classified A/Cs	Total		SMA Col. (22-27)	Sub-standard (SS) Col. (23-28-30)	Doubtful (DF) Col. (24-28-30)	Bad/Loss (B/L) Col. (25-28-30)		
	Standard	SMA	Sub-Standard (SS)	Doubtful (DF)	Bad/Loss (B/L)	(Standard) (If any)	SMA									
	21	22	23	24	25	26	27	28	29		30	31	32	33		
Total																

Note :

Col. 11 = Installment Frequency in months

Col. 15 = (Col. 14 X Col.11) ÷ Col.10

* The Loan/Lease Classification and Provisioning guidelines of regular loan/lease including short term finance and housing finance will be applicable for Consumer Finance (Car Loan, Computer Loan, Furniture Loan etc.), Short Term Finance and Housing Finance for staff. Moreover, Short Term Finance for staff should be reported in this template.

CL-7B

**RETURNS FOR CLASSIFICATION OF STAFF LOANS OF FINANCIAL INSTITUTIONS
(Repayable in more than 5 Years) AS OF.....**

Page No.

FI Name:

Branch Name :

Nature of Facilities:

(Amount in Taka)

Sl. No.	Name of Borrower & NID	Loan Identification No.	Loan Amount	Date of Loan Execution DD/MM/YY	Rescheduled/Restructured Amount (if any)	No. & Date of Last Rescheduling/Restructuring (if any) DD/MM/YY	Balance Outstanding as of Reference Date	Date of Expiry DD/MM/YY	Installment		Date of First Repayment Due DD/MM/YY	Period since 1st Repayment Due (Base Date- Col.12) (in months)	Amount Paid since Sanctioning /Last Rescheduling/ Last Restructuring	Time Equivalent of Amount Paid (in months)	Period of Arrears (in months) (Col.13-Col.15)	Preliminary Status of Classification		Final Classification	
									Size	Frequency						Objective Criteria	Qualitative Judgment	Classification Status	Basis for Classification
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Total																			

Sl. No.	Amount					Cumulative Interest Suspense as of Reference Date				Value of Eligible Collateral (to nearest amount)	Base for Provision for				Amount of Provision Required	Remarks
	Unclassified (UC)		Classified			Unclassified (UC)		Classified A/Cs	Total		SMA Col. (22-27)	Sub-standard (SS) Col. (23-28-30)	Doubtful (DF) Col. (24-28-30)	Bad/Loss (B/L) Col. (25-28-30)		
	Standard	SMA	Sub-Standard (SS)	Doubtful (DF)	Bad/Loss (B/L)	(Standard) (If any)	SMA									
	21	22	23	24	25	26	27	28	29		30	31	32	33		
Total																

Note :

Col. 11 = Installment Frequency in months

Col. 15 = (Col. 14 X Col.11) ÷ Col.10

* The Loan/Lease Classification and Provisioning guidelines of regular loan/lease and housing finance will be applicable for Consumer Finance (Car Loan, Computer Loan, Furniture Loan etc.) and Housing Finance for staff.

CHECK LIST:

Form No	No. of Page (s)	Form No	No. of Page (s)	Form No	No. of Page (s)
CL-2		CL-4B		CL-6B	
CL-3A		CL-5A		CL-6C	
CL-3B		CL-5B		CL-7A	
CL-4A		CL-6A		CL-7B	

NB: UC=Unclassified, STD=Standard, SMA=Special Mention Account, SS=Sub-Standard, DF=Doubtful, B/L=Bad/Loss.

RATE OF PROVISION:

Particulars		CMSMEF	Financing to the Subsidiaries and/or Sister Concerns/Brokerage House/Merchant Banks/Stock Dealers	All Other Loans/Leases/Housing Finances/Staff Loans
Unclassified	STD	0.25%	2%	1%
	SMA	5%	5%	5%
Classified	SS	20%	20%	20%
	DF	50%	50%	50%
	B/L	100%	100%	100%