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Bangladesh Bank **Head Office** Dhaka

**Financial Institutions** Department

FID Circular No. **06** 

Dated: 20 August, 2006

Managing Director/Chief Executive All Financial Institutions

Dear Sir,

Policy on Loan/lease Classification and Provisioning

In order to strengthen credit discipline and bring classification policy in line with

international standards, Bangladesh Bank has revised its prudential norms for loan/lease

classification and provisioning from time to time. As part of the process, Bangladesh Bank has

introduced "Special Mention Account" and provisioning thereof vide FID Circular No-03, dated

03 may 2006. In terms of the above, the Financial Institutions will conduct their loan/lease

classification and provisioning. For this purpose, we are enclosing herewith the revised format of

(FICL-1, 2A, 2B, 3A, 3B, 4A, 4B, 5 & 6).

All other instructions contained in FID Circular No.08/2002, 11/2005 & 03/2006 will

remain unchanged.

Please acknowledge receipt.

Yours faithfully,

Enclosure: 09 (Nine).

(Md. Masum Patwary) Joint Director

Phone: 7126101-20/3155.

NAME OF THE FI: BRANCH NAME: (taka in thousand)

	OF THE FI;			Bala	ance Outstand	ding		DRANCH IV.		provision						ii iiiousaiiu <i>)</i>
CI NO	Contama	Total	Unclassi			Classified				•		Amount of		Interest s	uspense on	
SL. NO.	Sectors	Total	Standard	SMA	SS	DF	B/L	SMA	SS	DF	B/L	provision required	Standard (if any)	SMA	Classified A/Cs	Total
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
	Lease Finance (FICL-2A)															
	Lease Finance (FICL-2B)															
	Term Loans(FICL-3A)															
	Term Loans(FICL-3B)															
	Housing Finance(FICL-4A)															
	Housing Finance(FICL-4B)															
	Other Assets(FICL-5)															
	Investments(FICL-6)															
	Total															

CHECK	CHECK LIST									
Form No.	No.of Pages									
FICL-2A										
FICL-2B										
FICL-3A										
FICL-3B										
FICL-4A										
FICL-4B										
FICL-5										
FICL-6										

RATE OF PRO	VISION
Particulars	All Loan/Leases
Standard	1%
SMA	5%
Sub-standard	20%
Doubtful	50%
Bad/Loss	100%

AMOUNT OF ACTUAL PROVISION(taka in thousand) ------

FICL-2A

Ref: FID Circulr No.06/2006

## RETURN FOR CLASSIFICATION OF LEASES OF FINANCIAL INSTITUTIONS(Repayable within 5 Years) as of ......

Name of the FI :Branch name :Page-<br/>(Amount in Taka)

	SI No.	Name of the Leasee	Lease No./Lease A/C No		Date of Lease Execution DD MM YY	Rescheduled Amount	Date of rescheduling DD MM YY	Amount of Outstanding as of Reference		ıllment	Amount due as on Reference date	Amount Paid as on Reference date		Equivalent of Amount in	Class	ry Status of ification		ssification
								date	Size	Frequency	uate	uate			Objective Criteria	Qualitative Judgement	Classification Status	Basis for Classification
	1	2	3	4	5	6	7	8	9	10	11	12	13=11-12	14	15	16	17	18
L																		
L																		
L																		
L																		

Amount Unclassif	fied(UC)	Aı	mount Class	ified	Cumulative	Interest susp date			Value of elligible			ovision for		Remarks	
Standard	SMA	Sub- standard (SS)	Doubtful (DF)	Bad/Loss (BL)	Standard (if any)	SMA	Classified A/Cs	Total	securities (in nearest taka)	SMA {col.20- 25}	Sub- standard (SS) {col.21-26- 28}	Doubtful (DF) {col.22- 26-28}	Bad/Loss (BL) {col.23-26- 28}		
19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	
					-										

	Amount in Arrears x Installment Frequency
Time Equivalent of Amount in Arrears =	
	Installment Size

FICL-2B

Ref : FID Circulr No.06/2006

# RETURN FOR CLASSIFICATION OF LEASES OF FINANCIAL INSTITUTIONS(Repayable in more thn 5 Years) as of ......

Name of the FI Branch name : Page(Amount in Taka)

	SI	Name of the Leasee	Lease	Lease	Date of Lease	Rescheduled	Date of	Amount of	Insta	llment	Amount due	Amount Paid	Amount in	Time	Prelimina	ry Status of	Final Cla	ssification
1	No.		No./Lease A/C	Amount	Execution	Amount	rescheduling	Outstanding			as of	as on	Arrears	Equivalent of	Class	ification		
			No		DD MM YY		DD MM YY	as on	Size	Frequency	Reference	Reference		Amount in	Objective	Qualitative	Classification	Basis for
								Reference			date	date		Arrears*	Criteria	Judgement	Status	Classification
								date										
	1	2	3	4	5	6	7	8	9	10	11	12	13=11-12	14	15	16	17	18

Amount Unclassif	ied(UC)	Ar	mount Class	ified	Cumulative	Interest susp date			Value of elligible			rovision for		Remarks	,
Standard	SMA	Sub- standard (SS)	Doubtful (DF)	Bad/Loss (BL)	Standard (if any)	SMA	Classified A/Cs	Total	securities (in nearest taka)	SMA {col.20- 25}	Sub- standard (SS) {col.21-26- 28}	Doubtful (DF) {col.22- 26-28}	Bad/Loss (BL) (col.23-26- 28)		
19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	

	Amount in Arrears x Installment Frequency
* Time Equivalent of Amount in Arrears =	
	Installment Size

FICL-3A

Name of the FI: Branch Name: Page(Amount in Taka)

S No		Loan No./Loan A/C no.	Loan Amount	Date of Loan Execution	Rescheduled Amount	Date of rescheduling	Amount of Outstanding		llment	Amount due as on	Amount Paid as on		Time Equivalent of		ry Status of ification	Final Cla	ssification
				DD MM YY		DD MM YY	as of Reference date		Frequency	Reference date	Reference date		Amount in	Objective	Qualitative Judgement	Classification Status	Basis for Classification
1	2	3	4	5	6	7	8	9	10	11	12	13=11-12	14	15	16	17	18

Amount Unclassif	ied(UC)	Aı	mount Class	ified	Cumulative	Interest susp date			Value of elligible			rovision for		Remarks	3
Standard	SMA	Sub- standard (SS)	Doubtful (DF)	Bad/Loss (BL)	Standard (if any)	SMA	Classified A/Cs	Total	securities (in nearest taka)	SMA {col.20- 25}	Sub- standard (SS) {col.21-26- 28}	Doubtful (DF) {col.22- 26-28}	Bad/Loss (BL) {col.23-26- 28}		
19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	

	Amount in Arrears x Installment Frequency
* Time Equivalent of Amount in Arrears =	
	Installment Size

FICL-3B

Ref: FID Circulr No.06/2006

#### RETURN FOR CLASSIFICATION OF LOANS OF FINANCIAL INSTITUTIONS(Repayable in more than 5 Years) as of ......

Name of the FI:Branch Name:Page-<br/>(Amount in Taka)

SI	Name of the Borrower	Loan No./Loan	Loan	Date of Loan	Rescheduled	Date of	Amount of	Insta	allment	Amount due	Amount Paid	Amount in	Time		ry Status of	Final Cla	ssification
No		A/C no.	Amount	Execution	Amount	rescheduling	Outstanding			as of	as of	Arrears	Equivalent of	Class	ification		
				DD MM YY		DD MM YY	as of	Size	Frequency	Reference	Reference		Amount in	Objective	Qualitative	Classification	Basis for
							Reference			date	date		Arrears*	Criteria	Judgement	Status	Classification
							date										
	2	3	4	5	6	7	8	9	10	11	12	13=11-12	14	15	16	17	18
								·						·			

Amount Unclassif	ied(UC)	Aı	mount Class	ified	Cumulative	Interest susp date		reference	Value of elligible	E	Base for P	rovision for		Remarks	
							T		securities (in		T		T		
Standard	SMA		Doubtful (DF)	Bad/Loss (BL)		SMA	Classified	Total	nearest taka)	,		Doubtful	Bad/Loss		
		standard (SS)			(if any)		A/Cs			25}	(SS)	(DF) {col.22- 26-28}	{col.23-26-		
											{col.21-26- 28}		28}		
19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	
					•										
					•										

	Amount in Arrears x Installment Frequency
ears =	
	Installment Size

\* Time Equivalent of Amount in Arrears =

FICL-4A

Ref : FID Circulr No.06/2006

#### RETURN FOR CLASSIFICATION OF HOUSING LOANS OF FINANCIAL INSTITUTIONS(Repayable within 5 Years) as of ......

Name of the FI: Branch Name: Page(Amount in Taka)

S		Name of the Borrower	Housing	Housing	Date of	Rescheduled	Date of	Amount of	Insta	ıllment	Amount due	Amount Paid	Amount in	Time	Prelimina	ry Status of	Final Cla	ssification
Ν	ο.		Finance No./	Finance	Housing	Amount	rescheduling	Outstanding			as of	as of	Arrears	Equivalent of	Class	ification		
			Housing Finance A/C no.	Amount	Finance Execution DD MM YY		DD MM YY	as of Reference date	Size	Frequency	Reference date	Reference date		Amount in Arrears*		Qualitative Judgement	Classification Status	Basis for Classification
	1	2	3	4	5	6	7	8	9	10	11	12	13=11-12	14	15	16	17	18
Г																		
Г																		

Amount Unclassif	ied(UC)	Aı	mount Class	ified	Cumulative	Interest susp date		reference	Value of elligible		Base for P	rovision for		Remarks	
									securities (in						
Standard	SMA	Sub- standard (SS)	Doubtful (DF)	Bad/Loss (BL)	Standard (if any)	SMA	Classified A/Cs	Total	nearest taka)	SMA {col.20- 25}		Doubtful (DF) {col.22- 26-28}	Bad/Loss (BL) {col.23-26- 28}		
19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	

	Installment Size
* Time Equivalent of Amount in Arrears =	
	Amount in Arrears x Installment Frequency

FICL-4B

Ref: FID Circulr No.06/2006

## RETURN FOR CLASSIFICATION OF HOUSING LOANS OF FINANCIAL INSTITUTIONS(Repayable in more than 5 Years) as of ......

Name of the FI :Branch Name :Page-(Amount in Taka)

SI	Name of the Borrower	Housing	Housing	Date of	Rescheduled	Date of	Amount of	Insta	llment	Amount due	Amount Paid	Amount in	Time	Prelimina	ry Status of	Final Cla	ssification
No		Finance No./	Finance	Housing	Amount		Outstanding			as of	as of	Arrears	Equivalent of	Class	ification		
		Housing	Amount	Finance		DD MM YY	as of	Size	Frequency	Reference	Reference		Amount in	Objective	Qualitative	Classification	Basis for
		Finance A/C		Execution			Reference			date	date		Arrears*	Criteria	Judgement	Status	Classification
		no.		DD MM YY			date										
_	2	3	4	5	6	7	8	9	10	11	12	13=11-12	14	15	16	17	18

Amount Unclassif	ied(UC)	Aı	mount Class	ified	Cumulative	Interest susp date		reference	Value of elligible securities (in		Base for P	rovision for		Remarks	
Standard	SMA	Sub- standard (SS)	Doubtful (DF)	Bad/Loss (BL)	Standard (if any)	SMA	Classified A/Cs	Total	nearest taka)				Bad/Loss (BL) {col.23-26- 28}		
19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	
					•										

	Amount in Arrears x Installment Frequency
* Time Equivalent of Amount in Arrears =	
	Installment Size

FICL-5

Ref : FID Circulr No.06/2006

### RETURN FOR CLASSIFICATION OF OTHER ASSETS OF FINANCIAL INSTITUTIONS as of ......

Name of the FI: Page-

										(Amount in T	aka)
SI No.	Name/Nature of the Asset	Finance No./A/C No.	Finance Amount	Date of Initiation DD MM YY	Amount of Outstanding as os Reference Date	Due Date of Repayment	Time in Arrear	Preliminary Status of Classification  Objective Qualitative		Final Cla	assification
								Objective Criteria	Qualitative Judgement	Classification Status	Basis for Classification
1	2	3	4	5	6	7	8	9	10	11	12

Amount Uncl	assified(UC)	Ar	mount Classi	fied	Cumulativ		spense as of ate	reference	Value of elligible	E	Base for Pro	ovision for		Remarks
Standard	SMA	Sub-standard (SS)	Doubtful (DF)	Bad/Loss (BL)	Standard (if any)	SMA	Classified A/Cs	Total	securities (in nearest taka)	SMA {col.14- 19}		Doubtful (DF) {col.16- 20-22}	Bad/Loss (BL) {col.17- 20-22}	
13	14	15	16	17	18	19	20	21	22	23	24	25	26	27

<sup>\*</sup>Time in Arrears = Reference Date -Due Date of Repay

FICL-6 Ref : FID Circulr No.06/2006

#### 

Name of FI: Branch Name: Page-

					(Amount in Tk.)	
SL No.	Buying Date	Name of the Copmpany	Book Value	Market Value	Decrease in Value	Provision Amount
1 1	2	3	4	5	6	7