

## Changes in Bangladesh Bank's revised circular(Loan Rescheduling )

Bangladesh Bank's previous circular no BRPD-08 dated- 14/06/2012				Bangladesh Bank's revised circular no BRPD-15 date- 23/09/2012			
Time Limit for rescheduling Continuous Loan:				Time Limit for rescheduling Continuous Loan:			
Frequency	Classified as Sub-standard	Classified as Doubtful	Classified as Bad/Loss	Frequency	Classified as Sub-standard	Classified as Doubtful	Classified as Bad/Loss
First rescheduling	Maximum 12 (twelve ) months from the date of being classified as Sub-standard	Maximum 9(nine) months from the date of being classified as Doubtful	Maximum 6 (six) months from the date of being classified as Bad/Loss	First rescheduling	Maximum 18 (eighteen ) months from the date of rescheduling	Maximum 12(Twelve) months from the date of rescheduling	Maximum 12 (twelve) months from the date of rescheduling
Second rescheduling	Maximum 09 (nine) months from the expiry date of 1 <sup>st</sup> rescheduling.	Maximum 6(six) months from the expiry date of 1 <sup>st</sup> rescheduling.	Maximum 3 (three) months from the expiry date of 1 <sup>st</sup> rescheduling.	Second rescheduling	Maximum 12 (twelve) months from the date of rescheduling.	Maximum 9(nine) months from the date of rescheduling.	Maximum 09(nine) months from the date of rescheduling.
Third rescheduling	Maximum 06(six) months from the expiry date of 2 <sup>nd</sup> rescheduling.	Maximum 3(three) months from the expiry date of 2 <sup>nd</sup> rescheduling.	Maximum 3 (three )months from the expiry date of 2 <sup>nd</sup> rescheduling.	Third rescheduling	Maximum 06(six) months from the date of rescheduling.	Maximum 6(six) months from the date of rescheduling.	Maximum 06(six) months from the date of rescheduling

<b>Time Limit for rescheduling Demand Loan:</b>				<b>Time Limit for rescheduling Demand Loan:</b>			
First rescheduling	Maximum 09 (nine) months from the date of being classified as Sub-standard.	Maximum 6(six) months from the date of being classified as Doubtful.	Maximum 3 (three) months from the date of being classified as Bad/Loss.	First rescheduling	Maximum 12 (Twelve) months from the date of rescheduling.	Maximum 9(nine) months from the date of rescheduling	Maximum 9(nine) months from the date of rescheduling
Second rescheduling	Maximum 6(six) months from the expiry date of 1 <sup>st</sup> rescheduling.	Maximum 3 (three) months from the expiry date of 1 <sup>st</sup> rescheduling.	Maximum 3 (three) months from the expiry date of 1 <sup>st</sup> rescheduling.	Second rescheduling	Maximum 9(nine) months from the date of rescheduling.	Maximum 6(six) months from the date of rescheduling.	Maximum 6(six) months from the date of rescheduling
Third rescheduling	Maximum 3 (three) months from the expiry date of 2 <sup>nd</sup> rescheduling.	Maximum 3 (three) months from the expiry date of 2 <sup>nd</sup> rescheduling.	Maximum 3 (three) months from the expiry date of 2 <sup>nd</sup> rescheduling.	Third rescheduling	Maximum 6(six) months from the date of rescheduling	Maximum 6(six) months from the date of rescheduling.	Maximum 6(six) months from the date of rescheduling
<b>Time limit for rescheduling Fixed Term Loan:</b>				<b>Time limit for rescheduling Fixed Term Loan:</b>			
First rescheduling	Not exceeding 18 (eighteen) months from the expiry date of the loan as mentioned in the sanction letter	Maximum 12(twelve) months from the expiry date of the loan as mentioned in the sanction letter	Maximum 9(nine) month from the expiry date of the loan as mentioned in the sanction letter	First rescheduling	Maximum 24 (twenty four) months from the date of rescheduling .	Maximum 18(eighteen) months from the date of rescheduling .	Maximum 18(eighteen) months from the date of rescheduling
Second rescheduling	Maximum 12(twelve) months from the expiry date of 1 <sup>st</sup> rescheduling	Maximum 9 (nine) months from the expiry date of 1 <sup>st</sup> rescheduling	Maximum 6(six) months from the expiry date of 1 <sup>st</sup> rescheduling.	Second Rescheduling	Maximum 18(eighteen) months from the date of rescheduling	Maximum 12(twelve) months from the date of rescheduling	Maximum 12(twelve) months from the date of rescheduling

Third rescheduling	Maximum 9 (nine) months from the expiry date of 2 <sup>nd</sup> rescheduling.	Maximum 6 (six) months from the expiry date of 2 <sup>nd</sup> rescheduling.	Maximum 3(three) months from the expiry date of 2 <sup>nd</sup> rescheduling.	Third rescheduling	Maximum 12(twelve) months from the date of rescheduling.	Maximum 9 (nine) months from the date of rescheduling.	Maximum 9 (nine) months from the date of rescheduling.
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### 3. DOWN PAYMENT OF TERM LOANS:

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a) Application for first time rescheduling will be taken into consideration upon receiving cash payment of at least 25% of the overdue installments or 10% of the total outstanding amount of loan, whichever is less;

a) Application for first time rescheduling will be taken into consideration upon receiving cash payment of at least 15% of the overdue installments or 10% of the total outstanding amount of loan, whichever is less;

### LOAN CLASSIFICATION & PROVISIONING

BRPD Circular no 07 Date :14/06/2012

BRPD Circular no 14 Date : 23/09/2012

SMA Account

SMA Account

A Continuous loan, Demand loan or a Term Loan which will remain overdue for a period of 02 (two) months or more, will be put into the Special Mention Account (SMA) and interest accrued on such loan will be credited to Interest Suspense Account, instead of crediting the same to Income Account

A Continuous loan, Demand loan or a Term Loan which will remain overdue for a period of 02 (two) months or more, will be put into the “ Special Mention Account (SMA)

#### Maintaining provision by the Bank:

The provision will be maintained at the above rate on the balance calculated as the greater of the following two amounts: a) the outstanding balance of the loan less the amount of Interest Suspense and the value of eligible collateral;  
b) 20% of the outstanding balance of the loan

#### Maintaining provision by the Bank:

For all other eligible collaterals, the provision will be maintained at the stated rates in Para 4 on the balance calculated as the greater of the following two amounts:  
a) Outstanding balance of the classified loan less the amount of Interest Suspense and the value of eligible collateral;  
b) 15% of the outstanding balance of the loan