



# Bangladesh Bank

Head Office  
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Bangladesh  
website: www.bb.org.bd

## Banking Regulation & Policy Department

BRPD Circular Letter No. 59

31 December 2024  
Date: -----  
16 Poush 1431

Managing Director/Chief Executives  
All Scheduled Banks in Bangladesh

Dear Sir,

### **Prudential Regulations for Consumer Financing (Regulation for Auto Loans)**

Please refer to BRPD Circular No. 07 dated November 03, 2004 and BRPD Circular No. 12 dated 13 August 2014 on the captioned subject.

2. With a view to reflecting the current market price of automobiles, it has been decided to make changes in the Regulation-16 of Prudential Regulations for Consumer Financing which shall now stand as under:

#### **Regulation 16:**

“The banks shall not allow auto loan (including insurance) exceeding TK. 6 million per individual under this head. For the purpose of this regulation, any auto 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 hybrid or electric cars, the financing facility shall be provided at a maximum debt-equity ratio of 70:30.”

3. Instructions provided vide BRPD Circular No. 07/2004 and subsequent circulars or circular letters on the captioned subject hereby stand superseded by this circular letter.
4. This directive has been issued by Bangladesh Bank in exercise of its power conferred on it under the Section 45 of the Bank Company Act, 1991, as amended.
5. This circular shall come into force immediately.

Yours faithfully,

(Mohammad Shahriar Siddiqui)  
Director (BRPD)  
Phone: 9530252