



Bangladesh Bank

Head Office
Motijheel, Dhaka-1000
Bangladesh
website: www.bb.org.bd

Banking Regulation & Policy Department-1

11 March 2026

Date: -----

26 Falgun 1432

BRPD-1 Circular No. 07

Managing Director/Chief Executives
All Scheduled Banks operating in Bangladesh

Dear Sir,

Loan Facility Against Government Bond (Treasury Bond)

Please refer to BRPD Circular No. 15 dated 27 November 2024 regarding Loan Classification and Provisioning.

2. In reference to the aforementioned circular, it has been learnt that as government bonds under lien have been listed as eligible collateral, banks have expressed their interest in extending credit facilities to clients against Treasury Bonds held under lien. Accordingly, banks are hereby advised to follow directives regarding disbursement of overdraft or term loan facilities against Treasury Bonds as follows:
 - a) Prior to extending overdraft or term loan facilities to the borrower, concerned Treasury Bond must be marked as 'lien' by the bank in the Financial Market Infrastructure (FMI) system;
 - b) Banks may finance up to 75% of the face value of the bond. However, the outstanding loan shall in no case exceed the face value of the bonds due to applying interest/profit, charges/fee etc.;
 - c) The tenure of the loan facility must not exceed the maturity period of the bond;
 - d) Bank will not provide any form of finance or facility for the purpose of purchasing Treasury Bonds.
3. This directive has been issued by Bangladesh Bank in exercise of its power conferred on it under section 45 of the Bank Company Act, 1991(Amended up to 2023).
4. This circular will come into force with immediate effect.

Yours faithfully,

(Gazi Md. Mahfuzul Islam)
Director (BRPD)
Phone: 9530252