

# BB announces roadmap to bring down classified loans below 8pc

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**Online Desk:** Bangladesh Bank (BB) has set a target of reducing classified loans to below 8 percent from the country's total outstanding loans within June, 2026 for ensuring corporate good governance in the banking sector.

To this end, the central bank has prepared a roadmap.

“The central bank aims at reducing classified loans of state commercial banks to 10 percent and private banks below 5 percent within this time,” said BB Deputy Governor Abu Farah Md Nasser at a press conference at its headquarters in the city today.

The central bank eased loan write-off policy under the new framework allowing the banks to write off loans in two years instead of existing three years which will help cut default loans by 2.76 percent or Taka 43,300 crore.

The ratio of gross classified loan in the banking sector stood at 9.93 percent at the end of September 2023.