

# PMYBL Quarterly Review

## As of December 31, 2015

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**Infrastructure, Housing & SME Finance Department**

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## Executive Summary

Under PMYBL<sup>1</sup> Scheme, loans up to Rs. 2,000,000 are being provided through the banking system at service charges of 6 percent per annum to unemployed youth for establishing or extending business enterprises. The rate of return for banks working as Executing Agencies (EAs) for PMYBL is one year KIBOR+500 bps with KIBOR to be reset every year. Portfolio risk coverage of up to 5 percent is also available under the Scheme for EAs.

During Oct-Dec, 2015 quarter, with addition of four more banks i.e. Allied Bank Limited, MCB Bank Limited, JS Bank Limited and Dubai Islamic Bank (Pakistan) Limited, total number of PMYBL executing agencies increased to sixteen. Among sixteen (16) EAs, three (03) are public sector banks (NBP, FWBL and Sindh Bank) and thirteen (13) are private banks (Habib Metropolitan Bank, HBL, Bank Al Habib, Al Baraka Bank, Summit Bank, Meezan Bank, Soneri Bank, UBL, Askari Bank, Allied Bank, MCB, JS Bank and Dubai Islamic Bank (Pakistan) Limited).

PMYBL data indicates that 588 PMYBL applications were received by the Executing Agencies under the Scheme during the quarter under review. As of 31<sup>st</sup> December, 2015, with addition of these 588 applications, cumulative number of applications received under PMYBL reached to 63,691 which were 1.2 percent higher than the applications received as of 30<sup>th</sup> September, 2015. Among 63,691 applications, share of male and female applications was 54,711 and 8,980 respectively. As of 31<sup>st</sup> December, 2015, an aggregate amount of Rs 16,221 million had been sanctioned, which is Rs 141 million higher than that of 30<sup>th</sup> September, 2015. In the quarter under review, NBP sanctioned Rs 92.4 million while remaining EAs sanctioned Rs 39.03 million.

Total disbursements of Rs 6,408.62 million against 6,921 loans were made as of Dec-2015, which were 7 percent higher than the disbursements at the end of previous quarter. Out of cumulative disbursements of Rs. 6,408.62 million, NBP, FWBL and Sindh Bank disbursed Rs. 6,376.62 million, while private banks disbursed only Rs. 32 million. During quarter under review, NBP disbursed Rs 371 million, private banks disbursed Rs 1.6 million and FWBL disbursed Rs. 4.28 million.

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<sup>1</sup> PMYBL: Prime Minister's Youth Business Loans

### Status of Prime Minister's Youth Business Loans Scheme

As of December 31, 2015, sixteen banks (16) banks including three public sector banks were offering loans under PMYBL Scheme. As of previous quarter, the number of participatory banks was twelve (12). During Dec-15 Quarter, four more banks i.e. Allied Bank, JS Bank Limited, Dubai Islamic Bank (Pakistan) Limited and MCB bank Limited launched products under the PMYBL Scheme.

PMYBL data of December-15 quarter indicates that 588 PMYBL applications were received by the Executing Agencies under the Scheme. As of 31<sup>st</sup> December, 2015, with addition of these 588 applications, cumulative number of applications received under PMYBL reached to 63,691 which were just 1.2 percent higher than the applications received as of 30<sup>th</sup> September, 2015. Out of 63,691 applications, 54,711 applications were received from male applicants while 8,980 applications were received from female applicants. Out of these 63,691 received applications, bank wise distribution is as under:

Table No 1: Number of Applications received as on 31 <sup>st</sup> December, 2015	
Institution	No. of Applications Received
NBP	62,958
FWBL	462
Sindh	21
<b>Sub-Total (Public banks)</b>	<b>63,441</b>
ABL	6
ACBL	5
Albaraka	9
BAHL	5
DIBPL	-
HLB	28
HMBL	1
Meezan	80
Summit	7
UBL	109
MCB	-
JS Bank	-
Soneri	-
<b>Sub-Total (Private Banks)</b>	<b>250</b>
<b>Total (Public + Private Banks)</b>	<b>63,691</b>

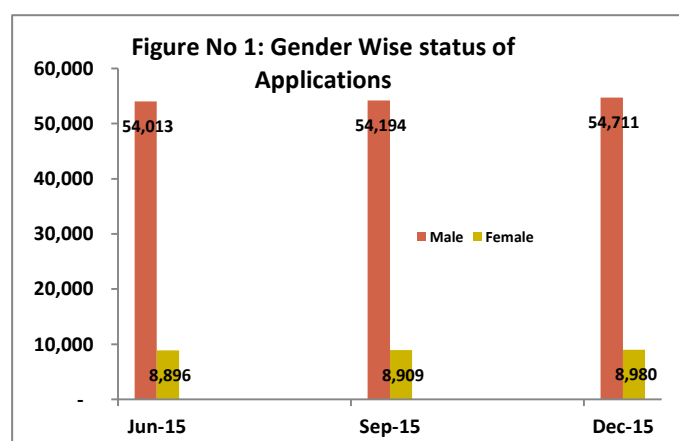
During the quarter, only 76 loan applications were rejected, which is 0.1 percent of the received applications. This ratio shows the commitment from banks and understanding level of potential borrowers for the applications procedures.

### Sanctioned Applications:

Since launch of the Scheme, an aggregate number of 15,575 applications have been sanctioned and an amount of Rs 16,221 million had been sanctioned up to December 31<sup>st</sup>, 2015. During the quarter under review, NBP sanctioned Rs. 92 million, and remaining EAs sanctioned Rs. 39 million. Private Banks' sanctions were 425 percent higher than that of previous quarter (**Table No 2**). Meezan Bank Limited sanctioned an amount of Rs. 17.14 million so far which made it the third largest bank in terms of sanctions. Collectively, those sanctions were 1 percent higher in terms of sanctioned amount and 1 percent higher in terms of number of applications than the position as of 30<sup>th</sup> September, 2015

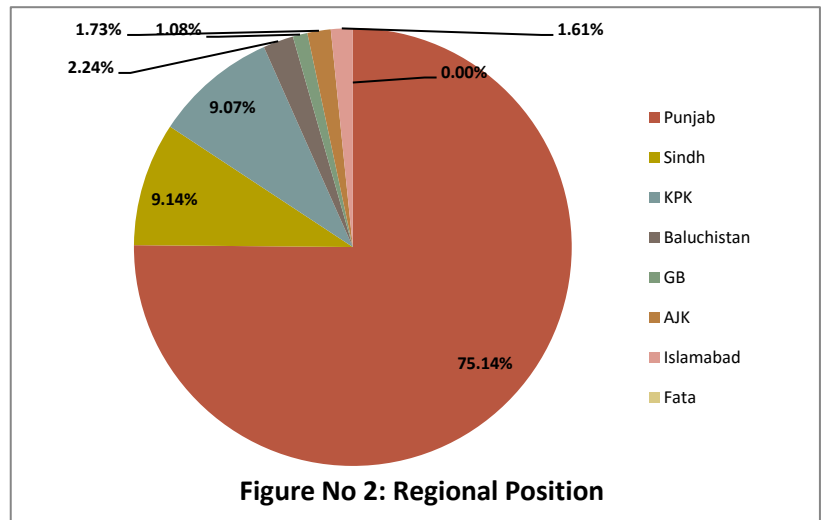
Banks	Sep-15		Dec-15		Change Q-o-Q	
	Number	Amount	Number	Amount	Number	Amount
NBP	15,479	15,882.88	15,575	15,975.31	1%	1%
FWBL	155	187.49	158	189.73	2%	1%
Sindh	3	5.30	4	7.30	33%	38%
<b>Sub Total (NBP+FWBL+Sindh Bank)</b>	<b>15,634</b>	<b>16,070.37</b>	<b>15,737</b>	<b>16,172.34</b>	<b>1%</b>	<b>1%</b>
ABL	-	-	-	-	-	-
ACBL	-	-	3	3.24	-	-
Al Baraka	1	0.70	2	1.33	100%	92%
BAHL	2	3.60	3	5.58	50%	55%
HBL	2	3.50	3	5.50	50%	57%
HMBL	-	-	-	-	-	-
Summit	1	0.70	3	3.23	200%	364%
Soneri	-	-	-	-	-	-
Meezan	1	0.70	25	17.14	2400%	2366%
DIBPL	-	-	-	-	-	-
UBL	-	-	10	12.20	-	-
MCB	-	-	-	-	-	-
JS Bank	-	-	-	-	-	-
<b>Sub-Total (Pvt Banks)</b>	<b>7</b>	<b>9.19</b>	<b>49</b>	<b>48.22</b>	<b>600%</b>	<b>425%</b>
<b>Grand Total</b>	<b>15,641</b>	<b>16,079.56</b>	<b>15,786</b>	<b>16,220.55</b>	<b>1%</b>	<b>1%</b>

**Gender-wise status of applications:** Out of total 63,691 completed applications received in banks (**Figure 1**), 54,711 applications or 86 percent were received from male applicants while 8,980 applications or 14 percent of total applications, were received from female applicants. The ratio of female applicants is quite low in view of the fact that under



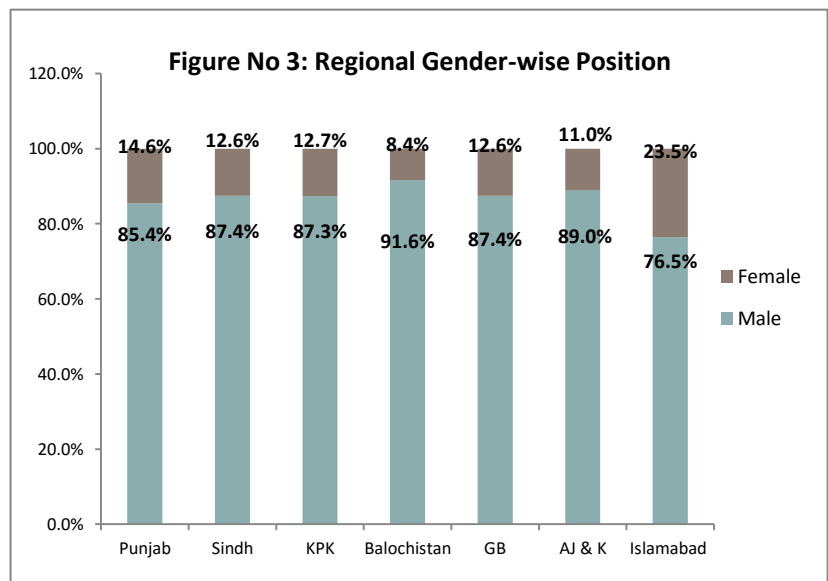
PMYBL, 50 percent quota is allocated for women. When compared to previous quarter, number of male and female applicants witnessed an increase of 1 percent during the quarter under review.

**Region wise Position of PMYBL:** As of 31<sup>st</sup> December, 2015, a total number of 63,691 applications were received, out of which 75 percent loan applications were received from Punjab, while 9 percent of applications were received from each of KPK<sup>2</sup> and Sindh, 2 percent from each of AJK<sup>3</sup>, Islamabad and Baluchistan, 1 percent from GB<sup>4</sup> (Capital Territory) (**Figure 2**). As compared to the previous quarter, in the quarter under review, share of applications received almost showed similar pattern.



### Regional Gender-wise Position: Figure 3

shows the gender-wise position in different regions based on the number of female applications viz-a-viz male applications received in each region. In this respect, maximum participation of female applicants was in Islamabad region with 23.5 percent, while the lowest female participation was in Baluchistan with share of 8.4 percent in total applications received in Baluchistan. In Punjab, share of female applications was 14.6 percent, in KPK 12.7 percent, in Sindh and Gilgit – Baltistan 12.6 percent each and in AJK the share of female applicants was 11 percent.



<sup>2</sup> KPK: Khyber Pakhtunkhaw

<sup>3</sup> AJK: Azad Jammu & Kashmir

<sup>4</sup> GB: Gilgit-Baltistan

**Details of Disbursements:**

Considering, Allied Bank, JS Bank Limited, Dubai Islamic Bank (Pakistan) Limited and MCB Bank Limited have recently launched PMYBL Scheme; hence, these banks could not disburse any amount. As of December 31<sup>st</sup>, 2015, total disbursements made by banks were Rs 6,408.71 million to 6,921 borrowers, which was 7 percent higher than the previous quarter. Out of cumulative Rs 6,408.71 million disbursements, Rs 6,251.16 million was disbursed by NBP, Rs 122.71 million was disbursed by FWBL, while remaining EAs cumulative disbursements were only Rs 32.09 million (**Table No 3**). During Dec-15 quarter, disbursements by NBP witnessed significant increase since an amount of Rs 903.04 million was disbursed by NBP during the quarter. The major reason for such sharp jump in disbursements by NBP was waiver of balloting condition by the Government for public sector banks. In this respect, necessary instructions on waiver of balloting condition were issued by the State Bank in September 2015.

<b>Table No 3: Details of Disbursements under PMYBL</b>						
<b>Banks</b>	<b>Cumulative</b>				<b>Q-o-Q Change in %</b>	
	<b>Sep-15</b>		<b>Dec-15</b>		<b>Number of Cases</b>	<b>Amount Disbursed</b>
	<b>Number</b>	<b>Amount</b>	<b>Number</b>	<b>Amount</b>		
NBP	6,192	5,348.12	6,780	6,251.16	2%	7%
FWBL	102	118.43	105	122.71	0%	0%
Sindh Bank	-	-	2	2.75	-	-
<b>Sub Total (Public Sector Banks)</b>	<b>6,294</b>	<b>5,467</b>	<b>6,887</b>	<b>6,376.62</b>	<b>2%</b>	<b>7%</b>
ABL	-	-	2	2	-	-
Askari Bank	-	-	-	-	-	-
Al Baraka Bank	1	0.42	2	0.93	0%	0%
BAHL	2	3.6	3	5.58	100%	80%
DIBPL	-	-	-	-	-	-
HBL	2	2.75	3	4.75	0%	0%
HMBL	-	-	-	-	-	-
Summit Bank	-	-	3	3.17	-	-
Soneri Bank	-	-	-	-	-	-
Meezan Bank	-	-	20	13.67	-	-
JS Bank	-	-	-	-	-	-
UBL	-	-	1	2.00	-	-
<b>Sub Total (Private Banks)</b>	<b>5</b>	<b>7</b>	<b>34</b>	<b>32.09</b>	<b>25%</b>	<b>31%</b>
<b>Grand Total (All Banks)</b>	<b>6,299</b>	<b>5,473</b>	<b>6,921</b>	<b>6,408.71</b>	<b>2%</b>	<b>7%</b>