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Agricultural credit disbursement rises over 11%
to Rs 116.777 Bln in first seven months of FY09

Disbursement of credit to the agriculture sector by commercial and specialized banks has increased 11.48 percent year-on-year to Rs 116.777 billion during the first seven months (July-January) of the current fiscal year (2008-09).

Agricultural credit disbursement, in absolute terms, rose by Rs 12 billion in July-January, 2009 period when compared with disbursement of Rs 104.755 billion during the same period of the last fiscal year (2007-08).

Overall credit disbursement by five major commercial banks including Allied Bank Limited, Habib Bank Limited, MCB Bank Limited, National Bank of Pakistan and United Bank Limited stood at Rs 56.862 billion during July-January, 2009 period, compared with Rs 50.520 billion during the same period of the last fiscal year, depicting an increase of Rs 6.34 billion or 12.55 per cent.

Zarai Taraqiati Bank Limited, the largest specialized bank, has disbursed Rs 32.928 billion in July-January, 2009 period, compared with Rs 28.125 billion during the same period of the last fiscal year, while disbursement by Punjab Provincial Co-operative Bank Limited stood at Rs 3.283 billion in July-January, 2009 period, compared with Rs 3.666 billion during same period last fiscal year. Besides, 14 domestic private banks also loaned a combined Rs 23.704 billion in July-January, 2009 period, up 5.61 percent when compared with Rs 22.444 billion disbursed in July-January, 2008 period.

It may be recalled that the State Bank of Pakistan has set an indicative credit disbursement target of Rs 250 billion for the agriculture sector for the current 2008-09 fiscal year (FY09) which is higher by Rs 50 billion or 25% than last fiscal year's target of Rs 200 billion and Rs 38 billion or 18% higher than the actual disbursement of Rs 212 billion in FY08.
