

January 21, 2010

**Banks disburse over Rs 106 billion agricultural credit
in first half of FY10**

Agricultural credit disbursement by commercial and specialized banks rose 6.85 percent year-on-year to Rs 106.261 billion in the first half (July-Dec.) of the current 2009-10 fiscal year (FY10). In absolute terms, disbursement of credit to the agriculture sector increased by over Rs 6.813 billion in July-December, 2009 when compared with total disbursement of Rs 99.448 billion in the same period last year.

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 55.391 billion in July-Dec., 2009 compared with Rs 48.635 billion in July-Dec., 2008, depicting an increase of Rs 6.756 billion or 13.89 per cent. Zarai Taraqati Bank Limited, the largest specialized bank, disbursed a total of Rs 30.424 billion in July-Dec., 2009, up 9.66 percent when compared with Rs 27.744 billion in the same period last year, while disbursement by Punjab Provincial Co-operative Bank Limited stood at Rs 2.279 billion in July-Dec., 2009 compared with Rs 2.179 billion in the same period last year. Besides, 14 domestic private banks also loaned a combined Rs 18.166 billion in July-Dec., 2009 compared with Rs 20.889 billion disbursed in July-Dec., 2008.

It may be recalled that the State Bank of Pakistan has set an indicative agricultural credit disbursement target of Rs 260 billion for FY10. Banks disbursed a total of Rs 233.01 billion to the agricultural sector in FY09.
