

Agricultural credit disbursement rises 17% to Rs 197.361 bn in first nine months of FY12

Agricultural credit disbursement by banks surged by 17 percent on year-on-year basis to Rs 197.361 billion in the first nine months (July-March) of the current fiscal year (2011-12). In absolute terms, disbursement of credit to the agriculture sector increased by over Rs 28.674 billion in July-March, 2012 when compared with total disbursement of Rs 168.687 billion in the same period of the last fiscal 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 107.640 billion in July- March, 2012 compared with Rs 93.268 billion disbursement in July- March, 2011 depicting an increase of Rs 14.372 billion or 15.41 percent.

Zarai Taraqati Bank Limited, the largest specialized bank, disbursed a total of Rs 37.844 billion in July- March, 2012, up by 1.26 percent when compared with Rs 37.371 billion disbursement in the same period of the last fiscal year. Punjab Provincial Co-operative Bank Limited disbursed Rs 6.012 billion in July- March, 2012 up 36.82 percent when compared with Rs 4.394 billion disbursement in the same period of the last fiscal year.

Fourteen domestic private banks also loaned a combined amount of Rs 37.338 billion in July- March, 2012 up by 10.95 percent compared with Rs 33.654 billion disbursement in the same period of the last fiscal year.

Five Microfinance banks including Khushhali Bank Ltd., NRSP Microfinance Bank Ltd., The First Microfinance Bank Ltd., Pak Oman Microfinance Bank Ltd. and Tameer Microfinance Bank Ltd. disbursed a total of Rs 8.527 billion in July- March, 2012 period.

It may be pointed out that the State Bank of Pakistan for the first time has given an indicative target of Rs 12.20 billion to Microfinance banks for disbursement of credit to agriculture sector during the current fiscal year.

The State Bank has set an indicative agricultural credit disbursement target of Rs 285 billion for the current fiscal year.
