

## **Banks surpass annual agri credit disbursement target**

Banks have surpassed the agricultural credit disbursement target of Rs. 315 billion set by the SBP for the year ending 30<sup>th</sup> June 2013. Against the indicative target of Rs 315 billion, the banks disbursed Rs 336.1 billion, which is Rs 21.1 billion in excess of the target for FY2012-13 and 14.4% higher than the last year's disbursements of Rs 293.8 billion. Further, the agri. outstanding portfolio stands at Rs 257.0 billion at end June, 2013 showing an increase of 16% compared with the last year position of Rs 221.5 billion.

Five large commercial banks collectively disbursed agri. loans of Rs 172.8 billion or 112.6% of their annual target, higher by 18.0% from Rs 146.3 billion disbursed during the corresponding period last year. Allied Bank Limited (ABL), National Bank of Pakistan (NBP), MCB Bank, Habib Bank Limited (HBL) and United Bank Limited (UBL) surpassed their annual targets, achieving 146.2%, 119.5%, 103.9%, 100.3% and 100.0% of their individual targets respectively. Under specialized banks category, Zarai Taraqati Bank Limited (ZTBL) disbursed Rs 67.1 billion or 93.1% of its annual target of Rs 72.0 billion while Punjab Provincial Co-operative Bank Limited (PPCBL) disbursed Rs 8.3 billion by achieving 92.3% of its target of Rs 9.0 billion during FY 2012-13.

Fourteen Domestic Private Banks as a group achieved 103.6% of its target. Habib Metropolitan, the Bank of Khyber, Bank Al Habib, Faysal Bank and Sindh Bank surpassed their annual agri. credit disbursements targets by achieving 460%, 189.6%, 128.4%, 124.0% and 100.2% respectively. However, Soneri Bank, Bank Alfalah, Askari Bank, NIB Bank, Silk Bank and Bank of Punjab achieved 95.5%, 94.6%, 85.0%, 73.7%, 71.3% and 61.3% of their targets respectively. KASB Bank and Summit Bank could achieve only 15.8% and 12.3% of their annual targets respectively.

Five Microfinance Banks as a group surpassed their annual targets of Rs 13.8 billion by disbursing agri. loans of Rs 18.7 billion during FY2012-13. Tameer Microfinance Bank, NRSP Microfinance Bank and Khushhali Bank surpassed their individual annual targets by achieving 206.6%, 152.8% and 150.0% respectively, while First Microfinance Bank and Pak Oman Microfinance Bank could achieve only 77.7% and 59.0% of their annual targets respectively.

The achievement of agri. credit disbursement target during the year was difficult in the backdrop of high risk perception of banks about agri financing. However, SBP adopted a multipronged strategy and made all-out efforts in achieving the targets.