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Agricultural credit disbursement by banks goes up

Banks have disbursed Rs. 54.3 billion in the first two months of current fiscal year (Jul – Aug 2014) which is 32% higher than the disbursement of Rs. 41.1 billion made during the corresponding period last year. Banks achieved 11% of their annual indicative targets of Rs 500 billion so far. The outstanding portfolio of agri. loans has increased by Rs 34 billion i.e. from Rs 261.6 billion to Rs 295.6 billion at end August 2014 as compared to same period last year.

It may be recalled that SBP has allocated agricultural credit disbursement target of Rs 500 billion to banks for current fiscal year i.e. The target is 31.5% higher than the last year's target of Rs 380 billion and 28% higher than the actual disbursement of Rs 391.4 billion for 2013-14. Out of the total target, Rs 252.5 billion have been allocated to five major banks, Rs 90.0 billion to ZTBL, Rs 115.5 billion to 15 Domestic Private Banks, Rs 11.5 billion to Punjab Provincial Cooperative Bank, Rs 28.2 billion to 7 Microfinance Banks and Rs 2.3 billion to 4 Islamic Banks for current fiscal year.

Amongst the major banks, HBL has achieved 16% of its annual target; NBP achieved 11.6%, UBL 11.4%, MCB 9.4% while ABL could achieve only 4.1% of its individual annual targets. Under the specialized banks category, ZTBL disbursed Rs 4.4 billion or 5% against its target of Rs 90.0 billion while PPCBL could disburse only Rs 647.1 million i.e. 5.6% against its target of Rs 11.5 billion during the period under review. Within Fifteen Domestic Private Banks, Standard Chartered Bank (SCB) has achieved 40% of its annual target during the period Jul-Aug 2014 followed by Summit bank (38.5%), Silk bank (26.8%), NIB bank (22%), Faysal bank (21%), Bank Alfalah (18.6%) and Bank Al Habib (14.6%).
