

PMYBL Quarterly Review

As of March 31, 2016

Team Leader

Ghulam Muhammad Abbasi

ghulam.muhammad@sbp.org.pk

Members

Prepared by:

Sabeen Raja

sabeen.raja@sbp.org.pk

Reviewed by:

Imran Ahmad

imran.ahmad@sbp.org.pk

Akhtiar Ahmed

akhtiarahmed@sbp.org.pk

For feedback/queries:

smefd@sbp.org.pk

DISCLAIMER

Whilst every effort has been made to ensure the quality and accuracy of the data/information provided in this document, the State Bank of Pakistan makes no warranty concerning the contents of this review. The contents and comments are provided for educational purposes as well as for general information only. In no event will the State Bank, its affiliates or other stake holders be liable for any mistakes.



Infrastructure, Housing & SME Finance Department

Contents

Executive Summary.....	3
Status of Prime Minister’s Youth Business Loans Scheme	4
Sanctioned Applications under PMYBL	5
Gender-wise status of applications	6
Region wise Position of PMYBL:	6
Details of Disbursements:	8

Executive Summary

Under PMYBL¹ Scheme, loans up to Rs. 2,000,000 are being provided through the banking system at service charges of 6 percent per annum to unemployed youth for establishing or extending business enterprises. The rate of return for banks working as Executing Agencies (EAs) for PMYBL is one year KIBOR+500 bps with KIBOR to be reset every year. Portfolio risk coverage of up to 5 percent is also available under the Scheme for EAs.

During Jan-Mar, 2016 quarter, with addition of one more bank i.e. Faysal Bank Limited, number of PMYBL executing agencies increased to seventeen. Among seventeen (17) EAs, three (03) are public sector banks (NBP, FWBL and Sindh Bank) and fourteen (14) are private banks (Habib Metropolitan Bank, HBL, Bank Al Habib, Al Baraka Bank, Summit Bank, Meezan Bank, Soneri Bank, UBL, Askari Bank, Allied Bank, MCB, JS Bank, Dubai Islamic Bank (Pakistan) Limited and Faysal Bank Limited).

PMYBL data indicates that 274 PMYBL applications were received by the Executing Agencies under the Scheme during the quarter under review. As of 31st March, 2016, with addition of these 274 applications, cumulative number of applications received under PMYBL reached to 63,965. Among 63,965 applications, share of male and female applications was 86 percent and 14 percent respectively. As of 31st March 2016, an aggregate amount of Rs 16,539.16 million had been sanctioned, which is Rs 318.6 million higher than that of 31st December, 2015. In the quarter under review, NBP sanctioned Rs 215 million while remaining EAs sanctioned Rs 103.6 million.

During Jan-March, 2016 quarter, fresh disbursements of Rs 1,020 million were made to 895 borrowers. With this addition, cumulative disbursements under PMYBL climbed to Rs 7,429 million recording a growth of 16 percent over Dec-15 quarter. The total number of PMYBL beneficiaries was 7,816 at the end of Mar-2016 quarter. Out of cumulative disbursements of Rs. 7,429 million, NBP disbursed Rs. 7,195 million (97%), while other sixteen EAs disbursed only Rs. 234 million (3%).

¹ PMYBL: Prime Minister's Youth Business Loans

Status of Prime Minister's Youth Business Loans Scheme

During quarter under review, Faysal Bank also launched PMYBL Scheme by offering Shariah compliant products. As of March 31, 2016, with addition of Faysal Bank, total number of PMYBL EAs has increased to seventeen (17) including three (3) public sector banks and fourteen (14) private banks.

PMYBL data of March-16 quarter indicates that 274 PMYBL applications were received by the Executing Agencies under the Scheme. As of 31st March, 2016, with addition of these 274 applications, cumulative number of applications received under PMYBL reached to 63,965. Out of 63,965 applications, 54,924 applications were received from male applicants while 9,041 applications were received from female applicants. Out of these 63,965 received applications, bank wise distribution is as under:

Table No 1: Number of Applications received as on 31st March, 2016		
S.No	Banks	Number of Applications received
1	National Bank of Pakistan (NBP)	62,964
2	First Women Bank Limited (FWBL)	510
3	Sindh Bank	22
A- Total Public Sector Banks		63,496
4	Meezan Bank	179
5	United Bank Limited (UBL)	171
6	Habib Bank Limited (HBL)	28
7	Allied Bank Limited (ABL)	12
8	Albaraka Bank	17
9	Askari Bank	11
10	Bank Al Habib Limited (BAHL)	20
11	HABIBMETRO Bank (HMB)	1
12	JS Bank Limited	9
13	Soneri Bank	2
14	Summit Bank	19
15	MCB Bank	-
16	Dubai Islamic Bank Pakistan Limited (DIBPL)	-
17	Faysal Bank	-
B- Total Private Banks		469
Total (A+B)		63,965

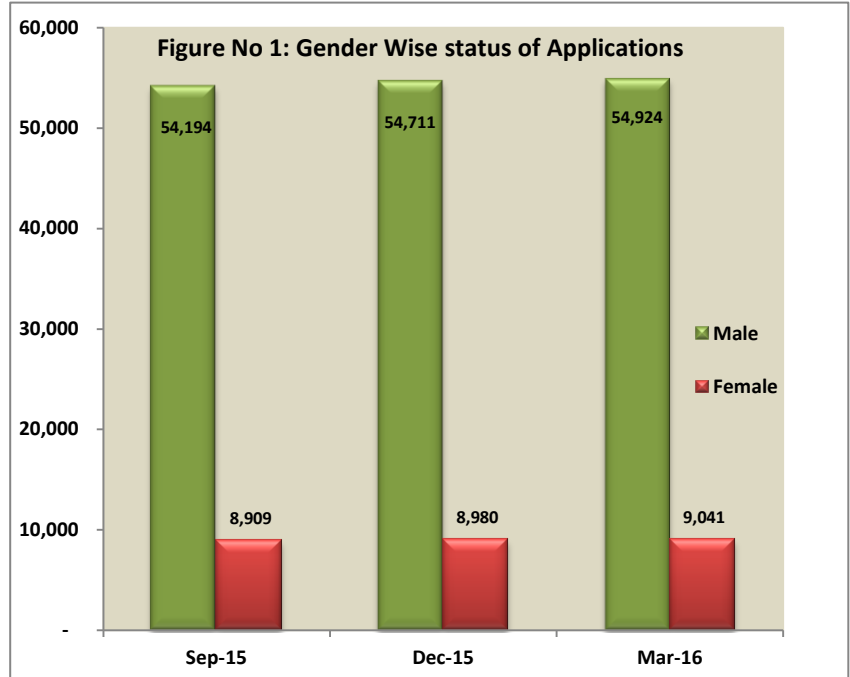
Sanctioned Applications under PMYBL:

Since launch of the PMYBL Scheme, an aggregate number of 16,062 applications have been sanctioned and an amount of Rs 16,539.16 million had been sanctioned up to March 31st, 2016. During the quarter under review, NBP sanctioned Rs. 215 million, and remaining EAs sanctioned Rs. 103.6 million. Private Banks' sanctions were 171 percent higher than that of previous quarter (**Table No 2**). Meezan Bank Limited sanctioned an amount of Rs. 48.31 million so far which made it the third largest bank after NBP and FWBL in terms of sanctions. Collectively, those sanctions were 2 percent higher in terms of sanctioned amount as well as number of applications than the position as of 31st December, 2015

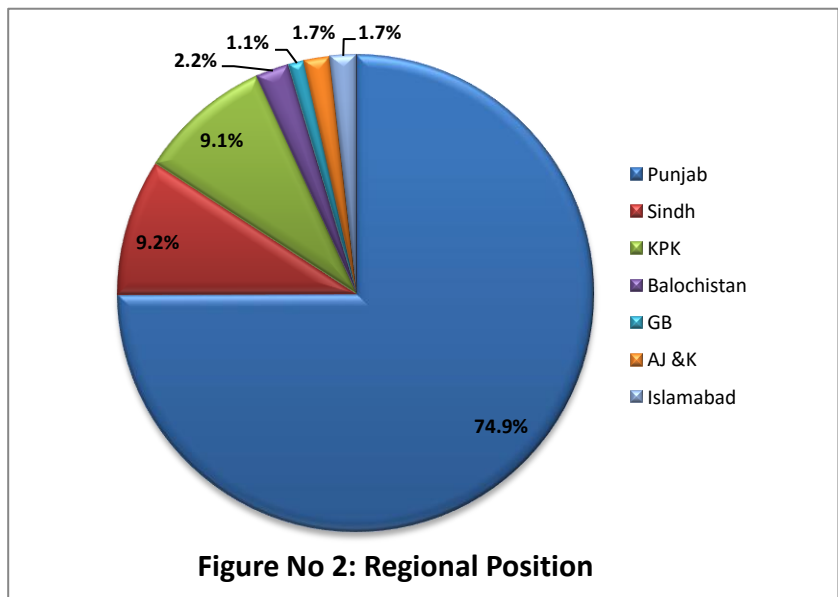
Table No 2: Quarterly Comparative Position of Banks' Sanctions						
Banks	Dec-15		Mar-16		Q-o-Q Change	
	Number	Amount	Number	Amount	Number	Amount
NBP	15,575	15,975.31	15,756	16,190.35	1%	1%
FWBL	158	189.73	173	203	9%	7%
Sindh	4	7.3	9	15.08	125%	107%
A- Sub Total (Public Sector Banks)	15,737	16,172.34	15,938	16,408.43	1%	1%
ABL	-	-	6	5.60	-	-
ACBL	3	3.24	5	4.51	67%	39%
Al Baraka	2	1.33	5	5.93	150%	346%
BAHL	3	5.58	8	14.58	167%	161%
HBL	3	5.5	3	5.50	-	0.00
HMBL	-	-	-	-	-	-
Summit	3	3.23	14	20.10	367%	522%
Soneri	-	-	-	-	-	-
Meezan	25	17.14	63	48.31	152%	182%
DIBPL	-	-	-	-	-	-
UBL	10	12.2	19	24.20	90%	98%
MCB	-	-	-	-	-	-
JS Bank	-	-	1	2.00	-	-
B- Sub-Total (Private Banks)	49	48.22	124	131	153%	171%
Grand Total (A+B)	15,786	16,220.55	16,062	16,539.16	2%	2%

Gender-wise status of applications:

During the quarter under review, number of applications received from male and female applicants was 213 and 61 respectively as against the number of male and female applications of 517 and 71 respectively during the Dec-15 quarter. Out of total 63,965 completed applications received in banks (**Figure 1**), 54,924 applications or 86 percent were received from male applicants while 9,041 applications or 14 percent of total applications were received from female applicants. The ratio of female applicants is quite low in view of the fact that under PMYBL, 50 percent quota is allocated for women.



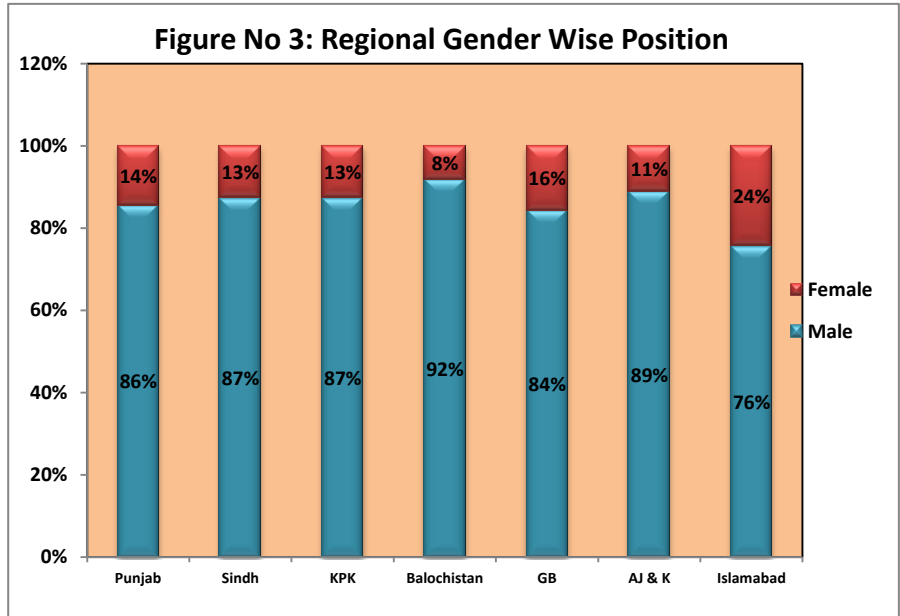
Region wise Position of PMYBL: As of 31st March, 2016, out of cumulative number of received applications, 75 percent were received from Punjab, while 9 percent were received from each of KPK² and Sindh, around 2 percent from each of AJK³, Islamabad and Baluchistan and 1 percent from GB⁴ (**Figure 2**). As compared to the previous quarter, in the quarter under review, share of applications received showed almost similar pattern.



² KPK: Khyber Pakhtunkhaw
³ AJK: Azad Jammu & Kashmir
⁴ GB: Gilgit-Baltistan

Regional Gender-wise Position:

Figure 3 shows the gender-wise position in different regions based on the number of female applications viz-a-viz male applications received in each region. As per gender-wise bifurcation of applications received in each region, the maximum ratio of female applicants was witnessed in Islamabad region with 24 percent, while the lowest female participation was recorded at 8 percent in Baluchistan. In Punjab, share of female applications in total applications was 14 percent, in KPK 13 percent, in Sindh 13 percent, in Gilgit-Baltistan 16 percent and in AJK the share of female applicants was 11 percent.



Details of Disbursements:

As of March 31st, 2016, total disbursements made by banks were Rs 7,428.92 million to 7,816 borrowers, which were 16 percent higher than the previous quarter. Out of cumulative Rs

Banks	Dec-15		Mar-16		Q-o-Q Change	
	Number	Amount	Number	Amount	Number	Amount
NBP	6,780	6,251.16	7,604	7,195.40	12%	15%
FWBL	105	122.71	121	140	15%	14%
Sindh Bank	2	2.75	5	6.45	150%	135%
Sub Total (Public Sector Banks)	6,887	6,376.62	7,730	7,341.85	12%	15%
ABL	2	2	5	4.6	150%	130%
Askari Bank	-	-	4	1.5	-	-
Al Baraka Bank	2	0.93	3	3.87	50%	316%
BAHL	3	5.58	8	14.58	167%	161%
DIBPL	-	-	-	-	-	-
HBL	3	4.75	3	4.75	0%	0%
HMBL	-	-	-	-	-	-
Summit Bank	3	3.17	10	13.67	233%	331%
Soneri Bank	-	-	-	-	-	-
Meezan Bank	20	13.67	43	30.4	115%	122%
JS Bank	-	-	1	2	-	-
UBL	1	2	9	11.7	800%	485%
Sub Total (Private Banks)	34	32.09	86	87.07	153%	171%
Grand Total (All Banks)	6,921	6,408.71	7,816	7,428.92	13%	16%

7,428.92 million disbursements, Rs 7,195.40 million was disbursed by NBP, Rs 140 million was disbursed

by FWBL, while remaining EAs' cumulative disbursements were Rs 87.07 million (**Table No 3**). During March-16 quarter, fresh disbursements of Rs 1,020 million were made to 895 borrowers registering a growth of 16 percent over Dec-15 quarter. During Mar-16 quarter, disbursements by NBP witnessed significant increase since an amount of Rs 944.24 million was disbursed by NBP during the quarter. FWBL disbursed Rs 17.29 million and Meezan Bank disbursed Rs 16.73 million.