

*July 22, 2009*

**Agricultural credit disbursement rises over 10%  
year-on-year to Rs 233.01 billion in FY09**

Agricultural credit disbursement by commercial and specialized banks rose 10.14 percent year-on-year to Rs 233.01 billion in the recently concluded 2008-09 fiscal year (FY09). In absolute terms, disbursement of credit to the agriculture sector increased by over Rs 21.449 billion in FY09 when compared with total disbursement of Rs 211.561 billion in 2007-08 fiscal year (FY08).

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 110.666 billion in FY09 compared with Rs 94.749 billion in FY08, depicting an increase of Rs 15.917 billion or 16.80 per cent. Zarai Taraqati Bank Limited, the largest specialized bank, disbursed a total of Rs 75.139 billion in FY09, up 12.25 percent when compared with Rs 66.939 billion in FY08, while disbursement by Punjab Provincial Co-operative Bank Limited stood at Rs 5.579 billion in FY09 compared with Rs 5.931 in FY08. Besides, 14 domestic private banks also loaned a combined Rs 41.626 billion in FY09 compared with Rs 43.941 billion disbursed in FY08.

It may be recalled that the State Bank of Pakistan had set an indicative agricultural credit disbursement target of Rs 250 billion for FY09. Despite difficult economic and market conditions, banks were able to achieve more than 93 percent of the target.

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