

Agricultural credit disbursement surges by 19% to Rs 172.563 bn in first eight months of FY12

Agricultural credit disbursement by banks surged by 19 percent on year-on-year basis to Rs 172.563 billion in the first eight months (July-February) of the current fiscal year (2011-12). In absolute terms, disbursement of credit to the agriculture sector increased by over Rs 27.124 billion in July-February, 2012 when compared with total disbursement of Rs 145.439 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 94.595 billion in July-February, 2012 compared with Rs 80.415 billion disbursement in July-February, 2011 depicting an increase of Rs 14.180 billion or 17.63 percent.

Zarai Taraqati Bank Limited, the largest specialized bank, disbursed a total of Rs 31.652 billion in July-February, 2012, up by 1.18 percent when compared with Rs 31.282 billion disbursement in the same period of the last fiscal year. Punjab Provincial Co-operative Bank Limited disbursed Rs 5.549 billion in July- February, 2012 up by 33.13 percent when compared with Rs 4.168 billion disbursement in the same period of the last fiscal year.

Fourteen domestic private banks also loaned a combined amount of Rs 32.910 billion in July-February, 2012 up by 11.28 percent compared with Rs 29.574 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 7.856 billion in July-February, 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.

It may be recalled that the State Bank has set an indicative agricultural credit disbursement target of Rs 285 billion for the current fiscal year.
