

## **Agricultural credit disbursement surges by 20% to Rs 149.658 bn in first seven months of FY12**

Agricultural credit disbursement by banks surged by 20 percent on year-on-year basis to Rs 149.658 billion in the first seven months (July-January) of the current fiscal year (2011-12). In absolute terms, disbursement of credit to the agriculture sector increased by over Rs 24.772 billion in July-January, 2012 when compared with total disbursement of Rs 124.886 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 82.462 billion in July-January, 2012 compared with Rs 68.481 billion disbursement in July-January, 2011 depicting an increase of Rs 13.981 billion or 20.42 percent.

Zarai Taraqati Bank Limited, the largest specialized bank, disbursed a total of Rs 26.361 billion in July-January, 2012, down by 0.03 percent when compared with Rs 26.369 billion disbursement in the same period of the last fiscal year. Punjab Provincial Co-operative Bank Limited disbursed Rs 4.980 billion in July- January, 2012 up by 28.49 percent when compared with Rs 3.876 billion disbursement in the same period of the last fiscal year.

Fourteen domestic private banks also loaned a combined amount of Rs 28.996 billion in July-January, 2012 up by 10.84 percent compared with Rs 26.160 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 6.858 billion in July-January, 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.

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