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Agricultural credit disbursement by banks goes up

The State Bank of Pakistan has provisionally allocated agricultural credit disbursement target of Rs 360 billion to banks for the year 2013-14. Against the target of Rs 360 billion, banks have disbursed Rs 118.0 billion during July-November, 2013 which is 33% of the target. The disbursement is 11.0 % higher than Rs 106.6 billion disbursement during the corresponding period last year. The outstanding portfolio of agri. loans has increased by Rs 37.8 billion i.e. from Rs 229.6 billion to Rs 267.4 billion at end November, 2013 as compared to same period last year.

Five large banks collectively disbursed agri. loans of Rs 70.6 billion or 39% of their annual target, higher by 12% from Rs 63.2 billion disbursed during the corresponding period last year. MCB has achieved 48% of its annual target while NBP, HBL, UBL and ABL have achieved 42%, 41%, 31 % and 27% of their individual targets respectively. Amongst specialized banks, ZTBL could disburse only Rs 13.6 billion or 20% against its target of Rs 69.5 billion while PPCBL achieved 19.6% of its target by disbursing Rs 1.76 billion during the period under review.

Fourteen Domestic Private Banks as a group achieved 31% of their target, however, the banks including, Sindh Bank, Bank of Khyber, Bank Al Habib, Silk Bank, Summit Bank and NIB Bank have achieved 85%, 59%, 45%, 41%, 41% and 38% of their annual targets respectively. Soneri Bank, Bank Alfalah, Faysal, BOP and Askari Bank could achieve only 31%, 28%, 24%, 19% and 18.6% of their targets respectively. Seven Microfinance Banks as a group disbursed agri. loans of Rs 6.6 billion or 34% of their annual target of Rs 19.6 billion. The three Islamic Banks collectively disbursed Rs 0.25 billion or 47% against a target of Rs 0.5 billion under the Islamic modes of financing to agri. borrowers during the review period.
