

Agricultural credit disbursement surges by 12% to Rs 140.32 bn in first half of FY13

Agricultural credit disbursement by banks surged by 12 percent on year-on-year basis to Rs 140.32 billion in the first half (July-December, 2012) of the current fiscal year (2012-13). In absolute terms, disbursement of credit to the agriculture sector increased by over Rs 15.11 billion in July-December, 2012 when compared with the total disbursement of Rs 125.21 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 76.04 billion in July-December, 2012 as compared with Rs 70.56 billion disbursed in July-December, 2011 depicting an increase of Rs 5.47 billion or 7.76 percent.

Zarai Taraqati Bank Limited (ZTBL), the largest specialized bank, disbursed a total of Rs 19.28 billion in July-December, 2012, down by 8.39 percent when compared with Rs 21.04 billion disbursed in the same period of the last fiscal year. Punjab Provincial Co-operative Bank Limited (PPCBL) disbursed Rs 3.59 billion in July-December, 2012 down by 7.02 percent when compared with Rs 3.87 billion disbursed in the same period of the last fiscal year.

Fourteen domestic private banks also loaned a combined amount of Rs 33.16 billion in July-December, 2012 up by 36.84 percent as compared with Rs 24.23 billion disbursed 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 agri. loans amounting to Rs 8.25 billion during July-December, 2012 as compared to Rs 5.50 billion disbursed in the same period of the last fiscal year.

It may be pointed out that the State Bank has provisionally set an indicative agricultural credit disbursement target of Rs 315 billion to banks for the current fiscal year.

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