Monthly Report on

Agriculture and Rural Finance[1]

March 2026

Research Department
(Internal Economic Wing)
Bangladesh Bank

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Highlights

- In FY26, the agricultural credit disbursement target has been set at BDT 39,000 crore, representing a 2.63 percent increase from the target of BDT 38,000 crore in FY25 and a 4.48 percent rise over the actual disbursement of BDT 37,326.52 crore in FY25.

- In March 2026, all scheduled banks disbursed BDT 3,119.37 crore in agricultural credit, marking a 0.03 percent decrease from BDT 3,120.32 crore in the previous month and a 14.07 percent increase compared to BDT 2,734.58 crore disbursed in March 2025.

- Agricultural credit recovery by all scheduled banks was BDT 3,900.50 crore in March FY26, reflecting a 36.99 percent increase from BDT 2,847.36 crore recovered in the previous month and a 29.17 percent increase compared to BDT 3,019.60 crore recovered in March 2025.

- At the end of March 2026, the outstanding balance (including interest) of agricultural credit for all scheduled banks stood at BDT 63,630.10 crore, reflecting an 11.70 percent increase from BDT 56,965.12 crore at the end of March 2025.

- At the end of March 2026, overdue of agricultural credit for all scheduled banks reached BDT 22,731.38 crore which was a 125.13 percent increase compared to BDT 10,096.93 crore in March 2025. This increase in overdue loans was primarily attributed to rise in overdue of State-owned Specialized Banks (SOSBs), State-owned Commercial Banks (SOCBs) and Private Commercial Banks (PCBs).

- In March 2026, Grameen Bank and ten Large NGOs collectively disbursed BDT 14,940.88 crore as microcredit, reflecting a 9.63 percent decrease compared to March 2025. They recovered BDT 15,709.06 crore in March 2026, which was 3.56 percent higher than the same month of 2025. The outstanding microcredit balance for these organizations was BDT 132,689.19 crore, with overdue loans amounting to BDT 8,641.24 crore (representing 6.51 percent of the outstanding balance) at the end of March 2026.

Monthly Report on Agriculture and Rural Finance

1. Agricultural Credit

1.1 Disbursement

The agricultural credit disbursement target has been set at BDT 39,000 crore for all scheduled banks in FY26, marking a 2.63 percent increase compared to the disbursement target of BDT 38,000 crore for the previous fiscal year. The target of agricultural credit disbursement comprises BDT 3,657.00 crore for state-owned commercial banks (SOCBs), BDT 10,223.00 crore for state-owned specialized banks (SOSBs), BDT 23,527.00 crore for private commercial banks (PCBs), and BDT 1,593.00 crore for foreign commercial banks (FCBs) for FY26.

In March 2026, agricultural credit disbursement by all scheduled banks amounted to BDT 3,119.37 crore, which was 0.03 percent lower than BDT 3,120.32 crore disbursed in the previous month and 14.07 percent higher compared to BDT 2,734.58 crore disbursed in March 2025 (Table 1).

Table 1: Agricultural Credit by Scheduled Banks

(BDT in Crore)

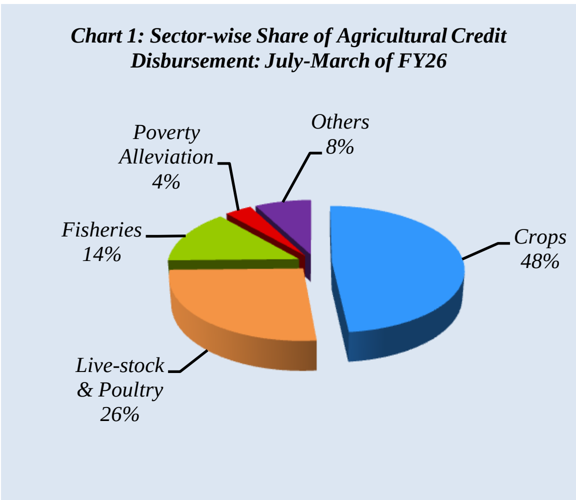
Month	Disbursement		Recovery	
	FY25	**FY24**	**FY25**	**FY24**
July-June	37326.52	37153.90	38024.50	35571.62
	FY26	**FY25**	**FY26**	**FY25**
July	2154.03	1790.71	2953.62	2553.79
August	2672.00	2080.20	3119.96	2891.67
September	3663.44	2587.27	4470.81	3764.51
October	3438.30	2933.18	3446.85	3112.45
November	4164.90	3689.79	3826.97	3747.08
December	4915.49	3177.96	3956.21	3047.76
January	3351.26	2956.37	3146.02	2660.09
February	3120.32	2910.50	2847.36	2646.36
March	3119.37	2734.58	3900.50	3019.60
Total	**30599.11**	**24860.56**	**31668.3**	**27443.31**

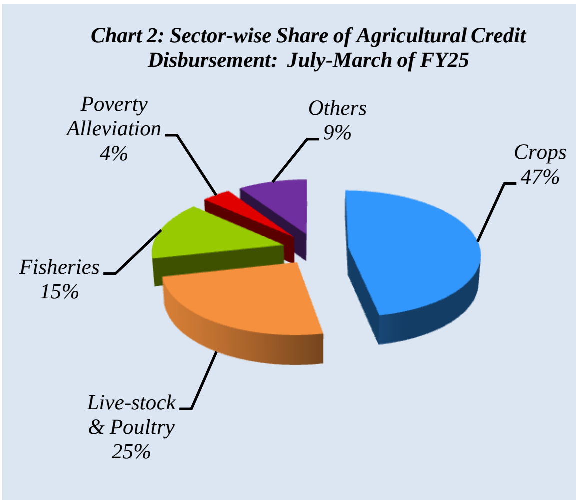
Source: Agricultural Credit Department, Bangladesh Bank.

In July-March of FY26, all scheduled banks disbursed BDT 30,599.11 crore, reflecting a 23.08 percent increase from BDT 24,860.56 crore disbursed in the same period of FY25. The significant rise was primarily driven by higher disbursements across all bank groups, with Private Commercial Banks (PCBs) contributing the largest share, followed by State-Owned Specialized Banks and State-Owned Commercial Banks.

1.2 Sector-wise disbursement

During July-March of FY26, share of agricultural credit disbursement in crops, and livestock & poultry increased from 47 percent to 48 percent and 25 percent to 26 percent respectively compared to same period of FY25. In contrast, the share of agricultural credit disbursement in fisheries and other sectors decreased to 14 percent and 8 percent from 15 percent and 9 percent respectively compared to July-March of FY25. The share of poverty alleviation was around 4 percent during July-March of FY26, remaining unchanged from the same period of FY25. During July-March of FY26, composition of agricultural credit disbursement shifted modestly toward crops and livestock & poultry sector. In contrast, the share allocated to fisheries and other sectors declined. Overall, the data reflect a gradual reorientation of agricultural credit towards core production activities.





Source: Agricultural Credit Department, Bangladesh Bank.

1.3 Recovery

Recovery of agricultural credit by all scheduled banks was BDT 3,900.50 crore in March FY26, reflecting a 36.99 percent increase from BDT 2,847.36 crore recovered in February FY26 and a 29.17 percent increase compared to BDT 3,019.60 crore recovered in March FY25. In July-March of FY26, the recovery of agricultural credit by all scheduled banks increased by 15.40 percent to BDT 31,668.30 crore compared to BDT 27,443.31 crore during the same period of FY25 (Table 1). This increase was primarily driven by the 129.76 percent rise in recoveries from Foreign Commercial Banks (FCBs), 31.03 percent rise in recoveries by State-Owned Commercial Banks (SOCBs), and 22.19 percent rise in recoveries by State-owned Specialized Banks (SOSBs) in July-March of FY26. Private Commercial Banks (PCBs) also recorded a slight increase of 5.41 percent in recovery during July-March of 2026 (Annexure-1). In absolute terms, PCBs and SOSBs remained the major contributors.

1.4 Outstanding and Overdue

At the end of March 2026, the outstanding balance of agricultural credit (including interest) for all scheduled banks was BDT 63,630.10 crore, an increase of 11.70 percent from BDT 56,965.12 crore at the end of March 2025. The overdue of agricultural credit increased by 125.13 percent to BDT 22,731.38 crore at the end of March 2026 as compared to BDT 10,096.93 crore at the end of March 2025 (Annexure-2). This sharp increase was mainly driven by the rise in overdue balance of State-owned Specialized Banks (SOSBs), State-owned Commercial Banks (SOCBs) and Private Commercial Banks (PCBs). Loan classification criteria effective from April 2025 also contributed to this significant rise in overdue at the end of March 2026. The rise in overdue loans signals requirement for stronger oversight and risk management to address the credit recovery challenges in the sector.

1.5 Bangladesh Rural Development Board (BRDB)

The Bangladesh Rural Development Board (BRDB) has a disbursement target of BDT 1,486.10 crore for FY26. In March of FY26, agricultural credit disbursement by BRDB was BDT 106.50 crore, decreased 6.39 percent from BDT 113.86 crore in March 2025, while recovery declined by 2.64 percent to BDT 95.96 crore in March

2026 from BDT 98.56 crore in March 2025 (Table 2). During July-March of FY26, BRDB disbursed BDT 993.93 crore and recovered BDT 970.61 crore, representing a 3.53 percent decrease and 5.22 percent increase respectively compared to the same period of FY25.

Table 2: Agricultural Credit by BRDB and BSBL

(BDT in Crore)

	Target of FY26	March FY26		March FY25	
		Disbursement	Recovery	Disbursement	Recovery
BRDB	1486.10	106.58	95.96	113.86	98.56
BSBL	25.00	0.00	0.07	0.00	0.07
Total	**1511.10**	**106.58**	**96.03**	**113.86**	**98.63**
(Percent)	(3.73)	(3.30)	(2.40)	(4.0)	(3.16)

Source: Agricultural Credit Department, Bangladesh Bank.
Note: figure in the parenthesis shows % share of total agriculture credit arrangement of BRDB and BSBL in total amount of all group of Banks, BRDB and BSBL.

1.6 Bangladesh Samabaya Bank Limited (BSBL)

BSBL, a non-scheduled bank, has a disbursement target of BDT 25.00 crore for FY26. BSBL has not disbursed any agricultural loans in March of FY26 but at the same time it recovered BDT 0.07 crore, the same as in March of FY25 (Table-2). The agricultural credit disbursement of BSBL during July-March of FY26 was BDT 0.70 crore and no disbursement happened in the same period of FY25. The recovery was BDT 1.43 crore during July-March of FY26, which was BDT 1.29 crore in the same period of the previous fiscal year.

2. Refinance Facility

Facility from Bangladesh Bank under Government Guarantee

During July-March of FY26, no funds have been sanctioned for short-term agricultural refinance facility in favor of BKB and RAKUB from Bangladesh Bank. However, in view of the application of RAKUB, BB approved refinancing facility of BDT 1,000 crore for a period of 01 year at the prevailing bank rate (4 percent) in favor of RAKUB with guarantee of Finance Department, Ministry of Finance for continuation of agricultural credit disbursement and smoothing socio-economic activities. RAKUB paid BDT 1.72 crore as interest payment to BB of the short-term refinance credit in March of FY26. The outstanding balance of refinance credit for BKB and RAKUB combined was BDT 1,905.84 crore as of March 2026 which was 10.04 percent lower compared to BDT 2,118.50 crore as of March 2025.

3. Rural Finance

3.1 Palli Karma-Sahayak Foundation

In March 2026, Palli Karma-Sahayak Foundation (PKSF) disbursed BDT 908.84 crore to 289 partner organizations (POs) and recovered BDT 829.34 crore. These figures represent 8.60 percent increase in disbursement and 5.70 percent increase in recovery compared to March 2025 (Table-3).

Table 3: Rural Credit by PKSF

(BDT in Crore)

Month	Disbursement		Recovery	
	FY25	**FY24**	**FY25**	**FY24**
July-June	9357.74	7553.11	7073.29	6139.10
	FY26	**FY25**	**FY26**	**FY25**
July	51.00	32.00	444.74	439.56
August	575.96	433.32	634.73	475.77
September	854.45	1050.27	814.67	693.45
October	666.59	709.52	509.28	432.03
November	1160.48	1013.99	657.11	467.01
December	1248.90	935.60	903.75	692.88
January	626.86	582.18	426.92	429.29
February	734.45	697.03	703.05	489.49
March	908.84	836.87	829.34	784.58
Total	**6827.53**	**6290.78**	**5923.59**	**4904.06**

Source: Palli Karma-Sahayak Foundation (PKSF).

In July-March of FY26, total disbursement of Palli Karma-Sahayak Foundation (PKSF) was BDT 6,827.53 crore which was 8.53 percent higher as compared to the disbursed amount of BDT 6,290.78 crore in July-March of FY25. The recovery amount was BDT 5,923.59 crore in July-March of FY26 which was 20.79 percent higher as compared to the recovery of BDT 4,904.06 crore in the same period of FY25.

At the end of March 2026, the outstanding balance of PKSF's loan program amounted to BDT 15,009.02 crore, with an overdue balance of BDT 113.27 crore. The outstanding balance increased by 13.64 percent at the end of March 2026 compared to BDT 13,207.38 crore at the end of March 2025. Meanwhile, the overdue balance decreased by 23.16 percent at the end of March 2026, compared to BDT 147.41 crore at the end of the same month of previous fiscal year (Annexure-3).

3.2 Microcredit Operations by Grameen Bank and Ten Large NGOs[2]

In March 2026, Grameen Bank and ten prominent NGOs disbursed BDT 14,940.88 crore for microfinance programs aimed at fostering productive rural activities, which was 9.63 percent lower as compared to the disbursed amount of March 2025.

Table 4: Microcredit Operation by NGOs in March 2026

(BDT in Crore)

NGOs	(Without Interest)			
	Disbursement	**Recovery**	**Outstanding**	**Overdue**
Grameen Bank	1840.62	1707.37	17695.04	666.22
BRAC	6274.77	6505.52	47823.75	2301.44
ASA	2845.44	3149.53	27655.01	3372.26
Proshika	157.70	161.99	1707.87	274.86
BURO Bangladesh	1427.71	1476.98	13849.68	442.44
TMSS	841.90	876.35	7326.73	475.92
RDRS Bangladesh	188.01	201.60	1724.84	171.17
CARITAS Bangladesh	67.77	61.23	567.26	114.28
Jagorani Chakra Foundation(JCF)	497.74	605.36	6311.98	318.01
Society for Social Service (SSS)	569.92	726.14	6035.18	397.59
Shakti Foundation	229.30	236.99	1991.85	107.05
Total	**14940.88**	**15709.06**	**132689.19**	**8641.24**

Source: Grameen Bank and respective NGOs.

Approximately 38.02 million members accessed this loan facility through a total of 14,417 branches operated by the top 11 Microfinance Institutions (MFIs). Notably, Grameen Bank, BRAC, and ASA collectively accounted for 73.36 percent of the total microcredit disbursed in March 2026.

[2]Grameen Bank, BRAC, ASA, Proshika, BURO Bangladesh, TMSS, RDRS Bangladesh, CARITAS Bangladesh, Jagorani Chakra Foundation (JCF), Society for Social Service (SSS), Shakti Foundation.

The recovery efforts of these MFIs in March of FY26 amounted to BDT 15,709.06 crore, reflecting a 3.56 percent increase from BDT 15,168.72 crore in March of FY25. As on March 2026, the outstanding balance of these MFIs stood at BDT 132,689.19 crore, marking a 10.14 percent rise compared to March 2025. Additionally, the overdue amount for MFIs remained at BDT 8,641.24 crore as on March 2026, representing a 5.36 percent increase as compared to the overdue amount of BDT 8,202.0 crore in March 2025 (Table-4). The significant rise in overdue balances is mainly due to erratic borrower behavior and payment difficulties caused by crop losses from natural disasters and rising living costs.

4. Conclusion

Agricultural and rural finance activities in March of FY26 present a mixed scenario in credit disbursement and a steady recovery performance. Although credit disbursement by scheduled banks increased, disbursement by major MFIs declined in March of FY26 compared to the same month of FY25. Agricultural credit shifted toward crops and livestock & poultry, which indicates a stronger focus on core agricultural products. Recovery growth across the banks and major MFIs suggests enhanced collection efficiency and institutional resilience. However, the increase in overdue of agricultural credit raises concerns regarding asset quality, partly influenced by revised loan classification criteria, climate-induced crop damages, and rising living costs. Therefore, the ongoing condition underscores the need for strengthening credit supervision, improving risk mitigation mechanisms, and ensuring targeted support to vulnerable borrowers to maintain financial stability and inclusive rural growth.

5. Necessary Measures by BB for Agriculture and Rural Finance

- As per BRPD-1 Circular Letter No. 06 issued on 22 February 2026, Bangladesh Bank has extended the deadline to 30 June 2026 for raw jute exporters to get the benefit of rescheduling their classified loans with a 2% down payment. (circular link: feb222026brpd-1l06.pdf)
- As per BRPD Circular Letter No. 29 issued on 21 December 2025, banks are allowed maintain provision at the rate of 0.50% against all unclassified (Standard and SMA) Short Term Agricultural Credits and Cottage, Micro and Small (CMS) enterprise credits under CMSME sector till 31 December 2026. (circular link: https://www.bb.org.bd/mediaroom/circulars/brpd/dec212025brpdl29e.pdf)
- Through ACD Circular No. 01 issued on 12 August 2025, Agricultural and Rural Credit Policy and Program for FY26 was published (circular link: aug282025acdl02.pdf (bb.org.bd)).
- Through BRPD Circular No. 15 issued on 27 November 2024 and effective from 01 April 2025, Expected Credit Loss (ECL) methodology-based provisioning system was implemented to manage credit risk more effectively (circular link: nov272024brpd15e.pdf (bb.org.bd)).
- As per ACD Circular Letter No. 02 issued on 28 August 2025, the deadline for disbursing loans at customer level by the banks under refinance scheme of BDT 1000 crore aimed at increasing wheat and maize production has been extended. (circular link: aug282025acdl02.pdf (bb.org.bd)).
- Through BRPD Circular No. 39 issued on 01 September 2024, loan repayment/ adjustment of borrowers affected by recent floods was facilitated (circular link: sep012024brpdl39.pdf (bb.org.bd)).

Annexure-1

Monthly Position of Agricultural Credit Performance by Scheduled Banks

(BDT in Crore)

Month	Disbursement		Recovery		Outstanding (at the end of Month)		Overdue (at the end of Month)	
	FY25	**FY24**	**FY25**	**FY24**	**FY25**	**FY24**	**FY25**	**FY24**
July	1790.71	1991.27	2553.79	2710.32	56894.54	52361.91	12131.73	8627.61
August	2080.20	3316.99	2891.67	2540.26	55822.75	53230.38	11844.20	8804.06
September	2587.27	3516.38	3764.51	2763.73	54927.74	54164.17	11754.32	8666.13
October	2933.18	3135.87	3112.45	2934.14	55084.42	54862.5	11931.74	8521.57
November	3689.79	3319.61	3747.08	3470.0	54809.59	54590.56	11667.11	8339.3
December	3177.96	3046.05	3047.76	3361.09	56018.85	55395.32	11600.25	8084.15
January	2956.37	2827.68	2660.09	2531.05	56407.31	55634.92	10590.51	9031.63
February	2910.50	2536.90	2646.36	2351.12	57066.94	55860.89	10234.61	9334.39
March	2734.58	2976.88	3019.60	2749.03	56965.12	56565.61	10096.93	10175.78
April	3239.23	3436.54	3362.50	3538.44	57153.48	56487.15	9992.80	9994.89
May	4111.79	3191.92	3085.05	3426.43	58320.80	56331.17	9851.40	9937.85
June	5114.94	3857.81	4133.64	3196.01	60232.42	58119.59	21629.76	9368.20
Total	**37326.52**	**37153.90**	**38024.50**	**35571.62**	**60232.42**	**58119.59**	**21629.76**	**9368.20**
	FY26	**FY25**	**FY26**	**FY25**	**FY26**	**FY25**	**FY26**	**FY25**
July	2154.03	1790.71	2953.62	2553.79	59470.95	56894.54	23806.61	12131.73
August	2672.00	2080.20	3119.96	2891.67	59541.84	55822.75	22968.31	11844.20
September	3663.44	2587.27	4470.81	3764.51	59500.11	54927.74	22120.06	11754.32
October	3438.30	2933.18	3446.85	3112.45	59880.74	55084.42	22435.43	11931.74
November	4164.90	3689.79	3826.97	3747.08	60718.03	54809.59	22297.95	11667.11
December	4915.49	3177.96	3956.21	3047.76	62723.28	56018.85	22693.17	11600.25
January	3351.26	2956.37	3146.02	2660.09	63040.20	56407.31	22333.52	10590.51
February	3120.32	2910.50	2847.36	2646.36	63723.17	57066.94	22915.63	10234.61
March	3119.37	2734.58	3900.50	3019.60	63630.10	56965.12	22731.38	10096.93
Total	**30599.11**	**24860.56**	**31668.3**	**27443.31**	**63630.10**	**56965.12**	**22731.38**	**10096.93**

Source: Agricultural Credit Department, Bangladesh Bank.