

Monthly Report on

Agriculture and Rural Finance¹



April 2025

Research Department
(Internal Economic Wing)
Bangladesh Bank

¹This Report is prepared by Md. Sakhawat Hossain, Director; Rubana Hassan, Additional Director; Saila Sarmin Rapti, Joint Director, Shakil Ahmed, Assistant Director and Isha Erina, Assistant Director from Research Department of Bangladesh Bank.

Comments and suggestions are welcome, and may be sent through E-mails (sakhawat.hossain@bb.org.bd; rubana.hassan@bb.org.bd; saila.sarmin@bb.org.bd; shakil.ahmed782@bb.org.bd; isha.erina@bb.org.bd)

Contents

Highlights.....	1
1. Agricultural Credit	2
1.1 Disbursement.....	2
1.2 Sector-wise disbursement	3
1.3 Recovery.....	4
1.4 Outstanding and Overdue	4
1.5 Bangladesh Rural Development Board (BRDB).....	5
1.6 Bangladesh Samabaya Bank Limited (BSBL)	5
2. Refinance Facility	5
3. Rural Finance	6
3.1 Palli Karma-Sahayak Foundation.....	6
3.2 Microcredit Operations by Grameen Bank and Ten Large NGOs	7
4. Conclusion.....	8
5. Recent Measures by BB for Agriculture and Rural Finance:	9
Tables	
Table 1: Agricultural Credit by Scheduled Banks.....	2
Table 2: Agricultural Credit by BRDB and BSBL.....	5
Table 3: Rural Credit by PKSF	6
Table 4: Microcredit Operation by NGOs in April 2025	7
Charts	
Chart 1: Sector-wise Share of Agricultural Credit Disbursement: July-April of FY25.....	3
Chart 2:Sector-wise Share of Agricultural Credit Disbursement: July-April of FY24.....	3
Annexure	
Annexure-1: Monthly Position of Agricultural Credit Performance by Scheduled Banks.....	10

Monthly Report on Agriculture and Rural Finance

Highlights

- The agricultural credit disbursement target for FY25 has been set at BDT 38,000 crore, reflecting an 8.57 percent increase from the previous year's target of BDT 35,000 crore and a 2.28 percent rise compared to the actual disbursement of BDT 37,153.9 crore in FY24.
- In April 2025, all scheduled banks disbursed BDT 3,239.23 crore in agricultural credit, marking a 18.45 percent increase from BDT 2,734.58 crore in the previous month and an 5.74 percent decrease compared to BDT 3,436.54 crore disbursed in April of FY24.
- Agricultural credit recovery by all scheduled banks reached BDT 3,362.50 crore in April 2025, up 11.36 percent from BDT 3,019.60 crore in the previous month and 4.97 percent lower than BDT 3,538.44 crore recovered in April of FY24.
- At the end of April 2025, the outstanding balance (including interest) of agricultural credit for all scheduled banks stood at BDT 57,153.48 crore, reflecting a 1.18 percent increase from BDT 56,487.15 crore at the end of April 2024.
- At the end of April 2025, overdue of agricultural credit for all scheduled banks reached to BDT 9,992.80 crore which was slightly 0.02 percent decrease from BDT 9,994.89 crore in April 2024. This decrease in overdue loans was primarily attributed to the lower overdue of state-owned commercial banks (SOCBs) in April 2025 compared to April 2024.
- In April FY25, Grameen Bank and ten Large NGOs collectively disbursed BDT 14,716.81 crore as microcredit, reflecting a 20.22 percent increase compared to April FY24. They recovered BDT 14,910.11 crore in April 2025, which was 7.75 percent higher than the same month of FY24. The outstanding microcredit balance for these organizations was BDT 120,407.59 crore, with overdue loans amounting to BDT 8,229.97 crore (representing 6.84 percent of the outstanding balance) at the end of April 2025.

Monthly Report on Agriculture and Rural Finance

1. Agricultural Credit

1.1 Disbursement

The agricultural credit disbursement target has been set at BDT 38,000 crore for all scheduled banks in FY25, marking an 8.57 percent increase compared to the disbursement target of BDT 35,000 crore for the previous fiscal year. The target of agricultural credit disbursement comprises of BDT 3,315.00 crore for state-owned commercial banks (SOCBs), BDT 9,300.00 crore for state-owned specialized banks (SOSBs), BDT 24,121.00 crore for private commercial banks (PCBs), and BDT 1,264.00 crore for foreign commercial banks (FCBs) for FY25.

In April 2025, agricultural credit disbursement by all scheduled banks amounted to BDT 3,239.23 crore, which was 18.45 percent higher and 5.74 percent lower compared to BDT 2,734.58 crore disbursed in the previous month and BDT 3,436.54 crore disbursed in April 2024 respectively (Table 1).

Table 1: Agricultural Credit by Scheduled Banks

(BDT in Crore)

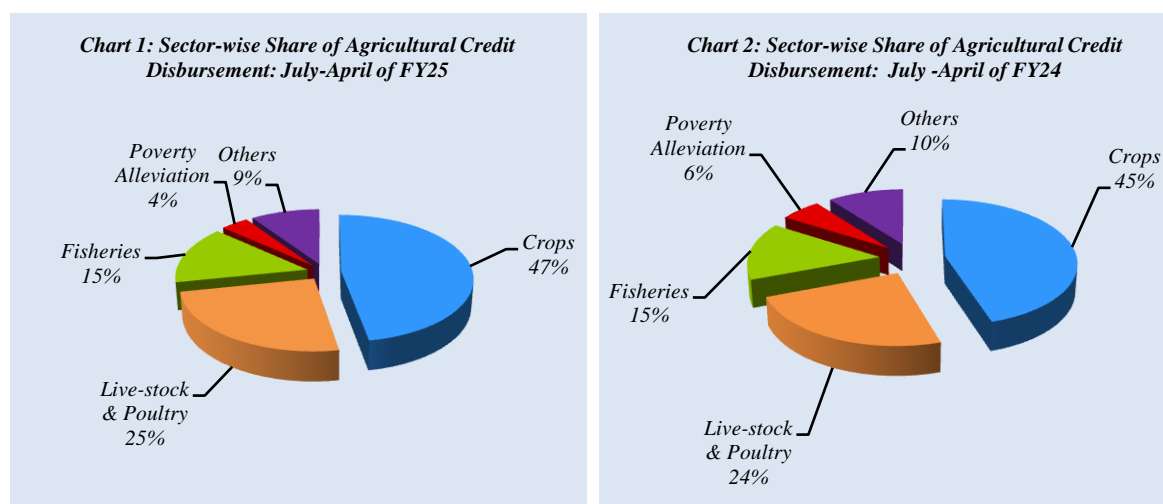
Month	Disbursement		Recovery	
	FY24	FY23	FY24	FY23
July-June	37153.9	32829.89	35571.62	33010.09
	FY25	FY24	FY25	FY24
July	1790.71	1991.27	2553.79	2710.32
August	2080.20	3316.99	2891.67	2540.26
September	2587.27	3516.38	3764.51	2763.73
October	2933.18	3135.87	3112.45	2934.14
November	3689.79	3319.61	3747.08	3470.00
December	3177.96	3046.05	3047.76	3361.09
January	2956.37	2827.68	2660.09	2531.05
February	2910.50	2536.90	2646.36	2351.12
March	2734.58	2976.88	3019.60	2749.03
April	3239.23	3436.54	3362.50	3538.44
Total	28099.79	30104.17	30805.81	28949.18

Source: Agricultural Credit Department, Bangladesh Bank.

In July-April of FY25, all scheduled banks disbursed BDT 28,099.79 crore, reflecting a 6.66 percent decrease from BDT 30,104.17 crore disbursed in the same period of FY24. The significant downturn is attributed to reduced disbursements by Private Commercial Banks (13.78 percent) and Foreign Commercial Banks (11.35 percent) and State-Owned Commercial Banks (1.22 percent) in July-April of FY25 compared to the same period of FY24. The disbursement in State-Owned Specialized Banks increased by 8.52 percent in July-April of FY25 as compared to July-April of FY24. However, this increase was not significant enough to offset the overall decline caused by the significant reductions in disbursements by Private Commercial Banks, Foreign Commercial Banks, and State-Owned Commercial Banks.

1.2 Sector-wise disbursement

During July–April of FY25, scheduled banks continued to focus agricultural credit on crops, which accounted for 47 percent of total disbursement, up from 45 percent in the same period of FY24. Credit to livestock and poultry rose slightly to 25 percent from 24 percent, while fisheries held steady at 15 percent. In contrast, allocations for poverty alleviation and other sectors declined to 4 percent and 9 percent, down from 6 percent and 10 percent respectively. These shifts reflect a strategic reallocation of resources toward more productive and food security-driven sub-sectors, particularly crops and fisheries. This focus may enhance agricultural output and resilience, laying a foundation for future expansion of support to poverty alleviation and other sectors.



Source: Agricultural Credit Department, Bangladesh Bank.

1.3 Recovery

Recovery of agricultural credit by all scheduled banks was BDT 3,362.50 crore in April of FY25, reflecting a 11.36 percent rise from BDT 3,019.60 crore recovered in March of FY25 and a 4.97 percent decrease compared to BDT 3,538.44 crore recovered in April of FY24. In July-April of FY25, the recovery of agricultural credit by all scheduled banks increased by 6.41 percent to BDT 30,805.81 crore compared to BDT 28,949.18 crore during the same period of FY24 (Table 1). This overall increase was primarily driven by the 12.48 percent rise in recoveries from Private Commercial Banks (PCBs) and 5.68 percent rise in recoveries from State-owned Specialized Banks (SOSBs). In contrast, State-Owned Commercial Banks (SOCBs) and Foreign Commercial Banks (FCBs) recorded a decline of 2.47 and 47.38 percent respectively in recovery. Although recovery declined for the two mentioned categories of banks, substantial increases by Private Commercial Banks (PCBs) and State-owned Specialized Banks (SOSBs) drove overall growth in agricultural credit recovery (Annexure).

1.4 Outstanding and Overdue

At the end of April 2025, the outstanding balance of agricultural credit (including interest) for all scheduled banks was BDT 57,153.48 crore, a slight increase of 1.18 percent from BDT 56,487.15 crore at the end of April 2024. The overdue agricultural credit slightly decreased by 0.02 percent to BDT 9,992.80 crore at the end of April 2025 as compared to BDT 9,994.89 crore in April 2024. This decrease was driven by the decline in overdue amount for State-Owned Commercial Banks. Notably, Foreign Commercial Banks maintained a zero overdue position at the end of both April 2025 and April 2024. In April of FY25, the share of overdue loans as percentage of outstanding agriculture credit balance accounted for 17.48 percent, which was 17.69 percent in April of FY24. The decline in overdue agricultural credit in April 2025 compared to April 2024 suggests improved repayment performance and a gradual easing of 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 1,523.18 crore for FY25. In April of FY25, agricultural credit disbursement was BDT 96.49 crore, decreased by 27.50 percent from BDT 133.09 crore in April 2024, while recovery fell by 13.48 percent to BDT 92.27 crore in April of FY25 from BDT 106.64 crore in April of FY24 (Table 2). During July-April of FY25, BRDB disbursed BDT 1,126.75 crore and recovered BDT 1,014.76 crore, representing decreases of 10.24 percent and 10.54 percent, respectively, compared to the same period of FY24.

Table 2: Agricultural Credit by BRDB and BSBL

	Target of FY25	April'25		April'24	
		Disbursement	Recovery	Disbursement	Recovery
BRDB	1523.18	96.49	92.27	133.09	106.64
BSBL	25.00	0.00	0.05	0.00	0.11
Total (Percent)	1548.18 (3.91)	96.49 (2.89)	92.32 (2.67)	133.09 (3.73)	106.75 (2.93)

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 FY25. BSBL recovered BDT 0.05 crore in April of FY25, which was 54.55 percent lower compared to the recovery of BDT 0.11 crore in April of FY24 (Table-2). In July-April of FY25, BSBL refrained from disbursing funds and exercised caution due to the high overdue. BSBL recovered BDT 1.34 crore in July-April of FY25 which was 17.54 percent higher as compared to the recovery of BDT 1.14 crore in July-April of FY24.

2. Refinance Facility

Facility from Bangladesh Bank under Government Guarantee

During July-April of FY25, BKB and RAKUB did not apply for any short-term agricultural refinance facility. Out of BDT 1,000 crore sanctioned in FY24 in favour of RAKUB against government guarantee, the repayment period of remaining BDT 500 crore has been extended to 24th October, 2025 subject to repayment of

BDT 500 crore. BKB did not repay any amount in April 2025. However, RAKUB paid BDT 1.67 crore as interest payment to BB of the short-term refinance credit in April 2025. The outstanding balance of refinance credit for BKB and RAKUB was BDT 2,116.84 crore as of April 2025 which was 15.29 percent lower compared to BDT 2,499.02 crore as of April 2024.

3. Rural Finance

3.1 Palli Karma-Sahayak Foundation

Table 3: Rural Credit by PKSF

(BDT in Crore)

Month	Disbursement		Recovery	
	FY24	FY23	FY24	FY23
July-June	7553.11	6719.72	6139.10	4988.21
	FY25	FY24	FY25	FY24
July	32.00	60.47	439.56	421.63
August	433.32	490.06	475.77	419.87
September	1050.27	902.18	693.45	666.21
October	709.52	320.14	432.03	357.53
November	1013.99	765.11	467.01	391.83
December	935.60	480.56	692.88	623.16
January	582.18	872.05	429.29	357.96
February	697.03	960.94	489.49	372.75
March	836.87	530.23	784.58	769.18
April	455.34	197.00	586.95	421.43
Total	6746.12	5578.74	5491.01	4801.55

Source: Palli Karma-Sahayak Foundation (PKSF).

In April 2025, Palli Karma-Sahayak Foundation (PKSF) disbursed BDT 455.34 crore to 289 partner organizations (POs) and recovered BDT 586.95 crore. These figures represent a 131.14 percent increase in disbursement and a 39.28 percent increase in recovery compared to April 2024 (Table-3). In July-April of FY25, total disbursement of Palli Karma-Sahayak Foundation (PKSF) was BDT 6,746.12 crore which was 20.93 percent higher as compared to the disbursed amount of BDT 5,578.74 crore in July-April of FY24. The recovery amount was BDT 5,491.01 crore in July-April of FY25 which was 14.36 percent higher as compared to the recovery of BDT 4,801.55 crore in the same period of FY24.

At the end of April 2025, the outstanding balance of PKSF's loan program amounted to BDT 13,075.76 crore, with an overdue balance of BDT 112.26 crore. The

outstanding balance increased by 16.92 percent in April 2025 compared to April 2024. Meanwhile, the overdue balance decreased by 35.48 percent in April 2025, compared to the same month of the previous fiscal year.

3.2 Microcredit Operations by Grameen Bank and Ten Large NGOs²

In April 2025, Grameen Bank and ten prominent NGOs disbursed BDT 14,716.81 crore for microfinance programs aimed at fostering productive rural activities, which was 20.22 percent higher as compared to the disbursement amount of April 2024.

Table 4: Microcredit Operation by NGOs in April 2025

(BDT in Crore)

NGOs	(Without Interest)			
	Disbursement	Recovery	Outstanding	Overdue
Grameen Bank	1938.09	1928.87	16657.27	565.77
BRAC	5286.50	5778.52	42869.94	2002.64
ASA	3354.01	3364.09	27458.73	3269.05
Proshika	180.62	169.96	1687.83	178.99
BURO Bangladesh	1418.59	1248.34	11066.94	745.45
TMSS	841.59	792.86	6471.95	439.73
RDRS Bangladesh	200.26	195.59	1558.46	192.46
CARITAS Bangladesh	63.03	63.80	539.51	108.82
Jagorani Chakra Foundation(JCF)	563.86	488.29	5187.57	266.88
Society for Social Service (SSS)	656.96	657.75	4967.90	361.58
Shakti Foundation	213.30	222.04	1941.49	98.60
Total	14716.81	14910.11	120407.59	8229.97

Source: Grameen Bank and respective NGOs.

Approximately 35.84 million members accessed this loan facility through a total of 13,804 branches operated by the top 11 Microfinance Institutions (MFIs). Notably, Grameen Bank, BRAC, and ASA collectively accounted for 71.88 percent of the total microcredit disbursed in April 2025.

The recovery efforts of these MFIs in April of FY25 amounted to BDT 14,910.11 crore, reflecting a 7.75 percent increase from BDT 13,837.48 crore in April of FY24. As on April 2025, the outstanding balance of these MFIs stood at BDT 120,407.59 crore, marking a 5.09 percent rise compared to April 2024. Additionally, the overdue

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

amount for MFIs remained at BDT 8,229.97 crore as on April 2025, representing a 37.78 percent increase as compared to the overdue amount of BDT 5,973.26 crore in April 2024 (Table-4). The significant rise in overdue balances is mainly due to erratic borrower behavior and payment difficulties caused by crop losses from floods and rising living costs. Additionally, overdue loans grow faster due to their lower recovery rates compared to regularly repaid loans.

4. Conclusion

In April FY25, agricultural credit disbursement and recovery declined compared to the previous year and also the previous month. However, a slight drop in overdue loans, especially in State-Owned Commercial Banks (SOCBs), suggests modest improvement in repayments. Meanwhile, the growing microcredit sector faces rising overdue loans, underscoring the need for stronger recovery efforts. The sector wise disbursement revealed that banks prioritized crops and fisheries, increasing their credit shares to boost productivity and food security and reduced funding for poverty alleviation and other sectors. This strategic focus strengthens core agricultural sectors and creates a solid foundation for gradually increasing support to poverty alleviation and other areas.

5. Recent Measures by BB for Agriculture and Rural Finance

- According to ACD Circular No. 1, issued on 23 March 2025, CIB report must be evaluated before issuing or renewal of agricultural and rural credit (except MFI linkage). (circular link: [mar232025acd101.pdf](#))
- Through BRPD Circular No. 39 issued on 01 September 2024, loan repayment/ adjustment of borrowers affected by recent floods was facilitated (circular link: [sep012024brpd139.pdf \(bb.org.bd\)](#)).
- Through ACD Circular No. 01 issued on 29 August 2024, Agricultural and Rural Credit Policy and Program for FY25 was published (circular link: [aug292024acd01.pdf \(bb.org.bd\)](#)).
- As per ACD Circular No. 03 issued on 21 November 2023, facilitating most of the actual/marginal farmers under BDT 5000.00 crore refinance scheme, ceiling of new loan/investment in favor of single customer from livestock sector shall be BDT20 lakh (circular link: [nov212023acd103.pdf \(bb.org.bd\)](#)).
- According to ACD Circular No 01 issued on 22 June 2023, banks were directed to recruit experienced people from NGOs/MFIs on temporary contractual basis for the post of ‘Agri Credit Supervisor (Contractual)’ following manpower requirement need for ensuring proper uses of agricultural credit (circular link: [jun222023acd01.pdf \(bb.org.bd\)](#)).
- According to ACD Circular No 02 issued on 21 March 2023, beef fattening sector was included into the refinance scheme of BDT 5000.00 crore (circular link: [mar212023acd102.pdf \(bb.org.bd\)](#)).
- Following ACD Circular No: 01 of January 2023, agricultural credit on priority basis shall be disbursed to new farmers, and to more than one member of the same family based on rational consideration (circular link: [jan012023acd101.pdf \(bb.org.bd\)](#)).
- As per ACD Circular No. 08 of 19 December 2022, fund titled ‘Bangladesh Bank Agricultural Development Common Fund (BBADCF)’ had been formed with the unattainable portion of banks annual agriculture and rural credit disbursement target (circular link: [dec192022acd08.pdf \(bb.org.bd\)](#)).
- According to ACD Circular No. 07 of 17 November 2022, BB formed a refinance scheme of BDT 5000.00 crore for agriculture sector to ensure food security of the country (circular link: [nov172022acd07.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)	
	FY24	FY23	FY24	FY23	FY24	FY23	FY24	FY23
July	1991.27	1664.77	2710.32	2045.8	52361.91	50757.43	8627.61	7500.15
August	3316.99	2172.53	2540.26	2077.33	53230.38	50235.4	8804.06	7945.27
September	3516.38	2747.07	2763.73	2953.24	54164.17	50246.25	8666.13	7803.71
October	3135.87	2884.97	2934.14	2703.95	54862.5	50468	8521.57	7693.51
November	3319.61	3308.34	3470	3090.79	54590.56	50206.69	8339.3	7387.28
December	3046.05	3892.42	3361.09	3558.65	55395.32	50997.35	8084.15	7212.15
January	2827.68	2014.22	2531.05	2016.74	55634.92	51225.71	9031.63	7301.45
February	2536.9	2382.19	2351.12	2539.03	55860.89	51234.84	9334.39	7119.82
March	2976.88	3056.02	2749.03	3234.52	56565.61	51277.37	10175.78	7066.54
April	3436.54	2807.06	3538.44	2668.16	56487.15	51659.19	9994.89	6949.3
May	3191.92	2368.21	3426.43	3212.52	56331.17	51063.85	9937.85	6668.79
June	3857.81	3532.09	3196.01	2909.36	58119.59	52704.45	9368.2	6541.39
Total	37153.9	32829.89	35571.62	33010.09	58119.59	52704.45	9368.2	6541.39
	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	2080.2	3316.99	2891.67	2540.26	55822.75	53230.38	11844.2	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	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
Total	28099.79	30104.17	30805.81	28949.18	57153.48	56487.15	9992.80	9994.89

Source: Agricultural Credit Department, Bangladesh Bank.