

## Agriculture and SME Finance

9.1 Bangladesh is on course for middle income country status and its agriculture sector has continued to play a significant role by providing the largest share of employment in the country. Growth in Agriculture and allied sectors along with agriculture raw material based micro and small industry or enterprise are typically found to be the primary drivers of poverty reduction due mainly to its greater contribution in employment opportunities. Adequate flow of credit with low cost is imperative for smooth growth of these sectors. Bangladesh Bank (BB) has been continuing its focus on ensuring the availability of funds and banking services towards these sectors by instituting an efficient and comprehensive credit delivery mechanism throughout the country. During FY16 efforts were also directed through its annual agriculture credit policy at fostering a more favourable environment for flow of credit to agricultural and rural based off firm activities, SME and allied sectors. Led by the significant participation of both specialised and state owned as well as private commercial banks, the actual credit disbursement of Taka 176.4 billion in FY16 to the agriculture sector exceeded the target of Taka 164.0 billion (Table-9.1) which significantly contributed the sector going forward.

### Agricultural Credit Programme in FY16

9.2 The implementation of some important initiatives of this programme includes:

**Table 9.1 Comparative statement of disbursement and recovery of agricultural loan**

(billion Taka)			
Disbursement	FY14*	FY15*	FY16*
<b>1. Disbursement (target)</b>	<b>145.95</b>	<b>155.50</b>	<b>164.00</b>
a) Crops loan (other than tea)	69.38	75.69	80.99
b) Purchase and installation of irrigation equipment	3.68	3.39	4.69
c) Livestock	15.26	16.70	16.94
d) Marketing of agricultural goods	2.57	1.91	2.19
e) Fisheries	12.68	15.36	16.78
f) Poverty alleviation	11.16	11.37	9.57
g) Other agricultural activities	31.22	31.08	32.84
<b>2. Actual disbursement</b>	<b>160.37</b>	<b>159.78</b>	<b>176.46</b>
a) Crops loan (other than tea)	71.31	76.04	86.95
b) Purchase and installation of irrigation equipment	2.39	2.38	2.60
c) Livestock	19.96	20.57	26.14
d) Marketing of agricultural goods	1.67	1.54	1.09
e) Fisheries	13.78	16.53	19.85
f) Poverty alleviation	18.64	14.81	15.59
g) Other agricultural activities	32.62	27.91	24.24
<b>3. Term structure of loan disbursed</b>			
a) Short term	118.85	127.48	144.22
b) Longer term	41.52	32.30	32.24
<b>4. Recovery</b>	<b>170.46</b>	<b>154.07</b>	<b>170.56</b>
<b>5. Due for recovery</b>	<b>248.13</b>	<b>220.34</b>	<b>227.90</b>
<b>6. Total outstanding loan</b>	<b>346.84</b>	<b>329.37</b>	<b>344.77</b>
<b>7. Overdue</b>	<b>76.12</b>	<b>67.29</b>	<b>56.78</b>
<b>8. Overdue as percent of outstanding</b>	<b>21.95</b>	<b>20.43</b>	<b>16.47</b>

\* Excluding BRDB and BSBL

Source: Agricultural Credit Department, Bangladesh Bank.

- Around 3.4 million farmers availed agricultural and rural credit of which 1.5 million women got Taka 44.8 billion from different banks.
- Around Taka 5.2 billion was disbursed among about 0.2 million farmers through 14916 open credit disbursement programmes arranged by different banks.

- Around 2.6 million small and marginal farmers got Taka 120.9 billion agricultural loans from different banks.
- About Taka 273.8 million of agricultural and rural credit was disbursed among 7972 farmers living in the less developed area like *haor, char*, etc.
- Around 9.9 million bank accounts were opened by the farmers in the state owned commercial banks with an initial deposit of Taka 10 only.
- An amount of Taka 0.8 billion was disbursed at 4.0 percent concessional rate for the production of certain crops like pulses, oilseed, spices, and maize for which the country continuously relies on import.
- In the three Hill Tract districts, more than Taka 0.5 billion was disbursed among 20076 tribal farmers at only 5.0 percent interest rate.

### Credit Disbursement to Agriculture

9.3 In recent years, agriculture and rural finance programme seems to have boosted up as the private commercial banks (PCBs) and foreign commercial banks (FCBs) along with state-owned commercial banks (SCBs) came forward to disburse agricultural credit in the country. The actual disbursement of Taka 176.5 billion in FY16 against the disbursement target of 164.0 billion was 10.4 percent higher than the actual disbursement of Taka 159.8 billion in FY15. Table 9.1 shows the comparative position of overall disbursement and recovery of agricultural loan and Charts 9.1 and 9.2 show targets and actual disbursement of agricultural loan respectively in FY16.

9.4 About 81.7 percent of disbursement was short term lending and the rest 18.3 percent was in the form of long-term loans for irrigation equipments, agricultural machinery, livestock etc. The credit for production of

**Table 9.2 Agricultural credit performance by lenders in FY16**

Lender	Disbursement Target	Actual disbursement	Recovery	Overdue	Outstanding	(billion Taka)
						Overdue as % of outstanding
SCBs	28.90	27.21	28.23	23.02	87.16	26.41
BKB	48.00	49.40	51.36	21.63	140.29	15.42
RAKUB	16.00	11.15	13.29	10.38	34.79	29.83
<b>Sub Total</b>	<b>92.90</b>	<b>87.76</b>	<b>92.88</b>	<b>55.03</b>	<b>262.24</b>	<b>20.99</b>
FCBs	3.93	5.10	4.98	0.003	2.29	0.13
PCBs	67.17	83.60	72.70	1.75	80.24	2.18
<b>Sub Total</b>	<b>71.10</b>	<b>88.70</b>	<b>77.68</b>	<b>1.75</b>	<b>82.53</b>	<b>2.12</b>
<b>Grand Total</b>	<b>164.00</b>	<b>176.46</b>	<b>170.56</b>	<b>56.78</b>	<b>344.77</b>	<b>16.47</b>
<b>Summary</b>						
FY16 <sup>@</sup>	164.00	176.46	170.56	56.78	344.77	16.47
FY15 <sup>@</sup>	155.50	159.78	154.07	67.29	329.37	20.43
FY14 <sup>@</sup>	145.95	160.37	170.46	76.12	346.33	21.98
FY13 <sup>@</sup>	141.30	146.67	143.62	52.09	310.58	16.77
FY12 <sup>@</sup>	138.00	131.32	123.59	60.52	259.75	23.30

<sup>@</sup> excluding BRDB and BSBL

Source : Agricultural Credit Department, Bangladesh Bank.

crops and poverty alleviation programmes constituted 56.2 and 6.6 percent respectively of the total short term loans during FY16 (Table 9.1).

9.5 The total outstanding loan in the agricultural sector (including all banks) in FY16 increased by Taka 15.4 billion or 4.7 percent to Taka 344.8 billion from Taka 329.4 billion in FY15 (Table 9.2).

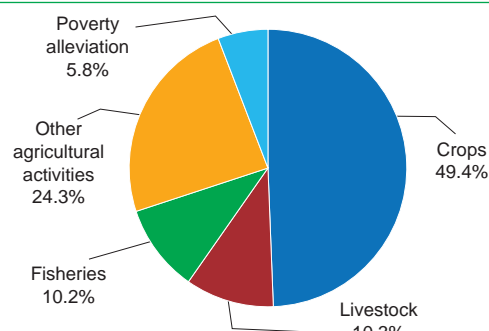
9.6 Two specialised banks- BKB, RAKUB and four SCBs played key role in the disbursement of agricultural and rural finance. The contribution of foreign and private commercial banks was also imperative in this regard. However, the SCBs and RAKUB fell short of targets by 5.9 and 30.3 percent respectively. On the other hand, BKB, FCBs and the PCBs exceeded the disbursement target by 2.9, 29.8 and 24.5 percent respectively in FY16 (Table 9.2). Apart from this, BRDB and BSBL disbursed Taka 7.9 billion from their own fund, which raised the total disbursement to Taka 184.4 billion (including all banks) during FY16.

### Credit Recovery

9.7 During FY16 recovery of agricultural credit increased by 10.7 percent to Taka 170.6 billion from Taka 154.1 billion in FY15 due to the comprehensive support to agricultural production through subsidy on both input and output level. In spite of this, rate of recovery (with due for recovery) of agricultural credit was 74.8 percent during FY16 which was higher than 69.9 percent in FY15 (Table 9.1).

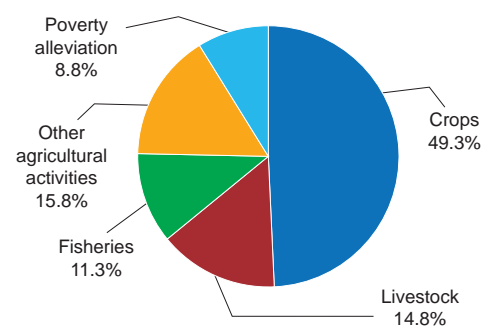
9.8 The overdue as percentage of outstanding agricultural loan decreased from 20.4 percent to 16.5 percent at the end of

**Chart 9.1** Targets for agricultural credit disbursement in FY16



Source: Agricultural Credit Department, Bangladesh Bank.

**Chart 9.2** Actual agricultural credit disbursement in FY16



Source: Agricultural Credit Department, Bangladesh Bank.

June 2016 (Table 9.2). It is important that banks should gear up their recovery drive matching with the harvesting seasons and strengthen incentive measures ensuring appropriate dissemination of information so that the recovery of agricultural loans improves further in the years ahead.

### Sources of Agricultural Finance

9.9 Recently PCBs are playing the major role as a sources of finance in agriculture. PCBs had the largest share in the annual disbursement of agricultural loans. In FY16, PCBs disbursed 47.4 percent of the total disbursement, followed by BKB (28.0

Table 9.3 Bangladesh Bank's refinance against agricultural loans

(billion Taka)

Particulars	FY14			FY15			FY16		
	Refinance	Repayment	Outstanding	Refinance	Repayment	Outstanding	Refinance	Repayment	Outstanding
BKB	0.00	3.42	31.13	5.00	9.06	28.34	0.00	8.09	26.85
RAKUB	6.00	9.12	13.00	2.00	4.79	11.11	0.00	3.30	7.92
BRAC	4.50	4.49	4.50	4.11	4.50	4.11	6.00	4.50	6.00
BSBL	-	0.04	0.085	0.00	0.04	0.04	0.00	0.00	0.00
BRDB	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>10.50</b>	<b>17.07</b>	<b>48.71</b>	<b>11.11</b>	<b>18.39</b>	<b>43.60</b>	<b>6.00</b>	<b>15.89</b>	<b>40.77</b>

Source : Agricultural Credit Department, Bangladesh Bank.

percent), SCBs (15.4 percent), RAKUB (6.3 percent) and FCBs (2.9 percent). The SCBs' overdue loans as percentage of their outstanding loans stood at 26.4 percent at the end of FY16, while the overdue loans of RAKUB and BKB were recorded to 29.8 and 15.4 percent respectively of their outstanding loans (Table 9.2). The PCBs' overdue loans as percentage of their outstanding loans stood at 2.2 percent at the end of FY16.

### Bangladesh Bank's Refinance against Agricultural Loans

9.10 Only BKB, RAKUB and BRAC availed the benefit of refinance facilities to the tune of Taka 6.0 billion from Bangladesh Bank during FY16. An amount of Taka 15.9 billion (including interest) was recovered against the refinanced loans due from different banks and institutions leaving an outstanding balance of Taka 40.8 billion (including interest) as of end June 2016 for future recovery. Details of Bangladesh Bank's refinance to different institutions are shown in Table 9.3.

### Refinance Scheme for the Jute Sector

9.11 Bangladesh Bank undertook a special refinance scheme of Taka 2.0 billion to purchase raw jute from jute producers to provide working capital to jute goods

manufacturing companies and jute exporters in FY15. A total of 9 banks availed this window and disbursed Taka 0.5 billion in FY16.

### Refinance Scheme for the Dairy Farming

9.12 An amount of Taka 2.0 billion has been launched under refinance scheme by Bangladesh Bank to boost up the country's dairy farming, which is being used as a revolving fund for five years. A total of 14 banks were refinanced an amount of Taka 0.8 billion in FY16 with a view to providing dairy farmers with easy and cheaper loans for milk rearing cows and their artificial breeding. The interest rate at borrower level is 5.0 percent and the Government will provide 5.0 percent cash subsidy against the credit to the disbursing banks.

### Agricultural Credit Projects/Programmes under Bangladesh Bank Supervision

9.13 Some self and donor financed agricultural projects/programmes disbursed a total amount of Taka 0.5 billion and Taka 0.8 billion was recovered under close monitoring and supervision of Bangladesh Bank in FY16. These include the Agro based Industries and Technology Development Project (ATDP), Marginal and Small Farm System Crop

**Table 9.4 Disbursement of SME credit by banks and NBFIs**

Period	Sub-categories			Total	Women entrepreneur
	Trading	Manufacturing	Service		
2010-11	365.83	154.36	32.37	552.56	20.07
2011-12	379.19	183.84	35.09	598.12	23.11
2012-13	518.41	233.04	42.02	793.46	24.72
2013-14	594.41	250.87	60.77	906.05	36.43
2014-15	680.43	323.50	98.94	1102.87	39.68
2015-16*	781.63	334.07	134.71	1250.41	54.27

\* Provisional.

Source : SME and Special Programmes Department, Bangladesh Bank.

Intensification Project (MSFSCIP), Shashya Gudam Rin Prokolpo (SHOGORIP), Northwest Crop Diversification Project (NCDP) and Second Crop Diversification Project (SCDP).

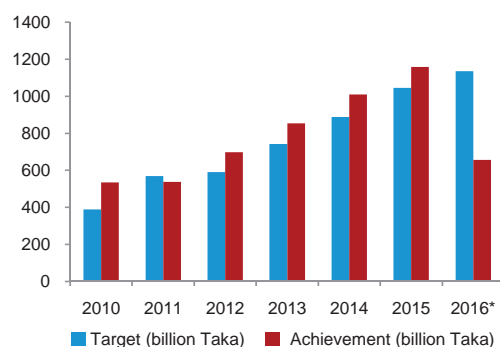
9.14 A total amount of Taka 2.5 billion was disbursed under Small and Marginal Sized Farmers Agricultural Productivity Improvement and Diversification Financing Project (SMAP), financed by Japan International Co-operation Agency (JICA) through 13 MFIs in FY16.

#### Refinance Scheme for the Share-croppers

9.15 A special refinance scheme for the share-croppers was continued in FY16 which BB undertook in FY10. Under this scheme BB has refinanced Taka 6.0 billion to more than 0.2 million share-croppers in FY16.

#### Credit to Small and Medium Scale Enterprises (SMEs)

9.16 Considering the crucial role of SME in achieving sustainable inclusive growth of the country, BB has formulated a comprehensive policy and programmes on SME named "SME Credit Policies and Programmes" with detailed guidelines that include all possible avenues of financing to SME by all banks and

**Chart 9.3 Target and achievement of SME credit**

\* Up to H1 of 2016.

Source: Agricultural Credit Department, Bangladesh Bank.

Financial Institutions (FIs), which has been declared as international best practice for SME financing by Alliance for Financial Inclusion (AFI). Along with various supportive measures of BB, the sector gets momentum and continues to maintain more robust performance.

9.17 A target based SME lending programme was initiated by Bangladesh Bank in 2010 under the "SME Credit Policies and Programmes". The target is not imposed by the central bank, rather the banks and non-bank financial institutions (NBFIs) independently decide their target. A target of disbursing Taka 1045.86 billion was set for 2015 (January-December) which was Taka

158.33 billion higher than that of 2014. In 2015, all banks and NBFIs altogether disbursed Taka 1158.70 billion to 724,903 SME initiatives which exceeded the target by 10.8 percent. Under the same spirit, a target of disbursing Taka 1135.03 billion was set for 2016 (January-December). During the first half of 2016, Taka 655.98 billion was disbursed. Chart 9.3 depicts the target and achievement of SME credit by banks and financial institutions during 2010 to 2016.

9.18 In FY16 all banks and financial institutions disbursed a total amount of Taka 1250.4 billion among 600 thousands cottage, micro, small and medium sized enterprises. Special emphasis has been given to bring the women entrepreneurs in the mainstream of development of the country. An amount of Taka 54.3 billion was disbursed among 42 thousands women led SME enterprises in FY16 (Table 9.4). SME & Special Programmes Department (SME&SPD) of BB is working to facilitate this and monitoring the SME financing activities and development. For further development of this sector, Bangladesh Bank continued its refinancing facilities to banks and NBFIs for SMEs during FY16.

#### **Bangladesh Bank's Refinance for SMEs**

9.19 Bangladesh Bank, with the help of Government and different development partners, has been implementing eight different revolving refinance facilities for banks and NBFIs. At the end of June 2016, a total amount of Taka 57.5 billion was provided to different banks and NBFIs under refinance schemes against 51732 enterprises. Table 9.5 shows the Bangladesh Bank's refinance

facility to banks under different special schemes and programmes for SME development up to FY16.

#### **Refinance Scheme for Agro-based Product Processing Industries**

9.20 In order to boost up agro product-processing industries in the areas outside divisional headquarters and Narayanganj town, Bangladesh Bank launched a scheme of Taka 1.0 billion in November 2001 out of its own fund. Responding to the huge demand of this fund, the size of the fund was increased to Taka 2.0 billion in 2012, Taka 4.0 billion in 2013 and later Taka 4.5 billion in 2015. Refinancing facilities are provided to banks and financial institutions at the bank rate under the scheme. Till the end of June 2016 Taka 8.8 billion was disbursed under this scheme against 2,312 enterprises on revolving basis (Table 9.5).

#### **Refinance Fund for New Entrepreneurs under Cottage, Micro and Small Categories**

9.21 In order to provide start-up capital to new cottage, micro and small enterprises, Bangladesh Bank has created a new fund worth of Taka 1.0 billion from its own source. Under this fund, the prospective entrepreneurs selected and trained by recognised public and private training providers will get financing facilities at 10 percent interest rate (bank rate +5 percent). At the end of June 2016, Taka 0.08 billion was refinanced to banks and financial institutions against their financing to 206 new enterprises (Table 9.5).

#### **Islamic Shariah Based Refinance Scheme**

9.22 With the objective of increasing the involvement of Islamic banks and financial



institutions in financing SMEs, a special refinance fund under Islamic Shariah mode was created in Bangladesh Bank in September 2014. Under this fund, Islamic banks and financial institutions will get refinance against their financing to agro-based industries, small enterprises (including women led SMEs) and new entrepreneurs in cottage, micro and small sector. At the end of June 2016, Taka 2.11 billion was refinanced to banks and NBFIs against their financing to 435 enterprises (Table 9.5).

### Refinance to Women Entrepreneurs

9.23 Bangladesh Bank is encouraging all banks and NBFIs to provide loan to women entrepreneurs at 10.0 percent interest rate. A dedicated women entrepreneurs desk has been established in the SME&SPD of BB. All banks and NBFIs have been directed to do the same. They have also been instructed to reserve 15.0 percent of total SME funds

exclusively for women entrepreneurs as well as to provide credit to new women entrepreneurs under cottage, micro and small sectors. In addition, all banks and NBFIs have been directed to sanction loans of at least Taka 2.5 million to women entrepreneurs with personal guarantee but without collateral under refinance facilities provided by BB. An amount of Taka 16.4 billion was refinanced to women entrepreneurs at the end of June 2016 against 16028 enterprises (Table 9.5).

### New Entrepreneurs Creation and Entrepreneurs' Development

9.24 To promote skills of young workers and new entrants in the labour market, the Government of Bangladesh has taken a project titled "Skills for Employment Investment Programme (SEIP)" with the assistance of Asian Development Bank (ADB) and Swiss Agency for Development and Cooperation (SDC). Aligned with this initiative

**Table 9.5 Statement of refinance on SMEs under different refinance schemes of BB**

(billion Taka)

Name of the Fund	Budget/ Fund	Type of enterprises	Refinance upto 30 June 2016		Remarks
			Number of enterprises	Amount of refinance	
1. BB Fund	6.5	General	12,711	12.25	Ongoing
		Women Enterprises	15,445	15.72	
		<b>Sub-Total</b>	<b>28,156</b>	<b>27.97</b>	
2. EGBMP (IDA Fund)	1.16		3,160	3.13	Closed
3. SMESDP (ADB-1) Fund	2.02	General	3,134	3.18	Closed
		Women Enterprises	130	0.17	
		<b>Sub-Total</b>	<b>3,264</b>	<b>3.35</b>	
4. SMEDP (ADB-2) Fund	7.00	General	13,192	6.99	Closed
		Women Enterprises	453	0.48	
		<b>Sub-Total</b>	<b>13,645</b>	<b>7.47</b>	
5. JICA FSPDSME Fund	3.77		554	4.54	Refinancing continues using RFA
6. Refinance Scheme for Agro-based product processing Industries	4.50		2,312	8.80	Ongoing
7. Refinance Scheme for new entrepreneurs	0.5		206	0.08	Ongoing
8. Islamic Shariah based Refinance Fund			435	2.11	Ongoing
<b>Grand Total</b>			<b>51,732</b>	<b>57.45</b>	
<b>Refinance against Women Entrepreneurs</b>			<b>16,028</b>	<b>16.37</b>	

Source : SME and Special Programmes Department, Bangladesh Bank.

Bangladesh Bank has also taken steps for creating and developing new entrepreneurs. To this end, Bangladesh Bank will provide market oriented job training to 10200 people in the next three years to start their own SME business or be employed in the SME sector. As of June 2016, 1340 trainees enrolled in different courses. Already 716 trainees were received certificate after successful completion and 273 trained personnel have been employed in different sectors and a dedicated refinance scheme has already been created by BB to support those new entrepreneurs.

### **Implementation of New Projects**

#### **A. Urban Building Safety Project (UBSP)**

9.25 With a view to creating a safe working environment in the RMG sector a project named "Urban Building Safety Project" has been established under the 36th Japanese ODA package through a loan agreement signed on 13 December 2015 between the Government of Japan (represented by JICA) and Government of Bangladesh. Under this agreement JICA will provide JPY 12,086 million; of which JPY 4,129 million (equivalent Taka 2.68 billion) is earmarked for two step loan (TSL) purposes. The TSL component will be managed and implemented by SMESPD, BB in accordance with approved operating guideline of the project. Financing to RMG industries from this project is expected to commence at the beginning of FY17.

#### **B. Foreign Direct Investment Promotion Project (FDIPP)**

9.26 A project named "Foreign Direct Investment Promotion Project (FDIPP)" has been established under the 36th Japanese

ODA package with a view to attracting Japanese direct investment which will expedite economic development of the country. A loan agreement was signed on 13 December 2015 between the Government of Japan (represented by JICA) and Government of Bangladesh. Under this agreement JICA will provide JPY 15,825 million; of which JPY 7,033 million ( equivalent Taka 5.20 billion approximately) will be utilised by Bangladesh Bank for refinancing/pre-financing to Japanese enterprises, Japan-Bangladesh joint venture firms or Bangladeshi firms having close relation with Japanese enterprises. Financing from this project is expected to commence in FY17.

#### **Microcredit Operations of Grameen Bank and the Large MFIs**

9.27 A huge number of rural and urban poor are self employed. Access to credit is an important determinant of income opportunities for these poor. Microcredit provides the pathway of access to credit and has been playing the predominant role in rural finance. It has been considered as a tool for poverty alleviation and income generation. In addition, it contributes a productive role in the country's overall investment by increasing savings from remote areas. BB has taken a strong pro-active role to improve the access of credit and other financial services specially for the unbanked and poor segment of population of the country. ICT based new financial instruments (mobile banking) have changed the landscape of financial service access to the poor in both rural and urban areas. More than a thousand of NGO-MFIs are operating their activities in Bangladesh. The number of registered MFIs as well as number of borrowers and savings per



borrower has been steadily increasing. At the end of June 2016, 680 licensed MFIs and 191 provisional licensed MFIs provided microfinance services to 26.3 million people, which was 26 million in FY15.

9.28 Palli Karma Sahayak Foundation (PKSF) has been established in line with the own thoughts and ideas of the Government of Bangladesh to broaden and smoothen microfinance process. Since inception in May 1990, the PKSF has been working as an apex microcredit funding and capacity building organisation for alleviating poverty by providing microcredit to the poor through its partner organisations (POs). The loan given by PKSF to 274 POs was Taka 244.4 billion in FY16, which was Taka 30.6 billion or 14.3 percent higher than Taka 213.8 billion disbursed in FY15.

### Roadmap for FY17

9.29 To attain the 7.0 percent GDP growth rate and to keep pace with the population growth, the agriculture sector should grow at a constant rate of 4.0-4.5 percent per year. Therefore, the major challenges for Bangladesh's agriculture are to raise productivity and profitability, increase diversifications of production in line with consumption, maintain food safety and quality, expand irrigation and farm mechanisation and develop resilience to climate change impacts.

9.30 Against this backdrop Bangladesh Bank has announced its annual agricultural

**Table 9.6 Microcredit operations of the Grameen Bank and large MFIs**

	(billion Taka)		
	FY14	FY15	FY16
<b>1. Disbursement</b>	<b>398.18</b>	<b>507.92</b>	<b>662.61</b>
i) Grameen Bank	117.23	139.18	169.33
ii) BRAC	133.87	172.57	218.51
iii) ASA	102.60	146.39	209.05
iv) TMSS	18.64	23.48	26.20
v) BURO Bangladesh	23.63	26.30	39.52
<b>2. Recovery</b>	<b>390.04</b>	<b>448.87</b>	<b>444.27</b>
i) Grameen Bank	113.68	135.63	181.00
ii) BRAC	138.39	150.82	193.60
iii) ASA	99.04	117.95	176.49
iv) TMSS	16.02	20.92	24.52
v) BURO Bangladesh	22.90	23.56	31.55
<b>3. Outstanding Loans</b>	<b>252.48</b>	<b>479.79</b>	<b>396.75</b>
i) Grameen Bank	87.73	91.29	109.39
ii) BRAC	81.17	193.46	127.83
iii) ASA	59.29	153.57	120.28
iv) TMSS	10.57	25.01	14.82
v) BURO Bangladesh	13.72	16.47	24.43
<b>4. Loans Overdue</b>	<b>6.16</b>	<b>6.91</b>	<b>7.47</b>
i) Grameen Bank	1.68	1.34	1.27
ii) BRAC	2.12	2.96	3.02
iii) ASA	1.70	1.89	2.38
iv) TMSS	0.33	0.35	0.33
v) BURO Bangladesh	0.32	0.38	0.48
<b>5. Overdue as percentage of outstanding</b>	<b>2.43</b>	<b>1.44</b>	<b>1.88</b>
i) Grameen Bank	1.91	1.47	1.16
ii) BRAC	2.61	1.53	2.36
iii) ASA	2.87	1.23	1.98
iv) TMSS	3.17	1.39	2.24
v) BURO Bangladesh	2.36	2.28	1.96

Source: Microcredit Regulatory Authority (MRA)

and rural credit policy and programme for FY17 with the disbursement target of Taka 175.5 billion which is 7.0 percent higher than the disbursement target of Taka 164.0 billion in FY16. BB also projected the target of SME lending at Taka 1135.03 billion till December 2016. In order to further stimulate of these sectors greater focus has been placed on ensuring adequate flow of credit to various segments in both sectors that will lead the sectors towards sustainable development.