

# BRAC Bank's tractor financing gaining popularity

**Yasir Wardad**

BRAC Bank Limited's tractor financing programme under its small and medium enterprise (SME) banking have drawn vast attention of farmers, officials said.

Farmers claimed that many of them were becoming interested after observing success of others.

The tractor financing programme under bank's SME banking has provided 2000 tractors worth Tk 1000 million in three years among farmers, a high official of BRAC Bank said.

While talking to FE, he said the programme would be continued and expanded with increased fund considering growing interests of

farmers across the country.

"It will also help lessen labourer's requirement during farming season and its owner will be able to use it for cargo transport in off season" he said.

He informed the FE that the farmers could get highest Tk 0.5 million for purchasing a tractor and the tractor would cost them Tk 0.65 to Tk 0.7 million.

Mr Furkan Ali Mandal, a farmer at Matlab Upazila in Chandpur district, said that he used to cultivate his land in traditional way before owning a tractor.

"I used to employ day laborers too to manually cultivate my 15 bighas of land which took time and money to prepare the land." Mr

Furkan added.

He said, "Owning a tractor was a dream for me as I had no ability to arrange so much money to purchase a tractor".

"BRAC Bank's tractor financing programme has solved my problem and many of my fellow farmers are now showing interests for becoming owner of a tractor," he pointed out.

Mr Forkan informed the FE that he used to cultivate his land in farming season and rent it out in off season for cargo transport like brick and cement.

Chief Executive Officer and Managing Director of BRAC Bank Syed Mahbubur Rahman said that the bank turned the farmers'

dream for a tractor into reality.

He said: "BRAC Bank has always been with the productive sectors like agriculture and SMEs of the country and also finance those sectors which are the backbone of our economy".

"The tractors will help farmers in increasing both the harvest and income. We will expand such financing programme in near future," Mr Mahbub added.

In this connection, the BRAC Bank signed agreements with two tractors vendors-the Metal (Pvt) Ltd and the Metal Plus Ltd-for financing under its SME banking who market Tafe and Eicher brands tractors.

The technologically advanced tractors consume 1.75-litre fuel for cultivating one bigha of land and able to cultivate 35 bighas a day.

According to the BRAC Bank SME Division, with more than 1.0 million customers base, the bank has already ensured its position as one of the largest SME financier in just nine years of its operation in Bangladesh (began in 2001).

Above Tk 145 billion has already been disbursed to 0.32 million small and medium entrepreneurs by which above 1.25 million people have been employed.

**Tractor Finance**

