

## PATTERN OF ASSISTANCE OF SCHEMES IMPLEMENTED BY NCDC

NCDC provides financial assistance in the form of loans (both Term Loans and Investment Loans) and subsidy/interest subvention to the cooperative societies for their development. The assistance is provided under various Central Sector Schemes and NCDC Sponsored Scheme. The loan component is provided from out of NCDC's own funds while the subsidy/ interest subvention is provided as per schemes which are being implemented by NCDC. Subsidy is provided subject to availability from Government of India otherwise equivalent amount is provided as loan in lieu of subsidy. The subsidy under CSISAC was for agriculture and allied activities and was disbursed to liquidate the committed liabilities for projects sanctioned under the scheme.

2. **Weaker Section** includes programmes related to (i) Marketing, (ii) Processing (Small & Medium sized processing units related to agriculture and allied activities), (iii) Storage including Cold Chain and (iv) Consumer business and activities related to agriculture & allied activities taken up by (a) Fisheries, (b) Dairy & Livestock, (c) Poultry, (d) Coir, (e) Jute, (f) Sericulture, (g) Handloom & (g) Tobacco Cooperatives. Apart from these programme/activities, Weaker Section benefits will also be extended to Tribal / Scheduled Caste/ Scheduled Tribe/ Hill area, Labour and Women Cooperatives for undertaking the above activities.

3. **The pattern of funding is given as under:**

### A.BUSINESS DEVELOPMENT & INFRASTRUCTURE CREATION:

**Working capital assistance** is extended to all kinds of National, State, District, Regional, and Primary level cooperatives for sectors/activities funded by NCDC for Business Development Activities. Term-loan and Margin Money Loan assistance are extended for the creation of infrastructure as per following pattern of funding:-

Funding through State Government	Direct Funding
<b>Infrastructure Creation (Project Facilities):</b>	
Loan* upto 90%	Loan upto 70%
Society's Share –Minimum 10%	Society's Share - Minimum 30%
<b>Margin Money:</b>	
Loan* for availing Bank credit. 100%	Loan 100%
<b>Working Capital:</b>	
Subject to requirement, as per NCDC assessment.	Subject to requirement, as per NCDC assessment.

\*State Government may pass on the same to society in any combination of loan and/ or share capital and/ or subsidy as per its discretion.

## B. PROCESSING:

### (i) Sugar Mill

The activities covered and pattern of funding are as under:

Activities	NCDC to State Govt.	S/Govt. to Society	Direct Funding
New Sugar Unit	TL- 60%; IL -30% MC-10%	TL - 60%; SC – 30%MC-10%	TL- 70% MC-30%
Modernisation/ Expansion	-do-	-do-	-do-
Working Capital	Loan as per requirement	Loan as per requirement	Loan as per requirement
Sugar By- Products (i) Cogeneration & (ii) Ethanol Unit	TL-90% MC-10%	TL-90% SC/MC-10%	TL-90% MC-10%

(PC- Project Cost; TL- Term loan; IL-Investment loan; SC- Share Capital; MC- Member's contribution)

**Note:** Investment loan to State Governments will be provided only for those sugar cooperatives that have secured firm sanction of term loan from financial institutions/ banks and orders for plant and machinery are finalised etc. Term-loan component for new sugar cooperatives is to be provided by financial institutions / banks etc.

### (ii) Small & Medium Sized Agro-Processing Units:

Assistance is provided for establishment of new units, expansion, modernization, diversification etc. by oil mills, foodgrains units, fruits & vegetable units, plantation crops processing units, dairy units, fishery units, silk reeling/twisting, silk spinning, wool spinning and jute processing and any other agro-processing activity by cooperatives mandated to NCDC.

Funding through State Government/UT	Direct Funding
Infrastructure Creation ( Project Facilities) :	
Loan - 90%	Loan – 70%
Society's share –10%	Society's share – 30%
Margin Money :	
Loan for availing bank credit – 100%	Loan – 100%

## (ii) Cooperative Spinning & Ginning Programmes

The activities covered and pattern of funding are as under:

### (a) Infrastructure

State Government as Primary Borrower	Direct Funding
<b>(a) Establishment of New Units/ Modernisation / Expansion of existing Units</b>	
Loan upto 90%* Society's Share - Minimum 10%	Loan upto 70% Society's Share - Minimum 30%
<b>(b) Rehabilitation of Sick Units</b>	
Loan upto 90%* Society's Share# - Minimum 10%	Not Applicable (State Government's involvement is mandatory)

\* State Government may pass on the same to society in any combination of loan and/ or share capital and/ or subsidy as per its discretion.

# This also may be contributed by the State Government, if need be.

### (b) Margin Money

State Government as Primary Borrower	Direct Funding
<b>Margin Money Assistance</b>	
Loan upto 100%*	Loan 100%

\*State Government may pass on the same to society in any combination of loan and/ or share capital and/ or subsidy as per its discretion.

### (c) Working Capital

Subject to requirement, as per NCDC assessment

## C. INTEGRATED COOPERATIVE DEVELOPMENT PROJECTS (ICDP)

All activities under the mandate of NCDC are eligible for funding under ICDP. The pattern of funding is as under:-

NCDC to State/UT Government	State/UT Government to Society
Loan – 100%  Subsidies, if any, available from the Central Government Department for any eligible activity covered under ICDP, the same may be dovetailed and passed on to the beneficiary cooperatives and the equivalent amount of loan may be reduced by NCDC.	Loan + Share Capital + State Subsidies (if any) – 100%  Subsidies, if any, available from the Central or State Government Department for any eligible activity covered under ICDP, the same may be dovetailed and passed on to the beneficiary cooperatives and the equivalent amount of loan may be reduced by NCDC.

*Note: In case of dovetailed schemes of GoI, pattern of funding will be as per the scheme.*

The financial assistance disbursed by NCDC to the State Government will be for a maximum period of 8 years, repayable in annual installments. There will be 3 years moratorium period on repayment of loan for infrastructural development, while there will not be any moratorium period for repayment of other loans like for margin money, share capital, etc. Also, there will not be any moratorium on payment of interest.

## **D.YUVA SAHAKAR- COOPERATIVE ENTERPRISE SUPPORT & INNOVATION SCHEME:**

The scheme aims at enabling Start-Ups in the Cooperative sector covering all types of activities.

### **Eligibility**

- a) Any type of cooperative society with new, innovative and value chain enhancement intended projects.
- b) The cooperative society should be in operation for a minimum of three months.
- c) The cooperative society should have positive net-worth.
- d) The cooperative society should not have incurred cash loss during previous year(s) of operation, as applicable, and no cash loss in the past three years (if the society is in operation for more than 3 years).

### **Project Cost**

- a) Project cost should not exceed ₹3.00 crore in case of a cooperative society which is in operation for one year or more.
- b) Project cost should not exceed ₹1.00 crore in case of a cooperative society which is in operation for more than three months but less than one year. However, once the cooperative society completes one year of its operation, it would become eligible for assistance as admissible to cooperative society which is in operation for one year or more excluding assistance already availed, if any.
- c) Depending on the nature and activities of a project, working capital loan can be provided as part of the project, however, working capital will not be more than 20% of the total project cost.

### **Loan Period**

Period of loan can be up to 5 years, including 2 years moratorium on payment of principal. Period of moratorium may vary, depending on the type of project and its ability to generate revenue.

### **Rate of Interest**

As an incentive, NCDC will provide 2 % less than its applicable rate of interest on term loan for the project activities. Interest incentive shall be valid only in case of timely repayments.

### **Security**

The cooperative society may offer security for the loan in any one or combination of the following to the satisfaction of NCDC:

- a) Mortgage of assets, including assets to be created under the proposed project.
- b) FDRs of the scheduled banks.
- c) Guarantee of credible cooperative institutions, that is, institution with sound financial condition and proven track record.
- d) Guarantee of State/Central Government
- e) Guarantee by Central PSUs/ Statutory bodies/CSR Foundations of Central PSUs.

- f) Guarantee of Small Farmers' Agri Business Consortium (SFAC)/ North Eastern Development Finance Corporation (NEDFi)/ Small Industries Development Bank of India (SIDBI).
- g) Personal guarantee of Board of Directors/members in the form of Fixed Deposit Receipts (FDRs) and/or Guarantee of scheduled banks.

**Subsidy:**

In case the proposed activity is eligible for subsidy from any other source or scheme, the same will be applicable.

**Funding Pattern:**

The projects would be supported with funding pattern having debt: equity ratio as below:

**Category – A:**

- 80%: 20%
- Any type of cooperative society in the North Eastern Region.
  - Any type of cooperative society registered and operating in Aspirational Districts as identified by the NITI Aayog.
  - Any type of cooperative society with 100% women members.
  - Any type of cooperative society with 100% Scheduled Caste /Scheduled Tribe/Person(s) with Disabilities (PwD) members

**Category – B:**

- 70% : 30%
- Any type of cooperative society which not covered under Category-A for all types of activities.

In case subsidy is eligible for the proposed activity, subject to availability, the loan component would be reduced proportionately.

**E. AYUSHMAN SAHAKAR**

The objectives of the scheme are:

- a) To assist provision of affordable and holistic healthcare through hospitals / healthcare / education facilities by cooperative societies,
- b) To assist promotion of AYUSH facilities by cooperative societies,
- c) To assist cooperative societies meet the objectives of the National Health Policy,
- d) To assist cooperative societies participate in the National Digital Health Mission,
- e) To assist cooperative societies provide comprehensive healthcare including education, services, insurance and activities related thereto.

**Activities covered:**

- 1) **Infrastructure:** For creation, modernization, expansion, repairs, renovation of hospital, healthcare and education infrastructure covering-

a) All types of infrastructure for:

- Hospitals and/ or Medical/ AYUSH/ Dental/ Nursing/ Pharmacy/ Paramedical/ Physiotherapy colleges for running UG and /or PG programmes
- Yoga Wellness Centre
- Ayurveda, Allopathy, Unani, Siddha, Homeopathy other traditional medicine healthcare centres
- Health care services for elderly
- Palliative care services
- Health care services for Persons with Disabilities
- Mental healthcare services
- Emergency Medical Services / Trauma centre
- Physiotherapy centre
- Mobile Clinic Services
- Health Club and Gym
- AYUSH pharmaceutical manufacturing
- Drug testing laboratory
- Dental care centre
- Ophthalmic care centre
- Laboratory services
- Diagnostics services
- Blood Bank / Transfusion services
- Panchkarma/ Thokkanam/ Kshar sutra therapy centre
- Regimental Therapy of Unani (IlajBilTadbeer) centre
- Maternal health and Childcare services
- Reproductive and Child Health services
- Any other related centre or services as may be deemed fit by NCDC for assistance

b) Telemedicine and remote assisted medical procedures,

c) Logistics health, healthcare and education,

d) Information and Communication Technology related to digital health,

e) Health insurance accredited by Insurance Regulatory and Development Authority (IRDA).

2) **Margin money** for raising working capital required for day-to-day operations in respect of those mentioned in the para1 above.

3) **Working capital** for day-to-day operations.

**Eligibility**

Any Cooperative Society registered under any State/ Multi State Cooperative Societies Act in the country, with suitable provision in the bye-laws to undertake services related to hospital/ healthcare/ health education, shall be eligible for financial assistance subject to fulfilment of the guidelines of the scheme. NCDC assistance shall be provided either through the State Governments/ UT Administrations or directly to the cooperatives, which fulfil NCDC Direct Funding guidelines. Dovetailing with other schemes or programmes of Government of India/ State Government/ Other funding Agency is permitted.

**Project Cost**

As per actual requirement.

**Loan Period**

Period of loan will be for 8 years, including 1-2 years moratorium on repayment of principal, depending on the type of project and its ability to generate revenue.

**Rate of Interest**

As per the NCDC circular for interest rate as amended from time to time. As an incentive, NCDC will provide 1% less than applicable rate of interest on the term loan for project activities in case of borrower cooperative society where women members are in majority for the entire tenure of the loan, only if timely repayments are made.

**Security**

NCDC assistance is provided either through the State Government or under Direct Funding. In case of direct funding, the cooperative society may offer security for the loan in any one or combination of the following to the satisfaction of NCDC:

- a. Mortgage of assets, including assets to be created under the project, to the extent of 1.5 times of NCDC loan;
- b. Guarantee by State/ Central Government;
- c. Pledge of FDRs of scheduled banks/ nationalized banks, to the extent of 1.2 times of NCDC loan;
- d. Guarantee by Central PSUs/ Statutory bodies/ CSR Foundations of Central PSUs;
- e. Guarantee from scheduled banks/ Nationalized Banks;
- f. Hypothecation and assignment of Government bonds/ securities to the extent of 1.2 times of NCDC loan.

**Subsidy**

NCDC loan assistance is proposed to be dovetailed with subsidy/ grant/ VGF/ any other mechanism of Government of India or State Government or any other Funding Agency.

**Funding Pattern**

The projects would be supported with the following funding pattern:

Funding through State Government		Direct Funding
NCDC to State Government	State Government to Society	NCDC to Society
<b>Infrastructure Creation (Project Facilities):</b>		
Loan - 90%	Loan - 50%; Share Capital - 40%	Loan- 70%

Funding through State Government		Direct Funding
NCDC to State Government	State Government to Society	NCDC to Society
Society's Share - 10%	Society's Share – 10%	Society's Share - 30%
<b>Margin Money:</b>		
Loan for availing Bank credit. 100%	Loan* or Share Capital or Loan- cum-Share capital 100%	Loan 100%
<b>Working Capital:</b>		
Loan as per requirement	Loan	Loan

#### F. NANDINI SAHAKAR

The scheme aims to improve the socio-economic status of women. It supports entrepreneurial dynamism of women through women cooperatives. It will converge critical inputs of women's enterprise, business plan formulation, capacity development, credit and subsidy and / or interest subvention of other schemes. NCDC, on its own, or as agency of flagship programs of many Ministries has been implementing sectoral schemes. Nandini Sahakar would be a focused framework and would aim at extending financial assistance exclusively to women cooperatives involved in activities coming under the purview of NCDC credit linkage.

#### Eligibility:

Any Women Cooperative Society registered under any State / Multi State Cooperative Societies Act in the country is eligible. Any cooperative society with minimum 50% women members at primary level is also eligible. In case of projects related to new and/ or innovative activities, women cooperatives which are in operation for at least three months, are also eligible for assistance under the scheme as per applicable NCDC guidelines.

#### Activities covered under the scheme:

- ✓ **Infrastructure:** For creation, modernization, expansion, repairs, renovation of infrastructure.
- ✓ **Margin money** for raising working capital required for day-to-day operations.
- ✓ **Working Capital** to run day-to-day business operations.

**Indicative business activities:** The Scheme will assist, except urban housing, any business plan based activity / service mandated to NCDC, for example, agro-processing, supply chains, value addition, logistics, farm mechanization, retail, marketing of food grains, input supply, plantation, horticulture, rural housing, weaker section programs, tribal cooperatives, dairy, poultry, livestock, fishery, handloom, coir, jute, sericulture, computerization, textiles, infrastructure of PACS/ credit / marketing cooperatives, agriculture insurance, water conservation works / services, tourism, hospitality, transport, hospital / health care/ Yoga wellness facility, education, generation & distribution of power, new, non-conventional and renewable sources of energy etc.

#### Mode of assistance:



NCDC assistance will be provided either DIRECTLY or through State Government / UT Administration to eligible cooperatives. Convergence of NCDC credit linkage with schemes of Government of India (such as AIF, DIDF, FIDF, 10,000 FPO, FFPO, PMMSY, PM FME, MSME etc.) or with any scheme of State Government / UT / Development Agencies or with bilateral / multilateral assistance/ CSR Foundations etc is encouraged.

#### **Project Cost:**

There would be no minimum or maximum cap on project cost in case of viable proposals by women cooperative societies which are operating successfully for at least 3 years. The project cost would include infrastructure, margin money and working capital. The project cost limits would be as follows :

<b>SI No.</b>	<b>Tenure of Operation of the Applicant Society</b>	<b>Maximum Project Cost (₹ in crore)</b>
1	> 3 months and < 1 year	1.00
2	> 1 year and < 3 years	3.00
3	> 3 years	As per actual requirement (no limit)

#### **Loan period:**

Period of loan will be of 5-8 years, including 1-2 years of moratorium on repayment of principal, depending on the type of project and revenue streams.

#### **Rate of Interest and interest subvention:**

For credit linkage, NCDC circular on interest rate published from time to time depending on market conditions shall be applicable.

Assistance in the form of interest subvention shall be as follows depending on the nature of activities:

- **Interest subvention for new and innovative activities:** NCDC will provide 2% interest subvention on its rate of interest on term loan portion for new and innovative activities.
- **Interest subvention for activities other than new and innovative activities:** NCDC will provide 1% interest subvention on its rate of interest on term loan portion for all activities.

NCDC interest subvention incentive shall be applicable for timely repayments. Interest subvention or subsidy or support from other schemes of Government of India or any scheme of State Government / UT / Development Agencies or bilateral/ multilateral assistance shall be encouraged and permitted.

#### **Security:**

NCDC assistance is provided either through Direct Funding to the cooperative society or through State Government / UT. In case of direct funding, cooperative society may offer security for loan in any one or combination of the following to the satisfaction of NCDC:

- a) Mortgage of assets, including assets to be created under the project, to the extent of 1.5 times of NCDC loan;
- b) Guarantee by State / UT / Central Government;
- c) Pledge of FDRs of Scheduled banks/ Nationalized banks, to the extent of 1.2 times of NCDC loan;
- d) Guarantee by Central PSUs / Statutory bodies/ CSR Foundations of Central PSUs;
- e) Guarantee from Scheduled Banks/ Nationalized Banks;
- f) Hypothecation and assignment of Government bonds/ securities to the extent of 1.2 times of NCDC loan;
- g) Guarantee of credible cooperative institutions, that is, institution with sound financial condition and proven track record;
- h) Guarantee of Small Farmers' Agri Business Consortium (SFAC)/ North Eastern Development Finance Corporation (NEDFi)/ Small Industries Development Bank of India (SIDBI)/ Credit Guarantee Fund;
- i) Personal guarantee of Board of Directors / members in the form of Fixed Deposit Receipts (FDR).

### **Subsidy**

Nandini Sahakar shall be dovetailed with existing schemes of Government of India / State Government / UT Admn. or with any future scheme or with bilateral / multilateral assistance or development agencies/ CSR mechanisms, as credit linkage. However, if the project cost includes working capital loan component, the subsidy would be eligible only for capital investment of the project cost (excluding working capital). To ensure speedy and smooth implementation of projects, eligible loan can be provided in-lieu of subsidy. The subsidy, as and when received by NCDC for onward disbursement, would be adjusted against the loan account.

**Funding Pattern:**

Funding through State Government		Direct Funding
NCDC to State Government	State Government to Society	NCDC to Society
<b>Infrastructure Creation (Project Facilities):</b>		
Loan – 90%	Loan – 50%; Share Capital – 40%	Loan- 70%
Society's Share – 10%	Society's Share – 10%	Society's Share – 30%
<b>Margin Money:</b>		
Loan for availing Bank credit. 100%	Loan or Share Capital or Loan- cum-Share capital 100%	Loan 100%
<b>Working Capital:</b>		
Loan as per requirement	Loan	Loan

In case of new and innovative project activities, women cooperatives would be supported with pattern of funding as debt: equity 80:20 under Direct Funding.

**G. DAIRY SAHAKAR**

Dairy Sahakar by NCDC is a cooperative dairy business focused framework of financial assistance for encouraging cooperatives to achieve higher outcomes in ESG (environmental, social, governance) linked activities. It includes creation of infrastructure by cooperatives for new projects and modernization and/or expansion of existing projects.

**Activities covered:** Under Dairy Sahakar, financial support by NCDC to eligible cooperatives for activities such as bovine development, procurement, processing, quality assurance, value addition, branding, packaging, marketing, transportation and storage of milk and milk products, exports of dairy products, within the overall objectives of “Atmanirbhar Bharat”.

Financial support by NCDC also covers supporting activities and services, such as, renewable energy, ICT, manufacturing of cattle feed / feed supplements, R&D, PET bottle/packaging material manufacturing, manufacturing of dairy equipment and machinery, dairy related maintenance services, manufacturing of veterinary drugs, delivery of veterinary healthcare services, veterinary/dairy education, capacity development, etc.

**Eligibility**

Any Cooperative Society registered under any State/Multi State Cooperative Societies Act in the country, with suitable provision in the bye-laws.

**Project Cost**

There is no minimum or maximum limit on financial assistance to projects submitted by eligible cooperatives.

**Loan period**

Period of loan can be up to 5 to 8 years, including 1 to 3 years moratorium on repayment of principal.

**a) Infrastructure Creation**

<b>Funding through State Government/UT</b>		<b>Direct Funding</b>
<b>NCDC to State Govt./UT</b>	<b>State Govt./UT to Society</b>	<b>NCDC to Society</b>
Financial assistance/loan upto 95%	Loan and/or Share capital and/or grant <sup>#</sup>	Financial assistance/loan upto 80%
Society's share – Minimum 5%	Society's share – Minimum 5%	Society's share – Minimum 20%

<sup>#</sup> As per the discretion of the State Government

**(b) Margin Money for Business Development**

<b>Funding through State Government/UT</b>		<b>Direct Funding</b>
<b>NCDC to State Govt./UT</b>	<b>State Govt./UT to Society</b>	<b>NCDC to Society</b>
Loan up to 100% for availing Bank credit	Loan and/or Share Capital up to 100%	Loan up to 100%

Note: Eligibility of Margin Money assistance is subject to NCDC assessment.

**(c) Working Capital**

As per requirement subject to NCDC assessment

**H. DIGITAL SAHAKAR**

Aligned with the principles of Digital India, NCDC has conceived a focused financial assistance framework for Digitally Empowered Cooperatives for handholding and credit linkage by NCDC, dovetailed with grant, subsidy, incentives etc. from Government of India / State / UT / agencies with the objective of cooperatives actively partaking in Digital India.

**Eligibility**

Any Cooperative Society registered under any State / Multi State Cooperative Societies Act are eligible for financial assistance under the scheme. FPOs, FFPOs, federated SHG cooperatives are also eligible.

**Mode of assistance**

Assistance is provided by NCDC either directly to the cooperatives or through State Governments/ UT Administrations.

## Project Cost

S. No.	Tenure of operation of Applicant Society	Maximum Project Cost (₹ in crore)
1	> 3 months and < 1 year	1.00
2	> 1 year and <3 years	3.00
3	> 3 years	As per actual requirement (no limit)

## Loan Period

Period of loan can be up to 5 to 8 years, including 1 to 2 years moratorium on payment of principal.

## Rate of Interest

Rate of interest will be applicable as notified from time to time by NCDC.

## Security

The cooperative society may offer security for the loan to the satisfaction of NCDC.

## Subsidy

Subsidy under the flagship schemes of Government of India or any other source will be applicable, if eligible.

## I. SWAYAM SHAKTI SAHAKAR YOJNA

It is a new scheme for providing NCDC's financial assistance to Agricultural Credit Cooperatives for providing loan/advances to Women Self Help Groups (SHGs). The objectives of the scheme are:

- Access to the affordable cost-effective reliable financial services to the poor.
- Facilitating women SHGs to access adequate bank credit to undertake the common/collective socio-economic activities.
- Promotion of sustainable livelihood.

## Eligibility

The following types of Agricultural Credit Co operatives will be eligible for NCDC's loan under this scheme.

- Primary Agricultural Credit Co operatives (PACS)
- District Central Cooperative Banks (DCCBS)
- State Cooperative Banks (StCBs)
- SHG Federated Cooperatives/ Cooperative federations

NCDC loan shall be provided to Credit Cooperatives fulfilling the following criteria of direct funding:

- Cooperatives should have been in operation for not less than 3 years.
- Cooperatives should have positive net worth, not less than 100% paid up share capital, i.e. there should be no erosion in the paid up share capital.

- (iii) Cooperatives should not have incurred any cash loss during last three years and there should be net profit in atleast two of the previous three years.

### **Purpose for which NCDC Assistance Will Be Extended**

NCDC assistance will be extended to eligible Credit Cooperatives for onward lending of working capital loan or term loans to women SHGs.

### **Pattern of Funding**

Loan as per requirement of the Credit Cooperatives and as assessed by NCDC (as per credit cooperatives lending business turnover) for onward lending of short /medium term to women SHGs.

### **Loan Period**

Short term working capital loan will be for upto 3 years with a maximum moratorium of 6 months in repayment of principal amount. However, there will not be any moratorium in payment of interest. Credit Cooperatives may also avail working capital loan for 5 years on revolving basis with yearly validation. Loan shall be repaid in half yearly installments.

### **Rate of Interest**

As per NCDC circular for interest rate as amended from time to time.

### **Security**

The loan shall be secured by one, or combination of two or more, of the following to the satisfaction of NCDC:

- (i) Mortgage of fixed assets of credit cooperatives of value not less than 1.50 times of the loan amount.
- (ii) Pledge of Fixed Deposit Receipts with face value not less than 1.10 times of the loan amount.
- (iii) State Government Guarantee/Bank Guarantee.
- (iv) Hypothecation of Loans/Advances of Credit Cooperatives receivable from women SHGs, atleast to the extent of 1.25 times of the loan amount.

In addition to the above, Loan agreement and Demand Promissory Note will also be stipulated. If required, post dated cheques shall also form part of the security documents.

### **J. DEERGHAVADHI KRISHAK PUNJI SAHAKAR YOJNA**

It is a new scheme for extending NCDC's long term financial assistance to Agricultural Credit Cooperatives towards their onward lending of long term loans/advances for activities/commodities/services under the purview of NCDC. The objectives of the scheme are:

- a. Ensure increased and uninterrupted credit flow to cooperatives and their members.

- b. Boost capital formation in agriculture and allied sector.
- c. Support non-farm sector activities thereby promoting alternate employment opportunities in rural and semi-urban areas.

### **Eligibility**

The following types of Agricultural Credit Co operatives will be eligible for NCDC's loan under this scheme:

- a. Primary Agricultural Credit Co operatives (PACS)
- b. District Central Cooperative Banks (DCCBs)
- c. State Cooperative Banks (StCBs)
- d. Primary Co operative Agriculture & Rural Development Banks (PCARDS)
- e. State Co operative Agriculture & Rural Development Banks (SCARDS)

### **Purpose for which NCDC Assistance Will Be Extended**

NCDC assistance will be extended to eligible Agriculture Credit Cooperatives for on forward lending of long term loans/advances by them for activities/commodities/services under the purview of NCDC.

The indicative list of activities/service in farm sector and non farm sector eligible for availing long term finance from NCDC are as below:

Waste land development, Water conservation works/services irrigation, micro-irrigation in rural, agricultural implements and farm mechanisation, SHGs/JLGs, farm mechanisation, rural sanitation / drainage/sewage systems, land development/land reclamation including water conservation, horticulture development (fruit crops, floriculture, mushrooms, vegetables etc.), Plantation crops (coconut, cashew, arecanut, rubber, coffee, cardamom, tea, bamboo etc.).

Diversified activities (dairy, poultry, piggery, rabbit, fishery, sheep & goat rearing, gobargas/bio-gas, farm house, sericulture, rural godowns, cold storages/storages etc., smallscale industries/agro-processing, food processing units, transport vehicles, labour cooperatives, tourism, electricity and power, Hospital; Healthcare; and Education etc.

The list is only illustrative but not exhaustive. Activities not mentioned therein may also be covered if it falls under the purview of NCDC as mandated by the NCDC Act.

### **Mode of assistance**

NCDC loan shall be provided to eligible credit cooperatives either through the concerned State Government/UT administration or directly to the cooperatives which fulfill the following criteria to be eligible for direct funding:

- (i) The cooperative should have been in operation for not less than 3 years.
- (ii) The cooperative should have positive net worth, not less than 100% paid up share capital, i.e. there should be no erosion in the paid up share capital.
- (iii) The cooperative should not have incurred any cash loss during last three years and there should be net profit in at least two of the previous three years.

**Pattern of Funding**

Loan as per requirement not exceeding 80% of the total requirement by the cooperative taking into account the other sources of finance such as NABARD, State Government, own funds, deposits, other financing institutions etc.

**Loan Period**

The long term loan will be for 5 years without any moratorium in repayment of loan and payment of interest. Rate of interest prevailing at the time of disbursement of loan shall be applicable. In case of loans provided through State Govts, loan shall be repaid in annual instalments and in case of direct funded loans, loan shall be repaid in half yearly instalments.

**Security**

In case of loans sanctioned directly to cooperatives, the loan shall be secured by one, or combination of two or more, of the following to the satisfaction of NCDC:

- (i) Guarantee by State/ Central Government;
- (ii) Guarantee from Scheduled Banks/ Nationalized Banks;
- (iii) Mortgage of fixed assets of the borrower cooperative of value not less than 1.50 times of the loan amount.
- (iv) Pledge of Fixed Deposit Receipts with face value not less than 1.10 times of the loan amount.
- (v) Hypothecation and assignment of Government bonds/ securities to the extent of 1.2 times of NCDC loan.

In addition to the above, loan agreement and demand promissory note will also be stipulated. If required, postdated cheques shall also form part of the security documents.



## OTHER CENTRAL SECTOR SCHEMES:

NCDC dovetails assistance under the following Central Sector Schemes:

### **K. AGRICULTURAL MARKETING INFRASTRUCTURE (AMI) - Sub-Scheme of Central Sector Integrated Scheme for Agricultural Marketing (CS-ISAM)**

Scheme for financial assistance for: -

- Storage infrastructure projects of construction as well as renovation.
- Infrastructure projects other than Storage (Primary processing viz. sorting, grading, chilling, freezing, etc.)
- Standalone cold storage units up to 1000 MT is allowed.

The capital cost of the project for the purpose of subsidy will be calculated on the project cost as appraised by financial institution or actual cost of eligible components as certified by a Chartered Accountant, whichever is lower.

#### **Pattern of funding under AMI – other than Storage Infrastructure:**

Category	Rate of Subsidy (on capital cost)	Maximum Subsidy Ceiling (₹ in lakh)
A) North Eastern States, Sikkim, States of Uttarakhand, Himachal Pradesh, Jammu & Kashmir, UTs of Andaman & Nicobar and Lakshadweep Islands, hilly* and tribal areas	33.33%	30.00
B) <b>In other Areas:</b> 1.For Registered FPOs, Women, Scheduled Caste / Scheduled Tribe beneficiaries and their cooperatives**	33.33%	30.00
2.For all other categories of beneficiaries	25%	25.00

#### **Pattern of funding under AMI: for storage infrastructure:**

Category		Rate of subsidy (on capital cost)	Subsidy Ceiling		
			50 - 1000 MT in ₹/MT	More than 1000 MT and upto 10,000 MT in ₹/MT	Maximum Ceiling (₹ in lakh)
A.	State Agencies in North Eastern States, Sikkim, UTs, of A&N and Lakshadweep Islands and hilly* areas & Project channelized through NCDC	33.33%	2,666.40	2,666.40	266.61
B.	For all other categories of beneficiaries in NE States, Sikkim, UTs of And& Nicobar, Lakshadweep Island, hilly areas & PACS	33.33%	2,666.40	2,666.40	133.32
In other Areas					
1	State agencies & Projects of Coop. channelized thorough NCDC	25%	1,750/-	1,500/-	150.00

Category		Rate of subsidy (on capital cost)	Subsidy Ceiling		
			50 - 1000 MT in ₹/MT	More than 1000 MT and upto 10,000 MT in ₹/MT	Maximum Ceiling (₹ in lakh)
2	For Registered FPOs, Panchayat, Women, SC /ST entrepreneurs or their coops / SHGs & PACS	33.33%	2,333/-	2,000/-	100.00
3	For all other categories of beneficiaries	25%	1,750/-	1,500/-	75.00

\* Hilly area is a place at an altitude of more than 1,000 meters above mean sea level.

\*\*SC/ST Cooperatives to be certified by the concerned officer of the State Govt.

**Other norms: -**

- Minimum 10% of the block cost to be met by beneficiary society/State Government.
- Cost norms for computing subsidy for silos will be the same as for other storage infrastructure.
- Assistance for renovation will be allowed and restricted to Storage infrastructure project of Cooperatives routed through NCDC only for project cost as appraised by Bank / NCDC or actual cost or Rs. 750/- per MT of Storage capacity, whichever is lower.
- Additional subsidy in respect of storage infrastructure may be provided to PACS for ancillary facilities like boundary wall, internal road, internal drainage system, weighing, grading, packing, quality testing & certification, firefighting equipment etc. which are functionally required to operate the project. Subsidy for ancillary facilities may be restricted to a maximum 1/3<sup>rd</sup> of the total permissible subsidy of the godown component or actual whichever is lower.

**L. MISSION FOR INTEGRATED DEVELOPMENT OF HORTICULTURE (MIDH) / NATIONAL HORTICULTURE BOARD (NHB) / NATIONAL HORTICULTURE MISSION (NHM)**

Credit linked back ended subsidy @ 35% of project cost in general areas and @ 50% of project cost in Hilly, North East & Scheduled Areas, is provided under MIDH/NHB/NHM schemes for establishment of integrated pack house, pre-cooling units, cold room, mobile pre-cooling unit, ripening chambers and refrigerated transport vehicle. Pattern of assistance under MIDH/NHB/NHM schemes will be as under:

General Areas			North East, Hilly and Scheduled Areas		
NCDC to State Government	State Govt. to Society	Direct Funding	NCDC to State Govt.	State Govt. to Society	Direct Funding
Loan 55% BES* 35%	Loan 45% SC 10% BES* 35%	Loan 55% BES* 35%	Loan 40% BES* 50%	Loan 30% SC 10% BES* 50%	Loan 40% BES* 50%
Members' Contribution	10%	10%	10%	10%	10%

\* Back Ended Subsidy subject to availability from Government of India / NHM / NHB otherwise equivalent loan from NCDC for that particular Coldchain component.

However, higher subsidy is available for some small components, like small pack house with size of 9 M\*6 M, evaporative/low energy cool chamber (8 MT), preservation unit (low cost), low-cost onion storage structure (25 MT) and Pusa Zero energy cool chamber (100 kg), and in their cases 50% of the total cost is provided as subsidy. The details of cost norms, pattern of assistance, operational guidelines, etc. may be seen at websites like [www.midh.gov.in](http://www.midh.gov.in), [www.nhb.gov.in](http://www.nhb.gov.in).

- a) Should be legal entity and have raised equity from its members as per the Bye-laws
- b) Number of shareholders are in accordance with the scheme
- c) Minimum 50% shareholders from small and marginal and landless tenants
- d) Maximum shareholding per member should not have exceeded 10% of total equity
- e) Board of Director and Governing Body should have women participation
- f) Having business plan and budget for next 18 months based on sustainable revenue model.

**M. Interest Subvention & Credit Guarantee through Financing Facility under Agriculture Infrastructure Fund (AIF) scheme - Ministry of Agriculture & Farmers' Welfare**

NCDC is designated as one of the implementing agency (IA) for the AIF scheme. The scheme will facilitate beneficiary cooperatives to avail medium/long term debt financing facility for investment in viable projects relating to post-harvest management, infrastructure and community farming assets in order to improve agriculture infrastructure in the country.

**Key features:**

- a) Interest subvention of 3% per annum on loans up to a limit of Rs.2 crore for a period of 7 years.
- b) In case of loans beyond Rs.2 crore, then the interest subvention will be limited to Rs. 2 crore only.
- c) Credit Guarantee coverage under Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) scheme for loans up to Rs.2 crore.

**N. Assistance for Boosting Seed Production component under Sub-Mission for Seed and Planting Material (SMSP) of National Mission on Agricultural Extension and Technology (NMAET)**

The Corporation is implementing the above said component under Sub-Mission for Seed and Planting Material (SMSP) of National Mission on Agricultural Extension and Technology (NMAET). Under the component, the assistance would be limited to creation of infrastructure facilities relating to seed cleaning, grading, processing, seed treating, packaging and storage units as well as for seed testing facilities including R&D. National Seeds Corporation will be the nodal agency for implementation and monitoring of this component.

Credit linked back ended subsidy will be available @ 40% of the capital cost of the project in general areas and 50% in case of hilly and scheduled areas subject to an upper limit of ₹150 lakh per project. Two percent (2%) of the total fund utilized under the component will be allowed as administrative charges to the Nodal Agency. Assistance for construction of seed godowns and creation other infrastructure facilities mentioned above is provided by NCDC. The pattern of funding will comprise term loan to the extent of maximum 52% of block cost, subsidy of 38% of block cost ( subject to maximum block cost of ₹150.00 lakh) and society share of minimum 10% of block cost.

**O. PM Matsya Sampada Yojana (PMMSY) scheme of Department of Fisheries, Ministry of Fisheries, Animal Husbandry and Dairying:**

A dedicated scheme for development of fisheries sector which addresses the critical gaps in fish production and productivity, quality, technology, post-harvest infrastructure, modernization and strengthening of value chain, traceability, establishing a robust fisheries management framework and fishers' welfare.

The PMMSY is an umbrella scheme with two separate components namely (a) Central Sector Scheme (CS) and (b) Centrally Sponsored Scheme (CSS). The CSS Component is further segregated into non-beneficiary oriented and beneficiary orientated sub-components/activities under the following three broad heads:

- (i) Enhancement of Production and Productivity
- (ii) Infrastructure and Post-harvest management
- (iii) Fisheries Management and Regulatory Framework

**PATTERN OF FUNDING:**

<b>Central Sector Scheme (CS) Component</b>	<ul style="list-style-type: none"><li>The <b>entire project/unit cost</b> will be borne by the Central government (i.e. 100% central funding)</li><li>In case of beneficiary oriented activities undertaken by government and its entities including NFDB, the central assistance will be limited to 40% of the unit/project cost for General category and 60% for SC/ST/Women category</li></ul>
<b>Centrally Sponsored Scheme (CSS) Component</b>	<p><u>Non Beneficiary-oriented activities:</u></p> <ul style="list-style-type: none"><li><b>Entire project/unit cost</b> will be shared between Centre and State as per details below:</li><li>60:40 between the Central and General States</li><li>90:10 Between the North East &amp; Himalayan States</li><li>100% for UTs and Central Government Entities</li></ul> <p><u>Beneficiary-oriented i.e. individual/group activities:</u></p> <ul style="list-style-type: none"><li>Government financial assistance of both Centre and State governments together will be limited to <b>40%</b> of the project/unit cost for General category and <b>60%</b> of the project/unit cost for SC/ST &amp; Women.</li><li>This governmental assistance will in turn be shared between Centre and State in the following ratio: North East &amp; Himalayan states: 90% Central share and 10% State share Union Territories :100% Central share Other States:60% Central share and 40% state share</li></ul>

**FORMATION AND PROMOTION OF FISH FARMER PRODUCER ORGANIZATIONS (FFPOs):**

Under the PMMSY scheme, Department of Fisheries, Ministry of Fisheries, Animal Husbandry & Dairying, GoI accorded approval to NCDC for formation and promotion of 1070 FFPOs (70 to be formed and registered under Cooperative Societies Act and 1000 existing Primary Fisheries Cooperative Societies (PFCS) to be strengthened as FFPOs)

**P. PM Matsya Kisan Samridhi Sah-Yojana (PM-MKSSY) – sub scheme under PMMSY by Department of Fisheries, Ministry of Fisheries, Animal Husbandry and Dairying.**

PM-MKSSY is a Central Sector Sub-scheme under the Pradhan Mantri Matsya Sampada Yojana (PMMSY). The Union Cabinet approved the scheme on 8th February 2024 for a period of four years from FY 2023-24 to FY 2026-27. PM-MKSSY will be implemented in all the States and Union Territories with an estimated outlay of Rs.6000 crore. PM-MKSSY intends to address the inherent weaknesses of the sector through identified financial and technological intervention for bringing in institutional reforms to support the transformation of the fisheries sector in the Long-term.

NCDC is one of the Intermediary Agencies (IA) under the sub-scheme for Strengthening of 5500 Primary Fisheries Cooperatives Society (PFCS) to function as fish farmers Producers Organizations (FFPOs) to make them as economic vibrant organizations. Department of Fisheries, Government of India vide letter No. j-01013/3/2025-Fy dated 20.01.2025 allocated a target of 2076 PFCS and vide letter no. j-01013/3/2025-Fy dated 02.04.2025 again allocated 272 PFCS, totalling 2348 PFCS allotted for 18 States and UTs Andhra Pradesh, Goa, Gujarat, Maharashtra, Tamil Nadu, West Bengal, A & N Island, Daman & Diu, Lakshadweep, Puducherry, Haryana, Punjab, Jharkhand, Himachal Pradesh, Ladakh, Rajasthan, Uttarakhand and Jammu Kashmir.

**Eligibility Criteria of Primary Fisheries Cooperative**

The cooperative shall consist of Fish Farmers, Fishers, Fish Workers, Fish Vendors, entrepreneurs, or any other person(s) associated with fisheries and aquaculture value chain activities.

- The fisheries cooperative should
- have minimum 35 members for Plains/Hilly/Himalayan and North-eastern regions
- be registered and operational for last three (3) years.
- have an elected and active board.
- Fisheries cooperative societies already supported for this purpose under PMMSY or other Government Scheme or where business plans have already been prepared by CBBOs will not be eligible.

**Financial Provision under PM-MKSSY**

S. No.	Activities	Unit cost (in ₹)
1	Gap analysis of the identified fisheries cooperative and preparation of a suitable business plan including mentoring and institutional charge of 2.5%	1,00,000
2	Need based financial support viz. Office requirements, Office Furniture, and equipment etc.	90,000
3	Training and capacity Building of selected Cooperative	10,000
<b>Total</b>		<b>2,00,000</b>

- Fund to Primary Fisheries Cooperatives shall be done as per financial sanction on submission of gap analysis and business Plan.
- Intermediary Agency will submit quarterly bills to DoF and fund will be disbursed as per the conditions of Financial Sanction for gap analysis and business plan and for imparting training.
- Funds to the CBBOs will be released only after receiving funds from Department of Fisheries, Government of India. There is no provision for advance release of funds under the scheme.

**Q.PM Formalisation of Micro Food Processing Enterprises (PMFME) – Ministry of Food Processing Industries:**

**Objective:**

- Increased access to credit by existing micro food processing entrepreneurs, FPOs, Self Help Groups and Co-operatives;
- Integration with organized supply chain by strengthening branding & marketing;
- Support for transition of existing 2,00,000 enterprises into formal framework;
- Increased access to common services like common processing facility, laboratories, storage, packaging, marketing and incubation services;
- Strengthening of institutions, research and training in the food processing sector; and
- Increased access for the enterprises, to professional and technical support.

**Pattern of Funding:**

The Scheme provides for supporting Cooperatives involved in food processing sector through a credit-linked grant @35% of the eligible project cost, for capital investment for upgradation of existing processing activities/establishing new units for processing of both ODOP and non ODOP products.

**Implementation Mechanism:**

The scheme will be implemented through state governments and it offers huge opportunities to producer cooperatives to develop forward and backward linkage in the agro value chain and connect with national and international markets.

**R. Scheme for Formation and Promotion of 10,000 Farmer Producer Organizations (FPOs) – DAC&FW, MoA&FW**

**The Scheme**

The Scheme aims to achieve inclusive and sustainable transformation of agriculture sector by creation of holistic and supportive ecosystem through collectivization of small and marginal farmers in the form of Farmer Producer Organizations (FPOs).

## **The Role of NCDC in promoting FPOs**

As an Implementing Agency under the Scheme, NCDC, in accordance with its mandate forms and promotes the allocated number of FPOs, which are registered under the State Cooperative Societies Acts. In addition to the earlier State Cooperative Acts, these include the Mutually Aided or Self Reliant Cooperative Societies Acts or by whatever name called, or the Multipurpose Cooperative Societies Act (MSCS Act).

NCDC promotes FPOs through empanelled Cluster Based Business Organisations (CBBOs) under the scheme, which function at the block level and are responsible for the formation, nurturing and handholding of FPOs allocated to NCDC under the Scheme.

### **Cluster Based Business Organisation (CBBO)**

- (i) Implementing Agencies identifies Cluster Based Business Organization (CBBO) at the State / Cluster level to form FPO;
- (ii) In a given State, based on geography produce clusters, cropping patterns, etc there can be one or more CBBO, and a CBBO can also work in more than one State.
- (iii) CBBOs have professional expertise and requisite experience in agriculture and allied sector and should have a panel of specialists in the area of : (a) Crop husbandry; (b) Agri. marketing / Value addition and processing; (c) Social mobilization; (d) Law & Accounts; and (e) IT/MIS in agriculture & agriculture marketing.

### **Benefits available to different stakeholders**

#### **a) Incentive to Cluster Based Business Organisation (CBBOs)**

The FPO formation and incubation cost of CBBO, limited to a maximum of ₹25 lakh/ FPO of support or actual, whichever is less is provided for five years from the year of formation. It includes the cost towards undertaking baseline survey, mobilisation of farmers, organising awareness programmes and conducting exposure visits, professional hand-holding, incubation, and other overheads.

Payment to the CBBOs is released by Implementing agency after receiving utilisation certificate of previously released amount.

#### **b) FPO Management Cost**

Under the scheme, financial support up to a maximum of ₹18.00 lakh / FPO or actual, whichever is lesser is provided to FPO for three years from the year of formation. From the fourth year onwards, the FPO has to manage their business activities.

The indicative financial support is as under:-

- Salary of CEO / Manager maximum up to ₹25000 p.m
- Salary of Accountant maximum up to ₹10000 p.m.
- One-time Registration Cost maximum up to ₹40000

- Travel and meeting cost maximum up to ₹18000 per year
- Office rent maximum up to ₹48000 per year
- Utility charges (mobile & electricity) maximum up to ₹12000 per year
- One time cost for furniture & fixtures maximum up to ₹100000
- Miscellaneous (cleaning/stationery) maximum up to ₹12000 per year

Any expenditure of operations, management, working capital requirement and infrastructure development etc. over and above this is to be met by the FPOs from their sources.

#### **c) Equity Grant to FPO**

- Equity grant provided is in the form of the matching grant up to ₹2000 per farmer member of FPO subject to a maximum limit of ₹15.00 lakh per FPO.
- FPO can draw the Equity Grant in a maximum of 3 tranches (within 4 years of the first application) subject to the cap and the extent it is able to raise additional member equity to qualify for additional marketing grant.

#### **d) Credit Guarantee Facility for Lending Institutions**

Providing a Credit Guarantee Cover to Eligible Lending Institutions (ELI) enables them to provide collateral free credit to FPO minimising their lending risks.

Credit Guarantee Cover per FPO is limited up to loan assistance of ₹2.00 crore:

- Loan upto ₹1 crore – guarantee cover 85% of the loan with ceiling of ₹85 lakh (maximum guarantee fee 0.75% of credit facility)
- For ₹1-2 crore, guarantee cover 75% with a maximum ceiling of ₹150 lakh (maximum fee 0.85% of credit facility)

For details, please visit <https://agricoop.nic.in/en>.

### **S. Pradhan Mantri Kisan Sampada Yojna (PMKSY) – Ministry of Food Processing Industries :**

#### **i) Scheme for Agro-Marine Processing and Development of Agro-Processing Clusters-**

PM Kisan SAMPADA Yojana is a comprehensive package which will result in creation of modern infrastructure with efficient supply chain management from farm gate to retail outlet. The following schemes are being implemented for value addition under PM Kisan SAMPADA Yojana:

- Creation/ Expansion of Food Processing/ Preservation Capacities
- Agro Processing Cluster
- Food Safety & Quality Assurance Infrastructure

#### **Pattern of Funding:**



The Scheme envisages grants-in-aid @ 35% to 70% of eligible project cost depending upon the Area and components of the projects as per the Scheme. For details, please visit [www.mofpi.nic.in](http://www.mofpi.nic.in).

## **ii) Integrated Cold Chain and Value Addition Infrastructure Scheme-**

The objective of the Scheme is to provide integrated cold chain, preservation and value addition infrastructure facilities without any break, from the farm gate to the consumer in order to reduce post-harvest losses of **non-horticulture produce, dairy, meat, poultry, and marine/ fish (except shrimp)**. This will enable linking producers to food processors and market through a well-equipped supply chain and cold chain, thereby ensuring remunerative prices to farmers and year-round availability of food products to consumers.

### **Pattern of Funding:**

Grants-in-aid will be @35% of eligible project cost for projects in General Areas and @50% of eligible project cost for projects in difficult Areas as well as for projects of SC/ST, FPOS and SHGs, subject to the maximum of ₹10 crore per project. Cost Norms issued by the Ministry or the Mission for Integrated Development of Horticulture (MIDH) will be followed, wherever available. For details, please visit [www.mofpi.nic.in](http://www.mofpi.nic.in).

## **T. National Scheduled Tribes Finance and Development Corporation (NSTFDC), Ministry of Tribal Affairs**

**National Scheduled Tribes Finance & Development Corporation (NSTFDC)** provides financial assistance on liberal terms for activities undertaken by ST Cooperatives.

### **Features:**

Concessional finance with reduced rates of interest is available from NSTFDC for ST Cooperatives subject to fulfilment of the following criteria:

- Minimum 80% or more members should belong to Scheduled Tribes Community and annual family income of the applicant(s) should not exceed double the poverty line.
- In case of change in membership, the said Cooperative Society shall ensure that percentage of ST members does not fall below 80% during the currency of the NSTFDC loan.

The concessional finance is subject to the receipt of the approval from NSTFDC.

For details, please visit <https://tribal.nic.in/nstfdc.aspx>.

## **U. National Livestock Mission (NLM) and Rashtriya Gokul Mission (RGM) - Ministry of Fisheries, Animal Husbandry & Dairying:**

Under these schemes, Farmer Cooperative Organizations (FCOs) / Farmer Producer Organizations (FPOs) (registered under cooperative societies act) are eligible to avail the assistance from NCDC. The eligible proposals will be funded as per lending

norms of NCDC in cognisance with respective scheme. Details of eligible activities; components and pattern of funding are as under:

**National Livestock Mission:**

S.No	Activities	Components	Funding Pattern
1	Breed development of livestock & poultry	Assistance will be provided for establishment of Parent Farm, Rural Hatchery, with Mother unit with minimum 1000 parents layer.	Loan upto 50% of block cost & GoI subsidy upto 50% of total project cost (max. ₹25 lakh)
2	Breed development in small ruminant (sheep/goat)	Sheep/Goat breeding Unit in multiple of 100 females + 5 males unit with maximum limit upto 500 + 25 animals per unit.	Loan upto 50% of block cost & GoI subsidy upto 50% of total project cost (max. ₹50 lakh)
3	Promotion of piggery entrepreneur	Assistance will be provided for set up of breeder farm with minimum 50 sows and 5 boars upto 100 sows & 25 boars.	Loan upto 50% of block cost & GoI subsidy upto 50% of total project cost (max. ₹30 lakh).
4	Entrepreneurs hip activities in feed & fodder	Assistance will be provided for establishment of hay/silage/total mixed ration /fodder block.	Loan upto 50% of block cost & GoI subsidy upto 50% of total project cost (max. ₹50 lakh)

**Rashtriya Gokul Mission:**

S.No	Activity	Component	Funding Pattern
1	Breed Multiplication Farm (BMF)	BMF is proposed to establish through entrepreneurship model for making available high genetic merit heifer to farmers. Farm capacity of 200 Milch animals capacity. For NER/hilly areas, Farm capacity of 50 Milch animals capacity.	Total estimated project cost will be ₹4 crore. Loan upto 50% of block cost (max. ₹2 crore) & GoI subsidy upto 50% of total project cost (max. ₹2 crore) routed through NDDB.

For details, please visit <https://www.dahd.nic.in/>

**V. Re-aligned Animal Husbandry Infrastructure Development Fund (AHIDF)**

NCDC is one of the lending institutions under Re-aligned Animal Husbandry Infrastructure Development Fund scheme of Department of Animal Husbandry

&Dairying (DAHD), Ministry of Fisheries, Animal Husbandry & Dairying, GoI. Under this scheme, Dairy Cooperatives, FPOs (registered under cooperative societies act) & MSMEs (registered under cooperative societies act) are eligible to avail the assistance from NCDC. The eligible proposals will be funded as per lending norms of NCDC in cognisance with respective scheme. Under the scheme, eligible borrower will be able to avail interest subvention of 3% (on NCDC rate of interest which is circulated from time to time) subject to approval of DAHD, GoI and term loan upto 90% of the project cost for a period of maximum 10 years including moratorium of maximum 2 years on repayment of principal. Activities eligible under the scheme are as under:

- i) Dairy Processing and value addition infrastructure;
- ii) Meat processing and value addition infrastructure;
- iii) Animal Feed Plant;
- iv) Breed Improvement technology and Breed Multiplication Farm;
- v) Setting up of Veterinary Vaccine and Drugs Manufacturing facilities;
- vi) Animal Waste to Wealth Management (Agri Waste Management);

For details of sub-components of the aforesaid major activities and other details, please visit at: <https://dahd.nic.in>

## **NOTES FOR AVAILING NCDC ASSISTANCE**

### **I. GENERAL CRITERIA**

- i) Debt-Equity ratio in case of processing units and other infrastructural facilities can be adjusted keeping in view the viability of the projects. Members' contribution could be reduced provided the State Government makes good the members' part of the share.
- ii) In case of projects funded under specific schemes of the Government of India/other Institutions, their pattern of assistance will apply.
- iii) The Schemes of NCDC could be dovetailed with the schemes of Govt. of India/Departments of Government/any other source(s). The pattern of assistance will be adjusted accordingly; with the condition that only one central subsidy shall be available. State Governments can however contribute subsidy from their sources, if considered desirable.
- iv) Assistance to cooperatives having area of operations in more than one state could be provided directly subject to suitable security by way of mortgage of assets etc.
- v) Direct funding will be as per the guidelines decided by NCDC from time to time.
- vi) Pattern of assistance indicates the maximum limit of financial assistance that can be provided.
- vii) Programme/Project should meet the Statutory/Obligatory requirements viz. pollution, environment, hygiene etc.
- viii) Cooperatives shall normally have a democratically elected Board, professionally managed and proper arrangements for forward and backward linkages.

### **II. NORMS FOR DIRECT FUNDING**

NCDC may extend direct assistance to existing cooperatives in operation fulfilling the following conditions:

- i) The society seeking assistance should have positive net-worth and its share capital should not have been eroded;
- ii) The debt equity ratio considering all long term loans should normally be in the range from 65:35 to 70:30 for projects involving manufacturing/processing activities;
- iii) Audit of account should be complete upto previous year within 6 months of close of the financial year. In case where audit is undertaken by Government auditors and is not completed, accounts audited by Chartered Accountant will be submitted. In the case of newly formed society the 6 months period will be reckoned from the date when it is due as per the Act under which the society is registered;

- iv) The cooperative seeking NCDC assistance, or any other cooperative in which Directors of this cooperative have been Directors, should not have any major default in repayment of loans to NCDC/Banks/Financial Institutions;

Mere fulfilment of eligibility criteria does not entitle the cooperative to be eligible for direct funding from NCDC. NCDC would examine viability of the projects with regard to various parameters as detailed below:

- i) Technical feasibility & financial viability of project;
- ii) Financial soundness of the cooperative;
- iii) Past financial & operational performance of the cooperative (wherever applicable);
- iv) Professional expertise of the Management/employees of the cooperative;
- v) Experience of the management of the cooperative in handling similar projects;
- vi) Past loan repayment performance of the cooperative (wherever applicable);
- vii) Capacity of the cooperative to raise its share of project cost;
- viii) Availability of adequate security for the loans sought from NCDC

Only such projects, which in opinion of NCDC are viable based on these parameters, shall be eligible for direct funding assistance from NCDC. Further, the cases of Cooperatives which do not have track record will be carefully appraised, and the background & capability of promoters of cooperative would be assiduously assessed.

The other terms, conditions and criteria are available at NCDC's website [www.ncdc.in](http://www.ncdc.in)

### **III. SECURITY**

NCDC assistance is provided either through the State Government or under Direct Funding. In case of direct funding, the cooperative society may offer security for the loan in any one or combination of the following to the satisfaction of NCDC:

- i. Value of assets to be mortgaged to NCDC as security against the loans should have adequate security margin, normally not less than 1.25 to 1.5 times. (Shortfall in the security may be made good by way of guarantee of a scheduled bank or an FDR of scheduled bank endorsed in favour of NCDC). Margin in case of security of FDR may not be less than 1.1 times;
- ii. Working capital loans to cooperative societies/federations may be secured by hypothecation of stocks/debtors/other assets, keeping a minimum margin of 20%. If considered necessary, NCDC may ask for additional security of first or second charge on the fixed assets. In case of working capital loan for government procurement or Price Support operations no minimum margin may be insisted;
- iii. Guarantee by State/ Central Government;
- iv. Guarantee by Central PSUs/ Statutory bodies/ CSR Foundations of Central PSUs;

- v. Guarantee of Small Farmers' Agri Business Consortium (SFAC)/ North Eastern Development Finance Corporation (NEDFi)/ Small Industries Development Bank of India (SIDBI)/ Organization/Federation of repute.
- vi. Guarantee from Scheduled/Nationalized Banks;
- vii. Personal guarantee of Board of Directors/members in the form of Fixed Deposit Receipts (FDRs) and/or Guarantee of scheduled banks.
- viii. Pledge and assignment of Government bonds/ securities to the extent of 1.1 times of NCDC loan.

#### **IV. DISBURSEMENT OF FUNDS:**

- i) NCDC will consider disbursement of 25% ways & means advance only after the society has raised 50% and utilized 40% of equity portion of the project by way of members/state govt. share capital and internal accruals.
- ii) As per existing procedure, subsequent releases will normally be considered based on the expenditure incurred and committed expenses for one month as certified by a Chartered Accountant. For the projects involving NCDC assistance above 10 croresuch certification may be carried out by a Chartered Accountant from the panel approved by NCDC.
- iii) **Processing fee:** In case of direct funding, processing fee shall be charged for NCDC sanction @ 0.5% of the sanctioned amount, not exceeding ₹3.00 lakh (0.5% of ₹6.00 crore) in each case, excluding GST. However, processing fee shall not be charged for working capital loans upto one year.Processing fee shall also not be chargeable, if the borrower is the State Government.