



National Cooperative Development Corporation

Assisting Cooperatives. Always!

**ACTIVITIES ASSISTED BY NCDC
AND
PATTERN OF ASSISTANCE**

राष्ट्रीय सहकारी विकास निगम

NATIONAL COOPERATIVE DEVELOPMENT CORPORATION

4, Siri Institutional Area, Hauz Khas, NEW DELHI - 110016

Phone: 011-26962478, 26960796, 26962379, 26569246

FAX: 011-26962370, 26516032 Email: mail@ncdc.in

NCDC FIELD OFFICES

BENGALURU

K.H.B. Complex,
3rd Floor, National Games Village,
Koramangala, Bengaluru-560 047.

Ph.080-25702112
Fax:080-25701860
E-mail: RO.Bangalore@ncdc.in

(Jurisdiction **Karnataka**)

CHANDIGARH

S.C.O. No. 150-152, Ground Floor,
Sector 34-A,
CHANDIGARH-160 022.

Ph: 0172-2660127
Fax : 01722660227
Email: RO.Chandigarh@ncdc.in

(Jurisdiction **Punjab, Haryana,
Jammu & Kashmir, Chandigarh**)

GANDHINAGAR

Plot No. 272-273,
Behind Central Bank of India,
GH Road, Sector-16
Gandhi Nagar-382 016.

Ph.079-23222293
Fax: 079-23238292
E-mail: RO.Gandhinagar@ncdc.in

(Jurisdiction **Gujarat, Daman & Diu**)

JAIPUR

1st Floor, Central Block,
Nehru Sahakar Bhawan,
Bhawani Singh Road,
Jaipur-302 001.

Ph./Fax 0141-2740327
E-mail: RO.Jaipur@ncdc.in

(Jurisdiction **Rajasthan**)

PUNE

5, B.J.Road,
Pune-411 001.
Ph. 020-26127049 Fax: 020-26128027
E-mail: RO.Pune@ncdc.in

(Jurisdiction **Maharashtra, Goa, Dadra
& Nagar Haveli**)

RANCHI

M 23/DS, Harmu Housing Colony,
Near BJP Office,
Ranchi – 834 002.
Ph. 0651-2972194
Fax : 0651-2241494

Email : RO.Ranchi@ncdc.in

(Jurisdiction **Jharkhand**)

BHOPAL

A-8, 3rd Floor,
Platinum Plaza,
T.T. Nagar, Bhopal-462 003.

Ph.0755-4902397
Fax: 0755-4902392
E-mail: RO.Bhopal@ncdc.in

(Jurisdiction **Madhya Pradesh**)

CHENNAI

Module No. 34 & 35, Garment
Complex, 2nd floor, Industrial Estate,
Guindy, Chennai-600 032.

Ph.044-22500824
Fax:044-22500034
E-mail: RO.Chennai@ncdc.in

(Jurisdiction **Tamil Nadu, Puducherry**)

GUWAHATI

Bora Service Station Bldg.
2nd Floor, G.S. Road, Ulubari,
Guwahati-781 007.

Ph.0361-3511071/2526327
E-mail: RO.Guwahati@ncdc.in

(Jurisdiction **Assam, Meghalaya
Manipur, Tripura, Nagaland,
Arunachal Pradesh, Mizoram**)

KOLKATA

P-161/1, 4th Floor,
VIP Road,
Kolkata-700 054.

Ph.033-23554943 Fax:033-23555538
E-mail: RO.Kolkata@ncdc.in

(Jurisdiction **West Bengal, Sikkim and
Andaman & Nicobar Island**)

PATNA

Maurya Lok Complex,
A-Block, 2nd floor, Room No.20-21,
Patna-800 001.
Ph.0612-2221467
Fax: 0612-2211604
Email: RO.Patna@ncdc.in

(Jurisdiction **Bihar**)

SHIMLA

Kay Kay House
Upper Kaithu,
Near Tara Hall School
Shimla-171 003.
Ph. 0177-2657689 Fax: 0177-2658735
E-mail: RO.Shimla@ncdc.in

(Jurisdiction **Himachal Pradesh**)

BHUBANESWAR

Alok Bharati Complex,
G floor, Sahid Nagar,
Bhubaneswar-751 007.

Ph.0674-2542107
Fax: 0674-2545874
E-mail: RO.Bhubaneswar@ncdc.in

(Jurisdiction **Odisha**)

DEHRADUN

B 2, Friends Enclave, Shahnagar,
PO: Defence Colony,
Dehradun-248 001

Ph./Fax 0135-2665945
E-mail: RO.Dehradun@ncdc.in

(Jurisdiction **Uttarakhand**)

HYDERABAD

5-10-193, HACA Bhavan,
2nd floor, Opp. Public Garden,
Next to All India Radio
Hyderabad-50 0004.

Ph.040-23233760 Fax:040-23240615
E-mail: RO.Hyderabad@ncdc.in

(Jurisdiction **Andhra Pradesh &
Telangana**)

LUCKNOW

Sahakarita Bhavan,
14, Vidhan Sabha Marg,
Lucknow-226 001.

Ph.0522-2613093 Fax: 0522-4231523
E-mail: RO.Lucknow@ncdc.in

(Jurisdiction **Uttar Pradesh**)

RAIPUR

House No.194, 1st Floor, Main Road,
Samta Colony,
Raipur – 492 001.
Ph. No.0771-2252086
Fax No.0771-2442086
Email : RO.Raipur@ncdc.in

(Jurisdiction **Chhattisgarh**)

THIRUVANANTHAPURAM

House No: GV-2 & T.C. -11/808,
Nalanda Junction, Nanthencode,
Kowdiyar P.O.,
Thiruvananthapuram-695 003, Kerala.
Ph.0471-2318497 Fax: 0471-2311673
E-mail: RO.Tvm@ncdc.in

(Jurisdiction **Kerala , Lakshadweep**)

PREFACE



National Cooperative Development Corporation (NCDC) is a development financial institution for the cooperative sector in the country. Major objective of the Corporation is to promote, strengthen and develop the farmers' cooperatives for increasing production and productivity and instituting post harvest facilities. Focus of Corporation is on programmes of agricultural marketing and inputs, processing, storage and marketing of agriculture produce and supply seeds, fertilizer and other agricultural inputs etc. In the non-farm sector, the Corporation's endeavour is to equip cooperatives with facilities to promote income generating activities, with special focus on weaker sections such as dairy, livestock, handlooms, sericulture, poultry, fishery, scheduled caste & scheduled tribes, women cooperatives etc. **NCDC functions under the over-arching principles of Sahakar-22 for a New India and Doubling Farmers' Income.**

NCDC lends through the State Government or directly to cooperative societies on certain prescribed terms and conditions. NCDC provides financial assistance in the form of Term Loan, Investment Loan and Working Capital Loan. NCDC also provides credit linked Subsidy alongwith Term Loan and Investment Loan to the cooperative societies. The assistance is provided under the Central Sector Integrated Scheme on Agricultural Cooperation (CSISAC), other Central Sector Schemes (CSS) and NCDC Sponsored Scheme.

NCDC provides liberal assistance to strengthen and develop cooperatives to the extent of 90-95% of the project cost which may include subsidy component of 15-25% under certain schemes.

Over the past few years notified services like tourism, hospitality & transport, electricity & power, rural housing, hospitals, healthcare and education have been included in the sphere of operations of NCDC.

To encourage newly formed cooperatives for taking up innovative ventures, especially by societies with new/innovative ideas, NCDC has introduced a new scheme titled, **"Yuva Sahakar - Cooperative Enterprise Support and Innovation Scheme"**.

The Pattern of Assistance and other relevant details incorporating the newly introduced schemes have been brought out in this booklet. I believe that the State Governments, Cooperatives and other users would find this publication handy and valuable.

Sd/-

New Delhi
09-08-2019

Sundeep Kumar Nayak
Managing Director

CONTENTS

SN	Chapters	Page no.
1.	Introduction	1
2.	Categorisation of States	4
3.	Schemes Implemented / Activities assisted by NCDC	5
4.	Pattern of Assistance:	
	A. Business Development	8
	B. Infrastructure Creation (Project Facilities)	9
	C. Processing	10
	D. Integrated Cooperative Development Projects (ICDP)	11
	E. YUVA SAHAKAR- Cooperative Enterprise Support And Innovation Scheme 2019	12
	F. Technical And Promotional Cell	13
	Other Central Sector Scheme:	
	G. Agricultural Marketing Infrastructure (AMI) - Other than Storage Infrastructure, Sub-Scheme Of Central Sector Integrated Scheme For Agricultural Marketing (CS-ISAM)	14
	H. Agricultural Marketing Infrastructure (AMI) - Storage Infrastructure, Sub-Scheme of Central Sector Integrated Scheme on Agriculture Marketing (CS-ISAM)	15
	I. Assistance For Boosting Seed Production Component Under Sub-Mission for Seed And Planting Material (SMSP) of National Mission on Agricultural Extension and Technology (NMAET)	16
	J. Dairy Processing and Infrastructure Fund (DIDF) Scheme implemented by NCDC.	17
	K. Mission For Integrated Development of Horticulture (MIDH) / National Horticulture Board (NHB) / National Horticulture Mission (NHM)	17
	L. Ministry Of Food Processing Industries (MoFPI)	18
5.	Notes for availing NCDC Assistance	18
6.	Norms For Direct Funding	19

INTRODUCTION

1. NCDC was established in March, 1963, under an Act of Parliament (NCDC Act 1962). With time, NCDC Act 1962 was amended in 1974 and 2002 and the scope of activities further enlarged by notifications in 2003, 2005 and 2010. In consonance with NCDC Charter, various activities are developed on 'Cooperative Principles' and the management of the cooperatives should be democratic. The benefits flowing from activities of cooperatives are, thus, to flow ultimately to the individual members, small and marginal farmers.

1.2. NCDC is a development financial institution for the cooperative sector in the country. A major objective of the Corporation is to promote, strengthen and develop the farmer cooperatives for increasing production and productivity and instituting post harvest facilities. Focus of Corporation is on programmes of agricultural marketing and inputs, processing, storage, cold chain and marketing of agriculture produce and supply seeds, fertilizer and other agricultural inputs etc. In the non-farm sector, the corporation endeavours to equip cooperatives with facilities to promote income generating activities, with special focus on weaker sections such as dairy, livestock, handlooms, sericulture, poultry, fishery, scheduled caste & scheduled tribes, women cooperatives etc. NCDC functions under the over-arching principles of Sahakar-22 for New India and Doubling the Farmers Income.

1.3 The Corporation carries on its functions through the General Council and the Board of Management. The Union Minister for Agriculture and Farmers Welfare is the President of the General Council and the Secretary, Department of Agriculture, Cooperation and Farmers Welfare is the Vice President of the General Council. The General Council has representatives of the Central and State Governments, National and State level Cooperatives, Commercial Bank, NABARD, Experts and eminent Cooperators. The Board consists of 12 members drawn from the General Council.

1.4 The Secretariat of the Corporation is headed by the Managing Director and functions through its Head Office, a Training Academy (LINAC) in Gurugram, Haryana and 18 Regional Offices located at Bengaluru, Bhopal, Bhubaneswar, Chandigarh, Dehradun, Chennai, Gandhinagar, Guwahati, Hyderabad, Jaipur, Kolkata, Lucknow, Patna, Pune, Raipur, Ranchi, Shimla and Thiruvananthapuram. Out of 18 offices, 12 offices are located in cooperatively under developed/least developed states. To assist the Corporation in fulfilling the role of an apex institution, the Corporation has built up in-house technical and managerial capabilities.

1.5 Cooperatives registered or deemed to be registered under the Cooperative Societies Act, 1912 or under the Multi-State Cooperative Societies Act, 1984 or under any other law with respect to cooperative societies for the time being in force in any State, which is engaged in any of the activities mandated to NCDC, by whatever name called, are eligible for funding from NCDC.

1.6 NCDC lends through the State Government or directly to cooperative societies on certain prescribed terms and conditions. NCDC provides financial assistance in the form of Term Loan, Investment Loan and Working Capital Loan. NCDC also provides credit linked Subsidy alongwith Term Loan and Investment

Loan to the cooperative societies. The assistance is provided under the Central Sector Integrated Scheme on Agricultural Cooperation (CSISAC), Central Sector Schemes (CSS) and NCDC Sponsored Scheme. Subsidy is provided subject to availability from the Government of India (GOI) otherwise equivalent amount is provided as loan in lieu of subsidy on the request of the borrower. The subsidy under CSISAC is for agriculture and allied activities.

1.7 NCDC funding is based on specific pattern of funding for a given Scheme. For the purpose of funding under the CSISAC, State/Union Territories are divided into three categories:

- Cooperatively Least Developed States
- Cooperatively Under Developed States/UTs
- Cooperatively Developed States/UTs

1.8 Promotion and financing programmes in cooperatively least/under-developed States and also programmes meant for Weaker Sections like fisheries, dairy, livestock, poultry, handlooms, Scheduled Caste /Scheduled Tribe/ Women cooperatives etc. are major thrust areas for NCDC.

1.9 Beginning with a meagre disbursement of Rs.2.36 crore in 1963, the year of its formation, NCDC disbursed Rs.28272.50 crore in 2018-19 and the cumulative release as on 31.03.2019 stood at Rs.124890.81 crore, most of which has taken place in the last five years accounting for 63% of total disbursements.

SAHAKAR-22

1.10 **Sahakar-22**, a mission mode activity of NCDC, was launched by Hon'ble Union Minister of Agriculture & Farmers' Welfare on 28.02.2018 in presence of dignitaries, to achieve the **Mission of New India by 2022 through Cooperatives for doubling the farmers' income**. The programme aims at overall development of the districts by way of identification of viable sectors for funding both in farm and non-farm sectors. Handholding will be provided wherever needed. The funding for the projects will be liberal with convergence of Central and State Sponsored Scheme. SAHAKAR 22 includes

- **FOCUS 222**- Converge NCDC assistance for Cooperatives in 222 Districts (including 117 Aspirational Districts identified by NITI Aayog)
- **PACS HUB**- Transform PACS and other Coops as APNA KISAN Resource Centers
- **AENEC**- ACT East and North East Cooperatives
- **CEMtC**- Centres of Excellence to Market through Cooperatives
- **SAHAKAR PRAGYA**: Laxmanrao Inamdar National Academy for Cooperative Research & Development as Capacity Development base for SAHAKAR 22

1.10.1 With Sahakar 22 as the core strategy, NCDC aims to adopt the following SEVEN POINT ACTION PLAN (SPAP):

- a. Provide assistance in **ALL ASPIRATIONAL DISTRICTS**.
- b. Reach out to ONE MILLION (10,00,000) members in 5000 PRIMARY SOCIETIES in a Year targeting **FIVE MILLION COOPERATIVE MEMBERS IN NEXT FIVE YEARS**.
- c. **YUVA SAHAKAR** as the frontline scheme for innovation and entrepreneurship.

- d. **AYUSHMAN SAHAKAR** (planned) as a Farmers Welfare measure through cooperatives.
- e. **NIRYAT SAHAKAR** as a (planned) strategy to promote exports by cooperatives through mechanisms such as Cooperative Sector Exports Promotion Forum, NEDAC linkages and India International Cooperatives Trade Fair.
- f. Facilitate **EASE OF DOING COOPERATIVE BUSINESS**.
- g. Promote **Safety, Security, Traceability and Quality (SSTQ)** in Cooperative businesses

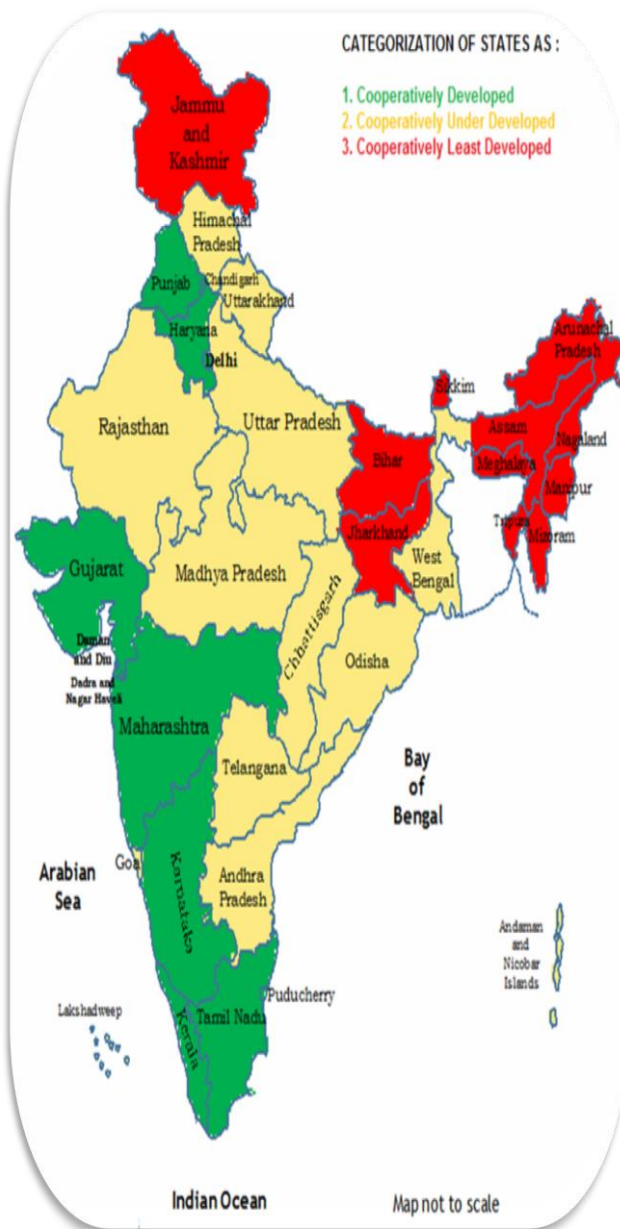
Yuva Sahakar - Cooperative Enterprise Support and Innovation Scheme

1.11 To encourage newly formed cooperatives for taking up innovative ventures, especially by societies with new/innovative ideas, NCDC has introduced a new scheme titled, “**Yuva Sahakar - Cooperative Enterprise Support and Innovation Scheme**” linked to a Cooperative Startup and Innovation Fund created by NCDC.

Common Loan Application Form for availing assistance under the scheme of NCDC can be **downloaded** from NCDC website- www.ncdc.in

*For further details, please contact or write to NCDC Head Office in New Delhi or Regional Directorates of NCDC at **Bengaluru, Bhopal, Bhubaneswar, Chandigarh, Chennai, Dehradun, Gandhinagar, Guwahati, Hyderabad, Jaipur, Kolkata, Lucknow, Patna, Pune, Raipur, Ranchi, Shimla, Thiruvananthapuram.***

Categorisation of States for Assistance under CSISAC



- Cooperatively Developed**
- Gujarat
 - Maharashtra
 - Haryana
 - Punjab
 - Karnataka
 - Tamil Nadu
 - Kerala
 - Delhi
 - Chandigarh
 - Dadra & Nagar Haveli
 - Pondichery
 - Daman & Diu

- Cooperatively Under Developed**
- Andhra Pradesh
 - Uttaranchal
 - West Bengal
 - Himachal Pradesh
 - Goa
 - Chhatisgarh
 - Madhya Pradesh
 - Orissa
 - A & N Islands
 - Uttar Pradesh
 - Rajasthan
 - Lakshadweep
 - Telengana

- Cooperatively Least Developed**
- All North Eastern states (7)
 - Sikkim
 - Bihar
 - Jharkhand
 - J&K

SCHEMES IMPLEMENTED / ACTIVITIES ASSISTED BY NCDC

A. SCHEMES IMPLEMENTED:

I Central Sector Integrated Scheme on Agricultural Cooperation - Assistance to NCDC Programme for Development of Cooperatives - Department of Agriculture, Cooperation & Farmers Welfare (DAC&FW), Ministry of Agriculture & Farmers Welfare (MOA&FW):

- a) Assistance to Marketing, Processing, Storage, Consumer, Weaker Section Programmes of Cooperatives, Computerization of Primary Agricultural Cooperative Credit Societies, District Central Cooperative Banks, State Cooperative Banks and Technical & Promotional Cell Scheme for strengthening Management of State Cooperative Federations [subsidy on tapering basis].
- b) Assistance for Ginning & Pressing Programme and Establishment of New and Modernization/ Expansion/ Rehabilitation of existing Cooperative Spinning Mills
- c) Integrated Cooperative Development Projects (ICDP) in selected districts

II Other Central Schemes:

- a) **Agricultural Marketing Infrastructure (AMI) sub scheme of Central Sector Integrated Scheme on Agriculture Marketing (CSISAM) for Storage and other than Storage Infrastructure** - DAC&FW, MOA&FW Rashtriya Krishi Vikas Yojana (Training) - DAC&FW, MOA&FW
- b) **Mission for Integrated Development of Horticulture (MIDH)** - DAC&FW, MOA&FW
- c) **Scheme for Cold Chain, Value Addition and Preservation Infrastructure** - Ministry of Food Processing Industries
- d) Interest rebate under **Technology Up gradation Fund** - Ministry of Textile
- e) **Sugar Development Fund** - Department of Food & Public Distribution, Ministry of Consumer Affairs, Food & Public Distribution
- f) Assistance for Boosting Seed Production component under Sub-Mission for Seed and Planting Material (SMSP) of **National Mission on Agricultural Extension and Technology (NMAET)**

III NCDC Sponsored Schemes

B. ACTIVITIES ASSISTED:

a) Marketing:

- Margin Money /Working capital assistance
- Strengthening share capital base of primary / district cooperative marketing societies
- Purchase of furniture and fixtures, transport vehicles including

- refrigerated vans
- Development / Strengthening of Agricultural Marketing Infrastructure, Grading and Standardization

b) Processing:

- Setting up of new sugar factories (Investment Loan)
- Modernisation and Expansion / Diversification of existing Sugar Factories (Investment loan and term loan)
- Establishment of new/ Modernization/ Expansion/ Rehabilitation of existing spinning mills
- Modernization/ Expansion of existing and establishment of modern cotton ginning & pressing units
- Small /medium scale agro & allied sector processing units, pre/post loom processing/ garment & knitting units
- Cotton Development Programme
- Setting up of other Processing units, such as: Foodgrains/ Oilseeds / Plantation Crops / Fruits & Vegetables / Maize Starch / Particle Board etc.
- Margin money /Working capital assistance
- Share capital participation by State Government in new spinning mills

c) Storage:

- Construction of godowns and repair / renovation of existing godowns
- Margin money / Working capital assistance

d) Cold Chain:

- Construction / expansion / modernization of cold storages
- Establishment of Cold Chain components which broadly include (i) Integrated pack house, (ii) Reefer transport, (iii) Cold storage (Bulk-near farm gate), (iv) Cold storage (Hub-near market) and (v) Ripening units etc.
- Margin money / Working capital assistance

e) Distribution of essential consumer articles through cooperatives:

- Establishment of infrastructure such as shopping centre, diesel, Kerosene bunk /warehouse / new / expansion / modernization of wholesale consumer cooperative store / departmental consumer cooperative store / consumer federation
- Purchase of furniture and fixture, transport vehicles including refrigerated vans for distribution of consumer articles
- Margin money / Working capital assistance

f) Industrial:

- All types of Industrial Cooperatives, Cottage & Village Industries, Handicrafts / rural crafts etc.

- g) Credit & Service Cooperatives/ Notified Services :**
- Agriculture Credit / Agriculture Insurance
 - Water Conservation works / services
 - Irrigation, micro irrigation in rural areas
 - Animal care / health /disease prevention
 - Rural Sanitation, Drainage, Sewage system through Cooperatives
 - Tourism, Hospitality, Transport
 - Generation & Distribution of power by New, Non Conventional & Renewable sources of energy
 - Rural Housing
 - Hospital / Health Care and Education
 - Creation of infrastructure for credit cooperatives
- h) Cooperative Banking Unit:**
- Assistance to PACS for creation of infrastructure relating to Modern Banking Unit.
- i) Agricultural Services :**
- Cooperative Farmers' Service Centers
 - Agro Service Centers for Custom Hiring
 - Establishment of Agricultural inputs manufacturing and allied units
 - Irrigation / water harvesting programmes
- j) District Plan Schemes:**
- Integrated Cooperative Development Projects in selected districts
- k) Cooperatives for Weaker Sections:**
- Fisheries, Dairy & Livestock, Poultry, Schedule Caste, Tribal Cooperatives, Handloom, Coir, Jute, Sericulture, Women, Hill area, Tobacco & Labour
- l) Assistance for Computerisation of Cooperatives:**
- Assistance is provided for purchase / installation of computers/ hardware, system & application software, networking, maintenance cost, technical manpower and capacity development and training.
- m) Promotional and Developmental programmes:**
- Technical & Promotional Cells
 - Consultancy for studies / project reports, management studies,
 - Market survey & evaluation of programmes, etc.
 - Corporative Social Responsibility

PATTERN OF ASSISTANCE IN RESPECT OF SCHEMES ASSISTED

NCDC provides financial assistance in the form of loan (both Term Loan and Investment Loan) and subsidy to the cooperative societies for their development. The assistance is provided under the Central Sector Integrated Scheme on Agricultural Cooperation (CSISAC) & other Central Sector Schemes and NCDC Sponsored Scheme. The loan component is provided from out of NCDC's own funds while the subsidy is provided from outlay earmarked under the CSISAC and other Central Sector Schemes. Subsidy is provided subject to availability from Government of India (GOI) otherwise equivalent amount is provided as loan in lieu of subsidy. The subsidy under CSISAC is for agriculture and allied activities.

2. For the purpose of NCDC funding, the States/Union Territories are categorised as under:

- **Cooperatively Least Developed States** {Arunachal Pradesh, Assam, Bihar, Jharkhand, Jammu & Kashmir, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, and Tripura};
- **Cooperatively Under Developed States/Union Territories** {Andhra Pradesh, Chhattisgarh, Goa, Himachal Pradesh, Madhya Pradesh, Odisha, Rajasthan, Telangana, Uttar Pradesh, Uttarakhand, West Bengal, Andaman & Nicobar Islands (UT) and Lakshadweep (UT)};
- **Cooperatively Developed States/Union Territories** {Gujarat, Haryana, Karnataka, Kerala, Maharashtra, Punjab, Tamilnadu, Chandigarh (UT), Dadra & Nagar Haveli (UT), Daman & Diu (UT), Puduchery (UT), Delhi }

3. **Weaker Section** Programme shall include 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.

4. **The pattern of funding is given under:**

A. BUSINESS DEVELOPMENT:

- ✓ For All kinds of National, State, District, Regional and Primary level cooperatives for sectors/activities funded by NCDC.

Activity	Developed States/UTs			Under developed States/UTs			Least Developed States/UTs		
	NCDC to S/Govt.	S/Govt to Society	Direct Funding	NCDC to S/Govt.	S/Govt to Society	Direct Funding	NCDC to S/Govt.	S/Govt to Society	Direct Funding
Margin Money	(For Weaker Section Programme only as detailed at Para 3 above)								
	Loan 85% Sub 15%*	Loan or SC 85% Sub 15%	Loan 85% Sub 15%*	Loan 80% Sub 20%	Loan or SC 80% Sub 20%	Loan 80% Sub 20%	Loan 75% Sub 25%	Loan or SC 75% Sub 25%	Loan 75% Sub 25%
	For all other Programmes								
	Loan 100%	Loan or SC	Loan 100%	Same as for developed states					
Working Capital	Loan 100%	Loan	Loan	Same as for developed states					
Share Capital	IL 100%	SC	--	Same as for developed states					

Note: SC- Share Capital; Sub- Subsidy; IL- Investment Loan; * - Cap of ₹5 crore per project/per proposal

B. INFRASTRUCTURE CREATION (Project Facilities)

- ✓ All types of small and medium sized units (other than agro-processing units) including small scale industrial units, cottage & village industries, handicrafts, allied industries for other products, cane and bamboo units, Coir Units, etc.,
- ✓ Plant & Machinery/equipment including integrated projects (other than ICDP),
- ✓ Establishment/ renovation/ expansion/ upgradation & modernisation of Godowns, storages,
- ✓ Construction of Cold Storages / expansion / modernization of cold storages,
- ✓ Cold Chain components - Integrated pack house / Reefer transport / Cold storage (Bulk-near farm gate)/ Cold storage (Hub-near market) / Ripening units, etc.,
- ✓ Worksheds, purchase of looms, cooperatives/industrial estates,
- ✓ Service and repair centres, showrooms, showrooms-cum-godowns,
- ✓ Market yards, rearing units and grainages,
- ✓ Fish tanks/farms, boat building including inputs and other infrastructure for fisheries,
- ✓ Poultry farms,
- ✓ Rearing and breeding of livestock animals, setting up of slaughter houses, purchase of livestock animals for breeding, rearing, meat, fleece, skin, wool & other by products, establishment of seed farms etc.,
- ✓ Furniture and fixtures,
- ✓ Transport vehicles including refrigerated and insulated vehicles,
- ✓ Installation of/purchase of computers/computerization etc.,
- ✓ Setting-up of agro-service/farmers service centres,
- ✓ Insecticides/pesticides formulation units,
- ✓ Units to manufacture inputs like bio-fertilizers/granular fertilizers, organic manure,
- ✓ Creation of water harvesting/irrigation infrastructural facilities,
- ✓ Creation of infrastructure of PACS as Modern Banking Unit,
- ✓ Services Cooperatives etc. and
- ✓ **ANY OTHER RELATED ACTIVITIES MANDATED TO NCDC.**

Developed States/UTs			Under developed States/UTs			Least Developed States/UTs		
NCDC to S/Govt.	S/Govt to Society	Direct Funding	NCDC to S/Govt.	S/Govt to Society	Direct Funding	NCDC to S/Govt.	S/Govt to Society	Direct Funding
(For Weaker Section Programme only as detailed at Para 3)			For all programmes and for activities as detailed at Para 3			For all programmes and for activities as detailed at Para 3		
Loan 75% Sub 15%	Loan 50% SC 25% Sub 15%	Loan 65% Sub 15%	Loan 70% Sub 20%	Loan 50% SC 20% Sub 20%	Loan 65% Sub 20%	Loan 70% Sub 25%	Loan 50% SC 20% Sub 25%	Loan 65% Sub 25%
Members Contribution	10%	20%		10%	15%		5%	10%
For all other Programmes			For all other Programmes – same as for developed States/UTs					
Loan 90%	Loan 50% SC/Sub 40%	Loan 65%						
Members Contribution	10%	35%						
<ul style="list-style-type: none"> ✓ S/Govt. – State Government; Sub - Subsidy; SC - Share Capital; ✓ Subsidy subject to availability from Govt. of India otherwise equivalent loan from NCDC; ✓ In case of “Computerisation” programme 100% assistance (i.e. as loan / Subsidy/ Share Capital) may be provided through State Govt. or directly to the beneficiary in all States; 								

C. PROCESSING

(i) Sugar Mill

Activities	NCDC to State Govt.	S/Govt to Society	Direct Funding
New Unit	Term Loan - 60% Investment Loan - 30% Members contribution-10%	Term Loan - 60% Share Capital – 30% Members contribution-10%	Term Loan - 70% Members contribution-30%
Modernisation/ Expansion Upto 5000 TCD	Loan 50% plus Loan 40% from SDF as sanctioned by GOI	On same terms as received from NCDC	Loan 50% of PC plus 40% loan from SDF as sanctioned by GOI
Sugar By-Products - Cogeneration & Ethanol Units	-do-	-do-	-do-
Expansion beyond 5000 TCD	Loan 65%	On same terms as received from NCDC	Loan 65%
Working Capital	Loan as per requirement	On same terms as received from NCDC	Loan as per requirement

(PC- Project Cost; SC- Share Capital; SDF-Sugar Development Fund)

Note:

Investment loan to State Governments will be provided only for those sugar cooperatives which 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. With effect from 01.01.2015, SDF stopped providing assistance for exclusive expansion projects. However, SDF assistance is available for projects, if expansion of capacity is upto 5000 TCD alongwith co-generation or ethanol project.

- SDF assistance for bagasse based cogeneration project is based on normative cost for different configurations.

Boiler pressure/Temp. Ata/°C	Installed capacity MW	Total Project cost (Rs. In lakh)	Project cost per MW Generation (Rs. in lakh/MW)
67/510	84.5	32496	385
87/515	159.5	70565	442
110/540	110.95	60285	543

(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.

Developed States/UTs			Under developed States/UTs			Least Developed States/UTs		
NCDC to S/Govt.	S/Govt to Society	Direct Funding	NCDC to S/ Govt.	S/Govt to Soc.	Direct Funding	NCDC to State Govt.	S/Govt to Society	Direct Funding
(For Weaker Section Programme only as detailed at Para 3)			For all programmes and for activities as detailed at Para 3			For all programmes and for activities as detailed at Para 3		
Loan 75% Sub 15%	Loan 50% SC 25% Sub 15%	Loan 65% Sub 15%	Loan 70% Sub 20%	Loan 50% SC 20% Sub 20%	Loan 65% Sub 20%	Loan 70% Sub 25%	Loan 50% SC 20% Sub 25%	Loan 65% Sub 25%
Members Contribution	10%	20%		10%	15%		5%	10%
For all other Programmes			For all other Programmes – same as for developed States/UTs					
Loan 90%	Loan 50% SC/Sub 40%	Loan 65%						
Members Contribution	10%	35%						
✓ S/Govt.- State Government; Sub- Subsidy; SC- Share Capital; ✓ Subsidy subject to availability from Govt. of India otherwise equivalent loan from NCDC; # Debt equity ratio may vary depending upon viability of the proposed project.								

(iii) Cooperative Spinning & Ginning Programmes

The activities covered and pattern of funding are as under:

From NCDC to State Govt.	From State Govt. to Society	Direct Funding
(a) Establishment of New Cooperative Spinning Mills		
Term Loan 50% Investment Loan 25% Subsidy 15%	Term Loan 50% Share Capital 25% Subsidy 15% Members Contribution 10%	Term Loan 60% Subsidy 15% Members Contribution 25%
Modernisation / Expansion of Existing Spinning Mills		
Term Loan 45% Investment Loan 30% Subsidy 15%	Term Loan 45% Share Capital 30% Subsidy 15% Members Contribution 10%	Term Loan 60% Subsidy 15% Members Contribution 25%
Margin Money Assistance for Cooperative Spinning Mills & State Cooperative Cotton Federation		
Term Loan 85% Subsidy 15%	Term Loan 85% Subsidy 15%	Term Loan 85% Subsidy 15%
Establishment of Modern Ginning & Pressing Units, Modernisation / Expansion of Existing Units		
Term Loan 50% Investment Loan 25% Subsidy 15%	Term Loan 50% Share Capital 25% Subsidy 15% Members Contribution 10%	Term Loan 50% Subsidy 15% Members Contribution 35%
Rehabilitation of Sick Cooperative Spinning Mills		
Investment Loan 75% Subsidy 15%	Investment Loan 75% Subsidy 15% Members Contribution 10%	Not Applicable (State Government's involvement is mandatory)
Subsidy subject to availability from Govt. of India otherwise equivalent loan from NCDC		

D. INTEGRATED COOPERATIVE DEVELOPMENT PROJECTS (ICDP)

S N	Activity	From NCDC to State Govt.			From State Govt. to Society			
		Loan	Sub.	Total	Loan	Share Capital	Sub.	Total
(i)	Manpower Development & Training	-	@50%	@50%	-	-	100%	100%
(ii)	Managerial assistance (applicable to PIA and Monitoring Cell also) and incentive	-	@50%	@50%	-	-	100%	100%
(iii)	For sub-projects of cooperatives in ICDP, the pattern applicable in case of normal NCDC Schemes for the given State/activity/category shall be applied with the modification that 100% of the assistance shall be provided to the State Govt. for passing on to the cooperatives.							
	Note: ✓ The total subsidy component in a project would not exceed 30% of the total project cost. ✓ The subsidy assistance available from any Departments /Ministries/ Agencies shall be dovetailed for passing on to the cooperatives. @ In the case of states classified as 'Special Category States', 100 per cent subsidy shall be given out of the scheme to State Government under items No. (i) and (ii) above.							

E. YUVA SAHAKAR- COOPERATIVE ENTERPRISE SUPPORT AND INNOVATION SCHEME 2019

Objective

Aligning itself with the focus on programmes like Start-up India and Stand-up India aimed at young entrepreneurs with new and innovative ideas NCDC had notified YUVA SAHAKAR-COOPERATIVE ENTERPRISE SUPPORT AND INNOVATION SCHEME IN 2018. Based on the implementation of the scheme, the scheme has now been made more broad based and is titled, **YUVA SAHAKAR--COOPERATIVE ENTERPRISE SUPPORT AND INNOVATION SCHEME 2019.** 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 Rs. 3.00 crore in case of a cooperative society which is in operation for one year or more.
- b) Project cost should not exceed Rs.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 under the Central Sector Integrated Scheme on Agricultural Cooperation (CSISAC) or any other source, the same will be applicable. However, if the project cost includes working capital loan component, CSISAC 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:

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.

F. TECHNICAL AND PROMOTIONAL CELL

i. All state level cooperative federations (excluding those connected with the weaker sections programmes):

Under - Developed States	Least - Developed States
Subsidy for employment of professionals to be provided for a period of 5 years on a tapering scale. i) 100% in the first 2 years. ii) 80% in the 3 rd & 4 th year. iii) 70% in the 5 th year.	Subsidy for employment of professionals to be provided for a period of 7 years on a tapering scale. i) 100% for the first 5 years. ii) 80% for the subsequent 2 years.

ii. All Federations connected with the weaker sections programmes:

Subsidy for employment of professionals to be provided for a period of 7 years on a tapering scale.

- i) 100% for the first 5 years.
- ii) 80% for the subsequent 2 year.

Qualifications and scales of pay and other emoluments for the various experts/professionals would be determined by the concerned federations in consultation with NCDC. **Subsidy, if available from the Central Govt.,** is proposed to be provided only for Pay, HRA, and DA for 5 to 7 years. The assistance will be sanctioned by the Corporation only after careful consideration of the proposal of the institutions and assessing the need for appointment of such experts.

OTHER CENTRAL SECTOR SCHEME

NCDC dovetails assistance under the following Central Sector Scheme:

G. AGRICULTURAL MARKETING INFRASTRUCTURE (AMI) - other than Storage Infrastructure, Sub-Scheme of Central Sector Integrated Scheme for Agricultural Marketing (CS-ISAM)

Erstwhile AMIGS Scheme implemented from 20.10.2004 by GOI has been subsumed into AMI – Other than Storage Infrastructure Sub-Scheme of “CS-ISAM” from 1.4.2014.

NCDC is one of the implementing agencies to provide funds to the cooperative societies for creation of marketing infrastructure under above scheme. Under AMI – other than Storage Infrastructure, 33.33% subsidy is available for North Eastern, Hilly & tribal areas, Women & SC/ST Cooperatives and 25% subsidy is available for other category of beneficiaries. Term loan assistance is provided by NCDC under the Corporation Sponsored Scheme.

Subsidy pattern under AMI – other than Storage Infrastructure

Category	Rate of Subsidy (on capital cost)	Maximum Subsidy Ceiling# (Rs. in lakh)
A) North Eastern States, Sikkim, States of Utrakhand, Himachal Pradesh, Jammu & Kashmir, UTs of Andaman & Nicobar and Lakshadweep Islands, hilly* and tribal areas	33.33%	30.00
B) In other Areas:		
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

* 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 Government.

For the projects of pulse splitting and oil crushing, the maximum subsidy for 25% category is Rs.12.50 lakh and 33.33% category is Rs.16.66 lakh only.

Subsidy Ceiling

- (i) The total subsidy which can be availed of by promoter for all its projects in a Districts since inception of the scheme (erstwhile GBY) up to the end of 2019-20 will be restricted to a maximum capacity ceiling of 10,000 MT. if a promoter intends to have more than one project of different type including storage project in the same District its will be eligible for a maximum subsidy upto Rs.75 lakh or Rs.133.20 lakh as the case may be.
- (ii) To determine the eligibility of projects for maximum permissible subsidy, the date of sanction of loan by Financial Institutions should be between 22.10.2018 to 31.03.2020.

H. AGRICULTURAL MARKETING INFRASTRUCTURE (AMI) - Storage Infrastructure, Sub-Scheme of Central Sector Integrated Scheme on Agriculture Marketing (CS-ISAM)

Construction of Godowns

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 subject to the subsidy ceiling per MT as well as overall ceiling given below:-

The pattern of funding for the said projects:

- i) For New Godowns - For cooperatives located in North Eastern States, Sikkim, UTs of Andaman & Nicobar and Lakshadweep Islands, hilly Areas and projects belonging to women, SC/ST Cooperatives**

From NCDC to State Govt.		From State Govt. to Society		Direct Funding	
Term Loan	56.67%	Term Loan	50.00%	Loan	46.67%
Subsidy	33.33%	Share capital	6.67%	Subsidy	33.33%
		Subsidy	33.33%	Society Share	20.00%
		Society Share	10.00%		

Note: Subsidy subject to availability from Government of India, otherwise, equivalent loan from NCDC will be provided.

- ii) For New Godowns - For cooperatives located in the states/areas other than North Eastern States, Sikkim, UTs of Andaman & Nicobar and Lakshadweep Islands, hilly Areas and projects not belonging to women, SC/ST Cooperatives**

From NCDC to State Govt.		From State Govt. to Society		Direct Funding	
Term Loan	65%	Term Loan	50.00%	Loan	50.00%
Subsidy	25%	Share capital	15.00%	Subsidy	25.00%
		Subsidy	25.00%	Society Share	25.00%
		Society Share	10.00%		

Note: Subsidy subject to availability from Government of India, otherwise, equivalent loan from NCDC will be provided.

Subsidy Pattern under AMI – Storage infrastructure:

Capital cost of the project for the purpose of subsidy will be calculated on the project cost as appraised by NCDC or actual cost of eligible components as certified by a Chartered Accountant whichever is lower subject to the subsidy ceiling as given below:

Category	Rate of subsidy (on capital cost)	Subsidy Ceiling		
		50 - 1000 MT in Rs./MT	More than 1000 MT and upto 10,000 MT in Rs./MT	Maximum Ceiling (Rs. In lakh)
A. North Eastern States, Sikkim, UTs, of A&N and Lakshadweep Islands and hilly* areas	33.33%	1333.20	1333.20	133.20
B. In other Areas				
(i) For Scheduled Caste (SC) / Scheduled Tribe (ST)** cooperatives	33.33%	1166.55	1000.00	100.00
(ii) For all other categories of beneficiaries	25%	875.00	750.00	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 Government.

- Cost norms for computing subsidy for silos will be same as for other storage infrastructure.

I. 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.

Under the above 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 Rs.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.

Under the above component, 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 Rs.150.00 lakh) and society share of minimum 10% of block cost.

J. Dairy Processing and Infrastructure Fund (DIDF) Scheme Implemented by NCDC.

The Department of Animal Husbandry, Dairying & Fisheries, Dairy Division, Ministry of Agriculture and Farmers Welfare, Government of India had identified NCDC as a Nodal Lending Entity (NLE) for borrowing resources from the DIDF set up in NABARD and finance the projects submitted by the Eligible End Borrowers (EEBs).

Components of DIDF:

The broad investment activities eligible under DIDF are:

- i) Modernization & creation of new milk processing facilities
- ii) Manufacturing facilities for value added products.
- iii) Milk Chilling Infrastructure.
- iv) Setting up electronic milk testing equipment.
- v) Any other activity related to the dairy sector targeted to contribute to the objectives of DIDF and decided by Government of India in consultation with the stakeholders.

Eligible Institutions:

NCDC using the loan from the DIDF will lend to the following institutions

- Co-operative Milk Unions
- State Cooperative Dairy Federations
- Multi State Milk Cooperatives

Interest rates on Loans by NABARD to NCDC and to End Borrower

NABARD shall extend loans to NCDC at fixed rate of interest of 6% per annum repayable at quarterly rests. The interest rate to end borrower shall be 6.5% per annum to be charged by NCDC. Financial assistance under DIDF will be given to the end borrowers which are financially viable and willing to avail funds and also fulfil the eligibility criteria, as per Operational Guidelines of the Scheme.. (Refer: Circular No.F.No.02023/2/2017-CDD dated 13.04.2018 and 14.02.2019 at www.dahd.nic.in)

K. 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 S/Govt.		S/Govt. to Society		Direct Funding		NCDC to S/Govt.		S/Govt. to Society		Direct Funding	
Loan	55%	Loan		Loan		Loan		Loan	30%	Loan	40%
BES*	35%	45%		55%		40%		SC	10%	BES*	50%
		SC	10%	BES*	35%	BES*	50%	BES*	50%		
		BES*	35%								
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, www.nhb.gov.in.

L. Ministry of Food Processing Industries (MoFPI)

In the case of Coldchain scheme of MoFPI, cost norms of MIDH/NHB/NHM scheme will be followed wherever applicable. Pattern of assistance will also be same as given in the above table. For facilities not covered under MIDH guidelines, cost norms as determined by the MoFPI will be followed. For value addition and processing infrastructure including frozen storage / deep freezers associated and integral to the processing, grant-in-aid @ 50% for General Areas and @ 75% for North-East, Hilly States, & difficult areas, will be provided. Maximum grant-in-aid under Coldchain scheme of MoFPI would be Rs.10 crore per project. Further details can be checked from the Ministry's website www.mofpi.nic.in.

NOTES FOR AVAILING NCDC ASSISTANCE:

5. 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.

NORMS FOR DIRECT FUNDING

6. ELIGIBILITY CRITERIA

6.1 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 on which directors of this cooperative have been directors, should not have any major default in repayment of loans to NCDC/Banks/Financial Institutions;
- v) 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 for Working Capital loans and 1.2 times for Project Loans;
- vi) 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;
- vii) NCDC may ask for additional securities by way of one or more of the following;
 - Government Guarantee
 - Guarantee of a scheduled bank
 - Personal guarantee of the Directors and collateral security

6.2 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:

- (a) Technical feasibility & financial viability of project;

- (b) Financial soundness of the cooperative;
- (c) Past financial & operational performance of the cooperative (wherever applicable);
- (d) Professional expertise of the Management/employees of the cooperative;
- (e) Experience of the management of the cooperative in handling similar projects;
- (f) Past loan repayment performance of the cooperative (wherever applicable);
- (g) Capacity of the cooperative to raise its share of project cost;
- (h) 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.

6.3 The other terms, conditions and criteria are available at NCDC's website www.ncdc.in

6.4 **Release:**

- a) NCDC will consider release 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.
- b) 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 crore or as decided by MD, NCDC, such certification may be carried out by a Chartered Accountant from the panel approved by NCDC.
- c) **Processing fee:** In case of direct funding, processing fee shall be charged for NCDC sanction @ 0.5% of the sanctioned amount, not exceeding Rs.3.00 lakh (0.5% of Rs.6.00 crore) in each case. However, processing fee shall not be charged for working capital loans upto one year.

...