



राष्ट्रीय सहकारी विकास निगम  
**NATIONAL COOPERATIVE DEVELOPMENT CORPORATION**  
An ISO-9001:2015 Certified Organization  
A Statutory Corporation Under the Ministry of Cooperation, Government of India  
**Credit, Industrial Coop. & Service Coop. Division**

Tel.No. 011-26961930  
Fax : 011-26961930, 26516032  
E-mail: [asmeena@ncdc.in](mailto:asmeena@ncdc.in)

4-Siri Institutional Area,  
Hauz Khas, New Delhi-110016, India  
Website: [www.ncdc.in](http://www.ncdc.in)

No. NCDC:1-2/2022 - C, IC & SC

Dated: 27/10/2022

To  
The Secretary (Cooperation)  
All States/UTs

**Sub: “स्वयंशक्ति सहकार योजना”- New scheme for providing NCDC's financial assistance to Agricultural Credit Cooperatives for providing loan/advances to Women Self Help Groups (SHGs)**

Sir

NCDC vide circular no. NCDC.16-3/2010-P(SC) dated 02.12.2010 introduced a scheme for extending short term credit (upto 2 years) to Agricultural Credit Cooperatives towards working capital for their loans/advances for activities/commodities/service under the purview of NCDC.

2. Over the years, women Self Help groups (SHGs) have emerged as an important institution for providing financial inclusion at grass root level.

3. Accordingly, with a view to increase the availability of funds to women SHGs through cooperatives and to supplement the resources of Credit Cooperatives for providing adequate and prompt loans/advances to women SHGs, NCDC hereby introduces a new scheme to extend NCDC's short term loan (upto 3 years) to credit cooperatives for onward lending to women SHGs.

(2)

4. Detailed guidelines of the scheme are as follows:

**I) OBJECTIVE OF THE SCHEME:**

- 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

**II) CO OPERATIVES ELIGIBLE FOR ASSISTANCE:**

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

**III) ELIGIBILITY CRITERIA**

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

- i) Cooperative should have been in operation for not less than 3 years.
- ii) 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.

**IV) 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.

**V) 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.

**VI) 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.

**VII) MODE OF RELEASE OF LOAN:**

On receipt of the application, loan shall be sanctioned based on the merits of the proposal. Release of loan shall be made after completing the formalities and fulfillment of terms & conditions stipulated in the sanction letter and shall be in one or more installments, within the stipulated period for drawal of loan.

**VIII) PERIOD OF LOAN / MORATORIUM / RATE OF INTEREST:**

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