

PATTERN OF ASSISTANCE

A. BUSINESS DEVELOPMENT

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 State Govt.	State Govt. to Society	Direct Funding	NCDC to State Govt.	State Govt. to Society	Direct Funding	NCDC to State Govt.	State Govt. to Society	Direct Funding
Margin Money	Loan - margin for availing Bank credit.	Loan or SC	Loan	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%
Working Capital	Loan as per requirement	Loan	Loan	Loan as per requirement	Loan	Loan	Loan as per requirement	Loan	Loan
Share Capital	Investment Loan as per requirement	Share Capital	--	Investment Loan as per requirement	Share Capital	--	Investment Loan as per requirement	Share Capital	--

* Subsidy subject to availability from Govt. of India otherwise equivalent loan from NCDC
Sub = Subsidy SC = Share Capital

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, other products of allied industries, cane and bamboo units, Coir Units, etc., Plant & Machinery/equipment including integrated projects (other than ICDP), setting up of storage/ godowns (including renovation/repairs/upgradation), work sheds, purchase of looms, cooperatives/industrial estates, service and repair centres, showrooms, showrooms-cum-godowns, market yards, rearing units and grainages, fish tanks/farms, poultry farms, rearing and breeding of livestock animals, establishment of seed farms etc., cold storages, ice plants, freezing plants, boat building including inputs and other infrastructure for fisheries, furniture & 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, Services Cooperatives etc. and any other related activities mandated to NCDC.

Activity	Developed States/UTs			Under Developed States/UTs			Least Developed States/UTs		
	NCDC to State Govt.	State Govt. to Society#	Direct Funding	NCDC to State Govt.	State Govt. to Society	Direct Funding	NCDC to State Govt.	State Govt. to Society	Direct Funding
Loan	90%	Loan 50% SC/ 40% Sub	Loan 65%	Loan 70% Sub* 20%	Loan 50% SC 20% Sub* 20%	Loan 50% Sub* 20%	Loan 70% Sub* 25%	Loan 50% SC 20% Sub* 25%	Loan 50% Sub* 25%
Members' contribution	10%	35%		10%	30%		5%	25%	

* Subsidy subject to availability from Govt. of India otherwise equivalent loan from NCDC
Sub = Subsidy SC = Share Capital
In respect of "Computerization Programme" 100% loan may be provided through the State Govt. or directly in the "Cooperatively Developed States".
Debt equity ratio may vary depending upon viability of the proposed project.

C. PROCESSING

(i) SUGAR MILLS

Activity	Developed States/UTs			Under Developed States/UTs			Least Developed States/UTs		
	NCDC to State Govt.	State Govt. to Society	Direct Funding	NCDC to State Govt.	State Govt. to Society	Direct Funding	NCDC to State Govt.	State Govt. to Society	Direct Funding
New Units	Investment loan up to 30% of project cost	30% of project cost as Share Capital	-	Investment loan up to 30% of project cost	30% of project cost as Share Capital	-	Investment loan up to 30% of project cost	30% of project cost as Share Capital	-
Modernisation/ Expansion (Up to 5000 TCD)	Loan 50% of Project Cost + 40% loan from SDF as sanctioned by GOI			Same as in Developed states			Same as in Developed states		
Expansion beyond 5000TCD	Loan 65% of Project Cost			Same as in Developed states			Same as in Developed states		
By-Products	Loan 65% of Project Cost			Same as in Developed states			Same as in Developed states		

Note: Investment loan to State Govt(s) 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 is finalized etc. Term loan to new sugar cooperatives to be provided by financial institutions/banks etc.

(ii) SMALL & MEDIUM TYPE AGRO-PROCESSING UNITS LIKE OIL MILLS, FOOD GRAINS UNITS, FRUITS & VEGETABLE UNITS, PLANTATION CROPS PROCESSING UNITS, DAIRY UNITS, SILK REELING/TWISTING, SILK SPINNING, WOOL SPINNING AND JUTE PROCESSING AND ANY OTHER AGRO-PROCESSING ACTIVITY MANDATED TO NCDC.

Activity	Developed States/UTs			Under Developed States/UTs			Least Developed States/UTs		
	NCDC to State Govt.	State Govt. to Society#	Direct Funding	NCDC to State Govt.	State Govt. to Society	Direct Funding	NCDC to State Govt.	State Govt. to Society	Direct Funding
New Units, Expansion, Modernisation, Diversification	Loan 90%	Loan 50% SC/ 40% Sub	Loan 65%	Loan 70% Sub* 20%	Loan 50% SC 20% Sub* 20%	Loan 50% Sub* 20%	Loan 70% Sub* 25%	Loan 50% SC 20% Sub* 25%	Loan 50% Sub* 25%
Equipment Finance	Loan 90%	Loan 90%	Loan 65%	Loan 90%	Loan 90%	Loan 65%	Loan 90%	Loan 90%	Loan 65%

* 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) SPINNING MILLS

Activity	Developed States/UTs			Under Developed States/UTs			Least Developed States/UTs		
	NCDC to State Govt.	State Govt. to Society	Direct Funding	NCDC to State Govt.	State Govt. to Society	Direct Funding	NCDC to State Govt.	State Govt. to Society	Direct Funding
Share Capital Participation in New Mills	Loan 20% of the Project cost or 50% of SC contribution by the SG whichever is less	SC contribution of 50% of Project cost less members stipulated equity which should not be less than 10% of Project cost	*	Loan 30% of project cost or 70% of SC contribution by SG whichever is less	SC contribution of 50% of project cost less members stipulated equity which should not be less than 7.5 % of project cost	*	Same as in Under Developed States	Same as in Under Developed States	*
Modernisation / Expansion	Term Loan 60% Investment Loan 30%	Term Loan 60% SC 30% (Members contribution 10%)	*	Term loan 60% Investment loan 32.5%	Term Loan 60% SC 32.5% (Members contribution 7.5%)	*	Same as in Under Developed States	Same as in Under Developed States	*
Margin Money Assistance to Spinning Mills & State Coop. Cotton Fedns.	Loan 100%	SC or long term loan 100%	Loan 100%	Loan 100%	SC or long term loan 100%	Loan 100%	Loan 100%	SC or long term loan 100%	Loan 100%
Modernisation of existing & establishment of modern Ginning & Pressing Units	Term Loan 55% Investment Loan 25% Subsidy 10% Member's Contribution 10%	Term Loan 55% Investment Loan 25% Subsidy 10% Member's Contribution 10%	*	Term Loan 55% Investment Loan 25% Subsidy 10% Member's Contribution 10%	Term Loan 55% Investment Loan 25% Subsidy 10% Member's Contribution 10%	*	Term Loan 55% Investment Loan 25% Subsidy 10% Member's Contribution 10%	Term Loan 55% Investment Loan 25% Subsidy 10% Member's Contribution 10%	*
Rehabilitation of Sick Cotton Growers/ weavers/ Power loom Spinning mills	Loan 70% Sub 20% MC 10%	As per Viability requirement		Loan 70% Sub 20% MC 10%	As per Viability requirement		Loan 70% Sub 20% MC 10%	As per Viability requirement	

Subsidy to Spinning mills is subject to the ceiling of Rs.500 lakhs each mill.

* For Direct Funding the Pattern of Assistance will be the same as indicated under C (ii) for processing units.

Subsidy will be provided if available from GOI.

D. INTEGRATED COOPERATIVE DEVELOPMENT PROJECTS (ICDP)

Sl. No.	Activity	From NCDC to State Government			From State Government to Society			
		Loan	Sub.	Total	Loan	Sh.Cap.	Sub.	Total
(i)	Safe deposit vaults/cash counters/strong rooms	100%	-	100%	50%	50%	-	100%
(ii)	Margin money (including share capital to DCCB/project Implementing agency)	100%	-	100%	-	100%	-	100%
(iii)	Manpower Development & Training	-	@50%	@50%	-	-	100%	100%
(iv)	Managerial assistance & incentive (applicable to PIA and Monitoring Cell also)	-	@50%	@50%	-	-	100%	100%
(v)	For sub-projects of the project not mentioned above, 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 coops. The subsidy assistance available from any Deptt. / 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 from NCDC to State Government under items No. (iii) and (iv) above.

- Note:**
- 1 The total subsidy component in a project would not exceed 30% of the total project cost.
 2. Other activities under the project as per the pattern in vogue.
 3. Funding Pattern from State Govt. to the Society is subject to change in consultation with the State Govts.

Development of PACS through Resource Centres

The resource centres scheme envisages use of "cluster approach" for development of PACS in potential areas like credit, banking and other income generating activities through provision of guidance and consultancy.

The Resource Centre to be set up at block level will cater to a cluster of 10 PACS. It will work under the overall supervision of the Regional Directorate of the Corporation. It will have experts in banking, cooperative development, accounts etc. The scheme envisages association of NGOs/voluntary agencies having experience particularly in development of human resource at the village level. Initially the scheme is being implemented on a pilot basis.

The expenditure involved in implementation of the scheme in the first three years would be borne by the Corporation. However, the cooperatives covered under the scheme would be required to contribute at least Rs.1000 per month one year after commencement of the project. After 3 years, the Resource Centre is expected to be self-financing.

E. PROMOTIONAL & DEVELOPMENTAL PROGRAMMES

TECHNICAL AND PROMOTIONAL CELL

i. Cooperative Federations (excluding those connect with the weaker section 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

Under Developed States	Least Developed States
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.	Same as for under-developed states.

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, CCA, 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.

iii. The pattern of assistance for the appointment of Development Officers in the RCS offices would be the same as applicable to state level federations in the least and under-developed states.

iv. Promotional & Developmental – Preparation of Project Reports, Market Surveys, Financial Management Studies, Impact Evaluation Studies etc. for establishment of processing units etc.

Developed State/UTs			Under Developed States/UTs			Least Developed States/UTs		
NCDC to State Govt.	State Govt. to Society	Direct Funding	NCDC to State Govt.*	State Govt. to Society	Direct Funding	NCDC to State Govt.*	State Govt. to Society	Direct Funding
-	-	-	Sub-100%	Sub-100%	Sub-100%	Sub-100%	Sub-100%	Sub-100%

* Subject to prior approval of the Corporation before undertaking studies and entrusting work to consultants.