



**NATIONAL COOPERATIVE
DEVELOPMENT CORPORATION**

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No. NCDC: 3-1/2012-P&C

Dated: 17.09.2014

From:

**Vasudha Mishra, I.A.S.,
Managing Director**

To,

The Secretaries to Government,
Cooperation Department
Animal Husbandry, Dairy & Fisheries Department,
Tribal Welfare/SC/ST Department,
Industries Department,
(All States & Union Territories)

**Sub: Introduction of CENTRAL SECTOR INTEGRATED SCHEME ON
AGRICULTURAL COOPERATION (CSISAC) for financial assistance to
Cooperative Societies by NCDC during the remaining period of the
12th Five Year Plan (2013-2017) – reg**

Madam/Sir,

The Government of India in the Ministry of Agriculture, Department of Agriculture & Cooperation (DAC) has approved the **CENTRAL SECTOR INTEGRATED SCHEME ON AGRICULTURAL COOPERATION (CSISAC)** for financial assistance to Cooperative Societies by NCDC during the remaining period of the 12th Five Year Plan (2013-2017). The DAC has issued detailed guidelines specifying the Components, coverage, eligible sectors and organisations, quantum of subsidy, Plan and Year-wise outlay etc. under the Scheme which is enclosed at **Annexure-A** for ready reference.

2. The Scheme has three Components covering several activities, target groups and also addresses the aspects containing regional disparities. Accordingly, NCDC has developed a comprehensive **Operational Guideline for Implementation** which is enclosed at **Annexure-B** to this letter for your ready reference. It may be noted that the assistance from DAC under the CSISAC Scheme is towards meeting the subsidy component specified under the Scheme, while the loan component (both Term Loan & Investment Loan) is to be provided by NCDC from its own resources. The conditions contained in the Guidelines

issued by DAC now supersede instructions earlier circulated in respect of Restructured Central Sector Scheme as implemented by NCDC through the 10th & 11th Five Year Plans, upto 03.07.2014 while on 04.07.2014 the new CSISAC scheme has been introduced by the DAC for implementation during the remaining part of 12th Five Year Plan.

3. It is requested that the Scheme may be brought to the notice of all the cooperative societies and others concerned, in your State and the cooperative societies may be impressed upon to prefer their proposals to NCDC for financial assistance. **Cooperatively Developed States may please note that subsidy assistance under the scheme which was not earlier available to them under the Components I is now permitted @15% for projects/ programmes related to weaker sections subject to conditions detailed in the Guidelines. Further, Societies organised as Women Cooperatives and Labour Cooperatives under the provision of State Act, shall also be considered as Weaker Section Cooperatives for the purpose of subsidy assistance under CSISAC.**

4. For any further clarification about the CSISAC Scheme, guidelines for preparation of Detailed Project Reports (DPR) and formulation of proposals, the Head Office at New Delhi and / or the concerned Regional Office of NCDC in your region may kindly be contacted for necessary assistance in facilitating generation of proposals, to derive optimal benefits from the Scheme for promotion and development of cooperative sector in your State. List of NCDC's Regional Offices and their contact addresses are enclosed at **Annexure-C** which are also available on the website:www.ncdc.in.

5 Hindi version of this circular follows.

Yours faithfully,

Sd/-
(Vasudha Mishra)
Managing Director

Encl: As above.

Copy to:

1. Chief Director (Cooperation), Department of Agriculture and Cooperation, Ministry of Agriculture, Government of India, Krishi Bhawan, New Delhi
2. Registrar of Cooperative Societies (All States/UTs)
3. Directors/Commissioner of Fisheries (All States/UTs)
4. Directorate of Animal Husbandry & Veterinary Services (All States/UTs)
5. Director Handloom, Handicraft, Textile & Khadi, (All States/UTs)
6. Managing Director, Scheduled Caste and Scheduled Tribe Federations (All States/UTs)

7. Managing Director, State Cooperative Dairy Federation (All States/UTs)
8. Managing Director, State Cooperative Consumer Federation (All States/UTs)
9. Managing Director, State Apex Marketing Federation (All States/UTs)
10. Chief Executive Officer, National Level Cooperative Organisation
11. Managing Director, State Labour & Construction Cooperative Federation (All States/UTs)
12. All Chief Director, NCDC Head Office including TOPIC; Advisers (SCU/KPV/GKG) and Directors (MIS/PR), NCDC, Head Office
13. All Regional Director, NCDC
14. Guard File

ANNEXURE - A

No. L-12013/1/2014-I&P
Government of India
Ministry of Agriculture
Department of Agriculture & Cooperation

R.No.333, Krishi Bhawan,
New Delhi-110001
Dated 4th July 2014

To

The Managing Director
NCDC,
Hauz Khas,
New Delhi- 110016

Subject :- Guidelines for implementation of the component of Assistance to NCDC Programme for Development of Co-operatives under the Central Sector Integrated Scheme on Agricultural Co-operation reg.

Madam,

I am directed to refer to this Deptt.'s letter of even number dated 21st March 2014 and yours DO letter no. NCDC 3-1/2012-P&C dated 18.06.2014 on the subject mentioned above and to enclose a copy of revised guidelines for implementation of the component of 'Assistance to NCDC Programmes for Development of Co-operatives' under the Central Sector Integrated Scheme on Agricultural Co-operation during the remaining period of 12th Five Year Plan (2013-17) for further necessary action.

This issues with the approval of Secretary (A&C)

Encl : As Above

Yours faithfully

Sd/-

(Dr. A.K. Mishra)
Chief Director (Cooperation)

GUIDELINES FOR IMPLEMENTATION OF THE COMPONENT OF ASSISTANCE TO NCDC PROGRAMMES FOR DEVELOPMENT OF COOPERATIVES UNDER CENTRAL SECTOR INTEGRATED SCHEME ON AGRICULTURAL COOPERATION (CSISAC) DURING THE REMAINING PERIOD OF 12TH FIVE YEAR PLAN (2013-17)

1. Objectives:

The **Central Sector Integrated Scheme on Agricultural Cooperation (CSISAC)** is the result of merger of two erstwhile schemes of 11th Five Year Plan viz; Restructured Central Sector Scheme for Assistance to National Cooperative Development Corporation (NCDC) Programmes for Development of Cooperatives and Central Sector Scheme for Education & Training. The main objectives of the scheme are to provide financial assistance for improving the economic conditions of cooperatives, remove regional imbalances and to speed up cooperative development in agricultural and allied sectors, help cotton growers to fetch remunerative price for their produce through value addition besides ensuring supply of quality yarn at reasonable rates to the decentralized weavers, overall development of selected districts in the country through cooperative efforts in agriculture and allied sectors and to assist National Level Cooperative Federation/ Multi State Cooperative Societies (MSCS) in the agriculture and allied sector to undertake promotional and skill development activities.

2. Components of the Scheme:

Financial assistance will be provided for the following components under the Scheme (CSISAC) under the component of Assistance to NCDC Programmes for Development of Cooperatives:

- i) **Marketing, Processing, Storage, Consumer, Weaker Section Programmes of Cooperatives, Computerization of Primary Agricultural Cooperative Credit Societies (PACS), District Central Cooperative Banks (DCBs), State Cooperative Banks (SCBs) and Technical & Promotional (T&P) Cell Scheme for strengthening Management of State Cooperative Federations [subsidy on tapering basis].**

Financial assistance will be provided under this component for improving the economic conditions of cooperatives, remove regional imbalances and to speed up cooperative development in agricultural marketing, processing, storage, computerization and weaker section programmes. The government will provide assistance to NCDC for financing the activities under agro and allied sector for processing, marketing, storage and input supply, development of weaker sections cooperatives such as tribal cooperatives, dairy, poultry, livestock, fisheries, handloom, coir, jute, sericulture cooperatives etc., T&P Cell and computerization of cooperatives.

ii) Assistance for cotton development including ginning and pressing and establishment of new and modernization/ expansion/rehabilitation of existing cooperative spinning mills.

The basis objective of the scheme is to help cotton growers to fetch remunerative price for their produce through value addition besides ensuring supply of quality yarn and reasonable rates to the decentralized Weavers. Under this component, financial assistance will be provided to the cooperative spinning mills for share capital participation, modernization/ expansion of existing mills, rehabilitation of sick cooperative spinning mills, margin money assistance to cooperative spinning mills and State Cotton Federations, besides for setting up of new and modernization of existing cotton ginning and pressing units.

iii) Integrated Cooperative Development Projects in selected districts (ICDP):

This scheme aims to promote overall development of selected districts in the country through cooperative efforts in agriculture and allied sectors including fisheries, poultry, handloom and rural industries etc.; strengthen cooperative network; promote business development plans by forging effective linkage with credit and other institutional structure in the area; develop PACS as multi-purpose entities and modernization of management of Cooperatives.

The component-wise details of physical and financial targets approved for 12th five year plan are given at **Annexure-I** and details of components are given at **Annexure-II**.

3. Coverage /Area of operation:

The scheme is approved for its implementation in all parts of the country covering all States and Union Territories (UTs).

4. Eligible Sectors for NCDC's assistance under the scheme:

Agricultural Marketing, Processing, Storage, Computerization and weaker sections' Programmes, and input supply, Plantation/horticultural crops, SC & ST cooperatives, tribal cooperatives, hill area cooperatives, dairy, poultry, livestock, fisheries, handloom coir, jute, cash crops, sericulture, computerization of cooperatives including PACS, DCCB and State Cooperative Banks, Spinning Mills, modernization/expansion of existing mills, rehabilitation of sick Cooperative Spinning Mills, Margin money assistance to cooperative spinning mills.

5. Eligible Organizations for seeking assistance from NCDC under the scheme:

Financial assistance will be provided to cooperative societies as per eligible sectors in para- 4 above.

Societies should not be less than three years older, having positive balance net worth for last three years and having rich experience in the field for which project is proposed under the scheme. In the case of government sponsored projects for cooperatives, this condition could be relaxed on case to case basis by Managing Director, NCDC.

6. Pattern of Assistance to NCDC under the scheme:

Component - I

Assistance for Marketing, processing (Small & medium sized processing units including Fruit & Vegetable units, Oilseed, Foodgrains, Plantation Crops, Cottage & Village Industries and Small Scale Industrial units, Handicrafts, Cane bamboo units etc.), Storage, Consumer, Weaker Sections' programmes (Fisheries, Dairy, Poultry, Live Stock, Coir, Jute, Sericulture, Handloom and Women Cooperatives).

Computerization of cooperatives (PACS, DCBs & SCBs), Creation of T&P Cell Scheme (subsidy on tapering basis) for strengthening of management of State Cooperative Federations.

Pattern of Assistance

A. The Assistance/ grants-in-aid under the scheme will be released by Government of India to NCDC and the loan part will be managed by NCDC from its own resources. The details of pattern of assistance/ grant-in-aid under the scheme will be as per details given below:

- (I) 25% Subsidy** for Organizations / projects located in Cooperatively Least Developed States.
- (II) 20% subsidy** for Organizations / projects located in Cooperatively under Developed States.
- (III) 15% subsidy** for Organizations / projects located in Cooperatively Developed States subject to the following restrictions:
 - i) Cap of Rs. 5 crores per project/ per proposal;
 - ii) For financing proposals of weaker sections only for activities as identified by NCDC i.e. (a) Fisheries, (b) Tribal/SC & ST/ Hill Area Cooperatives, (c) Dairy, (d) Poultry, (e) Handloom, (f) Coir, Jute & Tobacco, (g) Sericulture, (h) Women Cooperatives and (i) Labour Cooperatives; and
 - iii) Only 20% of the total subsidy available under the plan/ scheme shall be provided for schemes/projects in Cooperatively Developed States.

Component – II

Establishment of New and modernization of existing Ginning and Pressing units;

Rehabilitation of sick Cooperative Spinning Mills (Assistance for package to be evolved in consultation with concerned State Govt).

Establishment of **new and expansion / modernization of existing cooperative spinning mills.**

Pattern of Assistance

15% subsidy for the above activities in all states.

Component – III

Integrated cooperative development project in selected districts

- (a) All activities under the purview of NCDC may be covered keeping in view the needs and potential in the participating districts.
- (b) * Special focus on training and development of manpower in cooperatives.
- (c) * Managerial assistance applicable to project implementing agency (PIA)/ project implementation team (PIT) and monitoring.
- (d) * Incentives for the cooperative personnel.
- (e) Dovetailing the subsidies available from any Department / Ministry / agencies for passing on to cooperatives.

** In case of special category states, 100% subsidy under the scheme while in other states shared equally between central grant and State Government. Total subsidy component in a project would not exceed 30% of the total project cost. Pattern of assistance for ICDP is enclosed as **Annexure – III.***

B. Following may also be ensured while implementing the subsidy linked schemes:

- (I) For balanced distribution of subsidy linked assistance to all sectors / societies, repetition of grants / subsidy to a particular society for a particular project is not allowed.

However, in case of projects wherein enhancement is due to reasons beyond control of the society, viz.; natural calamities, policy decisions, etc. the issue may be examined on case to case basis on merits by BOM, NCDC and if required interim enhancement in the project cost before completion of approved project may be allowed.

- (II) The applicable assistance / subsidy across different interventions / components under the scheme would be the same as in the case of other ongoing schemes of the DAC or comparable schemes of other departments / ministries;
- (III) The Grants-in-aid / subsidy shall not be utilized for payment of salary / remuneration to the staff except in respect of ICD Projects, T&P Cell and salary under pre-operative cost of the infrastructure projects.

7. Procedure for submission of applications/ project proposals for financial assistance from NCDC under the scheme:

- (i) Rules/ Procedures shall be framed by the NCDC under intimation to the Administrative Ministry for assistance from NCDC.

8. Release of Grant:

Subsidy / grants-in-aid shall be released on request of NCDC, in prescribed format / proposal form. The release will be considered on submission of the utilization certificate of the grants-in-aid released during the previous financial year; detailed physical and financial progress report indicating the approved activities for which the grant was utilized; details of unspent balances, if any, and details of programmes / activities proposed to be undertaken during the financial year. Audited statement of accounts may submitted as soon as available.

9. Documents Required:

NCDC may prescribe the requirements of documents to be obtained from the agency as per the nature and size of the project(s).

10. Implementation and monitoring of the projects sanctioned:

Annual Action Plan / Programme of activities and other financial statements / documents for the scheme will be prepared by NCDC and submitted to DAC. The implementing agencies shall develop a mechanism to verify the projects at every stage to assess the performance.

For effective and smooth implementation of the projects under the scheme regular monitoring is required. Therefore, in addition to the existing system of project appraisal and monitoring of NCDC i.e. Central and Divisional Screening Committees, Board of Management, General Council, etc., NCDC shall also develop a system of requiring its implementing agencies to supervise all the projects funded by NCDC and send regular returns on physical and financial progress to DAC in the prescribed format (**Appendix- I**). The compilation of these returns may be reviewed in the Cooperation Division, DAC on a quarterly basis. In addition, NCDC may also undertake monitoring of some representative

projects selected on the basis of random sampling and also conduct evaluation of its schemes from time to time.

Further, NCDC would prepare a clear template for monitoring of the scheme for its effective and smooth implementation and submit the same to DAC. DAC shall also carry out inspection of subsidy linked projects on sample basis, from time to time.

11. States specific focus:

States in North-East of India may be given due consideration while implementing the scheme and not less than 10% Grant-in-aid should be utilized for these States.

12. Sector specific focus:

24% of total grants-in-aid under the scheme should be utilized for SC/ST societies (16% for SC and 8% for ST).

Besides the above, NCDC would ensure adequate coverage of societies belonging to women and other weaker segments of society under their grant-in-aid scheme to ensure that benefits of implementation are inclusive and accrued to the intended beneficiaries in accordance with Government guidelines and policies.

13. Convergence with other schemes of DAC / other Ministries / Departments

NCDC and other implementing agencies / MSCS / National Federations should make efforts for convergence of scheme with the other schemes of DAC and other Departments / Ministries / Organizations / Agencies etc. to avoid any over lapping / duplication of subsidy linked assistance. Panchayati Raj Institutions shall also be appropriately consulted for ensuring that local / Panchayati level requirements are adequately addressed.

14. Review and Reporting

The progress of implementation of the scheme / projects / societies would be reviewed by the implementing agencies from time to time. Further, the implementation of the scheme would be reviewed in DAC on quarterly basis. Therefore, the progress of implementation of the projects by the societies would be maintained by the implementing agencies / NCDC / Societies in prescribed format attached (**Appendix-I**) and made available to DAC as and when required.

15. Evaluation

The evaluation of the performance of the scheme would be carried out towards the end of 12th Plan or as advised by DAC.

16. General Issues

- i. There should not be any post-facto approval of grants for the projects / societies.
- ii. The projects should be completed in stipulated / approved time limit, no extension should be given in general.

NOTE:

- (i) If any relaxation in the implementation of these Guidelines is considered necessary, the same may be done with the approval of the Ministry.
- (ii) Guidelines in respect component (iv) i.e. Assistance to Multi-State Cooperative Societies (MSCS) / National Level Cooperative Federations, which will be implemented directly by DAC, shall be issued separately.

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Annexure-I

The component wise and year wise projections of financial outlays and physical targets approved for 12th five year plan in respect of the component of Assistance to NCDC Programmes for Development of Cooperatives (subsidy & loan both) under the Central Sector Integrated Scheme on Agricultural Cooperation.

(Rs. in crore)

FINANCIAL PROJECTIONS (RS. IN CRORE)				PHYSICAL TARGETS (NEW SANCTIONS)
YEAR	LOAN	SUBSIDY	TOTAL	
2012-13				
i. Assistance for marketing, processing, storage etc. for Cooperative Development	107.44	54.11	161.55	5097*
ii. Assistance for Cotton Development, G& P Programmes and Establishment of New & Modernization / Expansion / Rehabilitation of Existing Cooperative Spinning Mills	20.05	3.00	23.05	7
iii. Integrated Cooperative Development Projects (ICDP) in selected districts	267.27	11.89	279.16	16
Total	394.76	69.00	463.76	5120
2013-14				
i. Assistance for marketing, processing, storage etc. for Cooperative Development	248.95	99.35 (62.50)	348.30	160
ii. Assistance for Cotton Development, G& P Programmes and Establishment of New & Modernization / Expansion / Rehabilitation of Existing Cooperative Spinning Mills	133.20	28.80 (7.00)	162.00	9
iii. Integrated Cooperative Development Projects (ICDP) in selected districts	124.00	16.00 (12.50)	140.00	19
Total	506.15	144.15 (82.00)	650.30	188
2014-15				
i. Assistance for marketing, processing, storage etc. for Cooperative Development	342.21	132.84 (70.50)	475.05	160
ii. Assistance for Cotton Development, G& P Programmes and Establishment of New & Modernization / Expansion / Rehabilitation of Existing Cooperative Spinning Mills	195.59	42.73 (18.00)	238.32	8
iii. Integrated Cooperative Development Projects (ICDP) in selected districts	76.25	17.37 (12.50)	93.62	19
Total	614.05	192.94 (101.00)	806.99	187

Annexure-I (Contd.)

YEAR	LOAN	SUBSIDY	TOTAL	Physical Target
2015-16				
i. Assistance for marketing, processing, storage etc. for Cooperative Development	342.20	132.85	475.05	160
ii. Assistance for Cotton Development, G& P Programmes and Establishment of New & Modernization / Expansion / Rehabilitation of Existing Cooperative Spinning Mills	195.58	42.73	238.31	8
iii. Integrated Cooperative Development Projects (ICDP) in selected districts	76.24	17.37	93.61	18
Total	614.02	192.94	806.97	186
2016-17				
i. Assistance for marketing, processing, storage etc. for Cooperative Development	342.20	132.85	475.05	160
ii. Assistance for Cotton Development, G& P Programmes and Establishment of New & Modernization / Expansion / Rehabilitation of Existing Cooperative Spinning Mills	195.58	42.74	238.32	8
iii. Integrated Cooperative Development Projects (ICDP) in selected districts	76.24	17.37	93.61	18
Total	614.02	192.96	806.98	186
2012-13 to 2016-17				
i. Assistance for marketing, processing, storage etc. for Cooperative Development	1383.00	552.00	1935.00	5737
ii. Assistance for Cotton Development, G& P Programmes and Establishment of New & Modernization / Expansion / Rehabilitation of Existing Cooperative Spinning Mills	740.00	160.00	900.00	40
iii. Integrated Cooperative Development Projects (ICDP) in selected districts	620.00	80.00	700.00	90
Grand Total	2743.00	792.00	3535.00	5867

* includes 5015 societies sanctioned margin money @Rs.2 lakh / society. Total assistance sanctioned is Rs.100.30 crores, however amount sanctioned per society is meager.

While the loan component will be provided by NCDC from its own resources / market borrowings, the subsidy would be provided by the Department of Agriculture and Cooperation, Ministry of Agriculture. Apart from this outlay of Rs. 22500 crores has been proposed during 12th Five Year Plan under the Cooperation Sponsored Scheme for which the funds will be arranged by NCDC from its sources.

Note : Figures in brackets indicate funds allotment under RE (2013-14) and Annual Plan/BE (2014-15).

Annexure – II
Details of components, activities and pattern of subsidy in 12th Five Year Plan

S.No.	Component	Activities / Cooperatives	Pattern of subsidy assistance
1.	Assistance for Marketing, Processing, Storage etc. programmes in Cooperatively Under and Least Developed States.	Assistance for Marketing, Processing*, Storage, Cold Storage, Consumer, Weaker Section** programmes. Computerization of cooperatives (PACS, DCBs & SCBs)+, Creation of T&P Cell Scheme (subsidy on tapering basis) for strengthening of management of State Cooperative Federations. (Margin Money, Term Loan, Investment Loan & subsidy)	A. Cooperative Least Developed States : 25% B. Cooperatively Under Developed States : 20%
	Assistance for Marketing, Processing, Storage etc. programmes in Cooperatively Developed States	Fisheries, Tribal, SC/ST, Hill Area Cooperatives, Dairy, Poultry, Handloom, Coir, Jute, Tobacco, Sericulture, Women Cooperatives, Labour Cooperatives. (Margin Money, Term Loan, Investment Loan & subsidy)	Cooperatively Developed States : 15%
2.	Assistance for Cotton development including Ginning & Pressing units, Establishment of new and modernisation / expansion / rehabilitation of existing Cooperative Spinning Mills	<ul style="list-style-type: none"> • Establishment of New and modernization of existing Ginning and Pressing units; • Rehabilitation of sick Cooperative Spinning Mills. (Assistance for package to be evolved in consultation with concerned State Govt). • Establishment of new and expansion /modernization of existing cooperative spinning mills. (Margin Money, Term Loan, Investment Loan & Subsidy) 	All states, All Components : 15%

Annexure-II Contd.....

S. No.	Component	Activities / Cooperatives	Pattern of subsidy assistance		
3.	Integrated Cooperative Development Projects in selected districts.	<p>For all activities under the purview of NCDC in participating district with special focus on training and development of manpower in cooperatives.</p> <p>(Margin Money, Term Loan, Investment Loan & Subsidy towards managerial assistance for Project Implementing agency (PIA)/ Project Implementation Team (PIT) to meet the cost of PIA/PIT, monitoring, incentives and subsidy dovetailed for beneficiary cooperatives.</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%; padding: 5px;"> <ol style="list-style-type: none"> 1. Manpower Development & Training 2. Managerial assistance (applicable to PIA and Monitoring Cell also) and incentives 3. 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. The subsidy assistance available from any Deptt / Ministry / Agencies shall be dovetailed for passing on to the cooperatives. </td> <td style="width: 30%; padding: 5px; vertical-align: middle;"> <p style="text-align: center;">} Special category States 100%, while for other States 50% (balance to be contributed by State Govt.. from their own resources)</p> </td> </tr> </table> <p>Total subsidy (1, 2 & 3) in the project restricted to 30% of the project cost.</p>	<ol style="list-style-type: none"> 1. Manpower Development & Training 2. Managerial assistance (applicable to PIA and Monitoring Cell also) and incentives 3. 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. The subsidy assistance available from any Deptt / Ministry / Agencies shall be dovetailed for passing on to the cooperatives. 	<p style="text-align: center;">} Special category States 100%, while for other States 50% (balance to be contributed by State Govt.. from their own resources)</p>
<ol style="list-style-type: none"> 1. Manpower Development & Training 2. Managerial assistance (applicable to PIA and Monitoring Cell also) and incentives 3. 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. The subsidy assistance available from any Deptt / Ministry / Agencies shall be dovetailed for passing on to the cooperatives. 	<p style="text-align: center;">} Special category States 100%, while for other States 50% (balance to be contributed by State Govt.. from their own resources)</p>				

* Small & medium sized processing units include Fruit & Vegetable units, Oilseed, Foodgrains, Plantation Crops, Cottage & Village Industries and Small Scale Industrial units, Handicrafts, Cane bamboo units etc.

** Weaker section programmes / activities which are:-
 Fisheries, Dairy, Poultry, Live Stock, Coir, Jute, Sericulture, Handloom, Tribal / SCs and STs / Hill area, Tobacco, Labour and Women Cooperatives.

Note: Inter-component transfers of funds may be permitted with approval of DAC.

PATTERN OF ASSISTANCE IN RESPECT OF INTEGRATED COOPERATIVE DEVELOPMENT PROJECTS IN SELECTED DISTRICTS (ICDP)

Sl. No.	Activity	From NCDC to State Government			From State Government 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. The subsidy assistance available from any Deptt./Ministries/agencies shall be dovetailed for passing on to the cooperatives.							

The total subsidy component in a project would not exceed 30% of the total project cost.

@ 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.

APPENDIX- 1

**Central Sector Integrated Scheme on Agricultural Cooperation
Monthly Progress Report for the Month of _____**

DETAILS OF PROJECT																
Name of Society, Address, Regn. No. & date	Name of project	Project Location	Type of society SC/ST, Women, General	Purpose /objective	Total cost proposed	Total cost sanctioned				Completion schedule	Cumulative sanctions / disbursements			Category / component under which sanctioned	Monitoring schedule	Remarks
						Loan	Sub.	Society share	Total		Loan	Sub.	total			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17

National Cooperative Development Corporation

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Sub: Operational Guidelines for Implementation of Central Sector Integrated Scheme on Agricultural Cooperation of the Department of Agriculture and Cooperation (DAC) by NCDC

Under the for Central Sector Integrated Scheme on Agricultural Cooperation (CSISAC), NCDC shall provide financial assistance in the form of loan (both Term Loan and Investment Loan) and subsidy to the cooperative societies for their development.

2. The loan component shall be provided from out of NCDC's own funds while the subsidy will be provided from outlay earmarked by Department of Agriculture & Cooperation, Ministry of Agriculture, Government of India under the CSISAC.
3. The scope of the Scheme covers whole of India.
4. For the purpose of NCDC's funding the states are categorised as under :
 - Cooperatively Least Developed States /Union Territories. {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), Puducherry (UT), Delhi }
5. There are **three components of the** CSISAC Scheme as detailed in **Annexure -A.**

5.1 COMPONENT – I

5.1.1 NCDC provides assistance for activities related to (i) Marketing, (ii) Processing (Small & Medium sized processing units related to agriculture and allied activities), (iii) Storage including Cold Storage and (iv) Consumer business.

5.1.2 **Weaker Section** Programme shall include programmes related to activities mentioned at (i) to (iv) above 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 (5.1.1 above).

5.1.3 The pattern of funding under the Component – I is detailed here under:

A. Margin Money for Business Development:

To cover all levels of cooperatives for sectors/activities funded by NCDC

Developed States/UTs (For Weaker Section Programme only) (For all activities as detailed at Para 5.1.1)			Under Developed States/UTs (For all activities as detailed at Para 5.1.1)			Least Developed States/UTs (For all activities as detailed at Para 5.1.1)		
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
Loan 85%	Loan and/or SC 85%	Loan 85%	Loan 80%	Loan and/or SC 80%	Loan 80%	Loan 75%	Loan and/or SC 75%	Loan 75%
Sub. 15%	Sub. 15%	Sub. 15%	Sub 20%	Sub 20%	Sub 20%	Sub 25%	Sub 25%	Sub 25%
S/Govt. – State Government; Sub - Subsidy; SC - Share Capital								
Subsidy subject to availability from Govt. of India otherwise equivalent loan from NCDC								

B. Assistance for Infrastructure Creation (Project Facilities), Capital Asset Creation, Establishment of Small & Medium scale Agro & Allied Processing Units, Computerisation etc.

NCDC shall provide assistance for establishment/ renovation/ expansion/ upgradation & modernisation of godowns, storage, & cold storages, worksheds, workshed cum showroom, showroom, warehouse, small & medium scale agro & allied sector processing units including pre/post loom processing/garment & knitting units; creation of infrastructure for marketing; purchase of furniture & fixtures; transport vehicles including refrigerated vans; purchase/ installation of computers/ computerization (including hardware, software, networking, site preparation, manpower, training etc.).

Assistance shall also be provided for supply of agriculture inputs by establishment of bio-fertiliser unit; agro service/custom hiring centers/ service/repair centers/ workshops, agricultural inputs manufacturing and allied units – small/ medium sized insecticides/pesticides formulation units, seed processing units etc.); **Consumer** business by establishment of diesel, kerosene bunk/warehouse, new/expansion/modernisation of wholesale consumer cooperative stores/ departmental consumer cooperative store/ Consumer Federations; **Fisheries** Cooperative for purchase of operational inputs such as fishing boats, nets, and engines, development of inland fisheries, seed farms, hatcheries, etc. and Integrated Fisheries Projects (Marine, Inland and Brackish Water); **Livestock** Cooperative for setting up of slaughter houses; purchase of livestock animals for breeding, rearing, meat, fleece, skin, wool and other by-products.

Developed States/UTs (For Weaker Section Programme only) (For all activities as detailed at Para 5.1.1)			Under Developed States/UTs (For all activities as detailed at Para 5.1.1)			Least Developed States/UTs (For all activities as detailed at Para 51.1)		
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
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%
<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 Govt. or directly to the beneficiary in all States; ✓ # Debt equity ratio may vary depending upon viability of the proposed project. 								

C. 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 years.
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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.

5.2 COMPONENT -II:

5.2.1 NCDC shall provide assistance for establishment of modern and modernisation/expansion of existing ginning & pressing unit organised by cotton growers and their cooperatives with the objective of improving the quality of lint, material handling for improvement in quality of cotton which is used as major raw material for textile unit. NCDC also provides financial assistance for establishment of new/modernisation & expansion of existing cooperative spinning mills organised by

cotton growers and weavers in the country. Under WTO spinning mills are free to use natural and manmade fibers as raw material.

5.2.2 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%
(b) Modernization/Expansion of Existing Spinning Mill		
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%
(c) Margin Money Assistance for Coop. Spinning Mills & State Coop. Cotton Federation		
Term Loan 85% Subsidy 15%	Term Loan 85% Subsidy 15%	Term Loan 85% Subsidy 15%
(d) Establishment of Modern Ginning & Pressing Unit, Modernisation/Expansion of Existing Unit		
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 %
(e) Rehabilitation of Sick Coop. Spinning Mills		
Investment Loan 75% Subsidy 15%	Investment Loan 75% Subsidy 15% Members Contribution 10%	Not Applicable (State Govt's involvement is mandatory)

5.3 **COMPONENT - III:**

5.3.1 One of the important schemes of the NCDC is "Integrated Cooperative Development Project (ICDP) Scheme" which was introduced in the year 1985-86 and aims at:

- ✓ Development of Primary Agricultural Credit Societies as multi purpose self-reliant entities;
- ✓ Development of allied sector cooperatives; and
- ✓ Development of viable functional linkages among cooperatives.

5.3.2 Under the Scheme, an area development approach is adopted for development of cooperatives. A Macro Plan is prepared for the whole of selected district, keeping in view the local resources and needs. The Project is implemented by a Project Implementing Agency (PIA) selected by the State Government in consultation with NCDC. Generally the project is implemented by the District Central Cooperative Bank. To assist the PIA in project implementation, a project implementation team (PIT) is constituted at the district level to prepare Business Development Plan for the societies, assess the society-wise infrastructural and margin money and provide assistance accordingly. The systems and procedures are

streamlined and viable functional linkages are established to make the operations cost effective.

5.3.3 Gaps in managerial skills are identified and necessary training is provided to personnel in cooperatives. PIT personnel provide on the job training and guidance to the cooperatives. The Scheme also has an incentive component for motivating the paid staff of primary cooperatives to perform better and improve the functioning of the cooperatives.

5.3.4 NCDC funds the ICD Projects through State Govt. The project funding is under two heads - Loan and Subsidy. The loan is for creation of infrastructure and strengthening of share capital / providing margin money for augmenting the business of the societies. Subsidy is provided for project implementation, manpower development and training, monitoring and incentives. Subsidy assistance available from any department / ministries / agencies shall be dovetailed for passing on to the cooperatives.

5.3.5 The activities covered and the pattern of funding are as under:

SN	Activity	From NCDC to S/Govt.			From S/Govt. to Cooperatives			
		Loan	Sub	Total	Loan	S/cap.	Sub.	Total
A.	Cooperatively Least Developed States							
i)	Infrastructure Creation (Component I & II)	75%	25%	100%	50%	25%	25%	100%
ii)	Margin money to beneficiaries societies	75%	25%	100%	-	75%	25%	100%
iii)	Share capital to DCCBs	100%	-	100%	-	100%	-	100%
iv)	Manpower Development & Training	-	50% @	50% @	-	-	100%	100%
v)	Managerial assistance to PIA and Monitoring Cell etc.	-	50% @	50% @	-	-	100%	100%
B.	Cooperatively Under-Developed States							
i)	Infrastructure Creation (Component I & II)	80%	20%	100%	50%	30%	20%	100%
ii)	Margin money to beneficiaries societies	80%	20%	100%	-	80%	20%	100%
iii)	Share capital to DCCBs	100%	-	100%	-	100%	-	100%
iv)	Manpower Development & Training	-	50% @	50% @	-	-	100%	100%
v)	Managerial assistance to PIA and Monitoring Cell etc.	-	50% @	50% @	-	-	100%	100%
C.	Cooperatively Developed States							
a)	Weaker Section Programme / Activities							
i)	Infrastructure Creation (Component I)	85%	15%	100%	50%	35%	15%	100%
ii)	Margin money to beneficiaries societies	85%	15%	100%	50%	35%	15%	100%
iii)	Share capital to DCCBs	100%	-	100%	-	100%	-	100%
iv)	Manpower Development & Training	-	50% @	50% @	-	-	100%	100%
v)	Managerial assistance to PIA and Monitoring Cell etc.	-	50% @	50% @	-	-	100%	100%
b)	Other than Weaker Section Programme / Activities							
i)	Infrastructure Creation (Component I & II)	100%	-	100%	50%	50%	-	100%
ii)	Margin money to beneficiaries societies	100%	-	100%	50%	50%	-	100%
iii)	Share capital to DCCBs	100%	-	100%	-	100%	-	100%
iv)	Manpower Development & Training	-	50% @	50% @	-	-	100%	100%
v)	Managerial assistance to PIA and Monitoring Cell etc.	-	50% @	50% @	-	-	100%	100%
Note:								
✓ Total subsidy component under any project shall, however, not exceed 30% of the total project cost.								
✓ Subsidy assistance available from any department / ministries / agencies shall be dovetailed for passing on to the cooperatives.								
✓ The subsidy is shared between the NCDC and the State Government on 50:50 basis.								
✓ In case of special category states indicated as @ in the table above, entire subsidy component is provided by the NCDC. The special category states are all North-Eastern States, Sikkim, Himachal Pradesh, Jammu & Kashmir and Uttrakhand.								

6. **NOTES FOR AVAILING NCDC ASSISTANCE:**

6.1 **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 Government 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.

6.2 **Norms for Direct Funding**

The details are available in NCDC's website: www.ncdc.in under the heading "Eligibility for Direct Funding" which will be applicable for implementation of programmes under CSISAC.

6.3 **Procedure for availing NCDC's assistance**

Cooperative societies intending to avail NCDC's assistance may contact the Office of Registrar of Cooperative Societies(RCS)/Commissioner in charge of the specific programme / Agriculture & Cooperation Department/ Regional Offices of NCDC. The list of **NCDC's Regional Offices**, its jurisdiction, contact numbers, email address etc. are available in NCDC's website under the heading "Regional Directorate". The **Common Loan Application Forms** for various activities are also available in NCDC's website under heading "Application Form" which may be utilised.

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Annexure-C

NCDC FIELD OFFICES

<p>BENGALURU K.H.B. Complex, 3rd Floor, National Games Village, Koramangala, Bengaluru-560 047. Ph.2251474 Fax:2287017 E-mail: RO.Bangalore@ncdc.in</p> <p>(Jurisdiction Karnataka)</p>	<p>BHOPAL A-8, 3rd Floor, Platinum Plaza, T.T. Nagar, Bhopal-462003. Ph. 0755-2774175 Fax:2763647 E-mail: RO.Bhopal@ncdc.in</p> <p>(Jurisdiction Madhya Pradesh)</p>	<p>BHUBANESWAR Alok Bharati Complex (G.F.), Sahib Nagar, Bhubaneshwar-751 007. Ph.0674-2542107 Fax:0674-2545874 E-mail: RO.Bhubaneswar@ncdc.in</p> <p>(Jurisdiction Orissa)</p>
<p>CHANDIGARH SCO 82-83, 2nd floor, Sector -17-C, Chandigarh-160017. Ph.0172-2702007 Fax:0172-27221262 E-mail: RO.Chandigarh@ncdc.in</p> <p>(Jurisdiction Punjab, Haryana, J&K, Chandigarh)</p>	<p>CHENNAI 35, Garment Complex, 2nd floor, Industrial Estate, Guindy, Chennai-600 032. Ph.22500034 Fax: 22500034 E-mail: RO.Chennai@ncdc.in</p> <p>(Jurisdiction Tamilnadu, Puducherry)</p>	<p>DEHRADUN B-2, Friends Enclave, Shah Nagar, Gorakhpur Post Office, Defense Colony, Dehradun-248001 Ph: 0135-2665125 E-mail:RO.Dehradun@ncdc.in</p> <p>(Jurisdiction Uttrakhand)</p>
<p>GANDHINAGAR Plot No. 272-273, Sector-16, Gandhi Nagar-382 016. Ph.079-23222293 Fax:079-23238292 E-mail: RO.Gandhinagar@ncdc.in</p> <p>(Jurisdiction Gujarat, Daman & Dui)</p>	<p>GUWAHATI Bora Service Station Bldg., G.S. Road, Ulubari, Guwahati-781007. Ph.0361-2526327 Fax:0361-2544427 E-mail: RO.Guwahati@ncdc.in</p> <p>(Jurisdiction Assam, Meghalaya Manipur, Tripura, Nagaland, Arunachal Pradesh, Mizoram)</p>	<p>HYDERABAD 5-10-193, HACA Bhavan, 2nd floor, Opp.Public Gardens, Hyderabad-500 004. Ph. 040-23233760 Fax:040-23240615 E-mail: RO.Hyderabad@ncdc.in</p> <p>(Jurisdiction Andhra Pradesh)</p>
<p>JAIPUR 1st floor, Central Block, Nehru Sahakar Bhawan, Bhawani Singh Road, Jaipur-302001. Ph. 0141-2740327 / 2740320 Fax:0141-2740320 E-mail: RO.Jaipur@ncdc.in</p> <p>(Jurisdiction Rajasthan)</p>	<p>KOLKATA P-161/1, VIP Road, 4th Floor, Kolkata-700 054. Ph.2355-5538/4943 Fax:(033)2355-5538 E-mail: RO.Kolkata@ncdc.in</p> <p>(Jurisdiction West Bengal, Sikkim and Andaman & Nicobar Island)</p>	<p>LUCKNOW Sahakarita Bhavan, 14, Vidhan Sabha Marg, Lucknow-226001. Ph.0522-2613093 Fax:0522-2211565 E-mail: RO.Lucknow@ncdc.in</p> <p>(Jurisdiction Uttar Pradesh)</p>
<p>PUNE 5, B.J.Road, Pune-411 001. Ph. 26127049 Fax: 26128027 E-mail: RO.Pune@ncdc.in</p> <p>(Jurisdiction Maharashtra, Goa, Dadra & Nagar Haveli)</p>	<p>PATNA BLOCK-A, 2nd Floor, Maurya Lok Complex, Dak Bungalow Road, Patna-800 001. Ph.0612-2221467 Fax:0612-2211604</p> <p>Email: RO.Patna@ncdc.in</p> <p>(Jurisdiction Bihar)</p>	<p>RAIPUR House No.199 A, 1st Floor, Main Road, Samta Colony Raipur-492 001 Ph: 0771-2106446 Fax: 0771-2442086 E-mail :RO.Raipur@ncdc.in</p> <p>(Jurisdiction Chhattisgarh)</p>
<p>RANCHI M-23 / DS, Harmu Housing Colony, Ranchi-834 012 Ph: 9234171496 Fax:0651-2241494 E-mail: RO.Ranchi@ncdc.in</p> <p>(Jurisdiction Jharkhand)</p>	<p>SHIMLA Kay Kay House Near Tara Hall School, Upper Kaithu, Shimla-171 003. Ph. 2657689 Fax: 2658735 E-mail: RO.Shimla@ncdc.in</p> <p>(Jurisdiction Himachal Pradesh)</p>	<p>THIRUVANANTHAPURAM 5th floor, "CO-BANK Towers", Thiruvananthapuram-695 033. Ph.0471-2318497 Fax:0471-2311673 E-mail: RO.TVM@ncdc.in</p> <p>(Jurisdiction Kerala , Lakshadweep)</p>