

GOVERNMENT OF INDIA
MINISTRY OF COOPERATION

LOK SABHA
UNSTARRED QUESTION NO. 2518
TO BE ANSWERED ON 3RD AUGUST, 2021

FINANCIAL ASSISTANCE BY NCDC

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Will the Minister of COOPERATION सहकारिता मंत्री be pleased to state:

- the details of the financial assistance granted to cooperatives by National Cooperative Development Corporation (NCDC) in Maharashtra, district-wise;
- the details of the Yuva Sahakar Scheme and the funds sanctioned and disbursed to the State of Maharashtra;
- the details of the beneficiaries identified and funds released under various schemes being identified by the Government; and
- the steps being taken by the Government to promote the development of cooperatives in the country?

ANSWER

MINISTER OF COOPERATION

सहकारिता मंत्री (SHRI AMIT SHAH)

- Since inception (1962-63) to 2020-21 NCDC has cumulatively disbursed **Rs. 17438.47 crore** in the state of Maharashtra and district wise release from the period of 1990-91 to 2020-21 is at **ANNEXURE-I**;
- Details of Yuva Sahakar Scheme is at **ANNEXURE-II**. No funds have been sanctioned and released under the Yuva Sahakar scheme so far in the state of Maharashtra.
- (c)&(d) Government has taken several initiatives for promoting and strengthening of cooperative sector in the country. These inter-alia includes, improvement of MIS / PSS, enhanced financial assistance through NCDC, to Cooperatives in the agriculture sector. Assistance under Central Sector Integrated Scheme on Agriculture Corporation (CSISAC) scheme is provided for training to farmers who are members and employees of various types of cooperative societies. Besides, assistance is provided under CSISAC scheme to the National Cooperative Development Corporation (NCDC) for promoting, developing and financing post-harvest activities through cooperatives in agriculture sector. These comprise, inter alia, marketing, storage and processing of agricultural produce besides supply of agricultural inputs.

Subsidy to the tune of 15% to 25% is provided to Cooperatives depending on the category of state in addition to term loan. Government also provides Guarantee for procurement operations of NAFED. Funds released under Central Sector Integrated Scheme on Agriculture Corporation (CSISAC) scheme for the last five years are as under:

(Rs. in lakhs)

Year	Funds released to NCDC
2016-17	13001.00
2017-18	22801.13
2018-19	13777.75
2019-20	19453.25
2020-21	37914.885

YUVA SAHAKAR- COOPERATIVE ENTERPRISE SUPPORT AND INNOVATION SCHEME

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

Eligibility

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

Project Cost

- a) Project cost should not exceed 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.
