# Grant -in-aid to National Cooperative Development Corporation (NCDC)

***Prelims -*** *Current events of national and international importance| Social Sector Initiatives.*

## Why in news?

*Recently, Cabinet approves central sector scheme, Grant in aid to National Cooperative Development Corporation (NCDC).*

- **Duration -** 4 years from 2025-26 to 2028- 29.
- **Funds will be utilised by -** NCDC for granting loans to Cooperatives for setting up new projects / expansion of plants and loan for meeting the working capital requirements.
- **Implemented by -** National Cooperative Development Corporation (NCDC).
- **Features -** NCDC will provide loans to cooperatives either through state government or directly, as per NCDC guidelines.
- Criteria for Cooperatives, which are meeting the criteria of direct funding guidelines of NCDC would be considered for financial assistance directly against admissible security or state government guarantee.

## National Cooperative Development Corporation (NCDC)

- **Established in** - 1963 as a ***statutory corporation.***
- **Nodal Ministry –** Ministry of Cooperation.
- **Headquarters–** New Delhi.
    - NCDC functions through 18 Regional/State Directorates.
- **Management –** It is overseen by a ***General Council and a Board of Management.***
- **Functions –** Planning, promoting and financing programmes for production, Processing, marketing, Storage, export and import of ***agricultural produce, food stuffs.***
- Supply of consumer goods and collection, export of minor forest products through cooperatives, besides income generating stream of activities such as poultry, dairy, fishery, sericulture, handloom.
- The NCDC Act has been amended to support a broader range of cooperatives and strengthen its financial resources.
- **Support for Rural projects** – It is also empowered to fund rural industrial cooperative projects and essential rural services.
- Loans and grants are given to State Governments to help fund primary and secondary level cooperative societies.

- They also given loan directly to national-level and other cooperative societies which operates in more than one State.
- It can also directly fund projects under its various assistance schemes upon fulfilment of the specified conditions.

**References**


1. PIB| Cabinet approves Grant in aid
2. The National Cooperative Development Corporation


