

National Cooperative Development Corporation (NCDC)

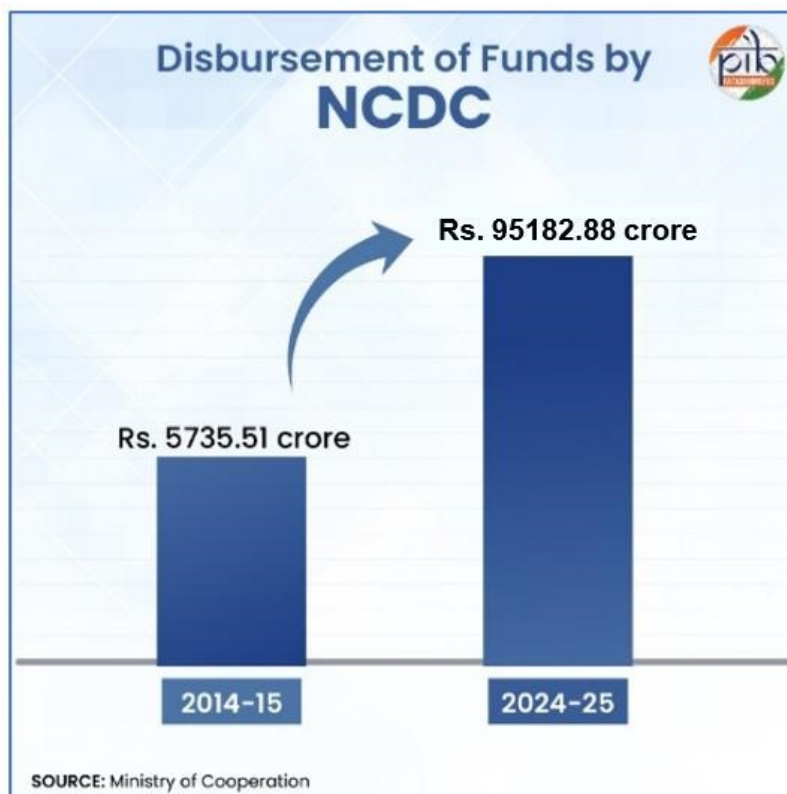
Mains: *GS II -Statutory bodies| Government Policies and Interventions for Development in various sectors and Issues arising out of their Design and Implementation.*

Why in News?

Recently, the government has increased the funding and schemes for the cooperative sector to further develop it and increase the number of cooperatives in the country.

What is National Cooperative Development Corporation(NCDC)?

- **(NCDC)** - It is a statutory organisation under the Ministry of Cooperation, Government of India, established in 1963.
- **Objectives** - The objectives of NCDC include:
 - Promoting, strengthening, and developing farmer cooperatives for increasing production, productivity and instituting post-harvest facilities
 - Providing assistance for development of cooperatives in sectors of processing, storage, cold chain and marketing of agriculture produce and the supply of seeds, fertilizer and other agricultural inputs etc.
- **Functions of NCDC**
 - NCDC supports income-generating cooperatives across various non-farm sectors such as weaker section activities.
 - This includes dairy, livestock, handloom, sericulture, poultry, fishery, scheduled caste & scheduled tribes, women cooperatives etc.
 - NCDC provides financial assistance to the cooperative sector for their economic development and social upliftment through NCDC Sponsored schemes and various GoI schemes implemented by NCDC



What are the schemes and efforts of NCDC?

- **Yuva sahakar**-cooperative enterprise support and innovation scheme - Launched in FY 2019-20, the scheme is designed to promote cooperative start-ups across diverse sectors by supporting newly formed cooperatives with innovative ideas.
- The scheme encourages Young (Yuva) Entrepreneur Cooperative Societies that are in operation for a minimum of 3 months.
- It is linked to a Cooperative Start-up and Innovation Fund created by NCDC, with preferential support extended to cooperatives in the North Eastern Region, those operating in Aspirational Districts identified by NITI Aayog, and cooperatives comprising exclusively women, SC, ST, or PwD members.
- **Eligibility**
 - Any type of cooperative society with new, innovative, and value chain enhancement intended projects.
 - It should be in operation for a minimum of 3 months.
 - It should have a positive net-worth.
 - It 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).
- **Ayushman Sahakar** - It adopts a holistic approach to strengthening the healthcare ecosystem through cooperative institutions.
- It aims to assist cooperative societies:
 - To provide affordable and holistic healthcare through hospitals/ healthcare/ education facilities by cooperative societies,
 - To promote AYUSH facilities by cooperative societies,
 - To meet the objectives of the National Health Policy,
 - To participate in the National Digital Health Mission,
 - To provide comprehensive healthcare including education, services, insurance, and activities related thereto.
- **Eligibility**
 - Any Cooperative Society registered under any State/Multi-State Cooperative Societies Act in

the country, with a suitable provision in the bye-laws to undertake services related to hospital/healthcare/health education.

- **Dairy Sahakar** - It aims to strengthen dairy cooperatives by offering financial assistance for both new projects and the modernization or expansion of existing infrastructure.
- The scheme supports end-to-end dairy sector activities, including bovine development, milk procurement and processing, quality assurance, value addition, branding, packaging, marketing, transportation, storage, and export of dairy products.
- Additionally, NCDC extends financial support to a range of related services and enabling activities such as:
 - Renewable energy adoption,
 - ICT solutions,
 - Cattle feed and supplement manufacturing,
 - Research and development,
 - Packaging material manufacturing,
 - Manufacturing of dairy equipment and machinery,
 - Dairy-related maintenance services,
 - Manufacturing of veterinary drugs,
 - Delivery of veterinary healthcare services,
 - Education and capacity development in the veterinary/dairy education.
- **Eligibility**
 - Any Cooperative Society registered under any State/Multi-State Cooperative Societies Act in the country, with a suitable provision in the bye-laws.
- **Digital Sahakar** - The scheme, operational since 2021-22, is aligned with the vision of Digital India.
- It provides financial and technical assistance to promote digitally empowered cooperatives, ensuring better credit access and facilitating seamless linkage with government grants, subsidies, and incentives.
- **Eligibility**
 - Any Cooperative Society registered under any State/Multi-State Cooperative Societies Act is eligible for financial assistance under the scheme.
 - FPOs, FFPOs, and federated SHG cooperatives are also eligible. Assistance is provided by NCDC either directly to the cooperatives or through State Governments/ UT Administrations.
- **Deerghavadhi Krishak Punji Sahakar Yojana** - It offers long-term financial assistance to agricultural credit cooperatives.
- It enables them to extend credit for a wide range of agricultural activities, commodities, and services falling under the NCDC's mandate:
- To ensure increased and uninterrupted credit flow to cooperatives and their members.
- To boost capital formation in the agriculture and allied sectors.
- To support non-farm sector activities, thereby promoting alternate employment opportunities in rural and semi-urban areas.
- **Eligibility** - The following types of Agricultural Credit Cooperatives will be eligible for NCDC's loan under this scheme:
 - Primary Agricultural Credit Cooperatives (PACS)
 - District Central Cooperative Banks (DCCBs)
 - State Cooperative Banks (StCBs)
 - Primary Cooperative Agriculture & Rural Development Banks (PCARDS)
 - State Cooperative Agriculture & Rural Development Banks (SCARDS)
- **Support to Women Cooperatives** - National Cooperative Development Corporation (NCDC) is also implementing the exclusive schemes for women cooperatives: a. Swayam Shakti Sahakar Yojana, and b. Nandini Sahakar. These initiatives play a significant role in empowering women and strengthening their contribution to rural economic development.
- **Swayam Shakti Sahakar Yojana** - The scheme, launched in the FY 2022-23, provides financial

assistance to agricultural credit cooperatives for extending loans and advances to women self-help groups (SHGs).

- Under this scheme, Primary Agricultural Credit Societies (PACS), District Central Cooperative Banks (DCCBs), State Cooperative Banks (StCBs) and SHGs Federated Cooperatives/Cooperative Federations are eligible for loan from NCDC.
- By enhancing access to credit, the scheme plays a key role in strengthening women's participation in rural economic activities.
- **Nandini Sahakar** - It aims to empower women by promoting their participation in cooperatives.
- It helps women-led cooperatives by providing support in business planning, enterprise development, capacity building, and access to finance through credit, subsidies, and interest subvention from other government schemes.
- The scheme has been in operation since the financial year 2020-21.
- **Eligibility**
 - Any Women Cooperative Society registered under any State/Multi-State Cooperative Societies Act in the country is eligible.
 - Any cooperative society with a minimum of 50% women members at the primary level is also eligible.
 - In case of projects related to new and/ or innovative activities, women cooperatives that are in operation for at least three months are also eligible for assistance.

Successful Cooperative Models of India

- Gujarat State Cooperative Marketing Federation Limited (GUJCOMASOL) in Gujarat.
- The Lahoul Potato Growers Cooperative Society in Himachal Pradesh.
- The Jharkhand Women's Self-Supporting Poultry Cooperative Federation.
- The Vitthalrao Shinde Sahakari Sakhar Karkhana in Maharashtra.

What are the schemes of other ministries?

- **Implemented by NCDC** - The Corporation also implements several Central Sector and Centrally Sponsored schemes of the Government of India,
- It supports the holistic development of cooperative institutions across sectors, including agriculture, horticulture, fisheries, dairy, livestock, food processing, marketing, storage, and cold chain infrastructure.



What are the recent developments in cooperative sector?

- **Grant-in-aid support to NCDC** - The Union Cabinet has approved a Central Sector Scheme "Grant in aid to National Cooperative Development Corporation (NCDC)" with a total outlay of Rs.2,000 crore for the period 2025-26 to 2028-29.
- Under this scheme, Rs.500 crore will be released annually, enabling NCDC to leverage these grants and mobilise nearly Rs.20,000 crore from the open market over the four-year period.
- This enhanced financial capacity will help NCDC to extend loans to cooperative societies for setting up new ventures, expanding existing plants, and meeting their working capital requirements.
- **National Cooperative Society Policy** - The National Cooperation Policy (NCP) 2025 sets out a clear vision for revitalising India's cooperative movement in line with the nation's goal of becoming *Viksit Bharat* by 2047.
- Guided by the spirit of *Sahkar-se-Samridhi*, the policy seeks to strengthen the cooperative framework, promote inclusive economic growth, and empower rural communities through collective participation.
- It focuses on building a supportive legal, economic, and institutional environment that enables cooperatives to become transparent, technology-driven, and professionally managed enterprises.
- The initiative is being implemented by the National Cooperative Development Corporation (NCDC) in collaboration with seven major cooperative institutions.
- **7 major institutions** - IFFCO, NAFED, Amul, KRIBHCO, NDDB, NCEL, and NABARD-fostering cooperation among cooperatives to drive sustainable development.

Reference

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