

OPERATIONAL GUIDELINES FOR IMPLEMENTATION OF NCDC SCHEME

About NCDC Scheme:

The National Cooperative Development Corporation (NCDC) was established by an act of parliament in 1963 as a statutory corporation under the Ministry of Agriculture and Farmers welfare. NCDC sanctions loans for small ruminant development under the central sector Integrated scheme on Agricultural Cooperation (CSISAC) for development of small Ruminants.

Pattern of Physical & Financial Phasing: Pattern of funding for CSISAC program is detailed below

Sl.No	Component	Share of outlay
1	Loan	60%
2	Subsidy (subject to availability from GOI)	20%
3	Beneficiary Contribution	20%
4	Interest on Loan (Dynamic)	10.40%

Physical Phasing: NCDC has approved following sheep units with following unit costs.

Sl.No	Unit size	Unit cost (Rs in Lakhs)
1	20+1	1.00
2	50+2	5.00
3	100+5	10.00
4	500+25	50.00

NCDC scheme for small ruminant development under Andhra Pradesh

Small Ruminant policy & Interest Subvention : Under Andhra Pradesh state Small ruminant policy, all NCDC units will have interest subvention with Interest of 3% to be borne by shepherds and rest will be subsidized from GOAP funds.

Sl.No	Component	Share of outlay
1	Loan	60%
2	Subsidy (subject to availability from (GOI)	20%
3	Beneficiary Contribution	20%
4	Interest charged for Beneficiary	3%

It is submit to inform vide G.O.Ms.No.32, dt: 06-07-2016 Government of Andhra Pradesh accorded budgetary provision of Rs.5223.22 lakhs towards interest subvention for implementation of NCDC project so that shepherds have to bear 3% interest as against 10.40% interest charged by NCDC for Rearing & Breeding units.

11 District NCDC Project:

It is submit to inform that National Cooperative Development Corporation has sanctioned Financial assistance of Rs 220.00 crores (Rs 165.00 crore as loan and Rs 55.00crore as CSISAC subsidy subject to availability from the GOI) with the block cost of Rs 275.00 crores towards the development of Small Ruminants in 11 districts of Andhra Pradesh.

NCDC has released an amount of Rs 3339.899 lakhs (Rs.3282.456 lakhs as loan & Rs 57.443 lakhs as CSISAC subsidy) to Government of Andhra Pradesh as advance for providing Financial Assistance for 1st year outlay. On request of A.P. Sheep & Goat Development Co-operative Federation Limited, the Government of A.P has advanced balance subsidy of Rs.10,36,71,000/- due from NCDC for effective implementation of the project as NCDC currently does not have subsidy portion for the project. In this connection Federation has prepared guidelines for smooth and effective implementation of the NCDC scheme in 11 districts as detailed below.

PROCEDURE OF IMPLEMENTATION OF NCDC SCHEME:

The powers for component wise selection of beneficiaries, issue of scheme wise financial sanction orders and grounding of the units are allocated to concerned District level monitoring committee in accordance to the G.O.RT.No. 58, dt:01.07.2017 of Government of Andhra Pradesh. The members of District level monitoring committee are as follows.

- | | |
|------------------------------------|-------------------|
| 1. Joint Collector -II | - Chairman |
| 2. Joint Director Animal Husbandry | - Member Convener |
| 3. President, DSBCU | - Member |
| 4. Executive Director, DSBCU | - Member |

For grounding of 500+25 units a Sub Committee consisting of following members will evaluate eligible beneficiary for the project and submit detailed Proposal to District Collector for necessary sanction.

Sub Committee Members:

1. Lead District Manager
2. NABARD District AGM
3. Joint Director (AH)

The Joint Director (AH) of concerned district shall ensure successful and timely grounding of NCDC scheme in their respective districts and overall supervision on implementation of the scheme shall be ensured by the Managing Director, APSGDCFL.

PATTERN OF FUNDING TO BENEFICIARY:

APSGDCFL will transfer District wise total financial assistance in phased manner (3 phase) as released by NCDC, New Delhi to respective District Sheep Breeders Cooperative Union (DSBCUs). Primary Sheep Breeders Cooperative Societies (PSBCS) shall identify eligible beneficiaries with help of local Veterinary Assistant Surgeon and collect (20%) beneficiary contribution for grounding of Sheep units and remit the same in favour of respective DSBCUs.

PSBCS and local Veterinary Surgeon will prepare beneficiary list along Aadhar number/pan number and bank account details and furnish the information to DSBCUs. DSBCUs will prepare the list of registered beneficiaries of respective PSBCS who are eligible for the project. District monitoring

committee constituted vide G.O.Rt.No.58, AH DD& F (AH.III) Dept., dt: 01.03.2017 will verify all applications received and prepare final beneficiaries list. The final beneficiary list will be placed for necessary sanction of District Collector.

After obtaining necessary sanction by District Collector, the DSBCUs will transfer 100% project component amount i.e., (80%) NCDC assistance (20%) beneficiary contribution amount in the favour of seller duly obtaining grounding report from respective Primary Sheep Breeders Cooperative Unions/beneficiaries.

I. NORMS FOR IDENTIFICATION OF SOCIETIES:

- a. The Society should be functioning and there shall be an elected/PIC Committee to manage the affairs of the society.
- b. Audit should be completed for the latest previous three years period.
- c. There should be no history of Misappropriation or Misuse of funds by the Committee members in the society.
- d. There should not be any Criminal/Civil Cases against previous/present committee members.
- e. The societies shall be selected basing on the viability, credibility and feasibility along with seniority.
- f. If more number of Societies are eligible for sanction of loans, the seniority of the Society shall be considered.
- g. If more number of Societies are with same seniority, the Societies with more number of members shall be considered first.
- h. The District Union shall be responsible for identifying eligible Societies and recommend for sanction of loans with Management Committee resolution.

II. NORMS FOR IDENTIFICATION OF BENEFICIARY:

- i. The beneficiary should be a member of society.
- j. Beneficiary should be between 18 years to 60 years of age.

- k. Should have immovable property either Land/House/plot and in a position to create charge in form B in favour of PSBCS.
- l. He should not be a defaulter to the society as on the date.
- m. He should be free from Civil and Criminal charges.
- n. He shall fulfill all the conditions as laid down in the loan application form.
- o. If the beneficiary is not having any immovable property the guarantors property shall be mortgaged to issue loan.
- p. He shall abide by the terms & conditions laid down by the NCDC/Federation/Union/Government.
- q. If more beneficiaries are having same seniority, member who is having less number of sheep will be given first preference.
- r. All beneficiaries should have Aadhar number integrated bank account.
- s. The beneficiary who are taking loan for (100+5) & (500+25) commercial breeding units should have a pan card.

III. TERMS OF MORTGAGE:

- 1. Immoveable property viz., land or house or plot can be mortgaged.
- 2. Government sponsored/sanctioned housing property are not eligible for mortgage.
- 3. If beneficiary does not possess any immovable property for mortgaging, he/she can provide collateral security from his/her relatives.
- 4. Beneficiary can obtain collateral security from Government employee.
- 5. Property mortgaged or provided for collateral security should have value higher than the loan sanctioned.

IV. PREPARATION OF THE LOAN APPLICATION:

- 1. After selection of the beneficiaries, the District Unions shall arrange for orientation on Technical aspects, funding pattern, loan recovery of NCDC scheme and other aspects.

2. There shall be resolution of the Society for identification of beneficiary and sanction of loan.
3. There are 26 legal documents which are to be filled up by the concerned individual with the assistance of the president/ Secretary PSBCS for taking further necessary action.
4. The Society shall take the responsibility for filling up of loan application form by collecting Rs.100/- for each application.
5. An Agreement deal has to be signed between applicant of society and President of the Society at primary level, President of Society and with the District Union at secondary level.
6. The beneficiary has to furnish undertaking for the documents produced.
7. The Joint Director (AH) of the concerned district and ED, DSBCU shall ensure successful completion of procedure laid for sanctioning of NCDC loan.

V. SANCTION OF LOAN APPLICATION: -

1. The District Union shall ensure successful completion of the sanctioning of loan duly approved by the Chairman, District Monitoring Committee and District Collector basing on the resolution of District Union for sanction of loan to the members of the society.
2. All the documents filled and signed along with mortgage and surety bonds etc, shall be kept under the safe custody of District Union.

VI. PURCHASING COMMITTEE MEMBERS:

- 1) Concerned ED DSBCUs/local Assistant Director (VH)
- 2) Concerned President PSBCS
- 3) Local Veterinary Assistant Surgeon (VAS)
- 4) Beneficiary

VII. Constitution of Monitoring Committees for regular review:

As per the terms & conditions laid down in the sanction order of the NCDC, NCDC, New Delhi, the Government has constituted 3 monitoring committees vide G.O.Rt.No. 58, AH DD & F (AH.III) Dept., dated.01.03.2017 to review the implementation of Small Ruminant Project.(G.O enclosed for perusal)

VIII. GROUNDING OF SHEEP UNITS

The purchase of animals shall be made from outside the district minimum 60 to 100 KM from beneficiary's locality. Grounding activity should be well documented along with photographs of tagged animals with purchasing committee. Animals should be insured for a period of one year at the time of purchase.

BREED PROCUREMENT: The following breeds may be procured for the grounding based on their demographical distribution.

Sl. No	Name of the Breed	Area proposed for procurement
1	Nellore Jodipi	Prakasam Nellore & Chittoor (Eastern area)
2	Nellore Brown	YSR Kadapa Kurnool parts of Ananthapur Western parts of Prakasam & Visakhapatnam
3	Macherla Brown	Guntur Western parts of Prakasam & Western parts of Krishna.
4	Nagavali (Local Breed of North Eastern Districts)	Srikakulam & Vizianagaram
5	Deccani	Adjacent areas of Maharashtra & Telangana

Unit wise Economics /Techno Economic parameters to be followed while grounding of sheep units is detailed in the Annexures I to IV.

IX. CONSTRUCTION OF SHED:

For the Units of 50+2, 100+5, the beneficiary shall erect a Thatched Shed as per budgetary provision in the proposal. For 500+25 unit, shed made of local available material may be erected using budgetary provision in the proposal.

X. VETERINARY AID:

Veterinary Aid will be provided by concerned para-staff and Jeevamitras under the supervision of Local Veterinary Assistant Surgeon.

XI. RESPONSIBILITY FOR REPAYMENT OF LOAN:

- a. The Beneficiary.
- b. President/ Secretary of the Society.
- c. President DSBCU.
- d. ED, DSBCU

The Executive Director, DSBCU and Joint Director (AH) of the concerned district shall ensure the overall responsibility of repayment of loan under NCDC scheme.

XII. PROCESSING FEE: -

It is submit to inform that APSGDCFL is the nodal agency for implementation of Sheep & Goat Development activities under Cooperative system. To strengthen District Sheep Breeders Cooperative Unions in implementation of NCDC project as well as other Sheep developmental activities and also to meet mobility expenses of DSBCUs during implementation of the project, it is proposed to authorize DSBCUs to charge 1% as processing fee on Loan sanctioned to the beneficiary.

Details of processing fee to be collected from beneficiary is detailed below.

Sl No	Unit	Unit cost	Loan amount (Rs. In lakhs)	Processing fee	Single time non refundable processing fee on loan amount
1	20+1 Sheep Rearing Unit	1.00 lakh	0.6	1%	Rs.600/- per each unit sanctioned
2	50+2 Sheep Breeding Unit	5.00 lakh	3.00	1%	Rs.3000/- per each unit sanctioned
3	100+5 Sheep Breeding Unit	10.00 lakh	6.00	1%	Rs.6000/- per each unit sanctioned
4	500+25 Sheep Breeding Unit	50.00 lakh	30.00	1%	Rs.30,000/- per each unit sanctioned

DSBCUs should maintain separate account for this processing fee fund and fund may be utilized duly getting their respective Board approval and final authorization from Managing Director, APSGDCFL.

XIII. SHEEP INSURANCE:

Insurance coverage of Sheep is essential. All grounded units should be insured as per budget provision detailed in project proposal.

XIV. CLAIMS:

Post Mortem Certificate shall be issued by the concerned Veterinary Assistant Surgeon for claiming the loss. It is Insurance Company responsibility to settle the claims as per the MOU terms and conditions.

XV. TIME OF REPAYMENT (8 YEARLY INSTALLMENTS):

The Corporation's loan shall be for a period of 8 years including moratorium of one year i.e., 365 days. There shall be no moratorium on payment of interest the interest rates will be as decided by NCDC from time to time.

The loan shall carry a rate of interest @ 10.4% per annum before due date and 11.4% per annum after due date and further 2.50% penal interest per annum (on overdue installments for the period of default).

Shepherds need to pay interest rate of 3% for the loan sanctioned timely, if not they will be liable to pay actual interest charged by NCDC i.e., 10.40% with penalty of 2.50% extra.

The Executive Director, DSBCU shall issue demand notice/Reminder to the borrower from time to time and ensure complete recovery within the stipulated time. Beneficiary will contribute 3% interest and rest will be interest subvention by Government of Andhra Pradesh.

REPAYMENT:

If beneficiary fails to pay loan installment in time he will be liable to pay installment with penal interest rate only and he will not be eligible for interest subvention.

The Joint Director (AH) shall ensure the overall successful implementation of NCDC scheme in his/her respective district duly following the procedure in vogue.

XVII. MAINTENANCE OF REGISTERS:

At the Primary Society level and at the District Unit level, Loan Distribution, Loan Ledger, Cash Book should be maintained. Interest Rebate Registers should also be maintained separately for Scheme pertaining to Andhra Pradesh State Government. Pass Books should be maintained by the beneficiary at Society level/union level.

XVIII. UTILISATION CERTIFICATE:

Soon after completion of Grounding of Sheep Units, utilization certificate shall be furnished along with beneficiary wise grounding particulars with photographs to the Sheep Federation immediately after grounding.

XIX. MONTHLY/QUARTERLY PERIODICAL REPORTS:

1)Grounding of Units 2)Funds availability 3)Recovery of loan
4)Insurance claims reports shall be submitted to the concerned Joint Director
(A.H) and Sheep Federation.

XX. LOAN CLEARANCE:

The District Union, soon after recovery of total amount with Interest, the documents mortgaged shall be handed over back to the concerned beneficiary. A clearance Certificate duly signed by the Executive Director shall be given to the beneficiary by cancelling the Mortgage.

Sd/-Dr.M.Srinivasa Rao
Managing Director