

Dirghavadhi Krishak Punji Sahakar Yojana

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National Cooperative Development Corporation a statutory organization working under administrative control of Ministry of Cooperation launched 'Dirghavadhi Krishak Punji Sahakar Yojana' to ensure increased and uninterrupted credit flow for capital formation in agriculture and allied sectors. The eligibility criteria and appraisal parameters to assess proposals under the 'Dirghavadhi Krishak Punji Sahakar Yojana' scheme are:-

- i. The cooperative should have been in operation for not less than 3 years.
- ii. The cooperative should have positive net worth, not less than 100% paid up share capital, i.e. there should be no erosion in the paid up share capital.
- iii. The co operative should not have incurred any cash loss during last three years and there should be net profit in at least two of previous three years.

NCDC evaluates the financial health, performance, and credibility of cooperative society and sanctions loan for a project against adequate security while adopting its standard practice of appraisal and due diligence.

NCDC through its 19 Regional Offices and 9 sub offices actively monitors the implementation of schemes and ensures access to timely credit flow to cooperatives. Field visits/inspections are done periodically for proper monitoring of loan disbursed under the scheme.

In the event of default in repayment of loan by the borrowing cooperative society, the National Cooperative Development Corporation (NCDC) follows a structured recovery mechanism in accordance with the applicable legal provisions.

Initially, upon occurrence of default, a **legal recall notice** is issued to the borrower calling upon it to repay the outstanding loan amount along with applicable interest and charges within the stipulated period.

Where Post-Dated Cheques (PDCs) are obtained from the borrower as security, the same are presented for realization. In case of dishonour, a statutory notice under Section 138 of the Negotiable Instruments Act, 1881 is issued, and if the borrower fails to make payment within 15 days of receipt of the notice, appropriate proceedings under the said provision are initiated before the competent court

Further, once the loan account is classified as Non-Performing Asset (NPA) in accordance with the applicable norms, recovery proceedings are initiated under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002. In this process, a Demand Notice under Section 13(2) of the SARFAESI Act is issued to the borrower calling upon it to discharge the entire outstanding liability within 60 days.

In case the borrower fails to comply with the demand notice within the stipulated period, the Corporation proceeds to take measures under Section 13(4) of the SARFAESI Act, in accordance the relevant Rules.

Additionally, wherever considered necessary, Original Applications (OAs) are also filed before the Debt Recovery Tribunal (DRT) under the provisions of the Recovery of Debts and Bankruptcy Act, 1993, for recovery of the outstanding dues. Such proceedings may be pursued simultaneously along with action under the SARFAESI Act.

Details of amount sanctioned and released under the said scheme during the last three financial years is as under:

(Rs. In crore)

Financial Year	Sanctioned amount	Disbursed amount
2022-23	400.00	0.00
2023-24	0.00	60.00
2024-25	5000.76	2077.00
Total	5400.76	2137.00

The “Dirghavadhi Krishak Punji Sahakar Yojana” has strengthened Agricultural Credit Cooperatives by supplementing their resources with long term financial assistance for onward lending. This has enabled increased and uninterrupted credit flow, promoted capital formation in agriculture and allied activities and supported diversification into non-farm sector enterprises. Collectively, the scheme has enhanced institutional capacity, broadened outreach, and reinforced the cooperative sector’s role in providing sustainable long-term credit and promoting rural economic development.

This information was given by Union Minister for Home and Cooperation Shri Amit Shah in a written reply in Lok Sabha.

AK/AP