



Bill Summary

The National Co-operative Development Corporation (Amendment) Bill, 2012

- The National Co-operative Development Corporation (Amendment) Bill, 2012 was introduced in the Lok Sabha on May 17, 2012 by the Minister of Agriculture and Food Processing Industries, Mr. Sharad Pawar. The Bill was referred to the Standing Committee on Agriculture (Chairperson: Basudeb Acharya) on May 25, 2012. The Committee has been granted an extension till the last day of the Winter Session, 2012 to submit its report.
- The Bill amends the National Co-operative Development Corporation (NCDC) Act, 1962. As per the Statement of Objects and Reasons, the Act establishes the NCDC for planning and promoting programmes for the production, processing, marketing, storage, export and import of agriculture produce, industrial goods and related commodities and services on co-operative principles.
- The Bill proposes to bring producer companies within the ambit of co-operative societies. Producer companies are defined in the Companies Act, 1956. Members and owners of a producer company comprise of persons engaged in activities relating to primary produce (agriculture, horticulture, fishing etc.) such as small and marginal farmers, horticulturists and artisans. Currently, these companies lack institutional support and credit, which inhibits their expansion and growth. The proposed amendment seeks to provide an additional source of credit to the producer companies through the Corporation.
- The Act empowers the Corporation to advance loans or grant subsidies to state governments so they can finance co-operative societies, and to national level and multi-state co-operative societies. The Bill enables the Corporation to provide loans and grants to producer companies and co-operative societies engaged in notified services and commodities.
- Under the Act, the Corporation maintains a Fund for advancing loans and grants to state governments for financing co-operative societies. The Bill amends the Act to allow the central government to notify the nature of these loans and grants.

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