Bill Summary

The National Co-operative Development Corporation (Amendment) Bill, 2026

- The National Co-operative Development Corporation (Amendment) Bill, 2026 was introduced in Lok Sabha on August 10, 2026. The Bill seeks to amend the National Co-operative Development Corporation Act, 1962. The Act establishes the National Co-operative Development Corporation.
- **Functions of the Corporation:** As per the Act, the Corporation plans, promotes, and finances programmes implemented through co-operative societies in specified areas. These include agricultural produce, foodstuffs, minor forest produce, and other notified commodities and services. The Bill instead provides that the Corporation will plan, promote, and finance programmes for co-operative development in specified areas. Co-operative development is defined as providing assistance directly or through any intermediary, to co-operative societies.
- The Act defines foodstuffs to include items such as eggs, milk, meat, and vegetables. The Bill expands the definition to include: (i) processed food and other edible products and (ii) any other food items notified by the central government.
- The Bill also allows the Corporation to undertake its activities in industrial goods. Under the Act, industrial goods are defined as products of specified entities situated in rural areas: (i) industrial co-operatives, (ii) cottage and village industries, or (iii) allied industries. The Bill removes the requirement for such entities to be situated in rural areas.
- **Entities eligible for funding and investments:** Under the Act, the Corporation may provide: (i) funds to state governments for financing co-operative societies, or (ii) loans and grants directly to co-operative societies at the national level or those operating in more than one state. The Bill allows the state governments to also extend funding from the Corporation to any entity engaged in co-operative development. Further, the Corporation may also provide loans and grants directly to any co-operative society or entity engaged in co-operative development.
- Under the Act, the Corporation may invest in the share capital of national-level co-operative societies and those operating in more than one state. The Bill adds that the Corporation may also participate in the share capital of co-operative societies operating within a state or entities engaged in co-operative development. Such investments will require approval of the central government.
- **Collecting and sharing information:** The Bill empowers the Corporation to collect and furnish credit information or other information for efficient discharge of its functions. Such information may be exchanged with the central government, Reserve Bank of India, banking companies or other financial institutions notified by the central government.

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