

THE FOOD CORPORATIONS (AMENDMENT) ACT, 1988

No. 36 OF 1988

[20th August, 1988.]

An Act further to amend the Food Corporations Act, 1964.

BE it enacted by Parliament in the Thirty-ninth Year of the Republic of India as follows:—

1. This Act may be called the Food Corporations (Amendment) Act, 1988.

Short
title.

2. In section 27 of the Food Corporations Act, 1964, for sub-section (1), the following sub-section shall be substituted, namely:—

Amend-
ment of
Act 37
of 1964.

“(1) A Food Corporation may, for the purpose of carrying out its functions under this Act,—

(a) take advances against stocks of foodgrains or other foodstuffs held by it, or borrow money—

(i) from any scheduled bank, or

(ii) from any other bank or financial institution approved by the Central Government in this behalf, or

(iii) from any other authority, organisation or institution or from the public on such terms and conditions as may be approved by the Central Government; or

(b) issue and sell bonds and debentures carrying interest at such rates as may be fixed by the Central Government at the time the bonds or debentures are issued:

Provided that the amount borrowed by a Food Corporation under this sub-section shall not at any time exceed ten times the paid-up capital and the reserve fund established under section 33.”