MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION  

(Department of Food and Public Distribution)  
NOTIFICATION  

New Delhi, the 17th December, 2003  

G.S.R. 953(E).—In exercise of the powers conferred by Section 9 of the Sugar Development Fund Act, 1982 (of 1982), the Central Government hereby makes the following rules further to amend the Sugar Development Fund Rules, 1983, namely:—

1. (1) These rules may be called the Sugar Development Fund (Fifth Amendment) Rules, 2003.

(2) They shall come into force on the date of their publication in the Official Gazette.
The Sugar Development Fund Rules, 1983, in rule 16, in sub-rule (9), after clause (ii), the following clause (ii-A) shall be inserted, namely:

"(ii-A) (a) The sugar undertaking shall, after the execution of the agreement referred to in clause (i) above, and before the disbursement of the loan under sub-rule (7), furnish security for the loan to the satisfaction of the Central Government.

(b) The security shall cover the amount of loan and interest thereon for the full period of repayment as provided in clause (iv), and shall be furnished in any of the following manners, namely:

(1) Bank Guarantee from a Scheduled Bank, or

(2) A mortgage or all immovable and movable properties of the sugar undertaking on pari passu charge basis failing which on the basis of an exclusive second charge."

[No. 4-15/99-SDF]

P. UMA SHANKAR, IAS, Secy.