

THE FOOD CORPORATION OF INDIA
16-20, BARAKHAMBA LANE,
HEADQRS : NEW DELHI

No. 2(11)/CC.1/92-93

Dated : 12-5-1992

CIRCULAR NO. 604/ACCTS.

Sub.: Payments by bearer Cheques to farmers.

A reference is invited to para – 1(2) of Headquarters Circular No 5/83/Fin. Dated 30.5.83 wherein it was prescribed that bearer cheques in excess of Rs. 5,000/- are not to be entertained by the Bank.

Consequent upon the substantial increase in the monetary value of the transactions during the past few years since the issue of the aforesaid circular, the matter regarding issue of bearer cheques has been reviewed and in supersession of earlier instructions in this regard, it has been decided that bearer cheques may be issued for an amount not exceeding Rs. 10,000/- (Rupees ten thousand only) per cheque for payments to farmers under procurement operations only. All other instructions contained in the Headquarters Circular under reference stand unchanged.

Safeguards stipulated in Hqrs. Circular No. 525 dated 19.12.89 and No. 528 dated 11.1.90 have to be scrupulously followed to avoid frauds/misuse of cheques.

SD/-
(G. NAMASIVYAM)
ADDITIONAL FINANCIAL ADVISER