

THE WAREHOUSING CORPORATION ACT, 1962
(58 of 1962)

(As modified up to the 1st November 1976)

Government of India

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MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS

THE WAREHOUSING CORPORATIONS ACT, 1962 (58 OF 1962)

(As modified up to the 1st November, 1976)

Errata

Page 2 – In section 2, clause (1), line 2,
for reference No. "1" read reference No. "5"

Insert the following at the end–

"5" ins. b s.2. *ibid*".



List of amending acts

1. Warehousing Corporations (Amendment) Act, 1963 (34 of 1963).
2. Warehousing Corporations (Amendment) act, 1976 (42 of 1976).

List of abbreviations used

Cl.	.	.	.	.	for Clause.
Ins.	.	.	.	.	" Inserted.
P.	.	.	.	.	" Page.
Pt.	.	.	.	.	" Part.
S.	.	.	.	.	" Section.
Subs.	" Substitution



THE WAREHOUSING CORPORATION ACT, 1962

ARRANGEMENT OF SECTIONS

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THE WAREHOUSING CORPORATION ACT, 1962

No. 58 of 1962.

An Act to provide for the incorporation and regulation of Corporations for the purpose of Warehousing of agricultural produce and certain other commodities and for matters connected therewith.

(19th December 1962)

Be it enacted by Parliament in the Thirteenth Year of the Republic of India as follows: -

CHAPTER I

(Preliminary)

1. (1) This act may be called the Warehousing corporation Act, 1962. Short title
extract and
commence
- (2) It extends to the whole of India except the State of Jammu and Kashmir.
- (3) It shall come into force on such date as the Central Government, may, be notification in the official Gazette, appoint. Definition
2. In this act, unless the context otherwise requires: -
 - (a) "Agricultural produce" means any of the following classes of commodities, namely: -
 - (I) Foodstuffs, including edible oil-seeds.
 - (II) Cattle fodder, including oil cakes and other concentrates.
 - (III) Raw cotton, whether ginned or unginned, and cotton seed.
 - (IV) Raw jute, and
 - (V) Vegetable oils;
 - (b) "Appropriate Government" means in relation to the Central Warehousing Corporation, the Central Government, and in relation to a State Warehousing Corporation, the State Government;
 - (c) "Central Warehousing Corporation" means the Central Warehousing Corporation established under section 3;
 - (d) "Co-operative society" means a society registered or deemed to be registered under the cooperative societies Act, 1912, or under any other law with respect to Co-operative societies for the time being in force in any state which is engaged in the processing, marketing, storage, export or import of agricultural produce or any notified commodity or in insurance business and includes a Co-operative land mortgage bank;

This Act has been supplemented by the Warehousing Corporations (Supplementary) Act, 1965 (20 of 1965).



1. Ins by Act 42 of 1976, S – 2
2. 18th March 196, vide G.S.R 76, dated 16//1963, see gazette of India, Extra Ordinary Pt.

II, Sec (i), P. 155

86 – M / P (N) 6 / 5

3. (d) "Nationalised bank" means a corresponding. New bank specified in the First Schedule to the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970;
- (e) "Notified commodity" means any commodity (other than agricultural produce) which the Central Government may, by notification in the official gazette, declare to be a notified commodity for the purposes of this Act, being a commodity with respect to which Parliament has power to make laws by virtue of entry 33 in list III in the Seventh Schedule to the Constitution;
- (f) "Prescribed" means prescribed by rules made under this Act;
- (g) "Recognised association" means an association which is for the time; being recognised by the Central Government under section 6 of the Forward Contracts (Regulation) Act, 1952
- (h) "Reserve Bank" means the Reserve Bank of India constituted under the Reserve Bank of India Act, 1934
- (i) "Schedule bank" means a bank for the time being included in the second schedule to the Reserve Bank of India Act, 1934, (and includes a nationalised Bank);
- (j) "State Bank" means the State Bank of India constituted under the State Bank of India Act, 1935;
- (k) "State Warehousing Corporation" means a Warehousing Corporation for a State established or deemed to be established under this Act;
- (l) "Warehousing Corporation" means a Warehousing Corporation established or deemed to be established under this Act; and
- (m) "Year" means the financial year.

CHAPTER II

THE CENTRAL WAREHOUSING CORPORATION.

3. (1) with effect from such date as the Central Government, may by notification in the official gazette specify in this behalf, the Central Government shall establish a Corporation by the name of the Central Warehousing Corporation which shall be a body corporate having perpetual succession and a common seal with power to acquire, hold and dispose of property and to contract, and may, by the said name, sue and be sued.

The Central
Warehousing
Corporation

- 3 Ins. by Act 42 of 1976, s.2,
- 1 18th March 1963; vide G.S.R. 464 dated 16.3.1963.



See Gazette of India, Extraordinary, part II,
Section 3 (i), page 155.

Share Capital
and share
holders

- (2) The head office of the Central Warehousing Corporation shall be at New Delhi 2 (or at such other place as the Central Government may, by notification in the official Gazette, specify).
- 4 (1) The authorised share capital of the Central Warehousing Corporation shall be twenty crores of rupees divided into two hundred thousand shares of the face value of one thousand rupees each; any shares remaining to be issued may be issued, with the sanction of the Central Government from time to time, as and when the Central Warehousing Corporation may deem fit;
- ⁴(Provided that the Central Government may, from time to time, by order notified in the official Gazette, increase the authorised share capital of the Central Warehousing Corporation to such extent and in such manner as that Government may determine).
- (2) ²(The Central Government shall, after due appropriation made by Parliament by law for the purpose), subscribe for forty per cent, of the share capital issued at any time and the remaining sixty per cent, of the share capital may be subscribed for, within such period and in such proportion as may be specified by the Central Government, by the following institutions, namely: -
- (a) The State Bank;
 - (b) Other scheduled banks;
 - (c) Co-operative societies;
 - (d) Insurance companies, investment trusts and other financial institution;
 - (e) Recognised associations and companies dealing in agricultural produce or any notified commodity.
- (3) If any portion of the sixty per cent, of the share capital referred to in sub-section (2) remains unallotted, it may be subscribed for by the Central Government and the State bank in such proportion as may be agreed upon between them and in default of such agreement, as may be determined by the Central Government.
- (4) The shares of the Central Warehousing Corporation shall not be transferable except to the Central Government I (the State Bank of any other scheduled Bank), any insurance company, any investment trust or other financial institution or any co-operative societies or any recognised association or company dealing in agricultural produce or any notified commodity, in accordance with the regulations made by the Central Warehousing Corporation under this Act.

2Ins. by Act 34 of 1963, s.2

3Ins. by act 42 of 196, s.3

4subs. by s.3, *ibid*, for certain words.

1subs. by Act 42 of 1976, s.3 for certain words.

- 5(1) The shares of the Central Warehousing Corporation shall be guaranteed by the Central Government as to the repayment of the principal and the payment of the annual dividend at such minimum rate as may be fixed by the Central Government, by notification published in the official Gazette, at the time of the issue of the shares.
- (2) Notwithstanding anything contained in the Act mentioned in this sub-section, the shares of the Central Warehousing Corporation shall be deemed to be included among the securities enumerated in section 20 of the Indian trusts Act, 1882, and also

Shares to
be granted
by Central
Govt. and
to be kept
or
approved
securities



to be approved securities for the purpose of the Insurance Act, 1938 and the Banking Companies Act, 1949.

6. (1) The general superintendence and management of the affairs and business of the Central Warehousing Corporation shall vest in a board of directors who with the assistance of any Executive committee and a managing director, may exercise all the powers and discharge all the functions which may be exercised or discharged by the Central Warehousing Corporation under this Act.
- (2) The board of directors shall act on business principles having regard to public interest and shall be guided by such instructions on question of policy as may be given to them by the Central Government.
- (3) If any doubt arises as to whether a question is or is not a question of policy, the decision of Central Government shall be final.
7. (1) The board of directors referred to in section 6 shall consist of the following, namely: -
- (a) Six directors to be nominated by the Central Government.
- (b) One director to be nominated by the National Co-operative Development Corporation established under the National Co-operative Development Corporation Act, 1962.
- (c) One director to be nominated by the State banks.
- (d) One director to be elected by the scheduled banks.
- (e) One director to be elected by Co-operative societies.
- (f) One director to be elected by insurance companies, investment trusts and other financial institutions, recognised associations and companies dealing in agricultural produce or notified commodities;
- (g) A Managing Director, appointed by the Central Government in consultation with the directors referred to in clause (a), to (f).
- Provided that the three directors to be elected under clause (d), (e) and (f) may, for the first constitution of the board of directors, be nominated by the Central Government in such manner as to give representation to each class of institutions (whether they have become shareholders of the Corporation or not) referred to in those clauses, but a director so nominated shall hold office only until he is replaced by a director elected as provided in that clause, and the director so elected shall hold office only for so long as the director replaced would have held office had he not been replaced.
- (2) The directors referred to in clause (d), (e) and (f) of sub-section (1) shall be elected in the prescribed manner.
- (3) If, within the period prescribed in this behalf or within such further period as the Central Government may allow, the institutions referred to in clause (d), or clause (e) or clause (f) of sub-section (1) fail to elect a director, the Central Government may nominate a directors to fill the vacancy.
- (4) The Board of Directors shall have a Chairman and Vice-Chairman who shall be appointed by the Central Government from among the directors.
- (5) The Managing Director shall -
- (a) Exercise such powers and perform such duties as the board of directors or the Central Warehousing Corporation may entrust or delegate to him; and

Management
of Central
Warehousing
Corporation

Directors



- (b) Receive such salary and allowance as the Central Warehousing Corporation may, with the approval of the Central Government, fix.
- (6) The directors of the Central Warehousing Corporation other than the managing director shall be entitled to receive by way of remuneration such sums as the Central Warehousing Corporation, may with the approval of the Central Government, fix;
- Provided that no official director shall be entitled to receive any remuneration other than the allowance, if any, admissible to him under the rules regulating his conditions of service.
- (7) The term of office of and the manner of filling casual vacancies among. The directors shall be such as may be prescribed.
- (8) A person shall be disqualified for being chosen as, and for being, a director of the Central Warehousing Corporation
- (I) If he is found to be a lunatic or becomes of unsound mind; or
- (II) If he is, or at any time has been adjudicated insolvent or has suspended payment of his debts or has compound with his creditors or
- (III) If he is or has been convicted of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months, unless a period of five years has elapsed from the date or expiry of the sentence; or
- (IV) If he has been removed or dismissed from the service of Government or a Corporation owned and controlled by the Government; or
- (V) Except in the case of the managing director, if he is a salaried official of the Central Warehousing Corporation or any State Warehousing Corporation, or
- (VI) If he is personally interested in any subsisting contract made with, or in any work being done for the Central Warehousing Corporation except as a shareholders (other than a director) in any public company as defined in the companies Act, 1956.

Disqualification for office of director of the Central Warehousing Corporation

Provided that where any such person is a shareholder, he shall disclose to the Central Warehousing Corporation the nature and extent of shares held by him in such company.

9. (1) The Central Government may, at any time in consultation with the Central Warehousing Corporation, remove the Managing Director from office after giving him a reasonable opportunity of showing cause against the proposed removal.

Removal of Managing Director from office

The Board of Directors may remove from office any director who-

- (a) Is or has become subject to any of the disqualifications mentioned in section 8; or
- (b) Is absent without leave the board of directors for more than three consecutive meetings of the board without cause sufficient in the opinion of the board, to exonerate his absence.

10. (1) The Central Warehousing Corporation may appoint such officers and other employees, as it considers necessary for the efficient performance of its functions.
- (2) Every person employed by the Central Warehousing Corporation under this Act shall be subject to such conditions of service and shall be entitled to such remuneration as may be determined by regulations made by the Corporation under this Act.

Appointment of officer etc. and their condition of service.

- 11 Subject to the provisions of this Act, The Central Warehousing Corporation may-

Function of CWC

- (a) Acquire and build godowns and warehousing at such suitable places in India as it thinks fit.



- (b) Run warehouses for the storage of agricultural produce, seeds, manures, fertilizers, agricultural implements and notified commodities offered by individuals, co-operative societies and other institutions.
 - (c) Arrange facilities for the transport of agricultural produce, seeds, manures, fertilizers, agricultural implements and notified commodities to and from warehouses;
 - (d) Subscribe to the share capital of a State Warehousing Corporation;
 - (e) Act as agent of the Government for the purposes of the purchase, sale, storage and; distribution of agricultural produce, seeds, manures, fertilizers, agricultural implements and notified commodities, and
 - (f) Carry out such other functions as may be prescribed;
12. (1) There shall be an Executive Committee of the Central Warehousing Corporation, which shall consist of -
- Executive Committee
- (a) The Chairman and the Vice-Chairman of the Board of directors;
 - (b) The managing director; and
 - (c) Two other directors chosen by the Corporation in the prescribed manner.
- (2) The Chairman and the Vice - Chairman of the Board of Directors shall be the Chairman and the Vice - Chairman respectively of the Executive committee;
- (3) Subject to the general control, direction and superintendence of the board of directors, the Executive Committee shall be competent to deal with any matter within the competence of the Central Warehousing Corporation.
13. (1) The annual general meeting of the Central Warehousing Corporation (hereinafter referred to as the annual general meeting) shall be held every year either at its Head Office, or at any other office of the Corporation within six months of the close of the financial year, and any other general meeting may be convened by the board of directors at any other time.
- Meetings of the Corporation
- (2) The shareholders present at the annual general meeting shall be entitled to discuss the annual accounts, the report of the board of directors on the working of the Corporation during the year under report, as well as the auditor's report on the annual balance sheet and accounts.
 - (3) The board of directors of the Central Warehousing Corporation shall, on the requisition of one-third of the number of shareholders of the Corporation, call a special meeting of the Corporation.
 - (4) The requisition for a special meeting under sub-section (3) shall state the object of the meeting and shall be signed by the requisitionists and deposited at the head office of the Corporation, and may consist of several documents in like form each signed by one or more requisitionists.
 - (5) If the board of directors of the Central Warehousing Corporation do not proceed within twenty-one days from the date of the requisition being so deposit to cause the special meeting to be called, the requisitionists, or a majority of them, may themselves call the meeting; but in either case, the meeting so called shall held within three months from the date of the deposit of the requisition.
 - (6) The Central Warehousing Corporation shall observe such rules of procedure in regard to the transaction of business at its meetings (including the quorum at meetings) as may be provided by regulations made by the Central Warehousing Corporation under this Act.



14.(1) The Central Government may, after due appropriation made by Parliament by law in this behalf, pay to the Central Warehousing Corporation for the purposes of either fund maintained by the Corporation

Grants and loans by Central Govt.

- (a) By way of grants, such sums of money as the Central Government may, consider necessary; and
- (b) By way of loans, such sums of money on such terms and conditions as the Central Government may determine.

(2) When making payment under sub-section (1) the Central Government shall specify the fund for the purposes of which the payment is made;

15. The Central Warehousing Corporation shall maintain two separate funds, namely: -

Corporation to maintain two funds

- (a) The Central Warehousing Fund (hereinafter referred to as the Warehousing Fund); and
- (b) The General Fund.

16. (1) To the Warehousing Fund shall be credited -

Warehousing fund

- (a) All moneys and other securities transferred to the Central Warehousing Corporation under clause (c) sub-section (2) of section 43;
- (b) Such grants and loans as the Central Government may made for the purpose of the Warehousing Fund; and
- (c) Such sums of money as may, from time to time, be realised out of the loans made from the Warehousing Fund or from interest on loans or dividends on investments made from that fund.

(2) The Warehousing Fund shall be applied -

- (a) For advancing loans to State Government on such terms and conditions as the Central Warehousing Corporation may deem fit for the purpose of enabling them to subscribe to the share capital of State Warehousing Corporation;
- (b) For advancing loans and granting subsidies to State Warehousing Corporations or to State Government on such terms and conditions as the Central Warehousing Corporation may deem fit for the purpose of promoting the Warehousing and storage of agricultural produce and notified commodities otherwise than through co-operative societies;
- (c) For meeting the expenses incurred in relation to the training of personnel, or publicity and propaganda. For the purpose of promoting Warehousing and; storage of agricultural produce and notified commodities;
- (d) For meeting the expenses, including the salary, allowances and other remuneration of the officers and other employees, incurred in relation to the administration of the Warehousing Fund.

17. (1) To the General Fund shall be credited -

General fund

- (a) All sums received by the Central Warehousing Corporation other than those referred to in sub-section (1) of section 16; and
1 Ins. by Act 42 of 1976, s.4.
- (b) Such grants and loans as the Central Government may make for the purpose of the General Fund.

(2) The General Fund shall be applied -



- (a) For meeting the salary, allowances and other remuneration of the officers and other employees of the Central Warehousing Corporation;
- (b) For meeting the other administrative expenses of the Corporation; and
- (c) For carrying out the purposes of this Act.
- 2(provided that the General Fund shall not be applied for meeting the expenses referred to in clause (c) or clause (d) of sub-section (2) of section 16).

CHAPTER - III

STATE WAREHOUSING CORPORATION

18.(1) The State Government may, by notification in the official gazette and with the approval of the Central Warehousing Corporation, establish a Warehousing Corporation for the State under such name as may be specified in the notification.

State
Warehousing
Corporation

- (2) A State Warehousing Corporation established under sub-section (1) shall be a body corporate by the name notified under that sub-section having perpetual succession and common seal, with power to acquire, hold and dispose of property and to contract, and may, by the said name, sue and sued.
- (3) The head office of a State Warehousing Corporation shall be at such place within the State as may be notified in the official gazette.
- (4) Notwithstanding anything contained in sub-section (1), (2) and (3), it shall not be necessary for the State Government to establish a Corporation under sub-section (1) where, under clause (g) of sub-section (2) of section 43, a Corporation is deemed to be established for that State under this Act.

19.(1) The authorised capital of State Warehousing Corporation shall be such sum not exceeding two crores of rupees as may be prescribed, divided into shares of the face value of one hundred rupees each, of which such number as may be determined by the Corporation in consultation with the State Govt. shall be issued in the first instance and the remaining shares may be issued, from time to time, as and when the Corporation may deem fit after consultation with the Central Warehousing Corporation and with the sanction of the State Government.

Share
Capital
and
sharehol
der

2 Ins. by s.5, *ibid*.

- (1) Provided that in respect of any State Warehousing Corporation the Central Govt. may, after consultation with the State Govt. concerned, from time to time and by order notified in the official gazette, increase the maximum limit of the authorised capital aforesaid to such extent and in such manner as the Central Govt. may determine).
- (2) Of the share capital issued in the first instance and of any subsequent issue of such capital, the Central Warehousing Corporation shall, in any case, where the State Govt. has subscribed for fifty per cent, of such capital, subscribe for the remaining fifty per cent, of the capital.
20. (1) the general superintendence and management of the affairs of a State Warehousing Corporation shall vest in a board of directors which shall consist of the following namely; -

Management
of SWC



- (a) Five directors nominated by the Central Warehousing Corporation, of whom one shall be nominated in consultation with the State Bank and one at least shall be a non-official;
 - (b) Five directors nominated by the State Govt.; and
 - (c) A managing director, appointed by the State Govt. in consultation with the directors referred to in clause (a) & (b) and with the previous approval of the Central Warehousing Corporation.
- (2) The Chairman of the board of directors shall be appointed by the Government from among the directors of the State Warehousing Corporation with the previous approval of the Central Warehousing Corporation.
 - (3) The Managing Director shall -
 - (a) Exercise such powers and perform such duties as the board of directors or the State Warehousing Corporation may entrust or delegate to him; and
 - (b) Received such salary and allowance as the State Warehousing Corporation may, in consultation with the Central Warehousing Corporation, and with the previous approval of the State Government fix.
 - (4) The Board of Directors shall act on business principles having regard to public interest and shall be guided by such instructions on questions of policy as may be given to them by the State Government or the Central Warehousing Corporation.
 - (5) If any doubt arises as to whether a question is or is not a question of policy, or, if the State Government and the Central Warehousing Corporation give conflicting instructions, the matter shall be referred to the Central Government whose decision thereon shall be final.
 - (6) The directors of State Warehousing Corporation, other than the managing director, shall be entitled to receive by way of remuneration such sums as may be prescribed;

1 Ins. by Act 42 of 1976, s.6

Provided that no official director shall be entitled to receive any remuneration other than any allowances admissible to him under the rules regulating his conditions of service.

- (7) The term of office, of and the manner of filling casual vacancies among, directors shall be such as may be prescribed.

21. A Person shall be disqualified for being chosen as, and for being, a director of State Warehousing Corporation.

Disqualification
of office of
Directors of
Corporation

- (I) If he is found to be lunatic or becomes of unsound mind; or
- (II) If he is, or at any time has been adjudicated insolvent or has suspended his debts or has compounded with his creditors; or
- (III) If he is or has been convicted of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months. Unless a period of five years has elapsed from the date of expiry of the sentence; or
- (IV) If he has been removed or dismissed from service of Government or a Corporation owned and controlled by the Government; or
- (V) Except in the case of the Managing Director, if he is a salaried official of the Central Warehousing Corporation or a State Warehousing Corporation; or



(VI) If he is personally interested in a subsisting contract made with, or in any work being done from the State Warehousing Corporation except as a shareholder (other than a director) in any public company as defined in the companies Act, 1956.

Provided that where any such person is a shareholder he shall disclose to the Warehousing Corporation the nature of extent of the shares held by him in such company.

22.(1)

Removal of Directors from office

The State Government may, at any time, with the previous approval of the Central Warehousing Corporation remove the Managing Director from office after giving him a reasonable opportunity of showing cause against the proposed removal.

(2)

The Board of Directors may remove from office any director who

(a) Is or has become subject to any of the disqualifications mentioned in section 21; or

(b) Is absent without leave of the board of director for more than three consecutive meetings of the board with cause sufficient, in the opinion of the board, to exonerate his absence.

23.(1)

Appointment of officers etc and their condition of service

A State Warehousing Corporation may appoint such officers and other employees as it considers necessary for the efficient performance of its functions.

(2)

Every person employed by State Warehousing Corporation under this Act shall be subject to such conditions of service and shall be entitled to such remuneration as may be determined by regulations made by the Corporation under this Act.

24.

Functions of SWC

Subject to the provisions of this Act, a state Warehousing Corporation may.

(a) Acquire and build godowns and Warehouses at such places within the state as it may, with the previous approval of the Central Warehousing Corporation, determine;

(b) Run Warehouses in the state for the storage of agricultural produce, seeds, manures, fertilisers, agricultural implements and notified commodities;

(c) Arrange facilities for the transport of agricultural produce, seeds, manures, fertilisers, agricultural implements and notified commodities to and from warehouses;

(d) Act as an agent of the Central Warehousing Corporation or of the

Government for the purposes of the purchase, sale, storage and distribution, of agricultural produce seeds, manures, fertilisers, agricultural implements and notified commodities; and

(e) Carry out such other functions as may be prescribed.

25.

(1) There shall be an Executive Committee of a State Warehousing Corporation which shall consists of -

Executive Committee

(a) The Chairman of the board of directors;

(b) The Managing Director, and

(d) Three other directors chosen in the prescribed manner, of whom one shall be a director referred to in clause (a) of sub-section (1) of section 20.

(2) The Chairman of the board of directors shall be the chairman of the Executive Committee.

(3). Subject to any general or special directions as the board of directors may, from time to time, give, the Executive Committee shall be competent to deal with any matter within the competence of the State Warehousing Corporation.



CHAPTER IV

FINANCE, ACCOUNTS AND AUDIT

- 26.(1) Every Warehousing Corporation shall prepare before the commencement of each year's statement of programme of its activities during the forthcoming year as well as a financial estimate in respect thereof.
- (2) A statement prepared under sub-section (1) shall, not later than three months before the commencement of each year, be submitted for approval.
- (a) In the case of the Central Warehousing Corporation, to the Central Government.
- (b) In the case of a State Warehousing Corporation to the Central Warehousing Corporation and the State Government.
- (3) The statement and the financial estimate of Warehousing Corporation referred to in sub-section (1) may, with the approval of the Central Government in the case of the Central Warehousing Corporation; or with the approval of the Central Warehousing Corporation and the State Government in the case of a State Warehousing Corporation, be revised by the Warehousing Corporation.
- 27.(1) A Warehousing Corporation may, in consultation with the Reserve Bank and with the previous approval of the appropriate Government, issue and sell bonds and debentures carrying interest for the purpose of raising funds.
- Provided that the total amount of bonds and debentures issued and outstanding and of the other borrowings of the Corporation shall not at any time exceed ten times the amount of the paid up share capital and the reserve fund of the corporation.
- (2) A Warehousing Corporation may, for the purpose of carrying out its functions under this Act, borrow money.
- (I) From the Reserve Bank, or
- (II) From the State Bank, for such periods for which, and upon any of the securities against which it is authorised to advance and lend moneys under the provision of 1 (the State Bank of India Act, 1955, or)
- (III) From any nationalised bank or
- (IV) From such insurance company, investment trust or other financial institution as may be approved by the Central Government in this behalf.
- (3) Subject to the provision to sub-section (1), the Central Warehousing Corporation may borrow money from the Central Government and a State Warehousing Corporation may borrow money from the State Government and Central Warehousing Corporation on such securities and on such terms and conditions as may be agreed upon between the borrowing corporation and the lender, in each case.
- (4) The bonds and debentures of a Warehousing Corporation may be guaranteed by the appropriate Government as to the repayment of principal and the payment of interest at such rate as may be fixed by the appropriate Government on the recommendation

Submission of progress of activities and financial estimates.

Borrowing power of Warehousing Corporation



of the board of directors of the Corporation at the time the bonds or debentures are issued.

28.

Deposit Account

All moneys belonging to a Warehousing Corporation shall be deposited in the Reserve Bank or the State Bank ¹(or any nationalised bank ²) or subject to any rules made under this act, in ²(any other scheduled Bank) or Co-operative bank.

29.

Investments of funds

A Warehousing Corporation may invest its funds in the securities of the Central or any state Government or in such other manner as may be prescribed by the appropriate Government.

30.

Disposal of profits

(1) Every Warehousing Corporation shall establish a reserve fund out of its annual net profit.

(2) After making provision for bad and doubtful debts, depreciation on assets and all other matters which are usually provided for by companies registered and incorporated under the Companies Act, 1956, a Warehousing Corporation, may out of its net annual profits, declare a dividend.

Provided that for so long as the reserve fund is less than the paid-up share capital of the Central Warehousing Corporation and until there has been repaid to the Central Government such sum if any, as that Government may have paid under a guarantee given in pursuance of sub-section (1) of section 5 or sub-section (4) of section (27) the rate of such dividend in the case of the Central Warehousing Corporation, shall not exceed the rate guaranteed by the Central Government under sub-section (1) of section 5.

31.

Accounts and Audit of Warehousing Corporation

(1) Every Warehousing Corporation shall maintain proper accounts and other relevant records and prepare an annual statement of accounts including the profit and loss account and the balance sheet in such form as may be prescribed.

1 Ins. by Act 42 of 1976, s.8.

2 Subs. by s.8, ibid, for "any scheduled bank".

Provided that, in the case of the Central Warehousing Corporation, the accounts relating to the Warehousing Fund and the general fund shall be maintained separately.

(2) The Accounts of a Warehousing Corporation shall be audited by an auditor duly qualified to act as an auditor of companies under section 226 of the Companies Act, 1956.

(3) The said auditor shall be appointed by the appropriate Government on the advice of the Comptroller and Auditor General of India.

(4) The auditor shall be supplied with a copy of the annual balance sheet and the profit and loss account of the Warehousing Corporation and it shall be his duty to examine them together with the accounts and vouchers relating thereto, and he shall have a list delivered to him of all books kept by the Corporation and shall at all reasonable times have access to the books, accounts and other documents of the Corporation and may require from any officer of the Corporation such information and explanations as the auditor may think necessary for the performance of his duties as auditor.

(5) The auditor shall make a report to the shareholders on the accounts examined by him and on the annual balance sheet and the profit and loss account and in every such report, he shall state whether in his opinion the accounts give true and fair view -

(a) In the case of the balance sheet, of the State of the Corporation's affairs at the end of its financial year, and.



- (b) In the case of the profit and loss account, of the profit or loss for its financial year, and in case he has called for any explanation or information from the officers, whether it has been given and whether it is satisfactory.
- (6) The appropriate Government may, after consultation with the Comptroller and Auditor General of India at any time issue directions to the auditor requiring him to report to the appropriate Government upon the adequacy of measures taken by a Warehousing Corporation for the protection of its share-holders and creditors or upon the sufficiency of his procedure in auditing the accounts of the Corporation and may enlarge or extend the scope of the audit or direct that a different procedure in audit may be adopted or direct that any other examination may be made by the auditor if in the opinion of the appropriate Government public interest so requires.
- (7) A Warehousing Corporation shall send a copy of every report of the auditor to the Comptroller and auditor General of India and to the Central Government at least, one month before it is placed before the shareholders.
- (8) Notwithstanding anything herein before contained in this section, the Comptroller and Auditor General of India may, either of his own motion or on a request received in this behalf from the appropriate Government, undertake in respect of a Warehousing Corporation such audit and at such time as he may consider necessary.
- Provided that where the Central Government is required to make any payment on account of the guarantee given by it under sub-section (1) of section 5, such audit shall be undertaken by the Comptroller and Auditor General of India or any person authorised by him in this behalf.
- (9) The Comptroller and Auditor General of India and any person authorised by him in connection with the audit of the accounts a Warehousing Corporation shall have the same rights, privileges and authority in connection with such audit as the Comptroller and Auditor General has in connection with the audit of Government accounts and in particular, shall have the right to demand the production of books, accounts, connected vouchers and other documents and papers and to inspect the office of the Corporation.
- (10) The annual accounts of a Warehousing Corporation together with the audit report thereon shall be placed before the annual general meeting of the Corporation within six months of the close of the financial year.
- (11) Every audit report under this section shall be forwarded to the appropriate Government within a month of its being placed before the annual general meeting and that Government shall as soon thereafter as may be cause the same to be laid before both houses of Parliament or the Legislature of the State, as the case may be;
- ¹(31) A. A Warehousing corporation shall furnish to the appropriate Government such returns, statistics, accounts and other information with respect to its property or activities as that Government may, from time to time, require).

Returns
and
reports

CHAPTER – V

MISCELLANEOUS

32. No act or proceeding of a Warehousing Corporation shall be invalid by reason only of the existence of any vacancy among its directors or any defect in the constitution thereof.

Vacancies
etc. not to
invalidate
acts and
proceeding of
Warehousing
Corporation



1 Ins. by act 42 of 1976, s.9.

BSWC

33. A Warehousing Corporation may, be general or special order in writing, delegate to the secretary or other officer of the Corporation, subject to such conditions and limitations, if any, as may be specified in the order, such of its powers and functions under this Act as may deem necessary for the efficient performance of its functions.

Voting rights of share holders

34. In any meeting of the shareholders of a Warehousing Corporation, every member shall have one vote in respect of each share held by him in the Corporation.

35. If there is any difference of opinion between the Central Warehousing Corporation regarding their respective functions and powers under this Act. Such difference shall be referred to the Central Government whose decision thereon shall be final.

Dispute between CWC and SWC

36. Every director, auditor, officer or other employee of a Warehousing Corporation shall, before entering upon his duties, make a declaration of fidelity and secrecy in the form set out in the Schedule.

Declaration of fidelity and secrecy

Every director of a Warehousing Corporation shall be indemnified by the Corporation concerned against all losses and expenses incurred in the discharge of his duties except such as are caused by his own wilful act or default.

Indemnity of Directors

(2) A director of Warehousing Corporation shall not be responsible for any other director or for any officer or other employee of the Corporation or for any loss or expense resulting to the Corporation by the insufficiency or deficiency of value of, or title to, any, property or security acquired or taken on behalf of the Corporation in good faith, or by the wrongful act of any person under obligation to the Corporation or by anything done in good faith in the execution of the duties of his office or in relation thereto.

38.(1) Whoever, without the consent in writing of a Warehousing Corporation, uses the name of that Corporation in any prospectus or advertisement, shall be punishable with imprisonment which may extend to six months, or with fine which may extend to one thousand rupees, or with both.

Offences

(2) No court shall take cognisance of any offence under sub-section (1) otherwise than on a complaint in writing by an officer authorised in this behalf by the Warehousing Corporation concerned.

39. For the purposes of the Income Tax-Act, 1961, a Warehousing Corporation shall be deemed to be a company within the meaning of that Act and shall be liable to income-tax and super-tax accordingly on its income, profits and gains.

Provisions relating to Income Tax and Super Tax

43 of 1961

Provided that, in the case of the Central Warehousing Corporation, any sum paid by the Central Government under the guarantee given in pursuance of sub-section (1) of section 5 or, in the case of a Warehousing Corporation, any sum paid by the Central or a State Government under any guarantee given in pursuance of sub-section (4) of section 27 shall not be treated as income, profits and gains of a Warehousing Corporation, and any interest on the debentures or bonds issued by that Corporation out of such sums shall not be treated as expenditure incurred by it.

Provided further that in the case of any shareholders or debenture-holder, such portion of a dividend or interest as has been paid out of any such sum advanced by the Central Government shall be deemed to be his income from interest on securities declared to be income tax free within the meaning of section 86 of that Act.

40. No. Provision of law relating to the winding up of Companies or Corporations shall apply to a Warehousing Corporation and any such Corporation shall not be placed in liquidation save by order of the appropriate Government and in such manner as it may direct.



- 41.(1) The appropriate Government may by notification in the Official Gazette, make rules to carry out the purposes of this Act.
- (2) Without prejudice to the generality of the foregoing power, such rules may provide for.
- (a) The additional functions which as Warehousing Corporation may perform.
 - (b) The manner of nomination and election of the directors of the Central Warehousing Corporation and the period within which such directors shall be nominated or elected.
 - (c) The term of office of, and the manner of filling casual vacancies among, and the remuneration payable to, the directors of a Warehousing Corporation.
 - (d) The manner of choosing directors on the Executive Committee of a Warehousing Corporation.
 - (e) The authorised capital of State Warehousing Corporation 1 (within the maximum limit specified by or under sub-section (1), of section (19).
 - (f) The form of the annual statement of accounts and the balance sheet to be prepared by a Warehousing Corporation.
 - (g) The deposit of moneys of a Warehousing Corporation in a scheduled bank or a Co-operative bank.
 - (h) The manner of issuing shares of a Warehousing Corporation, the calls to be made in respect thereof, and all other matters incidental to the issue of shares.
 - (i) The form and manner in which returns, statistics, accounts and other information are to be furnished, under section 31 A, by a Warehousing Corporation
 - (j) Any other matters which has to be or may be prescribed.
- (3) Every rule made by the Central Government under this section shall be laid as soon as may be after it is made, before each House of Parliament while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and 1 (if before the expiry of the session immediately following the session) or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both houses agree that the rules should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be so however, that any such modification of annulment shall be without prejudice to the validity of anything previously done under that rule.
- 42.(1) A Warehousing Corporation may, with the previous sanction of the appropriate Government by notification in the Official Gazette, make regulations not inconsistent with this Act and the rules made hereunder to provide for all matters for which provision is necessary or expedient for the purposes of giving effect to the provisions of this Act.
- (2) In particular, and without prejudice to the generality of the foregoing power, such regulations may provide for
- (a) The conditions of service, of and the remuneration payable to, the officers and other employees of a Warehousing Corporation.
 - (b) The manner in which, and the conditions subjects to which, shares of the Central Warehousing Corporation may be transferred.
 - (c) The manner in which meeting of Warehousing Corporation and the Executive Committee thereof shall be convened the fees for attending such meetings and the procedure to be followed thereat.

1 Subs - by Act 42 of 1976, s. 10, for certain words



2 Ins by s.10, *ibid.*

- (d) The duties and conduct of officers and employees of a Warehousing Corporation.
 - (e) The power and duties, which may be entrusted or delegated to the Managing Director of a Warehousing Corporation.
 - (f) Generally, the efficient conduct of the affairs of a Warehousing Corporation.
- (3) The appropriate Government may, by notification in the Official Gazette. Rescind any regulation which it has sanctioned and thereupon the regulation shall ceased have effect.
- 43.(1) With effect from the date on which the Warehousing Corporation is established under section 3, the Agricultural Produce (Development and Warehousing) Corporation Act. 1956, in so far it has not been repealed by the National Co-operative Development Corporation Act. 1962 shall stand repealed.
- (2) Notwithstanding such repeal.
- (a) The shares allotted and the certificates issued by the Central Warehousing Corporation established under the repealed Act thereafter referred to as the said Corporation shall be deemed to have been allotted and issued by the Corporation established under section 3 of this Act as if this Act had been in force on the day on which the shares were allotted and the share certificates were issued.
 - (b) Every shareholder of the said Corporation shall become the holder of as many shares in the Corporation established under section 3 of this Act as are equivalent in number and value to the shares held by him in the said Corporation.
 - (c) All moneys and other securities belonging to the National Warehousing Development Fund which immediately before the said date, was maintained by the said Corporation shall stand transferred to and to maintained by the Corporation established under section 3 of this Act.
 - (d) Anything done or any action taken (including any appointment, nomination, delegation, rule or regulation made) under the repealed Act shall in so far as it is not inconsistent with the provisions of this Act, be deemed to have been done or taken under this Act.
 - (e) Every share held by the said Corporation in a State Warehousing Corporation under the repealed act shall be deemed to be a share held by the Corporation established under section 3 of this Act in the Corresponding State Warehousing Corporation deemed to be established under this Act.
 - (f) All rights, liabilities and obligations of the said Corporation, whether arising out of any contract or otherwise, shall be the rights, liabilities and obligation respectively of the Corporation established under section 3 of this Act.
 - (g) A State Warehousing Corporation established for a State under the repealed Act shall be deemed to be the State Warehousing Corporation established for that State under this Act.



The Schedule
(See Section 36)

Declaration of fidelity and secrecy

I, declare that I will faithfully, truly and to the best of my judgement, skill and ability execute and perform the duties which are required of me as director, officer, employee or auditor (as the case may be of the Warehousing Corporation and which properly relate to the office or position in the said Corporation held by me.

I further declare that I will not communicate or allow to be communication to any person not legally entitled thereto any information relating to the affairs of the said Corporation nor will I allow any such person to inspect or have access to any books or documents belonging to or in the possession of the Corporation and relating to the business of the Corporation.

Signature

Signature

Signed before me

Signature

Date.



The 28th August 1958

No. D/FYP-036/58-C, 9326. In exercise of the Powers conferred by section 52 (1) of the Agricultural Produce (Development) and Warehousing Corporation Act, 1956 (No. 28 of 1956), the Governor of Bihar is pleased to make the following RULES namely;

THE BIHAR STATE WAREHOUSING CORPORATION RULES, 1958.

CHAPTER - I

PRELIMINARY

1. Short Title: These Rules may be called the Bihar State Warehousing Corporation Rules, 1958.

2. Definitions: In these rules unless the context otherwise requires -
 - (a) "Act" means the Warehousing Corporation Act, 1962,
 - (b) "Board of Directors" means the Board of Directors of the Corporation.
 - (c) "Corporation" means the Bihar State Warehousing Corporation established under notification No. 3330 dated the 29th March 1957 of the Govt. of Bihar, Department of Industries and Cooperation.
 - (d) "Executive Committee" means the Executive Committee of the Corporation.
 - (e) "Form" means a form appended to these rules.
 - (f) "Section" means a section of the Act.
 - (g) "Director" means a Director of the Corporation.
 - (h) "Managing Director" means the Managing Director of the Corporation.

CHAPTER - II

Nomination of directors of State Warehousing Corporation

3. Term of office of members of Board of Directors; -



- (1) The term of office of every Director nominated under sub-section (1) (b) of section 20 of the Act shall in the case of an official Director, before the period for which he continues to hold the office and in other cases, be three years commencing on the date of his appointment.
4. Casual Vacancies of non-official members –
- (1) A non-official member of the Board of Directors may resign his office as such member by writing under his hand, addressed to the State Government and such resignation shall be effective from the date on which it is accepted. But if the resignation is not accepted within two months of its date of submission, it will be deemed to have been accepted by Government. The casual vacancy so caused shall be filled in by nomination by the Central Warehousing Corporation or by the State Government as the case may be.
 - (2) A person nominated to fill casual vacancy shall hold office for so long as the member, whose place he fills, would have been entitled to hold office, if the vacancy had not occurred.

Provided that any casual vacancy, occurring within three months of the expiry of the normal term of office of a Director may not be filled in.
5. Choosing of Directors of Executive Committee of the Corporation - The three Directors to be chosen under clause (c) of sub-section (1) (c) of section 25 shall include the Secretary or any other officer not below the rank of Deputy Secretary of the Co-operative Department to be nominated by the State Government and any two of the Directors nominated by the Board of Directors of State Warehousing Corporation.

CHAPTER – III

SHARES OF THE STATE WAREHOUSING CORPORATION

6. The authorised capitals - The authorised capital of the State Warehousing Corporation shall be rupees one crore divided into one lakh shares of rupees one hundred each.
7. Shares, movable property - The shares of the State Warehousing Corporation shall be movable property.
8. Condition of first allotment of shares –
 - (i) Subject to the provisions of the Act and these rules, shares of the State Warehousing Corporation, shall be under the control of the Board of Directors of the Corporation.
 - (ii) The first and subsequent allotment of shares shall be made by the Board of Directors of the State Warehousing Corporation in accordance with the provisions of section 29 of the Act.
9. Share Register –
 - (a) The Corporation shall maintain at Head Office a register of shares issued under the Act and shall enter therein such particulars as may be deemed necessary by the Board of Directors.



- (b) In the share register, a separate ledger shall be maintained in respect of each category of shareholders referred to in section 29 of the Act.
10. Share Certificate –
- (i) Every share certificate shall be issued under the common seal of the Corporation
- (ii) Every share certificate shall bear a serial number and shall specify the number of the shares in respect of which it is issued and their distinguishing numbers within three months from the date of application for shares.
11. Every share holder entitled to one free share certificate - The Central Warehousing Corporation and the State Government shall each be entitled free of charge to one certificate for all the shares registered in their names at each allotment.
12. Renewal of share certificate –
- (a) If any share certificate is worn out, or defaced or tendered for sub-division then upon production thereof to the head office of the Corporation, it may order the same to be cancelled and issue a new certificate or certificates in lieu thereof.
- (b) If any share certificate is alleged to be lost or destroyed then on receipt of the intimation of the alleged loss or destruction the Corporation may issue, free of charge, a new certificate in lieu thereof.

CHAPTER – IV

MISCELLANEOUS

13. Maintenance of and operation upon banks accounts and investments of the Corporation –
- (i) All moneys belonging to the State Warehousing Corporation shall be deposited in the Reserve Bank, or the State Bank of India or subject to the rules or subject to the rules below in such scheduled Bank or Cooperative Bank as may be approved for this purpose, by the State Government, to the account of the Corporation.
- (a) The Board of Directors, may from time to time make such "Calls" as it thinks, fit upon the share holders in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times, and each shareholders shall pay the amount of every call so made on such share holder to the respond and at the times and places appointed by the Board of Directors.
- (b) A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed and a notice of call issued to the shareholders specifying the time and place of payment and to work such call shall be paid at least 2 months time from the date of issue of such notice shall be given to the shareholders for such payment.



- (ii) All payments by or on behalf of the Corporation shall be made by cheques except for amounts not exceeding Rs. 500/= which may be made in cash from the amount of imprest sanctioned for such purposes.
 - (iii) Such cheques and all orders for making deposits or investment or for the withdrawal of the same for the disposal in any other manner of the funds of the Corporation shall be signed by the Managing Director or by any other officer of the Corporation authorised by the Board of Directors in this behalf.
 - (iv) No payment shall be made out of the Accounts of the Corporation unless the expenditure is covered by the financial estimate referred to in sub-section (1) of section 36 of the Act, provided, however, that the Executive Committee of the Corporation may, at its discretion, authorise expenditure being incurred in anticipation of such estimate. The statement of expenditure so incurred shall be submitted to the Board of Directors at its next meeting.
 - (iv) All monetary transactions shall be entered in the cashbook as soon as they occur and be attested by an officer of the Corporation duly authorised in this behalf. The cashbook shall be closed daily and completely checked by the Managing Director or the officer authorised in this behalf. At the end of each month the Managing Director or the officer so authorised shall verify the cashbook and the cash in hand and record a signed and date certificate to that effect.
 - (vi) All payments by the Corporation shall be made on bills or other documents duly prepared and passed by the Managing Director or any other officer authorised in this behalf. The paid voucher shall be stamped "paid" or so cancelled that they cannot be used a second time. They should then be kept serially numbered and produced at the time of audit.
14. Deposit in bank of investment in securities of surplus funds.
- (a) Any fund of the State Warehousing Corporation not required for current expenditure may be placed in fixed deposit with the Reserve Bank of India, State Bank of India or any scheduled or Cooperative Bank approved in this behalf by the State Government.
 - (b) The placing of money in fixed deposit and the investment thereof and the disposal of money so placed or investment shall require the sanction of the Executive Committee of the Corporation.
15. Annual statement of Account Balance sheets –

The Board of Directors shall cause the books of the Corporation to be balanced on the last working day of the month of March every year and the annual accounts shall be set out as follows: -



(a) A balance sheet in Form 'A'

(b) A profit and loss Account in Form 'B'

BIHARSTATE WAREHOUSING CORPORATION

Balance sheet as on 31st March.....

Capital and Liabilities.		Rs. P.	Rs. P.
1.	Capital:	1.	Cash in hand
	(i) Authorised	2.	Cash in Bank
	(ii) Issued		(a) The Reserve Bank of India
	(iii) Subscribed		(b) The State Bank of India.
	(a) State Government]		(c) Scheduled Bank.
	(b) Central Warehousing Corporation.		(d) Cooperative Banks.
	(iv) Paid up	3.	Investments: -
2.	Calls in arrears.		(a) Central Govt. Securities.
3.	Reserves under Section 60(1)		(b) State Govt. securities.
4.	Bad and doubtful debts fund Under section 42(1)		(c) Share of Cooperative Societies (under section 34(c)).
5.	Bonds and debentures, section 37(1).		(d) Other investments.
6.	Other funds	4.	Fixed assets: -
7.	Borrowing from		(i) Lands
	(i) The Reserve Bank of India [under section 37 (2) a]		(ii) Buildings
	(ii) The Reserve Bank of India [under section 37 (2) (i) b]		(iii) Godowns& Warehouses
	(iii) The State Bank of India [under section 37 (3) (ii)]	5.	Value of dead stock.
	(iv) The State Bank of India [Under Section 37 (3)].	6.	Outstanding dues from purchase made on behalf of
	(v) National Cooperative Development & Warehousing Board [Under section 9 (2) (b)].		(a) Central Warehousing Corporation
	(vi) National Cooperative Development & Warehousing Corporation Board [under section 37 (3)]		(b) Central Government.
	(vii) Central Warehousing Corporation [Under section 37 (3)].		(c) State Government.
8.	Advance received for purchase of Agricultural commodities.	7.	Guarantee by Government per centre.
	Property and Assets.	8.	Other items.



(a) From State Government (under section 31(c)).	<u>FORM 'B'</u> (RULE 15)
9. Liability under guarantee by State Government under section [under section 37 (4). for bonds and debentures] per centre.	The Bihar State Warehousing Corporation Profit and loss account for the year ending 31st March
10. Provisions for taxes	
11. Other liabilities	
12. Suspense	1. Interest on
13. Other items	(a) Loans from Reserve Bank of India.
14. Profit and loss account	(b) Loans from Central Warehousing Corporation.
	(c) Loans from State Bank of India.
	(d) Debentures.
	2. Establishment cost.
	3. Director's fee, etc.
	4. Rents, rates, taxes.
	5. Depreciation.
	6. Repairs.
	7. Bad and doubtful debts fund
	8. Auditors fees or remuneration
	9. Stationary, printing etc.
	10. Miscellaneous expenses.
	1.
	1. Warehousing Charges.
	2. Interest on
	(a) Securities.
	(b) Bank accounts
	(c) Advances.
	(d) Loans from
	(i) State Government
	(ii) Central Warehousing Corporation.
	(iii) National Cooperative



Development Board.

(iv) Reserve Bank.

3. Subsidies :-

(i) From National Cooperative

Development and
Warehousing
Board.

4 Dividend on shares in Cooperative
Societies. Other incomes including

5. Agency Commission.

.....

.....

Net Loss s/o

By order of the Government
of Bihar.

R.P Sinha, under sec.



BIHAR STATE WAREHOUSING CORPORATION

GENERAL REGULATIONS

CHAPTER - I

PRELIMINARY

1. SHORT TITLE AND COMMENCEMENT

- (1) These regulations may be called the Bihar State Warehousing Corporation Regulation, 1958.
- (2) They shall be deemed to have come into force with effect from the date on which they are approved by the Board of Directors.

2. DEFINITIONS:

In these regulations unless the context other - wise requires; -

- (a) "Act" means the Agricultural Produce (Development and Warehousing) Corporation Act, 28 of 1956.
- (b) "Board of Directors" means the Board of Directors of the Corporation.
- (c) "Chairman" means the Chairman of the Board of Directors.
- (d) "Corporation" means the Bihar State Warehousing Corporation established under section 28 (1) of the Agricultural Produce (Development & Warehousing) Corporation Act, 1958.
- (e) "Directors" means a member of the Board of Directors.
- (f) "Executive Committee" means the Executive Committee of the Corporation.
- (g) "Managing Director" means the Managing Director of the Corporation.
- (h) "Sub-Committee" means a Sub-Committee appointed by the Board of Directors or by the Executive Committee.

CHAPTER - II

MEETING OF THE BOARD OF DIRECTOR & THE EXECUTIVE COMMITTEE.

3. MEETING OF THE BOARD OF DIRECTORS AND THE EXECUTIVE COMMITTEE:

- (1) A meeting of the Board of Directors shall be held at least in every alternative month is each year and that of the Executive Committee at least once a month.



- (2) Ordinarily not less than 14 days notice shall be given to every directors of a meeting of the Board of Directors and not less than 7 days notice to a member of the Executive Committee of a meeting of the Executive Committee.
- (3) An emergent meeting of the Board of Directors or that of the Executive Committee may, however, be called at a short notice but such notice shall be sufficient to enable every director or a member of the Executive Committee who is at the time in India to attend such meeting (of the Board of Directors or of the Executive Committee, as the case may be).
- (4) A meeting of the Board of Directors or of the Executive Committee shall be convened by the Managing Director. A notice of the meeting shall be sent to each Director or member of the Executive Committee, as the case may be, specifying the time date and place of the meeting and the business to be transacted at the meeting. No business other than that specified in the notice shall be transacted at a meeting except that of which seven days clear notice has been given to the Chairman but with the permission of the authority presiding at the meeting any other matter may be considered.

PRESIDING AUTHORITY

4. The Chairman or in his absence, a Director (other than the Managing Director) chosen by the Directors present from amongst themselves, shall preside over the meeting of Board of Directors or the Executive Committee as the case may be.

DECISION BY MAJORITY

5. All questions at meeting of the Board of Directors or of the Executive Committee shall be decided by a majority of votes. In case of equality of votes, the person presiding shall have a second or casting vote.

QUORUM

6. The quorum for meeting of the Board of Directors shall be five and of the Executive Committee three. If there is no quorum at any meeting of the Board of Directors or of the Executive Committee, the meeting shall be adjourned and at the adjourned meeting business of the last meeting shall be conducted irrespective of there being quorum or not.

PLACE OF MEETING

7. A meeting of the Board of Directors and of the Executive Committee may be held at Patna or at such other convenient place in Bihar as may be decided by the Chairman.

MINUTE BOOK

8. The Managing Director shall maintain a minute book in which the minutes of the meeting of the Board of Directors shall be recorded. He shall similarly maintain a minute book in which the proceedings of a meeting of the Executive Committee shall be recorded. The minutes of a meeting of the Board of Directors as well as of the Executive Committee shall be circulated as



soon as possible after the meeting or for the information of the Directors and shall be placed before the next meeting of the Board of Directors or the Executive Committee as the case may be, for information and shall bear the signature of the Chairman or the person presiding over the meeting.

DISCLOSURE OR INTEREST BY A DIRECTOR

- 9 Every Director, who is in any way, whether, directly or indirectly concerned (except as a representative of a statutory body incorporate) in any contract loan or arrangement, entered into or proposed to be entered into by or on behalf of the Corporation, shall disclose the nature of his concern of interest to the Board of Directors or the Executive Committee, as the case may be and shall not participate in the meeting of the Board of Directors or of the Executive Committee when such contract, loan or arrangement is considered.

CHAPTER III

- 10.(i) A Director (other than the Managing Director or salaried officer of the Government) shall receive a fee of Rs. 35/- for attending each meeting of the Board of Directors and a fee of Rs. 20/- for each meeting of the Executive Committee or a sub-committee attend by him.
- (ii) In addition, each such Director shall be reimburse his travelling expenses for attending the meeting of the Board of Directors or of the Executive Committee or of a Sub-Committee or in respect of journeys undertaken by him in connection with the business of the Corporation at the following scales; -
- (a) If the journey is performed by air:
Mileage allowance equal to 1.1/5th of the standard airfare for the air journey, (if available return tickets at reduced rates should always be purchased when the director expects to perform the return journey by air within the period for which the return ticket is available). The mileage allowance for the forward and the return journey when such a return ticket is available will however, be the actual cost of the return ticket plus 2/5th of the standard airfare for the single journey between the 2 places.
The standard airfare should be taken to mean actual single journey fare of a company payable for the service by which a journey is performed.
- (b) If the journey is performed by rail:
On fare for the air-conditioned accommodation if the same is availed of or the actual fare of the class by which the Director travels, whichever is less and incidental charge at 6 np. per mile.
- (c) In respect of journey by road:



50 np. per mile.

- (c) In respect of journeys by steamer:
One and a half times the 1st class fare.
- (d) Allowance:
At the rate of Rs. 12/8 per diem for the day or days of attendance at the meeting.

11. ALLOWANCE FOR DIRECTORS WHO ARE GOVERNMENT OFFICERS:

Directors who are salaried officers of Government shall be entitled to draw travelling and daily allowances in accordance with the rules and at the rates applicable to the Government servants.

CHAPTER - IV

ADMINISTRATION OF THE BIHAR STATE WAREHOUSING CORPORATION
CONDUCTS THE AFFAIRS OF THE BIHAR STATE WAREHOUSING CORPORATION:

12. POWERS OF THE CHAIRMAN IN AN EMERGENCY:

In case of emergency or in matters calling for expeditious action the Chairman may pass any order or perform any act within the competence of the Board of Directors providing that any orders passed under this provision shall be placed before the next meeting of the Board of Directors or of the Executive Committee, whichever is earlier?

13. POWER OF THE MANAGING DIRECTOR:

- (1) The Managing Director shall have the powers to negotiate and carry on the authorised business of the Corporation in accordance with the instructions which the Board of Directors or the Executive Committee may issue from time to time and shall be the authority to decide whether any suit or proceeding be instituted or defended by or against the Corporation subject to such directions as the Board of Directors may be given from time to time.
- (2) The Managing Director shall act as "Controlling and Disbursing Officer" in respect of all funds of the Corporation shall operate accounts either single or jointly with Director or any officer of the Corporation authorised in this behalf by the Board of Directors from time to time and to draw, accept and endorse bills or exchange and other instruments in the current and authorised business of the Corporation and to sign all other accounts, receipts and documents connected with such business.
- (3) The Managing Director shall organise and supervise the office of the Corporation, maintain discipline and exercise such powers in connection with appointment,



promotions, terminations of services and other disciplinary matters and leave of the staff of the Corporation as may be vested by the Board of Directors of the Corporation in this behalf and to allocate duties to the staff and make such other arrangements as may be necessary for the efficient discharge of the function of the Corporation

AMOUNT OF EXPENDITURE ON THE ADMINISTRATION OF THE CORPORATION:

14. The Board of Directors shall determine from time to time the amount of expenditure on the administration of the Corporation.

COMMON SEAL OF THE CORPORATION

15. The common seal of the Corporation shall not be affixed to any instrument except in pursuance of a resolution of the Board of Directors or of the Executive Committee and except in the presence of the Managing Director and one other Director who shall sign their names to the instrument in token of their presence and such signing shall be independent of the signature of any person, who may sign the instrument as a witness. Unless executed as aforesaid, such instrument shall no validity.

MANNER AND FORM IN WHICH CONTRACTS BINDING ON THE CORPORATION MAY BE EXECUTED

16. Contract on behalf of the Corporation may be made as follows: -
- (a) Any contract which is by law required to be in writing may be made on behalf of the Corporation in writing signed by any person acting under its authority, express or implied, and any in the same manner be varied or discharged.
 - (b) Any contract, which will be valid if may be parole, only may be made by parole on behalf of the Corporation by any person acting under its authority, express or implied and may in the same manner be varied or discharged.

PLEADING ETC. BY WHOM TO BE SIGNED

17. Plaints, written statements, petitions, vakalatnamas, affidavits and other documents connected with legal proceedings may be signed and verified on behalf of the Corporation by the Managing Director or the Secretary or such other officer of the Corporation authorised by the Managing Director in this behalf.

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GOVERNMENT OF BIHAR
DEPARTMENT OF INDUSTRIES AND CO-OPERATION
(CO-OPERATIVE)

Notification:

In pursuance of the provisions contained in section 54 (i) of the Agricultural produce (Development and Warehousing) Corporation Act, 1956 (No. 28 of 1956) the Governor of Bihar is pleased to accord sanction to the following Regulations framed by the Bihar State Warehousing Corporation, namely: -

BIHAR STATE WAREHOUSING CORPORATION, STAFF REGULATION

1. Short title and comments
 - (1) These regulations may be called the Bihar State Warehousing Corporation staff Regulations, 1958.
 - (2) They shall be deemed to have come into force with effect from the date on which they are approved of by the Board of Directors.
 - (3) They shall apply to all employees of the Corporation and to the personnel employed on contract in respect of all matters not regulated by the contract.
2. Board of Directors to decide disputes regarding interpretation of these regulations.
 - (a) In case of any dispute arising regarding the interpretation of these regulations, it shall be referred to the Board of Directors whose decision thereon shall be final.
 - (b) Any matter, not provided in these regulations shall, until requisite provisions in the behalf are made in these regulations, be dealt with and disposed of, as far as may be in accordance with the rules and orders issued from time to time by the State Government in relation to similar matters.
3. Definitions:

In these regulations, unless the context otherwise required; -

 - (a) "Board of Directors" means the Board of Directors of the Corporation.
 - (b) "Chairman" means the Chairman of the Board of Directors.



- (c) "Corporation" means Bihar Warehousing Corporation established under section 28(1) of the Agricultural produce (Development & Warehousing) Corporation Act 28 of 1956.
- (d) "Employees" means a person in the whole time or part time service of the Corporation but does not include a person, employed on daily wages or on contract.
- (e) "Executive Committee" means the Executive Committee of the Corporation.
- (f) "Government Institution" means a Govt. Company as defined in the Companies Act or a statutory body incorporate in which the Central or State Government has a financial interest and any office created under the Constitution of India.
- (g) "Managing Director" means the Managing Director of the Corporation.
- (h) "Secretary" means the Secretary of the Corporation.
- (i) "Sub-Committee" means a Sub-committee appointed by Board of Directors or by the Executive Committee or by the Managing Director.

4. Classification of Employees: -

The employees of the Corporation shall be classified as follows: -

Class I Officers: - Construction Engineer, Secretary, Asstt. Secretary, Publicity Officer, Accounts Officer, Grading & Marketing Officers, Warehousemen and other Officers who may be classified as such from time to time by the Board of Directors.

Class II: - Ministerial staff including Assistant Warehousemen, Stenographers, Accountants, Accounts Assistant, Tech. Assistants, Assistants, Graders, Cashier, Clerk, Typists and god own keepers.

Class III :- Subordinate staff (including Drivers, Daftary, Jamadars, Peons, Choukidars and Sweepers).

5. Recruitment, Appointment, Promotion, Probation, Discipline etc.

Strength of staff: - The Board of Directors shall from time to time, determine the strength of the staff, both permanent and temporary, under the various categories required for carrying out its functions.

Provided that the Managing Director may subject to the approval of the Executive Committee, create any post in class II or class III for a period not exceeding 6 months.

6. Manner of Appointment & Promotion: -

- (1) Appointment to various posts shall be made by promotion or by direct recruitment or by borrowing personnel from the State Government or a Government Institution



in accordance with such terms and condition as the Board of Directors may lay down from time to time.

Provided that appointments to posts in Class II and class III shall be made by the managing Director and appointment to posts in class I shall be made by the Executive Committee.

7. Manner of selection and publicity for posts available for direct Recruitment

All posts available for direct recruitment shall be given due publicity and in particular the following steps may be taken; -

- (i) In respect of posts under class I and class II, an advertisement incorporating the necessary minimum qualifications and experience may be inserted in such of the leading newspapers as the Managing Director may consider necessary.
- (ii) A public notice inviting applications for posts under class III shall be put up on the Notice Board at the Office premises of the Corporation and the Warehousing Centres run by it.
- (iii) For posts under class II & III, a copy of the notice may also be sent to the local employment exchange for suggesting names.'

8. Furnishing of Security by the Warehousemen, Assistant Warehousemen, Accountant and Assistant Accountant etc.

Any person holding or appointed to the post of a Warehousemen, Assistant Warehousemen, Accountant, Assistant Accountant, Cashier, shall if so required, furnish, for the faithful discharge of this duties, such security in cash or otherwise as the Managing Director in his discretion may determine.

9. Period of probation.

Every employee shall undergo a period of probation of one year, provided that the period of probation may be extended or delayed at the discretion of the Managing Director in respect of employees belonging to class II and class III posts and of the Executive Committee in respect of employees of class I posts.

10. Medical Certificates: -

- (1) Every employee, other than a person on deputation from the Central Govt. or a State Govt. Institution shall, before joining duty be required to furnish a medical certificate in the form prescribed in Appendix I from a registered medical practitioner nominated for the purpose by the Managing Director.



11. Notice by an employee: -

- (1) An employee shall not leave or discontinue his service in the Corporation without first giving one-month's notice in writing of his intention to do so to the Managing Director.

Provided that a 3 months notice shall be necessary in case of an employee in class I and 2 months notice in case of an employee in class II and class III.

- (2) In case of breach of this regulation, the employee shall be liable to pay as compensation to the Corporation a sum equal to his substantive pay for the said period of the notice.

Provided that the payment of such compensation may be waived by the Managing Director in his discretion in respect of the employees of class II and class III posts and by the Executive Committee in regard to the employee of class I post.

12. Termination of Service: -

- (1) The Service of an employee of any class who, is on probation may be terminated at any time by giving him one month's notice or pay in lieu thereof.

Provided that such notice shall not be necessary in the case of a temporary employee of class III whose service is terminable without such notice by the terms and conditions of his appointment.

- (2) The Board of Directors may terminate the service of an employee of class I after the expiry of the period of his probation by giving him 3 months notice or pay in lieu thereof and of any employee of any other class by giving him 2 months notice or pay in lieu thereof.

- (3) In the case of an employee of class II and class III the power to terminate his service under sub-regulation (1) and (2) shall be exercised by the Managing Director (and in the case of any employee of class I by the Board of Directors).

13. Superannuation after attaining the age of 58 years.

Every employee shall retire on attaining the age of 58 years. Provided that the Board of Directors may in the interest of the Corporation, extend the period of service of an employee beyond the age of Superannuation for such period as may be considered necessary.

Provided further that nothing in this Regulation shall be deemed to affect the powers of the Corporation to employ any person above the age of 58 years on contract.

(Amended vide Coop. Deptt's notification No. 2087 dated 7.8.1978).



14. Fixation of pay on 1st appointment or on promotion: -

A new entrant on first appointment to a post shall draw initial pay of the scale provided for the post, unless the appointing authority by special order fixes his pay at a higher stage, In the case of promotion from one class, grade or appoint to another, employee shall draw as his initial pay the amount in the new time scale next above his substantive pay in the old post.

15. Accrual of Increments: -In an incremental scale, the increment shall accrue on the completion of each specified period of service in that scale whether such service is probationary or officiating or substantive. Active service in a higher grade will count for increment as in the incremental scale in the employee's grade. The Managing Director will be the authority to give sanction to draw increments.

16. Crossing of Efficiency Bar: -

An employee will be allowed to cross the efficiency Bar if the Managing Director certifies his fitness to do so.

17. Acting Allowance: -

An employee appointed to hold a post in addition to his own will be given: -

- (i) An acting allowance equal to 1/10th of the minimum pay of the scale of the higher post in addition to his pay.

Provided that the total pay shall not exceed the minimum of the higher post, or

- (ii) An amount equal to one increment of the higher grade where his substantives pay is higher than the minimum pay of the higher grade.

18. Dearness & Compensatory allowances: -

Unless otherwise stipulated in the terms and conditions of employment, an employee shall be entitled to Dearness and Compensatory allowance at rates admissible to employees of corresponding category of the State Government.

19. House Rent Allowance: -

- (a) An employee of the State Warehousing Corporation shall draw the house rent allowance as per the following rules: -
 - (i) If the rent of the house does not exceed 10 percent of the salary of the employee, the entire house rent is to be borne by the employee himself.
 - (ii) If the house rent exceeds 10 percent of the salary the amount of rent over and above the ten percent of his salary shall be borne by the Corporation.



- (iii) The Corporation's contribution shall not exceed fifteen percent of the salary nor shall it exceed Rs. 250/- (Rupees two hundred and fifty).
 - (iv) Payment shall be made on the basis of rent receipt submitted by the employee or an affidavit by the employee to the effect that he pays such and such rent. The affidavit shall be on a prescribed form.
 - (v) This will come in force with effect from 1st December 1977.
(Amended vide Coop. Deptt's Notification No. 2087 dated 7.8.1978).
- (b) When an employee occupies accommodation, provided by the State Govt. and is charged rent at a rate higher than what he would have paid had he been a State Govt. employee, the Corporation will reimburse to him the difference between the rent so charged and the rent which would have been payable by him for that accommodation if he were a Government servant.
- (c) Employees on deputation from a State Govt. or a Govt. Institution shall draw house rent allowance at such rates as are admissible to the employees of corresponding category of the State Government.

Discipline

20. Rules for conduct for the employees: -

- (1) All employees are bound to serve the Corporation in such capacity and in such place as may be directed by the Corporation from time to time.
- (2) All employees are bound to serve the Corporation faithfully and to the best of their ability. No employee shall associate himself or take an active part in any political matter or in any political demonstration.
- (3) An employee of the Corporation shall not, without the prior permission of the Managing Director.
 - (a) By himself or through any member of his family engage in any trade or business or adventure in the nature of trader or business or.
 - (b) Undertake any other employment while on duty or on leave.
- (4) An employee shall not speculate in agricultural produce, stocks, share, securities or any other goods and shall not have connection with the formation or management of a joint stock Company.
- (5) An employee shall not absent himself from his duty or from the station of his posting without obtaining prior permission of the Managing Director.



- (6) An employee shall not approach or prefer an appeal (except as provided herein) or represent personally to any Director for any matter concerning his service.

Nothing of this sub-regulation shall be deemed to prohibit an employee from making any legitimate representation concerning his service to the Managing Director in his official capacity.

21. Imposition of penalties: -

- (1) Any employee committing a breach of the regulations of the Corporation or being guilty of negligence, inefficiency or indolence in performance of his duties or knowingly doing anything detrimental to the interests of the Corporation or in conflict with its instructions or of committing a breach of discipline being guilty of any other act of misconduct, misdemeanour or is convicted of a criminal offence shall be liable to the following penalties: -

- (a) Fine
- (b) Censure,
- (c) Delay or stoppage of increments or promotion,
- (d) Reduction to a lower post in his permanent class or to lower stage in his incremental scale.
- (e) Recovery from pay of the whole or part of the pecuniary loss caused to the Corporation by the employee,
- (f) Removal,
- (g) Dismissal,

Provided that the penalty of fine shall be imposed on employees of class III only.

- (2) The power to impose a penalty under sub-regulation shall be exercised: -
- (i) In the case of class I employees, other than the Managing Director, in respect of all penalties, by the Executive Committee.
 - (ii) In the case of class II and class III employees, in respect of all penalties, by the Managing Director.
 - (iii) In the case of the Managing Director who is not a Govt. employee, in respect of all penalties, by the Board of Directors in consultation with the Central Warehousing Corporation and with the previous approval of the State Government.
- (iv) No punishment other than that specified in sub-regulation (i) (a) (1) (c) shall be imposed on any employee without formal charges being framed against him and without giving him an opportunity for tendering an explanation in written and cross-examine the witness against him, if any, and of producing defence. Provided that any punishment to an employee on deputation from State Govt. or a Govt.



institution shall be imposed by his parent deptt. In accordance with the procedure and rules laid down in this behalf.

22. Procedure about suspension: -

- (i) An employee may be placed under suspension pending an enquiry against him for breach of discipline or if any proceedings have been instituted against him in respect of any criminal offence involving moral turpitude.
- (ii) The power to place an employee under suspension shall be exercised by the
 - (a) Managing Director in the case of employees of class II and class III.
 - (b) Executive Committee in the case of employees of class I.
 - (c) The Board of Directors in case of the Managing Director provided that the employees on deputation from the State Govt. or a Govt. Institution shall be suspended by the parent Deptt. In accordance with the procedure and rules applicable to them.

23. Grant of subsistence allowance to employees when under suspension:

An employee's pay and allowance, during the period of suspension, will be regulated as per rule of the State Govt.

24. Reversion:

An employee appointed to officiate in a higher grade shall be liable to be reverted without notice and without assigning any reason therefore. He shall also be liable to reversion under the provision on regulation 21.

25. Appeals:

- (1) Every employee shall be entitled to appeal against any order imposing any penalty specified in Regulation 21.
- (2) An appeal shall lie:
 - (a) Where the order imposing the penalty is made by the Managing Director, to the Chairman.
 - (b) Where the order imposing the penalty is made by the Executive Committee to the Board of Directors.



- (c) No appeal shall lie against any order of the appellate authority, or of the Board of Directors.

26. Contents of appeal:

- (1) Every appeal preferred under these Regulations shall contain all relevant statements relied upon by the appellant and shall be complete itself.
- (2) An appeal shall not be couched in disrespectful improper language. If so couched, the appellate authority return the appeal to the appellant and allow him an opportunity to submit not contain any disrespectful or improper language

27. Appeal to be preferred through immediate officer:

An appeal shall be sent by an employee through his immediate superior officer who shall forward it to the forward it to the appellate authority with comments, imposing the penalty on him.

28. No appeal shall be entertained if it is not preferred within a period of one month from the date of receipt by the appellant of the order imposing the penalty on him.

29. Record of service:

The Managing Director or any other officer authorised by him in this behalf shall maintain a service Register, in respect of all employees. The register shall contain the names of the employees in order of seniority, the posts in which they are acting, their grade and date of confirmation therein, their pay and date of increment, date of birth, first day of service, length of active service, there date of their attaining the age of Superannuation the amount of leave. The service registers in respect of a person on deputation from the State Government.

30. Leave:

All employees of the Corporation including those on deputation from the State Govt. or a Govt. Institution shall be entitled to such leave as is admissible to the employees of the State Govt. of corresponding category, and shall be governed in this respect by the relevant rules of the State Govt. in force from time to time.

31. Authority to grant leave:

- (1) The Managing Director shall be the authority to grant casual leave to employees of all classes.



- (2) The Managing Director shall be the authority to sanction earned leave and other leave to employees of class II and class III.
- (3) The Chairman shall be the authority to sanction casual leave to the Managing Director and earned leave and other leave to employees of class I other than the Managing Director.
- (4) The Executive Committee shall be the authority to grant earned leave and other leave to the Managing Director for a period not exceeding 45 days.
- (5) Earned leave in excess of 45 days and extra-ordinary or sick leave in the case of the Managing Director shall be sanctioned only by the Board of Directors in consultation with the State Government.

32. Medical facilities: - Such medical facilities will be provided for employees and their families as the Board of Directors may determine from time to time. Provided that the employees of the Corporation, who are in deputation from the State Govt., will be governed in this respect by the relevant rules of the State Govt.

33. T.A., Transfer T.A., Halting allowance, joining time etc.

All employees of the Corporation (including those on deputation from the State Govt. or a Govt. Institution) shall be governed in this respect by the relevant rules of the State Govt. in force from time to time.

34. Countersigning of travelling allowance bills:

All T.A. bills of class I, Class II and class III employees shall be countersigned by the Managing Director and of Managing Director by the Chairman.

35. If the Corporation is satisfied that the operation of any of these regulations, causes undue hardship in any particular case, the Corporation may be a resolution passed in the meeting of the Board of Directors, dispense with or relax the requirements of that regulations to such an extent and subject to such conditions as the Corporation may consider necessary for dealing with the case in just and equitable manner.

By order of Governor of Bihar

Sd/- R.R. Sinha

Dy. Secy. to Government



Last updated date on 01.02.2008

Title: THE WAREHOUSING CORPORATIONS (AMENDMENT) ACT, 2001 **Year : 1962 Act :**
THE WAREHOUSING CORPORATIONS (AMENDMENT) ACT, 2001. ACT NO. 23 OF
2001. [29th August, 2001]

An Act further to amend the Warehousing Corporations Act, 1962. BE it enacted by Parliament in the Fifty-second Year of the Republic of India as follows:-

1. Short title and commencement.

1. Short title and commencement.-(1) This Act may be called the Warehousing Corporations (Amendment) Act, 2001. (2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

2. Amendment of section 11.2. Amendment of section 11.-In section 11 of the Warehousing Corporations Act, 1962 (58 of 1962) (hereinafter referred to as the principal Act),-

(a) in clause (a), after the words "in India", the words "or abroad" shall be inserted;

(b) in clause (e), the word "and" occurring at the end shall be omitted;

(c) after clause (e), the following clauses shall be inserted, namely:-

"(ea) enter into, with the previous approval of the Central Government, joint ventures with any corporation established by or under any Central Act or any State Act or with any company formed and registered under the Companies Act, 1956 (1 of 1956) including foreign company or through its subsidiary companies, for carrying out the purposes of this Act.

Explanation.-For the purposes of this clause, the expression "foreign company" shall have the meaning assigned to it under clause (23A) of section 2 of the Income-tax Act, 1961 (43 of 1961)

(eb) establish subsidiary companies; and".

3. Amendment of section 20.3. Amendment of section 20.-In section 20 of the principal Act,-

(a) in sub-section (1), in clause (c), for the words "with the previous approval of", the words "under intimation to" shall be substituted;

(b) in sub-section (2), for the words "with the previous approval of", the words "under intimation to" shall be substituted.

4. Amendment of section 21.4. Amendment of section 21.-In section 21 of the principal Act, in clause (v), the words "the Central Warehousing Corporation or" shall be omitted.

5. Amendment of section 22.5. Amendment of section 22.-In section 22 of the principal Act, in sub-section (1), for the words "with the previous approval of", the words "under intimation to" shall be substituted.

6. Amendment of section 24.6. Amendment of section 24.-In section 24 of the principal Act,-



(a) in clause (a), for the words "with the previous approval of ", the words "after consultation with" shall be substituted;

(b) in clause (d), the word "and" occurring at the end shall be omitted;

(c) after clause (d), the following clause shall be inserted, namely:-

"(da) enter into, with the previous approval of the State Government, joint ventures with the Central Warehousing Corporation; and".

SUBHASH C. JAIN, Secy. to the Govt. of India.

Last updated date on 01.02.2008

Title : THE WAREHOUSING CORPORATIONS (AMENDMENT) ACT, 2005

Year : 1962Act :

THE WAREHOUSING CORPORATIONS (AMENDMENT) ACT, 2005.#

NO. 45 OF 2005.

[15th September, 2005.]

An Act further to amend the Warehousing Corporations Act, 1962.BE it enacted by Parliament in the Fifty-sixth Year of the Republic of India as follows:-

1.Short title and commencement.

1. Short title and commencement.-(1) This Act may be called the Warehousing Corporations (Amendment) Act, 2005.(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

2.Amendment of section 7.

2. Amendment of section 7.-In section 7 of the Warehousing Corporations Act, 1962 (58 of 1962) (hereinafter referred to as the principal Act),-

(a) in sub-section (1),-

(i) clause (b) shall be omitted;

(ii) after clause (f), the following clause shall be inserted, namely:-

"(ff) three directors to be appointed by the Central Government;";

(b) in sub-section (4), the words "and a Vice-Chairman" shall be omitted;

(c) after sub-section (4), the following sub-section shall be inserted, namely:-

"(4A) The directors appointed under clause (ff) of sub-section (1) shall be entitled to receive such salary and allowances as the Central Warehousing Corporation may, with the approval of the Central Government, determine.".

3.Amendment of section 8.



3. Amendment of section 8.-In section 8 of the principal Act, in clause (v), for the words "the managing director", the words, brackets, letters and figures "the directors appointed under clause (ff) of sub-section (1) of section 7 and the managing director" shall be substituted.

4. Amendment of section 12.

4. Amendment of section 12.-In section 12 of the principal Act,-

(a) in sub-section (1), in clause (a), the words "and the Vice-Chairman" shall be omitted;

(b) for sub-section (2), the following sub-section shall be substituted, namely:-

"(2) The Chairman of the board of directors shall be the Chairman of the Executive Committee."

5. Amendment of section 27.

5. Amendment of section 27.-In section 27 of the principal Act, in sub-section (2), in clause (iii), for the words "nationalised bank", the words "scheduled bank" shall be substituted.

T. K. VISWANATHAN,
Secy. to the Govt. of India.

Last updated date on 01.02.2008