



The Warehousing Corporations Act, 1962
The Warehousing Corporation Rules, 1963
&
CWC (General) Regulations, 1965

CENTRAL WAREHOUSING CORPORATION

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**The Warehousing Corporations
Act, 1962
(58 OF 1962)**

(As modified up to the 1st July, 1987)

**GOVERNMENT OF INDIA
MINISTRY OF LAW & JUSTICE**

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.
Sec.	" Section.
Subs.	" Substituted.

THE WAREHOUSING CORPORATIONS ACT, 1962

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THE SCHEDULE

THE WAREHOUSING CORPORATIONS

(AMENDMENT ACT, 1989)

(No. 17 of 1989)

22nd Oct., 1989

An act further to amend the Warehousing Corporations Act, 1962:

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

1. This act may be called the Warehousing Corporations (Amendment) Act, 1989. Short title.
- 58 of 1962 2. In section I of the Warehousing Corporations Act, 1962 (hereinafter referred to as the principal Act), in sub-section (2), the words "except the State of Jammu and Kashmir" shall be omitted. Amendment of section 1.
3. In section 2 of the principal Act, in clause (dd), the following shall be added at the end, namely:- Amendment of section 2.
- 40 of 1980 "or a corresponding new bank specified in the First Schedule to the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980."
4. In Chapter I of the principal Act, after section 2 of the following section shall be inserted, namely:- Insertion of new section 2A.
- "2A, Any reference in this Act to any law which is not in force, or any functionary not in existence, in any State, shall, in relation to that State, be construed as a reference to the corresponding law in force, of the corresponding functionary in existence, in that State." Construction of references to any law not in force or any functionary not in existence in any State.

THE WAREHOUSING CORPORATIONS 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 Corporations Act, 1962¹. Short title, extent and commencement.
 - (2) It extends to the whole of India except the State of Jammu and Kashmir.
 - (3) It shall come into force on such date² as the Central Government may, by notification in the Official Gazette, appoint.

2. In this Act, unless the context otherwise requires,- Definitions.
 - (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;

¹This Act has been supplemented by the Warehousing Corporations (Supplementary) Act, 1965 (20 of 1965).

²8th March, 1963; vide G.S.R. 463, dated 16-3-1963, see Gazette of India, Extraordinary, Pt. II, Sec. 3 (i), p. 155.

Warehousing Corporations
(Chapter I.—Preliminary)

- 2 of 1912. (d) “co-operative society” means a society registered or deemed to be registered under the Co-operative 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;
- ³[(dd) “nationalised bank” means a corresponding new bank specified in the First Schedule to the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970;]
- 5 of 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; 74 of 1952.
- (h) “Reserve Bank” means the Reserve Bank of India constituted under the Reserve Bank of India Act, 1934; 2 of 1934.
- (i) “scheduled bank” means a bank for the time being included in the Second Schedule to the Reserve Bank of India Act, 1934, ¹[and includes a nationalised bank]; 2 of 1934.
- (j) “State Bank” means the State Bank of India constituted under the State Bank of India Act, 1955; 23 of 1955.
- (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.

³Ins. by Act 42 of 1976, s. 2.

¹Ins. by Act 42 of 1976, s. 2.

CHAPTER - II

THE CENTRAL WAREHOUSING CORPORATION

The Central Warehousing Corporation.

3. (1) With effect from such date² 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.
- (2) The head-office of the Central Warehousing Corporation shall be at New Delhi ³[or at such other place as the Central Government may, by notification in the Official Gazette, specify].

Share capital and share-holders.

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 the Government may determine.]

- (2) ⁵[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 institutions;
- (e) recognised associations and companies dealing in agricultural produce or any notified commodity.

²18th March, 1963, vide G.S.R. 464, dated 16-3-1963, see Gazette of India, Extraordinary, Pt. II, Sec. 3(i), p. 155.

³Ins. by Act 34 of 1963, s. 2.

⁴Ins. by Act 42 of 1976, s. 3.

⁵Subs. by s.3, *ibid.*

Warehousing Corporations
(Chapter II.—The Central Warehousing Corporation.)

- (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 ¹[the State Bank or any other scheduled bank], any insurance company, any investment trust or other financial institution or any co-operative society 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.
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 Acts mentioned in this subsection, 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 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 an 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 questions of policy as may be given to them by the Central Government.

Shares to be guaranteed by Central Government and to be trust or approved securities.

Management of Central Warehousing Corporation.

2 of 1882.
4 of 1938.
10 of 1949.

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

Warehousing Corporations
(Chapter II.—The Central Warehousing Corporation.)

(3) If any doubt arises as to whether a question is or is not a question of policy, the decision of the Central Government shall be final.

7. (1) The board of directors referred to in section 6 shall consist of the following, namely:- Directors

- (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 Bank;
- (d) one director to be elected by other 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 clauses (a) to (f):

Provided that the three directors to be elected under clauses (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 the 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 clauses (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 director to fill the vacancy.

Warehousing Corporations
(Chapter II.—The Central Warehousing Corporation.)

- (4) The board of directors shall have a Chairman and a 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
 - (b) receive such salary and allowances 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 allowances, 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.

Disqualification for office of director of the Central Warehousing Corporation.

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 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 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

Warehousing Corporations
(Chapter II.—The Central Warehousing Corporation.)

- (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 shareholder (other than a director) in any public company as defined in the Companies Act, 1956: 1 of 1956.

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.

Removal of directors from office.

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.
- (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 8; or
 - (b) is absent without leave of the board of directors or more than three consecutive meetings of the board without cause sufficient in the opinion of the board, to exonerate his absence.

Appointment of officers, etc., and their conditions of service.

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.

11. Subject to the provisions of this Act, the Central Warehousing Corporation may-
- (a) acquire and build godowns and warehouses 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;

Functions of Central Warehousing Corporation.

Warehousing Corporations
(Chapter II.—The Central Warehousing Corporation.)

- (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.
- Meeting 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.

Warehousing Corporations
(Chapter II.—The Central Warehousing Corporation.)

- (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 deposited 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 be 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 the Central
Government.

- (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 a payment under sub-section (1), the Central Government shall specify the fund for the purposes of which the payment is made.

Corporation to
maintain two
funds.

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

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

Warehousing Corporations
(Chapter II.—The Central Warehousing Corporation.)

- (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 deposited 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 be 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 the Central
Government.

- (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 a payment under sub-section (1), the Central Government shall specify the fund for the purposes of which the payment is made.

Corporation to
maintain two
funds.

15. The Central Warehousing Corporation shall maintain two separate funds, namely:-
- (a) the Central Warehousing Fund (hereinafter referred to as the Warehousing Fund); and
 - (b) the General Fund.

Warehousing Corporations
(Chapter II.—The Central Warehousing corporation.)

Warehousing
Fund.

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

- (a) all moneys and other securities transferred to the Central Warehousing Corporation under clause (c) of sub-section (2) of section 43;
- (b) such grants and loans as the Central Government may make for the purposes 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 Governments 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 Corporations;
- (b) for advancing loans and granting subsidies to State Warehousing Corporations or to State Governments 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;
- ¹[(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.]

General Fund.

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

- (a) all sums received by the Central Warehousing Corporation other than those referred to in sub-section (1) of section 16; and

¹Ins. by Act 42 of 1976, s. 4.

- (b) such grants and loans as the Central Government may make for the purposes 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 CORPORATIONS

State
Warehousing
Corporations.

- 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.
 - (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 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.
 - (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 a 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
- Share capital and shareholders.

s. 5, *ibid.*

Warehousing Corporations
(Chapter III.—State Warehousing Corporations)

one hundred rupees each, of which such number as may be determined by the Corporation in consultation with the State Government 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:

¹[Provided that in respect of any State Warehousing Corporation the Central Government may, after consultation with the State Government 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 Government 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 Government 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 a State
Warehousing
Corporation.

- (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 Government; and
- (c) a managing director, appointed by the State Government in consultation with the directors referred to in clauses (a) and (b) and with the previous approval of the Central Warehousing Corporation.
- (2) The chairman of the board of directors shall be appointed by the State 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

¹Ins. by Act 42 of 1976, s. 6.

Warehousing Corporations
(Chapter-III.—State Warehousing Corporations)

- (b) receive such salary and allowances 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 a State Warehousing Corporation, other than the managing director, shall be entitled to receive by way of remuneration such sums as may be prescribed:

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.

Disqualification
for office of
director of the
Corporation

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

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(Chapter-III.—State Warehousing Corporations)

- (vi) if he is personally interested in a subsisting contract made with, or in any work being done for, the State Warehousing Corporation except as a shareholder (other than a director) in any public company as defined in the Companies Act, 1956: 1 of 1956.

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

Removal of directors from office.

22. (1) 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 directors for more than three consecutive meetings of the board without cause sufficient, in the opinion of the board, to exonerate his absence.

Appointment of officers, etc., and their conditions of service.

23. (1) 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 a 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.

Functions of the State Warehousing Corporation.

24. 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;

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- (b) run warehouses in the State for the storage of agricultural produce, seeds, manures, fertilizers, agricultural implements and notified commodities;
 - (c) arrange facilities for the transport of agricultural produce, seeds, manures, fertilizers, 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, fertilizers, 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 consist of- Executive Committee.
- (a) the Chairman of the board of directors;
 - (b) the managing director; and
 - (c) 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 a statement of programme of its activities during the forthcoming year as well as a financial estimate in respect thereof. Submission of programme of activities and financial estimates.
- (2) A statement prepared under sub-section (1) shall, not later than three months before the commencement of each year, be submitted for approval—

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- (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 a 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 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:

Borrowing powers of Warehousing Corporation.

Provided that the total amount of bonds and debentures issued and outstanding and of the other borrowing 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 provisions of ¹[the State Bank of India Act, 1955, or]
 - ²[(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 proviso to sub-section (1), the Central Warehousing Corporation may borrow money from the Central Government and a State Warehousing Corporation

23 of 1955.

¹Subs. by Act 42 of 1976, s. 7, for "the State Bank of India Act, 1955".

²Ins. by s. 7, *ibid.*

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may borrow money from the State Government and the 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 of the board of directors of the Corporation at the time the bonds or debentures are issued.

Deposit account. 28. All moneys belonging to a Warehousing Corporation shall be deposited in the Reserve Bank or the State Bank ¹[or any nationalised bank] or subject to any rules made under this Act, in ²[any other scheduled bank] or co-operative bank.

Investment of funds. 29. 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.

Disposal of profits. 30. (1) Every Warehousing Corporation shall establish a reserve fund out of its annual net profits.

- (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: 1 of 1956.

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.

¹Ins. by Act 42 of 1976, s. 8.

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

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Accounts and
audit of
Warehousing
Corporation.

31. (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:

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. 1 of 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 a 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

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(Chapter IV.—Finance, Accounts and Audit)

taken by a Warehousing Corporation for the protection of his shareholders 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 hereinbefore 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 of 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[31A. 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.

¹Ins. by Act 42 of 1976, s. 9.

Warehousing Corporations

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 proceedings of Warehousing Corporation.
33. A Warehousing Corporation may, by 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 it may deem necessary for the efficient performance of its functions. Delegation.
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. Voting rights shareholders.
35. If there is any difference of opinion between the Central Warehousing Corporation and a State 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. Disputes between Central Warehousing Corporation and State Warehousing Corporation.
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.
37. (1) 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 willful act or default. Indemnity of directors.
- (2) A director of a 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 expenses 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 Offences.

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(Chapter V.—Miscellaneous)

extend to six months, or with fine which may extend to one thousand rupees, or with both.

- (2) No court shall take cognizance 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.

Provisions relating to income-tax and super-tax.

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:

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 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 shareholder 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 the income-tax-free within the meaning of section 86 of that Act.

Winding up of Warehousing Corporations.

40. No provision of law relating to the winding up of companies or Corporation 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.

Power to make rules.

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 a Warehousing Corporation may perform;

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- (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 a 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;
 - ²(i) the form and manner in which returns, statistics, accounts and other information are to be furnished, under section 31A, by a Warehousing Corporation;
 - ³(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 rule 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 or annulment shall be without prejudice to the validity of anything previously done under that rule.

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

²Ins. by s. 10, *ibid.*

³Cl. (i) was relettered as cl. (j) by s. 10, *ibid.*

Warehousing Corporations
(Chapter V.—Miscellaneous)

Power of
Warehousing
Corporations to
make regulations.

- 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 thereunder 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 subject to which, shares of the Central Warehousing Corporation may be transferred;
 - (c)** the manner in which meetings of a Warehousing Corporation and the Executive Committee thereof shall be convened, the fees for attending such meetings and the procedure to be followed thereat;
 - (d)** the duties and conduct of officers and employees of a Warehousing Corporation;
 - (e)** the powers 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 cease to have effect.

Repeal and
savings.

- 43. (1)** With effect from the date on which the Central Warehousing Corporation is established under section 3, the Agricultural Produce (Development and Warehousing) Corporation Act, 1956, in so far as 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 share certificates issued by the Central Warehousing Corporation established under the repealed Act (hereinafter referred to as

28 of 1956.
26 of 1962.

Warehousing Corporations
(Chapter V.—Miscellaneous)

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 be 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 obligations 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 judgment, skill and ability execute and perform the duties which are required of me as a 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 communicated 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

Signature

Signed before me

Date

The Warehousing Corporation
Rules, 1963

**The Warehousing Corporation
Rules, 1963**

**UNDER
THE WAREHOUSING CORPORATIONS
ACT, 1962**

**CENTRAL WAREHOUSING CORPORATION
4/1, SIRI INSTITUTIONAL AREA,
AUGUST KRANTI MARG, NEW DELHI-110 016**

GOVERNMENT OF INDIA
Ministry of Food and Agriculture
(DEPARTMENT OF FOOD)

New Delhi-1, the 16th April, 1963

NOTIFICATION

G.S.R. 635. In exercise of the powers conferred by Section 41 of the Warehousing Corporations Act, 1962 (58 of 1962), the Central Government, hereby makes the following rules, namely:-

CHAPTER - I

PRELIMINARY

1. Short Title:

These rules may be called the Central Warehousing Corporation Rules, 1963.

2. Definitions:

In these rules unless the context otherwise requires:-

- (a) "Act" means the Warehousing Corporations Act, 1962 (58 of 1962);
- (b) "Board" means the board of directors referred to in section 6;
- (c) "Chairman" means the Chairman of the Board appointed under sub-section (4) of section 7; or in his absence the Vice-Chairman appointed under that sub-section.
- (d) "Corporation" means the Central Warehousing Corporation established under section 3;
- (e) "Director" means a director of the Board;
- (f) "Executive Committee" means the Executive Committee of the Corporation constituted under sub-section (1) of section 12;
- (g) "Form" means a form appended to these rules;
- (h) "General Fund" means the General Fund referred to in section 15 and 17;
- (i) "Managing Director" means the Managing Director of the Corporation;
- (j) "Register" means the register of shareholders referred to in rule 19;
- (k) "Section" means a section of the Act;
- (l) "Warehousing Fund" means the Central Warehousing Fund referred to in sections 15 and 16.

CHAPTER - IA

ADDITIONAL FUNCTIONS OF THE CORPORATION

2.A. Disinfestation Service:

The Corporation may, at its discretion and at the request of the parties concerned, undertake disinfestation service outside its warehouses in respect of agricultural produce or notified commodities as defined in section 2.

2.B. Service as Agent:

The Corporation may, at its discretion, act as agent for the purpose of purchase, sale, storage and distribution of agricultural produce, seeds, manures, fertilizers, agricultural implements and notified commodities as defined in section 2, on behalf of a Company as defined in the Companies Act, 1956 (1 of 1956) or a body corporate established by an Act of Parliament or of a State Legislature or a Cooperative Society.

2.C. Consultancy Service:

The Corporation may, at the request of the Central Government or any State Government or a Corporation established by or under a Central Provincial or State Act or a Government Company as defined in section 617 of the Companies Act, 1956 (1 of 1956) or a Cooperative Society, prepare any project or render consultancy service for construction of Warehouses or any matter connected therewith.

2.D. Creation of Infrastructure Facilities:

The Corporation may operate warehouses, create infrastructure and arrange facilities for storage, handling and transport of agriculture produce, seeds, manures, fertilizers, agriculture implements, notified commodities, bonded cargo, air-cargo, containerised cargo and liquid cargo. Further, the Corporation may also provide marketing or other warehousing related services in respect of agriculture produce or notified commodities.

2.E. Undertaking Incidental Activities:

The Corporation may provide consultancy services, assistance, finance, programmes or projects related to agriculture produce or other notified commodities and undertake any other activities considered incidental to its functions.

CHAPTER - II

NOMINATION AND ELECTION OF DIRECTORS AND APPOINTMENT OF FINANCIAL ADVISER

3. Nomination of directors:

The Central Government shall nominate the following persons as directors under clause (a) of sub-section (1) of Section 7, namely:-

- (i) a representative of the Ministry of Food and Civil Supplies (Department of Food), Govt. of India,
- (ii) a representative of the Ministry of Finance (Department of Expenditure) Government of India, or the Financial Advisor of the Department of Food,
- (iii) a representative of the Central Board of Excise and Customs, Ministry of Finance (Department of Revenue),
- (iv) the Managing Director of Food Corporation of India, and
- (v) two non-officials, preferably representing farmers or experts in marketing, management of administration.

4. Term of office of directors and filling of casual vacancies among director:

In Rule 4 of the said rules, for sub-rule (1), the following sub-rule shall be substituted, namely:-

“(1)The terms of office of the non-official Directors nominated under clause (v) of rule 3 shall be two years from the date of the nomination of such Directors and they shall hold office during the pleasure of the Central Government.”

- (2) The term of office of a Director nominated by the Central Government under the proviso to sub-section (1) of section 7, for the first constitution of the Board shall be two years;

Provided that the Central Government may extend the term of office of such director for a further period not exceeding one year.

- (3) A director nominated under clause (b) or clause (c) of sub-section (1) of section 7, or subject to the provisions of that sub-section, a director elected under clause (d), clause (e) or clause (f) thereof, shall hold office for a period of two years from the date of his nomination or election, as the case may be, or until a successor is nominated or elected in his place, whichever is later.

- “(3A) The term of office of the Managing Director appointed under clause (g) of sub-section (1) of section 7 shall be as determined by the Central Government;

Provided that an outgoing Managing Director shall be eligible for re-appointment for such period as may be decided by the Central Government from time to time;

Provided further that every person holding the office of the Managing Director immediately before the commencement of this amendment shall continue to hold his office by the same tenure as he held such office immediately before such commencement.”

- (4) Subject to the provisions of sub-rule (7) a casual vacancy in the office of director shall be filled by election or nomination or appointment by the authority competent to elect or nominate or appoint and a director so elected or nominated or appointed shall hold office for so long until as the director whose place he fills, would have been entitled to hold office if the vacancy had not occurred;

Provided that no casual vacancy occurring within three months of the date of expiry of the normal term of office of a director shall be filled under this sub-rule.

- (5) A non-official director nominated under clause (vi) of rule 3 may resign his office by writing under his hand addressed to the Central Government and such resignation shall be effective from the date of which it is accepted by the Central Government or on the expiry of a period of one month from the date of its receipt by the Central Government, whichever is earlier.

- (6) A director nominated under clause (b) or clause (e) or a director elected under clause (d), clause (c) or clause (f), of sub-section (1) of section 7, may resign his office by writing addressed to the Chairman and such resignation shall be effective from the date on which it is accepted by the Chairman or on the expiry of a period of one month from the date of its receipt by the Chairman, whichever is earlier;

Provided that every resignation of a director nominated under the said clause (b) or clause (e) shall be addressed to the Chairman through the authority which nominated him as director.

- (7) A casual vacancy occurring amongst the directors nominated by the Central Government for the first constitution of the Board in pursuance of the proviso to sub-section (1) of section 7 shall be filled by the Central Government.

5. Election of directors to Executive Committee:

The Board shall elect from among themselves two directors one of whom shall be from among the three directors referred to in clause (d), (e) and (f) of sub-section (1) of section 7.

- 6. Resignation of non-official members of the Executive Committee:**
A non-official member of the Executive Committee may resign his office as such member by intimation in writing under his hand addressed to the Chairman, who shall place before the Executive Committee, and such resignation shall be effective from the date on which it is accepted by the Executive Committee or on the expiry of a period of one month from the date of its receipt by the Chairman, whichever is earlier.
- 7. Sub-Committee:**
The Board may appoint as many sub-committees from among its directors as it may deem necessary for the efficient performance of its functions.
- 8. Filling of Vacancies:**
Any vacancy arising among directors elected in pursuance of clauses (d), (e) and (f) of sub-section (1) of section 7 shall be filled within three months from the date when vacancy occurs.
- 9. Nomination of candidates for directorship:**
1. No candidate for election as a director shall be validly nominated unless:—
 - (a) he is, on the last date for receipt of nomination not disqualified to be a director under section 8;
 - (b) he is nominated by a shareholder of the class of holders in respect of which the election is to be held;
 - (c) the nomination is in writing signed by a duly authorised representative of the shareholder.
 - (2) Notwithstanding anything in sub-rule (1), a nomination may also be made by a resolution passed by the Board of Directors, managing committee or governing body, as the case may be, of the shareholding institution on whom the management of the affairs of the Institution is vested and where nomination is so made a copy of the resolution certified to be a true copy by the Presiding Officer of the Board of Directors. Managing Committee or governing body, shall be forwarded to the Head Office of the Corporation, whereupon such copy shall be deemed to be a nomination duly made under this rule.
 - (3) No nomination shall be valid unless it is received in the Head Office of the Corporation not less than 21 clear days before the date fixed for the election.
- 10. Publication of list of candidates for directorship:**
- (1) On the first working day following the last date fixed for the receipt of nomination papers, the chairman shall take the same into consideration. He shall, after such enquiry, if any, as he thinks necessary, accept or reject the nomination of any candidate. Any person aggrieved by the decision of the Chairman, may, within seven days of the orders of the Chairman, accepting or rejecting the nomination of any candidate, appeal to the Central Government whose decision thereon shall be final.
 - (a) Any person whose name has been proposed for the election or a duly authorised representative of the share holding Institution, proposing his name may be present at the time of the meeting at which his election is to be held.
 - (2) If the number of valid nominations for any category is equal to the number of vacancies to be filled in that category, the candidate or candidates so nominated shall be declared to be duly elected and the meeting of the shareholders called for the purpose may be cancelled.

- (3) If the number of valid nominations for any category exceeds the number of vacancies to be filled in that category, the Chairman shall cause the names and addresses of the candidates validly nominated to be published in at least three newspapers in India.

11. Preparation of list of shareholders:

- (1) for the purpose of election of a director under clause (d), clause (e) or clause (f) of subsection (1) of section 7, a separate list of shareholders of each classes shall be prepared at least four weeks before the date of the meeting at which the election is to be held and the shareholders each class shall be eligible to vote in the election of director representing their class only.
- (2) Every such list on application at the Head Office of the Corporation shall be made available for sale at a price of one rupee for the first copy for each shareholder, and for any subsequent copy required by the same shareholder a price of rupee thirty per copy shall be charged.
- (3) Every shareholder entitled to vote who is present by proxy or is represented by a duly authorised representative shall have one vote for each share held by him for the whole period of three months prior to the date of such meetings:

Provided that, notwithstanding anything contained in this rule no shareholder shall exercise, at any meeting held for the purpose of election of directors, any voting right in respect of any shares registered in his name on which any calls or other sums payable by him at that time have not been paid, or in regard to which the Corporation has exercised any right of lien.

12. Particulars relating to vacancy to be specified and manner of election:

- (1) Where at any meeting an election is to be held, the particulars relating to the vacancy shall be specified in the notice convening the meeting and separate meetings may be convened of different class of shareholders mentioned in clauses (d), (e) and (f) of subsection (1) of section 7.
- (2) Every election of director shall be conducted by vote of ballot.
- (3) Omitted.
- (4) Votes at any meeting at which an election is to be held may be given either by proxy or by any duly authorised representative.
- (5) No document relating to the appointment of a proxy shall be valid unless:—
- (a) It is in form 'A' duly signed by the shareholding institution under its common seal or by its duly authorised attorney;
 - (b) It is dated and it bears a stamp of the value prescribed for proxy under Schedule 1 to the Indian Stamp Act, 1899 (2 of 1989); and
 - (c) It is deposited at the Head Office of the Corporation, together with the power of attorney or a copy thereof certified by a notary public, in cases where it is signed by the attorney duly authorised by the shareholding institution, not less than four days before the date fixed for the meeting.
- (6) A shareholding institution may, by resolution of its Board of Directors, managing committee or governing body, authorise any of its officials or any other person to act as its representative at any meeting at which an election is to be held and no person shall attend or vote at that meeting as a duly authorised representative unless a copy of that resolution certified to be a true copy by the Chairman of the said Institution or the Presiding Officer of the Board of Directors, managing committee or governing body of

the said institution, or by the Secretary or the Manager thereof signed under the seal of his office is deposited at the Head Office of the Corporation, not less than four days before the date fixed for the meeting.

(7) Every appointment of a duly authorised representative under this rule shall, after the deposit of the certified copy of the resolution under sub-rule (6), be irrevocable for the meeting for which it is made and shall supersede any document relating to the appointment of a proxy for that meeting deposited under sub-rule (5).

(8) No person, who is an employee of the Corporation, shall be appointed as a proxy or a duly authorised representative under this rule.

(9) The eligibility of a shareholder to vote at any meeting at which an election has to be held shall be decided by the authority presiding at such meeting.

13. Publication of names of directors elected:

The names and addresses of the directors declared duly elected shall be published in the Gazette of India.

14. Appointment of Financial Adviser:

The Board shall appoint a Financial Adviser to advise the Corporation on all matters relating to revenue and expenditure and to exercise supervision over maintenance of accounts.

CHAPTER - III

SHARES OF THE CORPORATION

15. Share to be movable property:

The shares of the Corporation shall be movable property.

16. The shares to be under the control of the Board:

Subject to the provisions of the Act and these rules, the shares of the Corporation shall be under the control of the Board.

17. Conditions of first allotment of shares:

(1) The first allotment of shares shall be made by the Board in accordance with the provision of section 4 to applicants who are qualified to be registered as shareholders of the Corporation.

(2) The Board may make allotments to the applicants for shares either in full, or in part, depending on the number of applicants, from the class of shareholders concerned. The Board shall, as far as practicable, make full allotment in respect of application for smaller number of shares so that there may be as many shareholders of that class as possible.

(3) It shall be within the competence of the Board to decide whether in respect of a particular application for shares, there shall be full, partial or no allotment.

18. Joint holding of shares:

The Corporation shall not recognise the joint holding of shares.

19. Share Register:

(1) The Corporation shall maintain at its Head Office a register of shareholders under the Act to be registered therein and shall enter therein the following particulars, namely:-

(a) The name and address at which each shareholder has his principal place of business;

- (b) the categories specified in sub-section (2) of section 4 under which the shareholder is qualified to be so registered.
 - (c) the date on which each person is entered as a shareholder, the manner in which he acquires the share and except in the case of first allotment, the name of the previous holder;
 - (d) the date on which each person ceases to be a shareholder and the name of the person to whom and the ledger to which the share is transferred.
- (2) In the register, a separate ledger shall be maintained in respect of each of the categories of shareholders referred to in sub-section (2) of section 4.

20. Inspection of Register:

- (1) The register, except when closed under rule 21, shall be open to inspection by any shareholder, free of charge, at the Head Office of the Corporation during business hours, subject to such reasonable restrictions as the Corporation may impose, so however, not less than two hours in each day may be allowed for inspection.
- (2) Shareholder shall not have the right to make a copy of any entry in the register by himself, but may, except when the register is closed under rule 21, require a copy of the register or any part thereof, on pre-payment therefor at the rate of fifty paise for every one hundred words or fractional part thereof required to be copied.

21. Closure of Register:

The Board may, by giving notice by advertisement; close the register for a period of forty-five days in any year, but not exceeding thirty days at one time, as may be necessary.

22. Share Certificate:

- (1) Every share certificate shall be issued under the common seal of the Corporation.
- (2) Every share certificate shall specify the number and denote numbers of the share in respect of which it is issued and shall be issued within three months of the date of application.

23. Entitlement to Share Certificate:

- (1) The Central Government and the State Bank of India each be entitled, free of charge, to one certificate for all the shares registered in its name at a time.
- (2) Every shareholder other than the Central Government and the State Bank of India shall be entitled, free of charge, to one certificate for each five shares registered in its name. If any shareholder requires more than one certificate for each five shares held by it, the shareholder shall pay for each additional certificate a sum of Re. 1/-. A shareholder holding less than five shares shall however be entitled, free of charge, to one share certificate, and if more than one certificate is required, the shareholder shall pay for each additional certificate a sum of Re. 1/-.

24. Issue of new certificate in place of worn-out, defaced etc. certificates:

- (1) If any share certificate is worn-out or defaced or tendered for sub-division, then upon production thereof at the Head Office of the Corporation, the Corporation may order the same to be cancelled and issue a new certificate or certificates in lieu thereof on payment of a sum of Re. 1/- and any incidental expenses which the Corporation may have incurred in connection with the issue of the new certificate or certificates.

(2) If any share certificate is alleged to be lost or destroyed then, upon production of such evidence of the loss or destruction thereof, as the Board may consider satisfactory, and upon such indemnity, with or without security, as the Board may require, a new certificate in lieu thereof may be given to the party entitled to such loss or destroyed certificate, provided that no such certificate shall be issued without first giving notice to the public published in local newspapers and inviting objections, if any within a week of the notice. Where a new certificate is issued in lieu of a lost or destroyed certificate, the person to whom the new certificate is issued shall be liable to pay to the Corporation all expenses incidental to the investigation of evidence of loss or destruction and the preparation of the requisite form of indemnity, as aforesaid.

25. Corporation to have lien on shares:

The Corporation shall have a first lien on all shares registered in the name of each shareholder and on the proceeds of the sale thereof for its debts, liabilities and engagements, solely or jointly with any other person to or with the Corporation, whether the period for payment, fulfillment or discharge thereof shall have actually arrived or not; and such lien shall extend to all dividends declared from time to time in respect of such shares, unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Corporation's lien, if any, on such shares.

26. Shareholders disqualified to give intimation to the Board:

- (1) It shall be the duty of every institution registered as a shareholder, forthwith, upon ceasing to be qualified to be so registered to give intimation thereof to the Board.
- (2) The Board may, at any time, cause such enquiry to be made as it may consider necessary, for ascertaining whether any institution registered as a shareholder has ceased to be so qualified and upon being satisfied about this, it shall intimate the shareholder that the shareholder is not entitled to be a shareholder of the Corporation. On such intimation the shareholder shall not be entitled to the payment of any dividend on any such share or to exercise any of the rights of a shareholder otherwise than for the purpose of the sale of share and the Corporation shall make an entry in the register to that effect.
- (3) If the Board finds that an institution, which is not qualified to be a shareholder of the Corporation, is registered by inadvertance or otherwise as a shareholder of the Corporation, it shall inform such shareholder that the shareholder is not entitled to the payment of any dividend on such share or to exercise any of the rights of a shareholder otherwise than for the purpose of the sale of such share and shall make an entry in the register to that effect.

27. Instalment on shares to be duly paid:

If, by the conditions of allotment of any share, the whole or any part of the amount or issue price thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Corporation by the institution which, for the time being, shall be the registered holder of the share.

28. Trust not recognised:

Save as herein otherwise provided; the Corporation shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly, shall not, except as ordered by a court of competent jurisdiction or as by statute required, be bound to recognise any equitable or other claim to any interest in such share on the part of any other person.

29. Calls:

The Board may, from time to time, make such calls as it thinks fit, upon the shareholders in respect of moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times and each shareholder shall pay the amount of every call so made on such shareholder to the person, and at the times and places appointed by the Board.

30. Power of Corporation to fix different call amounts:

The Corporation may, for reasons to be recorded in writing, fix different amount to be paid by different classes of shareholders on calls made by it and different times of payment of such amounts.

31. When calls deemed to have been made:

A call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed and a notice of call issued to the shareholders specifying the time and place of payment and to whom such call shall be paid. Not less than fifteen days time from the date of issue of such notice shall be given to the shareholders for such payment.

32. Payment of interest on call or instalment:

- (1) If the sum payable in respect of any call or instalment is not paid on or before the day appointed for payment thereof, the holder for the time being, of the share in respect of which the nine per-cent per annum or at such other rate as the Board may determine, from the day appointed for the payment thereof to the date of actual payment.
- (2) The Board may in its absolute discretion waive payment of interest under this rule.

33. Evidence in action for call:

At the trial or hearing of any action for recovery of any money due for any call, it shall be sufficient to prove that the name of the shareholder sued is entered in the register as a holder, that the resolution making the call is duly recorded in the minute book, in pursuance of these rules; and it shall not be necessary to prove the constitution of the Board which makes such call or any other matter whatsoever, but the proof of the matter aforesaid shall be a conclusive evidence of the debt.

34. Payment of calls in advance:

The Board may, if it thinks fit, receive from any shareholder willing to advance the same, all or any part of the capital due upon the shares held by such shareholders beyond the sums actually called for; and upon the amount so paid in advance or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Corporation may pay interest at such rate as the shareholder paying such sum in advance and the Board may agree upon.

35. Payment of allotment money to be deemed as call:

- (1) Any sum which by the term of issue of shares becomes payable on allotment shall be deemed to be a call duly made and payable on the date on which, by the term of issue, such sum becomes payable.
- (2) In case of non-payment of such sum, all the relevant provisions of these rules with respect to payment of interest and expenses, forfeiture or otherwise, shall apply as if such sum had become payable by virtue of a call duly made and notified.

36. Notice to be served on defaulting shareholders:

If any shareholder fails to pay any call or instalment on or before the day appointed for the payment of the same, the Board may at any time thereafter, during such time as the call or instalment remains unpaid, serve a 30 clear days' notice on such shareholder requiring the shareholder to pay the sum together with such interest that may have accrued and all expenses that may have been incurred by the Corporation for reason of such non-payment.

37. Form of notice for payment of call or instalment etc.:

A notice for payment of call or instalment shall be served on a defaulter shareholder giving him 30 clear days' time and such notice shall name a day and a place or places on and at which such call or instalment and such interest and expenses are to be paid. Such notice shall also state that in the event of non-payment at or before the time and at the place or places appointed the share in respect of which a call was made or instalment is payable, will be liable to be forfeited.

38. Forfeiture of shares:

If any notice served under rule 36 is not complied with, any shares in respect of which notice has been given may, at any time for service of the notice but before payment of all calls or instalments, interest and expenses, due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

39. Shares forfeited to be property of Corporation:

Any share forfeited under rule 38 shall be deemed to be the property of the Corporation and the Board may sell, reallocate or otherwise dispose of the same in such manner as it thinks fit, subject to the provisions of section 4.

40. Power to annul forfeiture:

The Board may, at any time before any shares forfeited under the rule 38 are sold, reallocated or otherwise disposed of, annul the forfeiture thereof upon such conditions as it think fit.

41. Payment of arrears:

Any shareholder, whose shares have been forfeited under rule 38, shall, notwithstanding the forfeiture, be liable to pay all moneys inclusive of interest and expense owing upon or in respect of such arrears at the time of forfeiture together with interest thereon from the date of forfeiture until payment at nine per cent per annum.

42. Dividend:

(1) No dividend shall be declared or paid except out of the profits of the Corporation or out of moneys provided by the Central Government for payment of dividend in pursuance of the guarantee given under sub section (1) of section 5.

(2) the dividend shall be paid to persons whose names are entered in the register at the time of declaration of the dividend.

(3) The dividend shall be payable in proportion the amount paid up on each share before the expiry of the year for which the dividend is declared:

Provided that, in the case of shares allotted or calls made in the course of the year for which the dividend is declared the dividend shall be payable only in proportion to the period of the year from the date of allotment or as the case may be, from the date fixed for payment of call money.

(4) The dividend shall not bear any interest.

CHAPTER - IV
MISCELLANEOUS

- 43. Maintenance of and operation upon Bank Accounts and Investments:**
- (1) Subject to the provisions of this rule, all moneys belonging to the Corporation, shall be deposited in the Reserve Bank of India or the State Bank of India or any subsidiary bank of the State Bank of India or any nationalised bank, and, with the approval of the Executive Committee, in any other scheduled bank or cooperative bank.
 - (2) All payments exceeding Rs. 10,000/- by or on behalf of the Corporation shall be made by a crossed cheque drawn on a bank or by a crossed bank draft except.
 - (i) Payment of wages to the labourers and salaries to employees.
 - (ii) Payment to the Central or State Government Departments and agencies provided that the rule requires that such payment shall be made in legal tender, and
 - (iii) Any other payment in exceptional cases, with express approval of the Managing Director, as specified in rule 6(DD) of the Income-Tax Rules, 1962.
 - (3) Such cheques and all orders for making deposits or investments or for the withdrawal of amounts for disposal in any other manner from the funds of the Corporation, shall be signed by the Managing Director or by any officer of the Corporation authorised by the Board on this behalf.
 - (4) No payment shall be made out of the accounts of the Corporation unless the expenditure is covered by the financial estimate referred to in section 26;
Provided that the Executive Committee may, at its discretion authorise any expenditure to be incurred in anticipation of such estimates and the statement of expenditure so incurred shall be submitted to the Board at its next meeting;
Provided further that the Executive Committee may, in respect of any year sanction reappropriation from one head of expenditure to another or from a provision made for one scheme to that for another subject to the condition that such reappropriation shall not exceed ten percent of the sanctioned amount under the head of expenditure or for that scheme to which the amount is reappropriated and a statement of such reappropriation shall be submitted to the Board.
 - (5) All monetary transaction shall be entered in the cash book, as soon as they are conducted, and attested by an officer of the Corporation duly authorised by the Managing Director in this behalf. The cashbook shall be closed daily and completely checked by the Managing Director or the officer authorised by him 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 dated certificate to the effect.
 - (6) All payments by the Corporation shall be made on bills or other documents duly prepared and passed by the Managing Director or other officer authorised in this behalf. The paid vouchers shall be stamped "paid" or "cancelled" so that they cannot be used second time. They should then be kept serially numbered and produced at the time of audit.
- 44. Deposit in Bank or investment in securities of surplus funds:**
- (1) Any funds of the Corporation deposited under sub rule (1) of rule 43, and not required for current expenditure, may be placed in fixed deposit with the Reserve Bank of India or the State Bank of India or any subsidiary Bank of the State Bank of India or any nationalised bank, and, with the approval of the Central Government in any other scheduled bank or cooperative bank or any public sector undertaking or invested in the

name of the Corporation or any State Government, or in the units of the Unit Trust of India or in the debentures or bonds of any public sector undertaking.

- (2) The placing of money in fixed deposit and the investment thereof and the disposal of money so placed or invested shall require the sanction of the Executive Committee.

Provided that short-term fixed deposits may be made and withdrawn in accordance with the requirements of the Corporation by the Managing Director.

45. Annual Statement of accounts and Balance sheet:

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

- a. an annual account of the Warehousing Fund comprising:-
 - i) a balance sheet in form "AA"
 - ii) income and expenditure account in Form "B"; and
- b. an annual account of the General Fund comprising:—
 - i) a balance sheet in Form "C";
 - ii) a profit and loss account in Form "D";
 - iii) a profit and loss appropriation account in Form "E".

46. Furnishing of accounts, returns etc.:

The Corporation shall furnish such accounts, return and other information with respect to its property and activities as may be called for by the Central Government from time to time.

FORM - "A"

(see Rule 12(5))

CENTRAL WAREHOUSING CORPORATION

Weof.....
being a shareholder of the above Corporation holding.....
..... shares Nos.....
..... hereby appoint.....
.....of.....
as our proxy to vote for us and on our behalf at the meeting of Corporation to be held on
.....day of for holding
election and at any adjournment thereof.

Signed this..... day of.....

FORM - "AA"
See Rule 45
CENTRAL WAREHOUSING CORPORATION
(WAREHOUSING FUND)
Balance Sheet as at 31st March 20

Previous Year (Rs.)	Capital & Liabilities	Rs.	Current Year (Rs.)	Previous Year (Rs.)	Property & assets	Rs.	Current Year (Rs.)
1	2	3	4	5	6	7	8
	1. Warehousing Fund:						
	i) Opening Balance						
	Add/Less surplus or						
	Deficit as per income						
	& expenditure Account						
	ii) Loans from Central						
	Govt. under section						
	16 (1) (b)						
	Opening Balance						
	Add: Loans received						
	During the year						
	Less: Loans repaid						
	During the year						
	2. Current Liabilities:						
	a) Interest on loans from						
	Central Government:						
	b) Others						
	b) State Warehousing Corporation						
	2. Advances						
	3. Investment at cost						
	a) Central Govt.						
	Securities						
	State Govt. Securities						
	(state details of						
	Paid-up & market values)						
	4. Interest recoverable on						
	(i) Loans to:						
	i) State Governments						
	ii) State Warehousing Corporation						
	(2) Advances						
	(3) Investments						
	5. Grants etc. Receivable						
	6. Bank balances:						
	a) Fixed Deposits						
	b) Current Account						
	Total Rs.						

FORM - "B"
See Rule 45

CENTRAL WAREHOUSING CORPORATION
(WAREHOUSING FUND)

Income & Expenditure Account for the year ending 31st March 20

Previous Year (Rs.)	Expenditure	Rs.	Current Year (Rs.)	Previous Year (Rs.)	Income	Rs.	Current Year (Rs.)
1	2	3	4	5	6	7	8
	1. Interest on Loans from the Central Govt.						
	2. Subsidies to: a) State Govts. b) State Warehousing Corporation						
	3. Administrative Expenses Salary, allowances and other remuneration of the staff in relation to the administration of the warehousing fund.						
	4. Expenses on: a) Training of Personnel b) Publicity & Propaganda						
	5. Remissions						
	6. Excess of Income over expenditure carried to Warehousing Fund Account						
	Total Rs.						
	1. Grants Received from Central Govt. under section 16 (1) (b)						
	2. Interest on: a) Loans to State Govts. under section 16 (2) (a)						
	b) Loans to State Govts. under section 16(2) (b)						
	c) Loans to State Warehousing Corporations.						
	d) Central Govt. Securities						
	e) State Govt. Securities						
	f) Bank Deposits						
	3. Refund of Subsidies (unutilised) by: a) State Governments b) State Warehousing Corpnns.						
	4. Excess of Expenditure over Income carried to Warehousing Fund Account						
	Total Rs.						

FORM - "C"
CENTRAL WAREHOUSING CORPORATION
(GENERAL FUND)

Balance Sheet as on 31st March, 20

Previous Year (Rs.)	1	2	3	4	5	6	7	8
Property & Assets	Rs.	Capital & Liabilities	Rs.	Current Year (Rs.)	Previous Year (Rs.)	Property & Assets	Rs.	Current Year (Rs.)
<p>1. Fixed assets (as per schedule II attached)</p> <p>2. Investment at cost</p> <p style="margin-left: 20px;">a) Central Govt. Securities</p> <p style="margin-left: 20px;">b) State Govt. Securities</p> <p style="margin-left: 20px;">c) State Warehousing Corpn. shares (see scheule III)</p> <p style="margin-left: 20px;">d) Others</p> <p>3. Guarantees by Govt. for payment of dividends Interest</p> <p style="margin-left: 20px;">(as per contra)</p> <p>4. Interest accrued on Investments</p> <p>5. Current Assets</p> <p style="margin-left: 20px;">a) Stores & Spares</p> <p style="margin-left: 20px;">b) Loose tools</p> <p style="margin-left: 20px;">c) Stock in trade</p> <p style="margin-left: 20px;">d) Warehousing & other charges accrued.</p>	<p>1. Share Capital</p> <p>a) Authorised</p> <p style="margin-left: 20px;">..... shares of Rs..... each.</p> <p>b) Issued</p> <p style="margin-left: 20px;">..... shares of Rs..... each</p> <p style="margin-left: 20px;">(Guaranteed by Govt. under sec. 5)</p> <p>c) Subscribed</p> <p style="margin-left: 20px;">..... Shares of.... Rs..... each</p> <p style="margin-left: 20px;">fully/partly called up (see schedule 1 for details</p> <p style="margin-left: 20px;">Less: Calls in arrears due.....</p> <p style="margin-left: 20px;">Add. shares forfeited...</p> <p>2. Reserves</p> <p style="margin-left: 20px;">a) Reserve fund under sec. 30(1)</p> <p style="margin-left: 20px;">b) Reserve for Bad & Doubtful debts.....</p> <p style="margin-left: 20px;">c) Other Reserves</p>	<p>1. Fixed assets (as per schedule II attached)</p> <p>2. Investment at cost</p> <p style="margin-left: 20px;">a) Central Govt. Securities</p> <p style="margin-left: 20px;">b) State Govt. Securities</p> <p style="margin-left: 20px;">c) State Warehousing Corpn. shares (see scheule III)</p> <p style="margin-left: 20px;">d) Others</p> <p>3. Guarantees by Govt. for payment of dividends Interest</p> <p style="margin-left: 20px;">(as per contra)</p> <p>4. Interest accrued on Investments</p> <p>5. Current Assets</p> <p style="margin-left: 20px;">a) Stores & Spares</p> <p style="margin-left: 20px;">b) Loose tools</p> <p style="margin-left: 20px;">c) Stock in trade</p> <p style="margin-left: 20px;">d) Warehousing & other charges accrued.</p>	<p>1. Fixed assets (as per schedule II attached)</p> <p>2. Investment at cost</p> <p style="margin-left: 20px;">a) Central Govt. Securities</p> <p style="margin-left: 20px;">b) State Govt. Securities</p> <p style="margin-left: 20px;">c) State Warehousing Corpn. shares (see scheule III)</p> <p style="margin-left: 20px;">d) Others</p> <p>3. Guarantees by Govt. for payment of dividends Interest</p> <p style="margin-left: 20px;">(as per contra)</p> <p>4. Interest accrued on Investments</p> <p>5. Current Assets</p> <p style="margin-left: 20px;">a) Stores & Spares</p> <p style="margin-left: 20px;">b) Loose tools</p> <p style="margin-left: 20px;">c) Stock in trade</p> <p style="margin-left: 20px;">d) Warehousing & other charges accrued.</p>	<p>1. Fixed assets (as per schedule II attached)</p> <p>2. Investment at cost</p> <p style="margin-left: 20px;">a) Central Govt. Securities</p> <p style="margin-left: 20px;">b) State Govt. Securities</p> <p style="margin-left: 20px;">c) State Warehousing Corpn. shares (see scheule III)</p> <p style="margin-left: 20px;">d) Others</p> <p>3. Guarantees by Govt. for payment of dividends Interest</p> <p style="margin-left: 20px;">(as per contra)</p> <p>4. Interest accrued on Investments</p> <p>5. Current Assets</p> <p style="margin-left: 20px;">a) Stores & Spares</p> <p style="margin-left: 20px;">b) Loose tools</p> <p style="margin-left: 20px;">c) Stock in trade</p> <p style="margin-left: 20px;">d) Warehousing & other charges accrued.</p>	<p>1. Fixed assets (as per schedule II attached)</p> <p>2. Investment at cost</p> <p style="margin-left: 20px;">a) Central Govt. Securities</p> <p style="margin-left: 20px;">b) State Govt. Securities</p> <p style="margin-left: 20px;">c) State Warehousing Corpn. shares (see scheule III)</p> <p style="margin-left: 20px;">d) Others</p> <p>3. Guarantees by Govt. for payment of dividends Interest</p> <p style="margin-left: 20px;">(as per contra)</p> <p>4. Interest accrued on Investments</p> <p>5. Current Assets</p> <p style="margin-left: 20px;">a) Stores & Spares</p> <p style="margin-left: 20px;">b) Loose tools</p> <p style="margin-left: 20px;">c) Stock in trade</p> <p style="margin-left: 20px;">d) Warehousing & other charges accrued.</p>	<p>1. 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contd....

Schedule 1 to Form 'C'
CENTRAL WAREHOUSING CORPORATION
 (General Fund)

Schedule..... of subscribed share capital as on 31st March, 20

S.No.	Particulars	No. of Shares	Amount Rs.
1.	Central Government		
2.	State Bank of India		
3.	Other Scheduled Banks		
4.	Co-operative Societies		
5.	Insurance Companies including Life Insurance Corporation of India		
6.	Investment Trusts		
7.	Other Financial Institutions		
8.	Recognised Associations dealing in Agricultural Produce etc.		
9.	Companies dealing in Agricultural Produce etc.		
			Total Rs. _____

SCHEDULE II TO FORM - "C"
CENTRAL WAREHOUSING CORPORATION
(GENERAL FUND)

Schedule..... of Fixed assets as on 31st March, 20

Sl. No.	Items	Cost to 1.4	Additions during the year.	Sold, Transferred or written off during the year (at cost)	Gross Block	Depreciation		Balance	
						Upto 1.4	During the year	As on 31.3	As on 31st March of previous year
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1.	Land								
2.	Buildings								
3.	Warehouses & Godowns								
4.	Vehicles								
5.	Plant and Machinery								
6.	Library								
7.	Furniture & Fixtures								
8.	Office Equipment								
9.	Laboratory Equipment								
10.	Disinfection Equipment								
11.	Capital works-in progress								
	Total Rs.								

Schedule III to Form 'C'
CENTRAL WAREHOUSING CORPORATION
(General Fund)

Schedule..... of Investment in Share Capital of State Warehousing Corporation
as on 31st March, 20

S.No.	Name of the State Warehousing Corporation.	No. of Shares	Amount (Rs.)
-------	--	---------------	-----------------

Total Rs.

FORM - "D" (SEE RULE 45)
CENTRAL WAREHOUSING CORPORATION
(GENERAL FUND)

Profit & Loss Account for the year 31st March, 20

	Rs.	Current Year (Rs.)	Previous Year (Rs.)	Rs.	Current Year (Rs.)		
1	2	3	4	5	6	7	8
To 1. Warehousing Licence Fee 2. Chemicals Consumed. 3. Pay & Allowances of: a) Chairman & Vice Chairman b) Managing Director c) Officers & Other Establishment.... 4. Travelling Allowances Etc. a) Chairman & Vice Chairman b) Managing Director c) Officers & Other Establishment 5. Wages 6. Repairs & Maintenance 7. Rent, Rates & Taxes 8. Insurances 9. Printing and Stationary 10. Miscellaneous Expenditure 11. Bank Charges 12. Editorial Fees and Expenses 13. Interest on: a) Loans from Central Government b) Reserve Bank of India c) State Bank of India d) Bonds e) Debentures 14. Directors' Remuneration Fees Travelling Allowances etc. 15. Loss on sale of Assets 16. Depreciation 17. Reserve for Bad & doubtful Debts 18. Provisions for Taxes 19. Net Profit C/D.							
Total Rs.							
By 1. Warehousing Charges 2. Interest on: a) Loans & Advances b) Securities i) Central Govt. ii) State Govt. c) Bank Account 3. Dividends on shares held in SWCS 4. Income from other investments 5. Miscellaneous Receipts including Agency Commissions 6. Profit on sale of Assets 7. Net Loss C/D							
Total Rs.							

FORM - "E" (See Rule 45)
CENTRAL WAREHOUSING CORPORATION
(GENERAL FUND)

Profit & Loss Appropriation Account for the year ending 31st March, 20

	Previous Year (Rs.)	Current Year (Rs.)	Previous Year (Rs.)	Rs. Current Year (Rs.)
To				
1. Balance as per last Balance sheet.				By
2. Loss for the year				1. Balance as per last Balance sheet
3. Appropriation to: a) Reserve Fund under section 31(1) b) Other funds (to be specified).				2. Profit for the year B/D
4. Proposed Dividend				3. Grants from Central Government under section 14(1) (a)
5. Balance c/o to Balance Sheet				4. Balance c/o to Balance sheet
Total Rs.				Total Rs.

**CWC (General) Regulation
1965**

GOVERNMENT OF INDIA
MINISTRY OF FOOD AND AGRICULTURE
(Department of Food)

New Delhi, the 17th Nov. 1965

NOTIFICATION

No. S.O. 3629. In exercise of the powers conferred by section 42 of the Warehousing Corporations Act, 1962 (58 of 1962), the Central Warehousing Corporation, with the previous sanction of the Central Government, hereby makes the following Regulations, namely:—

CHAPTER - I
PRELIMINARY

1. **Short title and Commencement:**

- (1) These regulations may be called the Central Warehousing Corporation (General) Regulations 1965.
- (2) They shall come into force at once.

2. **Definitions:**

In these regulations unless the context otherwise requires:—

- (a) "Act" means the Warehousing Corporations Act, 1962 (58 of 1962).
- (b) "Board" means the board of directors referred to in section 6;
- (c) "Chairman" means the Chairman of the Board appointed under sub-section (4) of section 7;
- (d) "Corporation" means the Central Warehousing Corporation established under section 3;
- (e) "Director" means a director of the board;
- (f) "Executive Committee" means the Executive Committee of the Corporation constituted under sub-section (1) of section 12;
- (g) "Managing Director" means the Managing Director of the Corporation;
- (h) "section" means a section of the Act.
- (i) "Sub-Committee" means a sub-committee referred to in rule 7 of the Central Warehousing Corporation Rules 1963;
- (j) "Vice Chairman" means the Vice Chairman of the Board appointed under sub-section (4) of section 7.

CHAPTER - II

MEETING OF THE BOARD AND THE EXECUTIVE COMMITTEE

3. **Meetings of the Board and the Executive Committee:**

- (1) A meeting of the Board shall be held ordinarily once in three months and that of the Executive Committee shall be held ordinarily once a month.
- (2) Ordinarily not less than 14 days' notice shall be given to every director, of a meeting of the Board, and not less than 7 days' notice to a member of the Executive Committee of a meeting of the Executive Committee.

- (3) Notwithstanding anything contained in sub-regulation(2) an emergent meeting of the Board or that of the Executive Committee may, however, be convened at a shorter notice and such notice shall be deemed to be sufficient to enable every director or a member of the Executive Committee who is at that time in India to attend such meeting.
 - (4) A meeting of the Board or of the Executive Committee shall be convened by the managing director in consultation with the Chairman.
 - (5) Notice of the meeting shall be sent to each Director or member of Board of the Executive Committee, as the case may be at his registered address, specifying the time, date and place of the meeting, and the business to be transacted at the meeting.
 - (6) No business other than that specified in the notice shall be transacted at a meeting except that of which 7 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.
- 4. Presiding Authority:**
The Chairman or in his absence the Vice-Chairman or in the absence of both, a director (other than the Managing Director) chosen by the directors present from amongst themselves, shall preside over the meeting of the Board or the Executive Committee as the case may be.
- 5. Decision by majority:**
All questions at a meeting of the Board or of the Executive Committee shall be decided by a majority of votes and in case of equality of votes the person presiding shall have a second or casting vote.
- 6. Quorum:**
- (1) The Quorum for a meeting of the Board shall be five and that of the Executive Committee shall be three.
 - (2) If there is no quorum at any meeting of the Board or of the Executive Committee, the meeting shall be adjourned and at the adjourned meeting business of the last meeting shall be transacted irrespective of there being a quorum or not.
- 7. Place of Meeting:**
A meeting of the Board or of the Executive Committee may be held at New Delhi or at such other convenient place in India as may be decided by the Chairman.
- 8. Minute Book:**
- (1) The Managing Director shall maintain a Minute Book in which the minutes of a meeting of the Board shall be recorded and he shall similarly maintain a Minute Book in which the minutes of a meeting of the Executive Committee shall be recorded.
 - (2) The minutes of the meetings of the Board as well as of the Executive Committee shall be circulated as soon as possible after the meeting for the information of the directors, and shall be placed before the next meeting of the Board or the Executive Committee, as the case may be, for confirmation and shall bear the signature of the Chairman or in case where the Chairman does not preside over the meeting, the person presiding over the meeting.
- 9. Disclosure of Interest by Director:**
Every director who is in any way, whether directly or indirectly, concerned or interested (except as a representative of a body corporate) in any contract, loan or agreement, entered into or proposed to be entered into, by or on behalf of the Corporation, shall disclose the nature of his concern or interest to the Board or the Executive Committee, as the case may be, and shall not participate in the meeting of the Board or of the Executive Committee when such contract, loan or agreement is considered.

CHAPTER - III

FEES AND ALLOWANCES TO DIRECTORS FOR ATTENDING MEETINGS

10. Fees to Directors other than members of Parliament and State Legislatures, Salaried Officers etc.

A director (other than a member of Parliament or a member of a State Legislature or the Managing Director or a salaried officer of the Government or an employee of a Government Company or of a statutory body owned or controlled by the Government) shall be paid fees by the Corporation as follows:—

- | | | |
|----|--|-------------------------------------|
| a) | for attending meeting of the Board of Directors of the Corporation. | Rs. 150/- for each* day of meeting. |
| b) | for attending meeting of the Executive Committee of the Corporation and of any other Committee constituted by the Board of Directors of the Corporation. | Rs. 75/- for each* day of meeting. |

11. Allowances to Directors other than Members of State Legislatures, salaried officers etc:

A director falling under regulation 10 and not falling under regulation 12 shall be reimbursed his travelling expenses and shall be entitled to daily allowance for attending the meeting of the Board or of the Executive Committee or of a sub-committee, or in respect of journeys undertaken by him in connection with any other business of the Corporation at such rates as may be admissible to the Managing Director of the Corporation from time to time.

Provided that if the director is a member of Parliament, he shall be reimbursed his travelling expenses and shall be entitled to daily allowance in accordance with the rates prescribed in the Ministry of Finance (Department of Expenditure) O.M.No. 6(26)F-IV/59 dated the 5th September 1969 as amended from time to time.

12. Allowances to directors who are members of State Legislatures or Government Officers or employees of Government Companies or of statutory bodies owned or controlled by Government:

(1) A director who is a member of any State Legislature shall when he attends the meetings of the Board or of the Executive Committee or of a sub-committee or in respect of journeys undertaken by him in connection with any other business of the Corporation during any period when the State Legislature is not in session, be paid travelling and daily allowance under the rules of the State Government concerned and will be treated as Grade I Officer of that Government for this purpose and when such director attends such meetings or such business during the session of the State Legislature he will be governed by the relevant rules of the State Legislature concerned regarding payment of travelling and daily allowances to members of that legislature.

(2) (a) A director who is a salaried officer of Government or an employee of a Government company or a statutory body owned or controlled by the Government shall be entitled to draw such travelling and daily allowances as are admissible to him under the rules regulating his conditions of service, for attending the meeting of the Board or the Executive Committee or of a sub-committee or in respect of journeys undertaken by him in connection with any other business of the Corporation.

*The Board resolved that:

"The enhancement of sitting fee to the non-official part-time Directors for each meeting of the Board of Directors or a Committee thereof to Rs. 1000/- (RUPEES ONE THOUSAND ONLY) with immediate effect, be and is approved.
(AUTHORITY: CCXIV MEETING OF BOD, DATE: 6.7.1998)

- (b) Such allowances shall be drawn by such director from his employer and the charges on that account shall be reimbursed later by the Corporation to the employer.
- (c) For the purpose of clause (b), the travelling allowance claim submitted to the Corporation shall be supported by a certificate from the Accounts Officer concerned of the Government or of the Government company or of the statutory body owned or controlled by the Government as the case may be, to the effect that the claim has been correctly prepared under such rules.

CHAPTER - IV

ADMINISTRATION AND CONDUCT OF AFFAIRS OF THE CORPORATION

13. Powers of Chairman in an emergency:

In matters calling for emergent action, the Chairman or, in his absence, the Vice Chairman may pass any order or perform any act within the competence of the Board provided that any order passed under this regulation shall be placed for confirmation before the next meeting of the Board or of the Executive Committee, whichever is earlier.

14. Powers of the Managing Director:

- (1) The Managing Director shall have the power to carry on the authorised business of the Corporation in accordance with the instructions which the Board or the Executive Committee may issue from time to time and the Managing Director shall decide whether any suit or other proceedings may be instituted or defended by or against the Corporation subject to such directions as the Board or the Executive Committee may give from time to time.
- (2) The Managing Director shall act as the "Controlling and Disbursing Officer" in respect of all funds of the Corporation and shall operate accounts either singly or jointly with a director or any officer of the Corporation authorised in this behalf by the Board from time to time and draw, accept and endorse bills of exchange and other instruments in the current and authorised business of the Corporation and 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 appointments, promotions, termination of service and other disciplinary matters and leave of the staff of the Corporation as may be vested by the Board in this behalf from time to time and allocate duties to the staff and make such other arrangements as may be necessary for the efficient discharge of the functions of the Corporation.

15. Expenditure on the administration of the Corporation:

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

16. Common seal of the Corporation:

- (1) The common seal of the Corporation shall not be affixed to any instrument except in pursuance of the resolution of the Board 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.
- (2) Any instrument executed otherwise than in accordance with the provisions of this regulation shall not be considered as validly executed.

17. Manner and Form in which contracts binding on the Corporation may be executed:

- (1) 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 may in the same manner be varied or discharged.
- (2) Any contract which will be valid if made by 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.

18. Complaints etc. by whom to be signed:

Complaints, 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 secretary or such other officer of the Corporation as may be authorised by the managing director in this behalf.

**CHAPTER - V
TRANSFER OF SHARES**

19. Transfer of shares:

- (1) Subject to the provisions of sub-section (4) of section 4, and rule 25 of the Central Warehousing Corporation Rules, 1988, the shares of the Corporation shall be transferable and every such transfer shall be made in writing in the following form and executed by the shareholder or by a person duly authorised by the shareholder in this behalf.

FORM

We..... (name and full address)

in consideration of the sum of rupees.....

(in words) paid to us by..... (name and full address) hereinafter called "the transferee" do hereby transfer to the transferee the share (or shares) numbered..... to..... inclusive in the body corporate called the Central Warehousing Corporation to hold until the said transferee and their assigns, subject to the several conditions on which we held the same immediately before the execution hereof and we the transferee, do hereby agree to take the said share (or shares) subject to the conditions laid down by or under Warehousing Corporations Act 1962 (58 of 1962).

As witness our hands this..... day of.....

Witness:	Signature	Transfer/or:	Signature
	Name		Address
	Address
	Occupation
Witness:	Signature	Transferee:	Signature
	Name		Address
	Address
	Occupation

- (2) The instrument of transfer of any share shall be submitted to the Board & shall be signed by the transfer/or and the transferee and the transfer/or shall be deemed to remain the holder of such share until the name of the transferee is entered in the Share Register.
- (3) Each signature to such transfer shall be duly attested at least by one witness, who shall sign giving his name, address and occupation.
- (4) The Board may decline to recognise any instrument of transfer unless:—
 - a) the instrument of transfer is accompanied by the Certificate of the share to which it relates and such other evidence as the Corporation may necessarily require to show the right of the transfer/or to make the transfer;
 - b) in the case of a share, not being a fully paid share, it is in favour of an institution approved by the Board.
- (5) Upon receipt by the Board of an instrument of transfer with a request to register the transferee, the managing director shall make such enquiry as he may consider necessary in order to satisfy himself that the transferee is qualified under the Act, the rules made thereunder and these regulations, to be registered as shareholder.

CHAPTER - VI

MEETINGS OF SHAREHOLDERS

20. Notice convening a meeting:

A notice convening a general meeting, or a meeting under regulation 24, of the Corporation signed by the managing director or Secretary of the Corporation shall be published in the Gazette of India or in any such newspapers as the managing director may direct at least thirty days before the general meeting or, as the case may be, at least 45 days before the meeting under the said regulation 24.

21. Business at Annual General Meeting:

- (1) At the annual general meeting the following business may be transacted namely:—
 - a) Business specified in sub-section (2) section 13.
 - b) The election, if any, of directors.
 - c) Such other business of which not less than five weeks' notice is given in the form of a definite resolution by not less than ten shareholders qualified to vote at such meeting.
- (2) Any resolution given notice of under clause (c) of sub-regulation (1) shall be included in the notice of the meeting and shall be put at the meeting.
- (3) No other business shall be transacted or discussed except with the consent of the Chairman.

22. Special and general meetings:

A special meeting of the Corporation called by the Board under sub-section (3) of section 13 or any general meeting other than the annual general meeting may be convened at such time and place as may be determined by the Board.

23. Business at special and general meetings:

Except with the consent of the Chairman, no business other than the business for which any meeting has been specifically convened under regulation 22, shall be transacted or discussed at that meeting.

24. Meeting for election:

Separate meetings for the purpose of holding elections of representatives on the Board of different classes of shareholders mentioned in clauses (d), (e) and (f) of sub section (1) of Section 7 may be convened by the managing director at the Head Office of the Corporation at such time as may be determined by him.

25. Quorum at a meeting:

- (1) No business shall be transacted at any general or special meeting of the shareholders unless a quorum of fifteen persons, being shareholders entitled to vote at such meeting in person or by proxy or by a duly authorised representative, is present at the commencement of such meeting, and if within thirty minutes from the time appointed for the meeting a quorum is not present, the meeting shall stand adjourned to the same day in the following week at the same time and place, or to such other day and at such other time and place or to such other day and at such other time and place as the Chairman of the meeting may determine and if at such adjourned meeting a quorum is not present, the shareholders who are present shall form a quorum:

Provided that no annual general meeting shall be adjourned to a later than six months of the close of the financial year.

- (2) No business shall be transacted at any separate meeting of different classes of shareholders mentioned in clauses (1), (e) and (f) of sub-section (1) of section 7 convened under regulation 24, unless a quorum of 5, 15 and 4 persons, respectively, being shareholders entitled to vote at such meeting in person or by proxy or by a duly authorised representative, is present at the commencement of such meeting, and if within thirty minutes from the time appointed for the meeting a quorum is not present, the meeting shall stand adjourned to such other day and at such other time and place as the Chairman may determine and if at such adjourned meeting a quorum is not present the shareholders who are present shall form a quorum.

26. Chairman of a meeting:

- (1) The Chairman or in his absence the Vice-Chairman or in the absence of both, a director (other than the managing director) elected by the persons present at the meeting and entitled to vote there at shall be the Chairman of the meeting.
- (2) The Chairman of a meeting shall regulate the procedure thereat and in particular shall have full power to decide the order in which shareholders can address the meeting, to fix time limit for speeches, to apply the closure, when in his opinion any matter has been sufficiently discussed, and to adjourn the meeting.

27. Voting at general or special meetings:

- (1) At any general or special meeting, a resolution put to the vote or the meeting shall, unless a poll is demanded under sub-regulation (2), be decided by a show of hands.
- (2) A declaration by the Chairman of a general or special meeting that a resolution has been carried or rejected thereat upon a show of hands by those shareholders who are entitled to vote shall be conclusive and on entry to that effect, in the books containing the minutes of the proceedings of the Corporation shall be sufficient evidence of that fact, without proof of the number or proportion of the vote cast in favour of or against such resolution:

Provided that before or on the declaration of the result of the voting, a poll may be ordered to be taken by the Chairman of the meeting of his own motion, and shall be ordered to be

taken on a demand made in that behalf in writing by five persons present and entitled to vote at such meeting.

- (3) If a poll is to be taken it shall be taken forthwith either by open voting or by ballot as the Chairman of the meeting may direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- (4) At such poll a vote may be given by a shareholder entitled to vote either by a duly authorised representative or by proxy.
- (5) Subject to the provisions of section 34 the decision of the Chairman of the meeting as to the qualification of any person to vote, and also in the case of a poll as to the number of votes any person is entitled to exercise shall be final.

28. Minutes of the meetings:

- (1) The Corporation shall cause minutes of all proceedings of meetings of shareholders to be recorded in books kept for that purpose.
- (2) Any such minutes, if signed by the Chairman of the meeting at which the proceedings take place or by the chairman of the next succeeding, meeting shall be evidence of such proceedings.
- (3) Until the contrary is proved, every meeting in respect of the proceedings whereof minutes have been recorded shall be deemed to have been duly called and held, and all proceedings taking place thereat, to have duly taken place.

CHAPTER - VII

VOTING

29. Shareholders entitled to vote and their voting rights:

- (1) Every shareholder who has been registered as a shareholder for a period of not less than three months prior to the date of any meeting of shareholders shall, at such meeting, be entitled to vote.
- (2) Every shareholder entitled to vote under sub-regulation (1) who is present by proxy or a duly authorised representative shall have one vote for each share held by him for the whole period of three months prior to the date of such meeting.

Provided that notwithstanding anything contained in these regulations, no shareholder shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums payable by him at that time have not been paid, or in regard to which the Corporation has exercised right of lien.

30. Voting by Government:

- (1) The Central Government may, by order in writing, authorise any of its officers to act as its representative at any meeting of the Corporation and the officer so authorised shall be entitled to exercise the same powers on behalf of the Central Government as if he were an individual shareholder of the Corporation and such officer shall not be deemed to be a proxy.
- (2) A copy of any order made under sub-regulation (1) shall be deposited at the Head Office of the Corporation before the time fixed for the meeting.

- (3) An order made under sub-regulation (1) may subsequently be revoked by the Central Government by depositing a notice of revocation at the Head Office of the Corporation before the time fixed for the meeting and the due revocation of an order shall in no way prohibit the issue of another order by the Central Government and the deposit of a copy thereof at the Head Office of the Corporation under sub-regulation (2).

31. Voting by duly authorised representative:

- (1) No shareholder, being a body corporate, shall vote by proxy so long as a resolution of its directors or other governing body, under sub-regulation (2) authorising any of its officials or any other person to act as its duly authorised representative at any meeting is in force.
- (2) A body corporate (Whether a company within the meaning of the Companies Act, 1956 (1 of 1956 or not) may by resolution of its Directors or other governing body authorise any of its officials or any other person to act as its representative at any general or special meeting of the Corporation and the person so authorised shall be entitled to exercise the same powers on behalf of the body corporate which he represents, as if he were an individual shareholder of the Corporation. The authorisation so given may be in favour of two representatives in the alternative.

Explanation: For the purpose of this regulation and regulation 32 a body corporate shall include any institution qualified to be a shareholder of the Corporation under section 4.

- (3) No person shall attend or vote at any meeting of the Corporation as a duly authorised representative unless a copy of the resolution appointing him as a duly authorised representative certified to be a true copy by the Chairman of the meeting at which it was passed or by the Presiding Officer of the Board of Directors, managing Committee or governing body, as the case may be of the shareholder institution or by the Secretary or by the Manager thereof signed under the seal of his office shall have been deposited at the Head Office of the Corporation not less than four clear days before the date fixed for the meeting.
- (4) An appointment of a duly authorised representative shall after the deposit of a certified copy of the resolution as aforesaid, be irrevocable for the meeting for which it is made and shall supersede any authorisation or proxy previously deposited for such shareholders.
- (5) No person who is an employee of the Corporation shall be appointed as a duly authorised representative or a proxy under this regulation.

32. Proxies:

- (1) No instrument of proxy shall be valid unless in the case of a body corporate it is executed under its common seal or signed by its attorney duly authorised in writing.
- (2) No proxy shall be valid unless it is made out specifically for the purpose of voting at the meeting at which it is to be used.
- (3) No proxy shall be valid unless it is duly stamped and unless it together with the power of attorney or other authority (if any) under which it is signed or a copy of the power of attorney or other authority certified by a notary public is deposited at the Head Office of the Corporation not less than four clear days before the date fixed for the meeting.
- (4) No instrument of proxy shall be valid unless it is dated and is in the following form:-

FORM

Central Warehousing Corporation

We.....of.....being a shareholder
of the Central Warehousing Corporation holding.....
..... Shares Nos.....
..... hereby appoint.....
of..... (or failing him/her.....
of.....) as our proxy to vote for us and on our behalf
at a meeting of the shareholders of the Corporation to be held on
..... the..... day of..... 20..... and at
any adjournment thereof.

Signed this..... day of..... 20.....

- (5) Subject to the provisions of sub-regulation (4) of regulation 31 an instrument of proxy deposited at the Head Office of the Corporation shall be irrevocable after the last day for the deposit of proxies unless on or before that day a notice in writing under the hand or common seal of the granter specifically stating the name of the person in whose favour the instrument was granted and that such instrument is revoked is reported at the Head Office of the Corporation or unless the same is deemed invalid under sub-regulation (6). In the case of an instrument of proxy granted in favour to two grantees in the alternative, it shall not be necessary to mention in a notice of revocation the name of the second or alternative grantee provided that the notice is otherwise sufficient to identify beyond doubt that instrument of proxy which it is intended to revoke.
- (6) If two or more instruments of proxy in respect of the same share are deposited and if on or before the last day for deposit of proxies all but one of such instrument of proxy are not duly revoked in accordance with the procedure prescribed in sub-regulation (5) all such instruments of proxy shall be deemed invalid.
- (7) The due revocation of an instrument of proxy shall in no way prohibit the deposit of another valid instrument of proxy within the time limit specified in sub-regulation (3).
- (8) Notwithstanding anything contained in these regulations, the granter of an instrument of proxy, which has become irrevocable under this regulation shall not be entitled to vote in person at the meeting or election to which such instrument relates.

(F. 35/26/59-SG.II)

Sd/-

J.A. Dave
Joint Secretary
to the Government of India