

CHAPTER-V
MISCELLANEOUS

Vacancies, etc., not to invalidate acts and proceedings of Warehousing Corporations.	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.
Delegation.	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.
Voting rights of shareholders	34. In any meeting of the shareholders of Warehousing Corporation, every member shall have one vote in respect of each share held by him in the Corporation.
Disputes between Central Warehousing Corporation and State Warehousing Corporation	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.
Declaration of fidelity and secrecy.	36. Every director, auditor, officer or other employee of a Warehousing Corporation shall before entering upon his duties, make declaration of fidelity and secrecy in the form set out in the Schedule.
Indemnity of directors.	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. (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 expense resulting to the Corporation by the insufficiency of value of, or title to, any property or security acquired or taken on behalf of the Corporation in good faith,

	<p>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.</p>
Offences	<p>38. (1) Whoever, without the consent in writing of a Warehousing Corporation, uses the name of that Corporation in any prospectus or advertisement, shall be punishable with imprisonment which may extend to six months, or with fine which may extend to one thousand rupees, or with both.</p> <p>(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.</p>
43 of 1961 Provisions relating to income-tax and super-tax	<p>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</p> <p>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.</p> <p>Provided further that in the case of any shareholder of debenture-holder, such portion of a dividend or interest as has been paid out of any such sum advanced by the Central Government shall be deemed to be his income from interest on securities declared to be in income-tax-free within the meaning of section 86 of that Act.</p>
Winding up of Warehousing Corporations	<p>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.</p>

<p>Power to make rules.</p>	<p>41. (1) The appropriate Government may, by notification in the Official Gazette, make rules to carry out the purpose of this Act</p> <p>(2) Without prejudice to the generality of the foregoing power, such rules may provide for</p> <p>(a) the additional functions which Warehousing Corporation may perform;</p> <p>(b) the manner of nomination and election of the directors of the Central Ware housing Corporation and the period within which such directors shall be nominated or elected.</p> <p>(c) the term of office of, and the manner of filling casual vacancies among, and the remuneration payable to the directors of Warehousing Corporation.</p> <p>(d) the manner of choosing directors on the Executive Committee of a Warehousing Corporation</p> <p>(e) the authorised capital of a State Warehousing Corporation 1[within the maximum limit specified by or under sub section (1) of section 19]</p> <p>(f) the form of the annual statement of accounts and the balance sheet to be prepared by a Warehousing Corporation:</p> <p>(g) the deposit of moneys of Ware housing Corporation in a scheduled bank or co-operative bank;</p> <p>(h) the manner of issuing shares of Warehousing Corporation, the calls to be made in respect there of, and all other matters incidental to the issue of shares;</p> <p>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]</p> <p>3[(i) any other matter which has to be or may be prescribed.</p> <p>(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</p>
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	<p>session or in two or more successive sessions, and 2[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.</p>
<p>Power of Warehousing Corporations to make regulations.</p>	<p>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 purpose of giving effect to the provisions of this Act.</p> <p>(2) In particular, and without prejudice to the generality of the foregoing power, such regulations may provide for</p> <p>(a) the conditions of service of, and the remuneration payable to the officers and other employees of warehousing Corporation;</p> <p>(b) the manner in which, and the conditions subject to which, shares of the Central Warehousing Corporation may be transferred.</p> <p>(c) The manner in which meetings of Warehousing Co-operation and the Executive Committee thereof shall be convened, the fees for attending such meetings and the procedure to be followed thereat</p> <p>(d) the duties and conduct of officers and employees of a warehousing Corporation;</p> <p>(e) the powers and duties which may be entrusted or delegated to the managing director of a Warehousing Corporation:</p> <p>(f) generally, the efficient conduct of the affairs of a Warehousing Corporation.</p> <p>(3) The appropriate Government may, by notification in the Official Gazette, rescind any regulation which it has</p>

	<p>sanctioned and thereupon the regulation shall cease to have effect.</p>
<p>Repeal and savings</p> <p>28 of 1956. 26 of 1962.</p>	<p>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.</p> <p>(2) Notwithstanding such repeal</p> <p>(a) the shares allotted and the share certificates issued by the Central Warehousing Corporation established under the repealed Act (hereinafter referred to as the said Corporation) shall be deemed to have been allotted and issued by the Corporation established under section 3 of this Act as if this Act had been in force on the day on which the shares were allotted and the share certificates were issued.</p> <p>(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 ;</p> <p>(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;</p> <p>(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 in consistent with the provisions of this Act, be deemed to have been done or taken under this Act;</p> <p>(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;</p>

(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.