

GOVERNMENT OF ORISSA
AGRICULTURE & CO-OPERATION (CO-OPERATION)
DEPARTMENT
NOTIFICATION

The 20th/24th September 1974

S.R.O. No. 719/74 – In exercise of the powers conferred by section 41 of the Warehousing Corporation Act, 1962 (58 of 1962), the State Government do hereby make the following rules, namely :

CHAPTER - I
Preliminary

1. Short title and commencement - (i) These rules may be called the Orissa State Warehousing Rules, 1974.
(ii) They shall come into force at once.
2. Definition - In these rules, unless the context otherwise requires—
 - (a) 'Act' means the Warehousing Corporation Act, 1962 (58 of 1962);
 - (b) 'Board' means the Board of Directors of the Corporation referred to in section 20;
 - (c) 'Chairman' means the chairman of the Board appointed under sub-section (2) of section 20;
 - (d) 'Corporation' means the Orissa State Warehousing Corporation established under section 18 of the Warehousing Corporation Act, 1962;
 - (e) 'Director' means a director of the Board;
 - (f) 'Executive Committee' means the Executive Committee of the Corporation constituted under section 25 (1);
 - (g) 'Form' means a form appended to those rules;
 - (h) 'Managing Director' means the Managing Director appointed under clause (c) of sub-section (i) of section 20.
 - (i) 'Register' means the register of shareholders referred to in rule 9;
 - (j) 'Section' means a section of the Act.

CHAPTER - II

Additional functions of the Corporation

3. The Corporation may, at its discretion and at the request of the parties concerned -
- (a) Undertake disinfestation service outside its warehouses in respect of agricultural produce or notified commodities as defined in clause (e) of section 2;
 - (b) Act as an agent for the purposes of purchase, sale, storage and distribution of agricultural produce, seeds, manures, fertilisers, agricultural implements and notified commodities as defined in section 2 on behalf of a company as defined in the Companies Act, 1956 or a body corporate established by an act of Parliament or of a State legislature or a Co-operative Society;
 - (c) Undertake handling of all commodities referred to in rule 3 (b);
 - (d) Charge commission as may be fixed by the Board from time to time for any services rendered; and
 - (e) Allow concessions in the interest of the Corporation and any such concession shall come into force only after the approval of the board.

CHAPTER - III

Board of Directors

4. Term of Office of Directors and filling of casual vacancies-
- (a) Term of office of Director- The term of office of a Director shall be three years; but the State Government or the Central Warehousing Corporation, as the case may be, may extend the term of Office for a further period of one year or till a successor is nominated, whichever is earlier.
 - (b) It shall be open to the Central Warehousing Corporation and the State Government to withdraw at any time any Director (or directors) nominated by them and nominate other director in their place for

the unexpired period of the term of Office for which the director is originally nominated.

- (c) The Casual vacancies caused due to resignation, death or disqualification or otherwise of a director shall be filled up by nomination by the Central Warehousing Corporation or by the State Government, as the case may be.
- (d) A director nominated to fill the casual vacancy shall hold office so long as the director whose place he fills would have been entitled to hold office, had not vacancy occurred, provided that no casual vacancy occurring within three months from the date of expiry of the normal term of Office of a Director shall be filled.
- (e) A non-official director nominated by the Central Warehousing Corporation or the State Government may resign his office by writing under his hand addressed to the Central Warehousing Corporation or to the State Government as the case may be and such resignation shall be effective from the date of which it is accepted or on the expiry of a period of one month from the date of its receipt by the Central Warehousing Corporation or the State Government as the case may be whichever is earlier.

5. Selection of Directors to Executive Committee—

- (a) The Board shall select from among the directors referred to in clauses (a) and (b) of sub-section (1) of section 20 by election, if necessary, and in which case the chairman shall have a casting vote in all cases of equality of votes, three directors, of whom one shall be a Director referred to in clause (a) of sub-section (i) of section 20 of the Act, to be the members of the Executive Committee.
- (b) A non-official Director of the Executive Committee may resign his office as such Director in writing under his hand addressed to the Chairman, who shall place the same 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.

- (c) The Board shall maintain in a Register in which the name and address of each Director shall be entered if a Director changes his address he shall notify his new address to the Managing Director who shall enter the address in the register.

6. Remuneration of Directors— A Director who is not a member of the State Legislative or a Salaried Officer of the Government who undertakes a journey for attending a meeting of the Board of Directors or of the Executive Committee of the Corporation, where he resides at a place other than the place at which such a meeting held, shall be entitled to :-

- (a) Travelling allowance; incidental charges and daily expenses at the rate prescribed by the State Government from time to time and;
- (b) If he is a salaried officer of the State Bank or the Reserve Bank of India or any other organisation or Department to draw such travelling and daily allowances as are admissible to him.

CHAPTER - IV

Shares of the Corporation

7. (a) The authorised share capital of the Corporation shall be one Crore of Rupees.
- (b) the shares of the Corporation shall be movable property.
- (c) subject to the provision of the Act and these rules, shares of the Corporation shall be under the control of the Board which shall make allotment of shares, either in full or in part.
- (d) the first allotment of shares shall be made by the Board in accordance with the provisions of section 19.

- (e) every share certificate shall be issued under the common seal of the Corporation.
- (f) every share certificate shall specify the number and denote the numbers of the sharer in respect of which it is issued and shall be issued within three months from the date of receipt of share contribution.
- (g) the Board may, at its discretion issue shares on receipt of intimation for allotment of shares.
- (h) the Central Warehousing Corporation and the State Government shall each be entitled, free of charge, to one share certificate for all the shares registered in their name at a time.
- (i) the Corporation shall not recognise the joint holding of shares.
- (j) the Corporation shall have a first lien on shares and it will enter to all dividends declared from time to time in respect of such shares.

8. Issue of new share certificate –

- (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 certificate in lieu thereof.
- (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 shall be issued to the party entitled to such cost or destroyed certificate.

9. Share Register –

(1) The Corporation shall maintain at its Head Office a register of shareholders and shares issued under the Act and shall enter therein the following particulars, namely–

- (a) the name of the shareholder, the date of entry as shareholder.
- (b) the manner in which he acquires the shares.
- (c) the serial number and number of shares issued.
- (d) the amount of shares issued, and
- (e) any other particulars as may be deemed necessary by the Board.

(2) the register shall be opened to inspection by any shareholder or his authorised representative, free of charge at the Head Office of the Corporation during business hours.

(3) the register, under no circumstances be taken out of the Head Office of the Corporation unless and otherwise permitted by the Board or a court of competent jurisdiction.

10. Calls – The Board may from time to time, make such calls, as it thinks fit, upon the shareholders.

(a) in respect of money unpaid on the shares held by them to subscribe to the share capital, if due.

(b) to fix time and place where the shares shall be paid.

(c) a call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed.

11. Payment of interest on call or instalment –

(a) 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 call has been made shall pay interest for the same at the rate as the Board may

determine, from the day appointed for the payment thereof to the date of actual payment.

- (b) the Board may in its absolute discretion waive payment of interest under this rule.

12. 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 notice on such shareholder requiring the shareholder to pay the sum together with any interest that may have accrued and all expenses that may have been incurred by the Corporation for reason of such non-payment.

13. Forfeiture of shares —

- (a) If any notice served under rule 12 is not complied with any shares in respect of which notice has been given may at any time after 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.

- (b) the share forfeited 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 19.

14. Power to annual forfeiture— The Board may at any time before any shares forfeited under rule 13 are sold, reallocated or otherwise disposed of annual the forfeiture thereof on payment of all moneys inclusive of interest and expenses owing upon such arrears by the shareholder, whose share so forfeited.

15. Dividend — (i) No dividend shall be declared or paid except out of the net profits of the Corporation.

(ii) The dividend shall be payable in proportion to the amount paid upon 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.

(iii) The dividend shall not bear any interest.

CHAPTER - V

Accounts

16. Operation of Bank Accounts –

(1) Subject to the provision of this rule all moneys belonging to the Corporation shall be deposited in the Reserve Bank or the State Bank of India and its subsidiaries or in such scheduled Banks or Co-operative Bank as may be approved for the purpose by the State Government to the Account of the corporation.

(2) All payments by or on behalf of the corporation shall be made by cheques except payment of amounts not exceeding Rs. 100 which may be paid in cash from the amount of imprest sanctioned for such purpose.

(3) Such cheques and all orders for making deposits or investment 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 in this behalf.

17. A current Account shall be opened, closed or transferred for Head Office and for such of the Warehouse by the Managing Director with any of the Banks mentioned in sub-rule (1) of rule 16.

18. No payment shall be made out of the accounts of the Corporation unless the expenditure is covered by the financial estimates referred to in section 26.

Provided that the Executive Committee may, at its discretion authorise any expenditure to be incurred in anticipation of such estimate 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, with the approval of the Board.

19. Any excess expenditure over the budget provision occurring in the normal working of the corporation and disclosed in the final accounts shall be regularised with the approval of the Board.

20. Maintenance –

(1) All monetary transactions 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 cash book 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 cash book and the cash in hand and record assigned and dated certificate to that effect.

(2) All payments by the Corporation shall be made on bills or other documents duly prepared and passed by the Managing Director or any other Officer authorised by him in this behalf. The paid vouchers shall be stamped 'Paid' or 'Cancelled' so that it cannot be used for a second time. They should then be kept serially numbered and produced at the time of audit.

21. Deposit or investment of surplus funds –

(1) Any funds of the Corporation not required for current expenditure may be placed in fixed deposits with the Reserve Bank of India or the State Bank of India or any Scheduled or Co-operative Bank approved in this behalf by the State Government or invested in the name of the Corporation in the securities of the Central Government or the State Government.

(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 deposit may be made and withdrawn in accordance with the requirement of the Corporation by the Managing Director.

22. 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 the annual accounts shall be set out as follows :

(a) A Balance Sheet in Form 'A'

(b) A Profit & Loss Account in Form 'B'

23. Miscellaneous – The Corporation may with the prior consent in writing of the Central Warehousing Corporation or the State Government undertake such other functions as are conducive to the promotion of Warehousing Scheme as a whole and agriculturists in particular.

FORM - A (Rule 22)

ORISSA STATE WAREHOUSING CORPORATION

Balance Sheet as on the 31st March

Figures for the previous year (1)	Capital and liabilities (2)	Figures for the current year (3)	Figures for the previous year (4)	Profit and Assets (5)	Figures for the current year (6)
1. Share Capital	i) Authorised ii) Issued iii) Paid up iv) Subscribed		1. Cash in hand 2. Cash in Banks	(a) Reserve Bank of India (b) State Bank of India (c) Scheduled Banks (d) Co-operative Banks (e) Other Investment	
2. Calls in arrears					
3. Reserved Fund			3. Investments	(a) Central Government. (b) State Government.	
4. Bad and Doubtful Debts Funds			4. Fixed Assets	(a) Lands (b) Building	
5. Bonds and Debentures			5. Value of Dead Stock (a) Godowns Warehouses		

(1)	(2)	(3)	(4)	(5)	(6)
6. Other Funds				6. Outstanding dues (a) Central Government. for purchase made (b) State Government. on behalf. (c) Central Warehousing Corporation	
7. Borrowing from	(a) Reserve Bank of India [under section 27 (2) (i)] (b) State Bank of India [under section 27 (2) (i)] (c) Central Warehousing Corporation [under section 27 (3)]			7. Guarantee by Government contra	
8. Advances received for purchase of agricultural commodities and notified commodities under section 24 (d)				8. Other items	
9. Liability under guarantee by the State Government for bonds and debentures for centre.				9. Suspense	
10. Provision for taxes				10. Profit & Loss Account	
11. Other liabilities					
12. Suspense					
13. Other items					
14. Profit & Loss account . Net profit-					

FORM - B (Rule 22)
ORISSA STATE WAREHOUSING CORPORATION
Profit and Loss Account for the year ending 31st March

Figures for the previous year (1)	Figures for the current year (2)	Figures for the previous year (3)	Figures for the current year (4)
1. Interest on	(a) Loans from Reserve Bank of India	1. Warehousing charges	
	(b) Loans from Central Warehousing Corporation	2. Interest on (a) Securities	
	(c) Loans from State Bank of India	(b) Bank accounts	
	(d) Debentures	(c) Advances	
		(d) Loans from	(i) State Govt. (ii) Central Ware housing Corp. (iii) R.B.I.
2. Establishment		3. Subsidies	
3. Director fees, etc.		4. Dividends on shares in Co-operative Societies	
4. Staff training expenses		5. Insurance claim received	
5. Rent, rates and taxes		6. Miscellaneous income	
6. Depreciation		7. House-rent recovered	
7. Repairs		8. Net loss	
8. Bad and Doubtful Debts Fund			
9. Audit Fees			
10. Legal fees			
11. Stationery and printing etc.			
12. Miscellaneous expenses			
13. Net profit.			

[No 15298-8C.W.-19/74-AC(o)]
 By order of the Governor
 K. SRINIVASAN
 Secretary to Government