ORISSA WAREHOUSE ACT, 1956

The Odisha . Gazette EXTRAORDINARY PUBLISHED BY AUTHORITY ORISSA ACT 4 OF 1957 THE ORISSA WAREHOUSE ACT, 1956 Received the assent of the Pre,8ident on the 22nd January 1957, first published in an extraordinary issue of Orissa Gazette, dated the 9th February 1957 J AN AOT TO PROVIDE roa ESTABLISHMnNT AND REGULATION OF WAREHOUSES IN on OBTSSA 1M HEREAS it is expedient to encourage the establishment of licensed warehouses and make provision Cor their proper supervision and control ; It is hereby enacted by the Legislature of the Stato of Orissa in tho Seventh Year of the Republic of India as follows CHAPTER 1 PRELIMINARY * 1. (I This Act may be cblled the Orissa Ware- Short title house Act,• 956. e ommenæ. (2) It extends to the whole of the State of ment. Öåssa. (3) It shall cotne into force on such date as tho State Government may, by notification, appoint in this behalf

2. In thi* Act, unless thero is anything Definitions repugnant in the subject or context,—(a) é' Co-operative Society " means society registered or deemed to be registered under the Orissa Orissa of 1952. Co-operative Societies Act, 1951 ; (b) depositor " means a person who tenders his goods to the warehouseman for storing in his warehouse and includes any person who lawfully holds the receipt issued by the warehouseman in respect of such goods and derives title thereto by a proper endorsement or tran Sfer thereof to him by the depositor Or the depositor's lawful transferee ; For gtatement of objects and see Orissa gazette extraordinary, dated the September 1956 and for C. Repor% see gazette exbroordinary, dated the 25th September 1956. n rsnb of Hoence. 29 (c) 'G goods " means any of the articles spooi- Ged in the Schedule to this Act : Provided that the State Government may, by notification add, to or omit any or! icle from the Schedule ; (d) " Government " means the State Govern. ment ; (e) " licensed warehouse means a, warehouse liceneed under this Act ; (f) person " shaff include any company or association or body corporate ; (g) J' prescribed " means prescribed by rules made under this Act ; (h) " receipt " means a warehouse receipt in the prescribed

form issued by a warehouseman to a person depoäting goods in the warebonse ; (i) " warehouse " means any building, structure or other protected enclosure which is or may be used for the purpose of storing goods on behalf of depositors but does not include cloak rooms attached to hotels, railway stations, the premises of other public carriers and the like ; (j) " warehouseman " means a person, who has obtained licence under this Aot in respect of his warehouse

CHAPTER 11 LICENSING OF WAREHOUSES 3. No person carry on the business of warehouseman except under licence granted under this Aot and in accordanbe with such terms and conditions thereof as may, from time, to time, be prescribed under this Act. 4* (2) Application for a licence shall be made in the prescribed form to the prescribed authority. (2) The prescribed authority may, on receiving such application and on payment of fees aR may be prescribed, graAt a licence, •nd Of refneal to lionce. of 90 5. (l) Before granting a licence, the prescribed authority Ehbll satisfy itself— (o) thbt the warehouse is suitable for proper storage of the class or classes of goods in respect of which the licence has been applied for ; (b) tbat the applicant is competent to oonduct euoh a warehouse ; (c) that the applicant has paid the fee prescribed for the licence and has 0180 paid the prescribed security, if any ; and (d) that there is no other valid raagon for which the applicant for the licence mey, fn the opinion Of the prescribed authority, be deemed to be disqualified. (2) The Government •may, by notification, add to or alter the terms and conditions under which a licence is ganted to a warehouseman under sootion 4

6. Every licence granted under section 4 shbll be valid for such period as may be prescribed and may, on application and payment of the prescribed fee, be renewed from time to time by the prescribed auth0! ity and for such period as may be prescribed, provided the other conditions' referred to in section 5 continue to be fulfilled

7. If the prescribed authority refuses to grant or renew licence under the foregoing provisions, it shall record its reasons for such refusal in writing and communicate the order to the applicant by forward- ing a copy thereof

8. Every lioence granted under section 4 or renewed under section 6 shall be liable to be suspended or cancelled by the prescribed authority, if in.itsß)pinion— (a) the licensee has applied to be adjudicated, or been adjudicated, an insolvant ; or (b) has parted, in whole or in with his control ovar tho warehouse ; or (c) has ceased to conduct such wazehouse ; or (d) has made unreasonable charges for the services by him ; or (e) has in any other m»nner become incompe• teat to conduct such warehouse ; or 31 (f) has contravened or failed to comply with any of the terms and conditions of the licence or any of the provisions of this Act and the Rules ; or (g) has contravened any other prescribed Bound. 9. (1) Before making an order of suspension or Notice of cancellation of licence under section 8, 'the prescribed iion of lieenoe. Return of i iænce. Eoene. R e•nable aue Of the goode dep uted. Prøoautioas again." or injury to good e authority shall give notice to the licensee stating the grounds on which it is proposed to take action to show cause as to why his licence shall not be suspended or cancelled within such date as may be specified in the said notice. (2) After considering the explanation, if any, offered under sub-section (1), the prescribed authority may pass such final order as it doerns fit. (3) If any licence is suspended or cancelled ; the prescribed authority shall make an entry to that effect in the licence. IO. When a licence expires, or is suspended or cancelled the warehouseman shall cease to carry on the business of a warehouseman and shall return the licence to the prescribed authority, who shall give reasonable time to the warehouseman to enable him to wind up the business. 11. (1) Where & licence granted to a warehouse man is lost, destroyed, torn, defaced or otherwise becomes illegible, the prescribed authority shali iwue a duplicate licence on the application of the ware. houseman and on payment of the prescribed fee. (2) When a duplicate licence is issued, it shall be clearly stamped " Duplicate " and shall be marked with the date of issue of tho duplicate and that of the original from the record of the omce issuing the licence

CHAPTER 111 OF a WAREHOUSEMAN 12. Every warehouseman shall take such oare of the goods deposited with him as a man of ordinary prudence would take of his own goods under similar circumstances and conditions. 13. (1) Every warehouseman shall keep his ware. house clean and free from damp, take all necessary precautions against rats and other pests, and fulfill such other conditions as may be prescribed, 32 (2) No warehouseman shall accept goods for deposit which are likely to cause damage to other goods which are, or may be deposited in the warehouse

14. Every warehouseman shall keep the goods of Pzeærva• tiou of, of one depositor separate from the goods of other depo• sitors and from other goods of the same depositor for goods.which a separate receipt has been issued, in euch manner as to permit at all times of the identification and delivery of the goods deposited : Provided that where standardised and graded goods are stored in a warehouse then subject - to any agreement between the warehouseman and b depositor, the same variety of goods belonging to different depositors may be pooled together and each depositor shall be entitled only to his portion of the goode according to weight or quantity, as the oase be, as shown in his receipt. 15. (1) Whenever goods deposited in a warehouse Goodg deterioreting deteriorate or are about to deteriorate from causes in waNhou.se beyond the control of the he shall and t,heir forthwith give notice of such deterioration to the depositor, requiring him to take delivery of the goods immediately, after surrendering the receipt duly discharged and paying all charges due to the warehouseman. Dzplanation —Loss of weight or bulk by shrinkage or dryage or gain in weight or bulk by absorption of moisture shall be deemed to amount to deterioration within the meaning of this sub- section, if the loss or gain exceeds such limits as may be prescribed. (2) If the depositor does not, within a reasonable time, comp;y with a: notice given to him under sub-section (1), the warehouseman may cause the goods to be removed from the warehouse and sold by public auction at the cost and risk of the depositor. (3) Any person having an intereåt in any goods deposited in a warehouse or in the receipt for such goods may infon:n the warehouseman in writing of the fact and nature of his interest and the ware- houseman 8ball keep a record thereof and if such person requests in writing that be given to him regarding the condition of tho goods and agree to pay the charges for giving such intimation, the warehouseman shall give hizn - intimation accordingly. DeliNery of LiBbility Of man for shortage or exaB88 in goods 'toed, 98 16. (l) Every warehouseman, in the absence of reasonable excuse shall, without unnecessary delay, deliver the goods deposited in his warehouse to the depositor on demand made by him and surrender of the receipt duly discharged and payment of all charges due to the warehouseman. (2) Subject to any agresment between the' ware- houseman and the depositor, the depositor may take partial delivery of the goods deposited in a warehouse. 17. (l) For the purposes of sub-sections (I) and (2) of the foregoing section and sub-section (l) of section 15, loss of weight or bulk by dryage or shrinkage within Mie prescribed limits and gain in weight by absorption of moieture within such limits shall not be deemed to amount to deterioration. ('2) If there is any excess in the goods stored in a warehouse by absorption of moisture or other causes, the warehouseman shall not be entitled thereto. (3) If there is any shortage in the goods stored in a warehouse by dryage or other causes the ware: housernan shall not be responsible therefor. (4) In the event of a dispute arising as to whether such shortage or excess is due to dryage or absorption of moisture or iB due to other causes beyond the control of the warehouseman, the matter shall be referred to the appellate authority referred to in section 29 whose decision shall be final and binding

18. Goods in warehouses shall be insured against Insuranee of goods in loss or damage by fire, rain, goods, thöft, riot or warehouse.civil commotion, or any other prescribed event, in such manner as may be prescribed

19. No warehouseman s'aall, iu the oonduot of Disorimin 'ion hi- biter his business, discriminate between persons desiring to avail themselves of the facilities of hig ware- house : Provided that the warehouseman shall show such preference to agricultural producers or (hopera• tive Societies of agricultural producers in the State and allow them such concessions as may be p•escribed.Eæplanation—A " Co-operative Society of agri- cultural producers " shall mean a society in which the majority of members are agricultural producers or the predominant interest is held by agricultural producers. In case of doubt whether the Society ia W Brehouy. man not to deal iD or lend goods in warehouæ. Accounts, to be Inspeotion Weighers, g radera to 0 bt8in lieenee8. P rovi8ions regarding sacb 9-4 one of agricultuwl producers or not within the mean. ing of the proviso of this section, the matter shall be referred to the Registrar of Co-operative Societies and his decisions shall be final

20. Notwithstanding anything contained in any other.aw for the time being in forco no warehouse. man Other than b Co-operative Society or the Centro! or any State Warehousing Corporation set up under the Agricultural Produce (Development and housing) Corporation Act, 1956, shall, either on his Ant 2802 own account or that of others, deal in, or lend money on, goods received 'by him for deposit in ita warehouse

21. A warehouseman shall maintain accounts, books and records in such form and manner as moy be prescribed

CHAPTER IV INSPEOTION AND GRADING OF GOODS 22. The prescribed authority may, at any time during business hours, inspect or examine or cause to be inspected or examined, any licensed warehouse, its machinery and equipment, goods deposited therein, and the account books and records relating thereto, for the purpose of satisfying itself that the req uire• monts of this Act and the rules are being complied with. 23. (l) The prescribed authority may, on applica- tion made in the prescribed manner and on payment of the prescribed fee, issue licences to persons posses. sing the proscribed qualifications, entitling them to act as weighers, samplers, and gradelß of any goods deposited or to be deposited in a licensed warehouse and to issue certificates os to the weight, bulk, quality or grade of the goods which they have examined. (2) Any certificate so issued shall, subject to the provisions of section 24 be binding on the wate- houseman and the depositor as to the weight, bulk, quality or grade of the goods so certified. (3) No person who is not licensed under this section shall act, or hold himself out, as weigher, sampler or grader. 24. (l) Every licence granted to a weigher, sarn• pler, or grader under section 23 shall be valid for such period may be prescribed and may, on applicaÆion and payment of the prescribed fee, be renewed from me to tirne for the prescribed period by the preecri, bed authority. 35 (2) The prescribed authority may cancel any such licence, after communicating to the licensee tho rounds on which it is proposed to take action and giving him a reasonable opportunity of showing cause against it. (3) The prescribed authority may, however, suspend any such licence pending any action under sub-section (2). (4) The holder of any such licénce shall, on the expiry th ereof or the receipt of an order suspending or cancelling it, return tbe licence to the prescribed authority

25. Every warehouseman, shall provide facilities Feoüitiea to be given for weighing, sam pling and grading any goods depo- for weighing goods, sited in his warehouse

CHAPTER V WAREHOUSE Rnonrpq•s Reoeipt to 26. For the goods deposited in the warehouse by be izued. each depositor, the warehousem»n shall issue a receipt which shall contain full particulars of the goods and be in the prescribed form. Receipts for The receipt by a Shall, deposite in unless it is otherwise specified thereon, be transfera- ble by endorsement and shall åntitle the lowful holder thereof to receive the goods specified in.on the same terms and conditions as the original depositor. Explanation—The provisions of this sub- section shan not apply to any receipt issued by a person who has not obtained a licence under this Act. Duplicate receipt. Appeals orders of præcribed •uthonty. No oompen. eation for or Lion of 28. If a receipt is lost, destroyed or damaged, the warehouseman shall, on application by the. depositor and payment by him of the prescribed fee, issuå a duplicate receipt on such conditions as he may think fit to impose, being conditions included in rules pres- cribed for the purpose

CHAPTER VI 29. (l) An appeal against any order of the prescribed authority refusing to grant or renew a licence or suspending or cancelling any such licence in respect of warehouseman Ahau be made to such authority and within such time as may be prescribed. (2) The decision of such appellate authority shall be final

30. Where any licence is guspended or cancelled under this Act, the licensee shall not be entitled to any compensation therefor, nor shall he be entitled to the refund of any' fee paid by him for the licence.eon t r" u end agree. mente in. consistent with Aot to be void. Penalty and proeedu_N. Bules 36 31. Every contract or agreement which ig in- consistent with the provisions of this Act or the ruled made thereunder, shall, to the extent of such inconsiß. tenoy, be void. 32. (1) Whoever— (a) acts, holds himself out, as a licensed warehouseman without having obtained a licence under this Act ; or (b) kno wingly contravenes or fails to comply with any of the provisions or requirements of this Act or the rules ; shall be punishable with imprisomnent for term which may extend to one year or with fine which may extend to one thousand rupees or with both. (2) Where a person committing an offence under sub-section (L) is company or an association or a body of persons, whether incorporated or not, the Manager, Secretory, Agqnt or other principal offcer, managing the affairs of such company, association or body, shall be deemed to be guilty of such offence. * 33. (I) The State Government may, subject to the condition of previous publication, make rules to carry out the purposes of this Act. (2) In particular and without prejudice to the generality of the foregoing power, such rules may add any article to, or omit any article from the Schedule or provide for— (a) the matters expresxly required or allowed by thig Act to be

pNscribed ; (b) the conditions to be inserted in licences to be granted to warehouseman and the form of such licences ; (c) the publication of the grant, suspension or cancellation of licences to warehousemen and of consolidated lists of warehousemen and licensed warehouses ; Yor rules gaze* extroord.inb-ry dated the 11th &roh, 1968 37 (d) the charges to be levied by warehousemen for their services ; (e) the books, accounts and reeordß to be maintbined by warehouseman ; (the conduct of public auctiong for the sale of goo deteriorating or about to deteriorate in licensed warehouses and the manner in which the proceeds of such sales shall be acoounted for ; (g) the scales of losses and gains of weight or bulk which may be sustained by goods owing to shrinkage or dryage in the one case and owing to absorption of moisture in the other ; (h) the disinfection of licensed warehouses. and the disinfestation of goods stored therein ; (i) the circumstances in which any secuity or bond furnished by a, warehouseman may be forfeited, and the manner in which any sum falling due as b •result of such forfeiture may be recovered ; (j) the emcient conduct generally of the business of warehousemen ; (k) the qualificationa be possessed by persons applying for the grant of licences as weighers, samplers or graders, the conditions to be inserted in their licences, the form of the certificates to be issued by them and the grounds for which licences may be suspended or cancelled ; (L) the standard weights, measures and grade. tions of goods to be used in licensed warehouses ; (m) the, authority to which and the time within which an appeal under section 29 should b" made ; (n) the manner of giving notices under thia Aqt t 11 38 SCHEDULE [See section 2 (c)] goode to which the Act Fz»dgrains l. Bloe 2. Poddy 3. Wheat 4. Ragi 5. Gram 6. Harad (whole) 7. (Dal) 8. Moong (whole) 9. Moong (Dal) IO. Urad (whole) 11. Urad (DOI) Oil-seeds Groundnut l

2. Mustard 3. Seasamum 4. Cocoanut 5. Linseed 6. Castor 7. Rape Fibres 2. Cotton applia Miscellaneous L. Gur 2. Tobacco Potato 3. Cashew-nut 4

5. Pepper 6. Onion 7. Chillies