

Bill Summary

The Warehousing Corporations (Amendment) Bill, 2015

- The Warehousing Corporations (Amendment) Bill, 2015 was introduced in the Lok Sabha by Mr. Ram Vilas Paswan, the Minister for Consumer Affairs, Food and Public Distribution on March 3, 2015. The Bill seeks to amend the Warehousing Corporations Act, 1962. The Warehousing Corporations Act, 1962 established central and state warehousing corporations for the purpose of warehousing agricultural produce and other commodities.
- The Bill's Statement of Objects and Reasons states that the Central Warehousing Corporation has been awarded a Mini-Ratna Public Sector Enterprise status by the Department of Public Enterprises. One of the criteria to be a Mini-Ratna enterprise is that there should be no financial support from the government to the enterprise, and that it must be independent of any budgetary support or guarantee by the government.
- Currently, a section in the Act requires that the Central Government guarantee the repayment of the principal and annual minimum dividend payments on shares to the central warehousing corporation. The Bill seeks to do away with the Central Government's responsibility of being a financial guarantor to the central warehousing corporation.
- Accordingly, provisos to certain sections relating to the government's responsibility of being a guarantor to the central warehousing corporation are proposed to be omitted.

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