

PROCEDURE FOR REGISTRATION OF WAREHOUSES

Any person commencing or carrying on the warehousing business and intending to issue Negotiable Warehouse Receipts (NWRs) has to get the warehouse registered with the Warehousing Development & Regulatory Authority (WDRA). The Warehousing (Development & Regulation) Act, 2007 and the Warehousing (Development & Regulation) Registration of Warehouse Rules, 2017 are available on the website of the Authority 'www.wdra.nic.in'. Amendments to the Rules and Regulations and the relevant circulars on insurance and guidelines on empanelment of inspection agencies and inspection of warehouses are also available on the Authority's website.

1. Procedure

- i. The applicant warehouse may make an application to the Authority for registration of its warehouse in the prescribed Form available on the website of the Authority.
- ii. A person desirous of carrying on the business of warehousing in more than one warehouse may submit only one application for registration in respect of all the warehouses.

iii. Registration fee requirements are as follows:

Application fee (non refundable) for registration of warehouse or renewal thereof is as follows and payable by way of bank draft or bankers cheque or through ECS on any scheduled commercial bank in favour of the Warehousing Development and Regulatory Authority payable at New Delhi:

| Unit of registration | Fee (non refundable) |
|---|-------------------------|
| Each warehouse with a capacity of 10,000 Ton or less | Rs. 20,000 |
| Each warehouse with a capacity of more than 10,000 Ton but less than or equal to 25,000 Ton | Rs. 25,000 |
| Each warehouse with a capacity of more than 25,000 Ton | Rs. 30,000 |

Where the applicant/ warehouseman is a Farmer Producer Organisation or a Co-operative, the fee shall be Rs. 5,000 per warehouse.

- iv. The application along with the required documents as listed at para 2 below and registration fee may be submitted to the Director (Technical), Warehousing Development & Regulatory Authority, NCUI Building, (4th Floor), 3, Siri Institutional Area, August Kranti Marg, Hauz Khas, New Delhi - 110016.

- v. The Authority has so far notified 123 agricultural commodities and 26 horticultural commodities for issuance of NWRs. The list is available on the website of the Authority. An applicant should specify the names of commodities to be stored in the warehouse for which registration is sought.
- vi. In case the application is found in order, the Authority may cause a physical inspection of the warehouse concerned to verify the infrastructure of warehouse and other particulars as specified by the Authority. The inspection guidelines detailing the infrastructure requirements of a warehouse and also the physical inspection checklist are available on Authority website.
- vii. In case the physical inspection establishes the compliance with the infrastructure and other requirements specified by the Authority, the applicant shall be required to furnish the Security Deposit as per norms specified by the Authority
- viii. If the Security Deposit is furnished within the time schedule, a certificate of Registration is issued which contains the Warehouseman ID and Registration number of the Warehouse.

2. Documents to be submitted with the application – Every application for registration of a warehouse should be accompanied with the following documents:

| S. No. | Document to be submitted |
|---------------|--|
| i. | Application in prescribed form affixing the photograph of individual/authorised representative |
| ii. | Applicant's proof of identity as required at Fifth Schedule of the Warehousing (Development and Regulation) Registration of Warehouses Rules, 2017 |
| iii. | Standard Operating Procedures |
| iv. | Document in support of net-worth as required under Rule 18 (5) of the Warehousing (Development and Regulation) Registration of Warehouses Rules, 2017 |
| v. | Copy of Insurance policies as prescribed under Rule 17 of the Warehousing (Development and Regulation) Registration of Warehouses Rules, 2017 |
| vi. | Lay out Plan of the warehouse(s) |
| vii. | Basic Data Sheet in case of warehouse (cold storage) |
| viii. | Proof about technical standards under which warehouse (cold storage) constructed |
| ix. | List of equipments for assaying goods available at the warehouse |
| x. | List of equipments for weighing goods available at the warehouse |
| xi. | Fire Safety arrangements at the warehouse |
| xii. | If warehouse is owned: Copy of the Records of Rights or registered title deed in respect land on which warehouse concerned is located as per the Sixth Schedule of the Warehousing (Development and Regulation) Registration of Warehouses Rules, 2017 |
| xiii. | Document to demonstrate effective control over the Warehouse, any of the following (as per the First Schedule of the Warehousing (Development and Regulation) Registration of Warehouses Rules, |

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| | 2017): (i) lease deed or rent agreement, (ii) sub-lease agreement and lease deed indicating that sub leasing is permitted, (iii) revenue sharing agreement, (iv) NOC from Municipal Corporation/ Panchayat/ local body (as the case may be), (v) lease agreement from concerned APMC, (vi) copy of allotment letter from State Government . For each warehouse listed in the application separately. |
| xiv. | D.D/Bankers' cheque or copy of Bank transaction slip in support of payment of registration fee |
| xv. | Existing/ previous registration Certificate (In case of renewal) |

3. Terms of registration -

- i. Immediately upon receipt of its registration certificate, the warehouseman shall display the same and keep it pasted until suspended or revoked, in a conspicuous place in the principal place of its business.
- ii. The certificate of registration shall not be transferable.
- iii. The Authority or its authorised representative may inspect or examine the warehouse registered under the Act at any time without giving prior notice, the books, records, papers and accounts etc. relating thereto.

4. Performance Requirements for a Registered Warehouse

(a) Compliance with registration requirements.-

A warehouseman shall at all times:

- i. maintain effective control of the warehouse;
- ii. continue to be a fit and proper person as per the criteria as stated in registration rules ;
- iii. comply with the insurance requirements as stated in registration rules;
- iv. maintain the prescribed minimum net worth;
- v. keep updated security deposit at prescribed interval of 3 months;
- vi. maintain the infrastructure to keep it compliant with the minimum infrastructure requirements; and
- vii. comply with its standard operating procedure in accordance with registration rules.

(b) Know your depositor requirements.-

The warehouseman shall maintain the know your depositor (KYD) details with respect to various depositors as specified under the registration rules.

(c) General obligations of a warehouseman.-

In the conduct of its warehousing business, a warehouseman shall –

- i. issue a negotiable warehouse receipt only in respect of such goods that have been specified by the Authority from time to time;
- ii. deliver the goods referred to in a negotiable warehouse receipt, to the holder of the negotiable warehouse receipt on demand made by the holder after satisfying the warehousing lien;
- iii. ensure that the negotiable warehouse receipt holder, on receiving the goods from the warehouseman, acknowledges the receipt of the goods in a form and manner required by the Authority;
- iv. take necessary actions to maintain the quality and quantity of goods stored in the warehouse;
- v. maintain and record a complete and accurate set of records and accounts of all transactions pertaining to the operation of a registered warehouse as per the requirements that the Authority may specify from time to time;
- vi. ensure that the physical inventory tallies exactly with the record;
- vii. maintain effective control of all registered warehouse storage space;
- viii. provide necessary assistance in the execution of inspections and audits by the Authority;
- ix. resolve grievances efficaciously;
- x. not differentiate among depositors regarding use of and access to a warehouse;
- xi. not store goods belonging to itself in a registered warehouse; and
- xii. not sell, remove or dispose of the goods deposited in a registered warehouse except as permitted under the Act.

(d) Information contained in warehouse receipts.-

A warehouseman must ensure that all warehouse receipts issued by it, negotiable or otherwise, comply with the requirements of section 11 of the Act and the rules, regulations and notifications made thereunder.

(e) Mandatory registration with e-negotiable warehouse receipt repository.-

- i. With effect from such date as may be specified by the Authority, no warehouseman shall issue any negotiable warehouse receipt in physical form, and shall register with one or more repositories registered with the Authority for issuing negotiable warehouse receipts in electronic form.
- ii. The Authority shall provide sufficient time to the warehouseman to comply with the requirements of this rule.

(f) Disclosure of information.-

- i. A warehouseman shall make a written disclosure to the Authority of any of the following events, namely:-
 - any change in the key managerial persons of the warehouseman, within fifteen days of such change;
 - any change in the ownership or capital structure of the warehouseman, within fifteen days of such change;
 - any change in the net worth of the warehouseman, on a quarterly basis;
 - the occurrence of any of the events stated in sub-rule (2) of rule 17, within fifteen days of such event;
 - the initiation of a dispute in relation to the goods deposited in a warehouse or the negotiable warehouse receipt issued in relation to the deposited goods, immediately upon the initiation of the dispute; and
 - any change in location or capacity of the warehouses managed by the warehouseman, whether registered with the Authority or not, immediately on the occurrence of such change.
- ii. The Authority may, by order, require the warehouseman to make any additional disclosures and stipulate the form and manner in which a disclosure is required to be made.

(g) Submission of information regarding warehouse receipts.-

- i. A warehouseman shall submit monthly reports to the Authority in such form and manner, including in electronic form, as may be specified by the Authority in this behalf.
- ii. The monthly reports to be submitted under this rule shall contain the following details of warehouse receipts in respect of the preceding month, namely:-
 - the total number of warehouse receipts (negotiable and non-negotiable) issued, redeemed, or cancelled;
 - the total number of un-issued negotiable warehouse receipts in his possession, if any;
 - the commodity wise stock position of all goods against which the warehouseman has issued warehouse receipts (negotiable and non-negotiable);
 - the aggregate market value of all goods against which the warehouseman has issued warehouse receipts (negotiable and non-negotiable) as on the last day of the preceding month; and
 - the negotiable warehouse receipts pledged with banks and financial institutions.

- iii. The Authority may require additional information regarding the negotiable warehouse receipts issued by the warehouseman, or the goods stored by the warehouseman in registered warehouses.