

## 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 under the Section “Act and Rules” of the WDRA Portal. 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. Since a system of online registration of warehouses has been put in place from November 1, 2017, all applications for warehouse registration have to be submitted online. Detailed instructions for online registration of warehouses are available on the WDRA portal.

### 1. Procedure

- i. The applicant warehouse may make an application to the Authority for registration of its warehouse after registering on the website of the Authority and then signing in to submit online application.
- ii. In case of non-individual warehouse operators, the application shall be submitted in two parts, first the warehouseman registration application will be submitted. Once warehouseman is approved, then only application for registration of warehouse (s) shall be submitted online.
- 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 online payment while submitting the warehouse registration application:

<b>Unit of registration</b>	<b>Fee (non refundable)</b>
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 non-refundable registration fee shall be Rs. 5,000 per warehouse.

- iv. The online application uploading the required documents as listed at para 2 below and registration fee may be submitted online.

- 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 and also linked in the online application as drop down. An applicant should specify the names of commodities to be stored in the warehouse for which registration is sought from drop down menu while filling online application.
- 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. For sake of transparency and efficiency the inspection of warehouses has also been made online.
- 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 Warehouse ID of the Warehouse concerned.

**2. Documents to be uploaded with the application** - Every application for registration of a warehouse shall be required to upload the following documents in the online application. Hence, the applicant may keep a scanned copy of these documents handy (in the system or in a pen drive) while filling online application.

<b>S. No.</b>	<b>Document to be submitted</b>
i.	Photograph of Authorized/Associate Authorized Representative
ii.	Applicant's proof of identity as required at Fifth Schedule of the Warehousing (Development and Regulation) Registration of Warehouses Rules, 2017
iii.	Identity and address proof of Authorized/Associate Authorized Representative (in case of non-individual entities)
iv.	Standard Operating Procedures
v.	Document in support of net-worth as required under Rule 18 (5) of the Warehousing (Development and Regulation) Registration of Warehouses Rules, 2017 and as amended on 20.03.2018.
vi.	Copy of Insurance policies as prescribed under Rule 17 of the Warehousing (Development and Regulation) Registration of Warehouses Rules, 2017. Details are available on WDRA portal under <b>Documents-Circular</b> section vide Circular dated 27.4.2017
vii.	Lay out Plan of the warehouse(s)
viii.	Basic Data Sheet in case of cold storage
ix.	Proof about technical standards under which cold storage has been constructed
x.	List of equipment for preservation of goods available at the warehouse

xi.	List of equipments for assaying goods available at the warehouse
xii.	List of equipments for weighing goods available at the warehouse (details of an internal or external lorry weighbridge is also required to be provided)
xiii.	Fire Safety arrangements at the warehouse
xiv.	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
xv.	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, 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.

### 3. Terms of registration -

- i. Immediately upon receipt of its registration certificate, the warehouseman shall display the same and keep it in a conspicuous place in the principal place of its business until suspended or revoked. However, the valid registration certificate is also available in the login of the warehouseman online.
- 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 stocks, 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;
  - 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

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- i. issue a (electronic) 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 an (electronic) negotiable warehouse receipt, to the holder of the (electronic) negotiable warehouse receipt on demand made by the holder after satisfying the warehousing lien;
- iii. ensure that the (electronic) 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 June 1, 2019, 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.

**(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 (electronic) 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 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 (electronic) negotiable warehouse receipts pledged with banks and financial institutions.

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