



भांडागारण विकास और विनियामक प्राधिकरण

भारत सरकार

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**Warehousing Development and Regulatory Authority
Government of India**

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Hauz Khas, New Delhi - 110016, Tel. No. 49536496, 49092978.

No. T-COMP/6/2025-Technical /869

Dated:03.07.2026

ORDER

To,

Shri Ashwani Sharma (Warehouseman)
Warehouseman identification No- 5580709
Ashwani c/o Market Committee Madlauda (WH ID- 7022403),
VPO Madlauda, Panipat, Haryana 132113.

Order under Rule 33 of the Warehousing (Development & Regulation) Registration of Warehouses Rules, 2017 for cancellation of registration certificate of Ashwani c/o Market Committee Madlauda (WH ID- 7022403), Registered address at VPO Madlauda, Panipat, Haryana 132113.

1. Whereas, Ashwani c/o Market Committee Madlauda Warehouse (WH ID- 7022403), VPO Madlauda, Panipat, Haryana 132113 (hereinafter referred to as "said warehouse"), is a registered warehouse with Warehousing Development and Regulatory Authority (hereinafter referred to as "WDRA"), in terms of the provisions of the W(D&R) Act, 2007 and Warehousing (Development & Regulation) Registration of Warehouses Rules, 2017 (hereinafter referred to as "said rules").
2. Whereas, the registration certificate against the said warehouse was granted subject to adherence and compliance of the regulatory provisions under the W (D&R) Act, 2007, rules, regulations, notifications and guidelines/circulars issued thereunder, with respect to the said warehouse.
3. Whereas, vide e-mail dated 10.12.2025, NERL (a registered repository with WDRA) had informed that there was some suspicious activity in five warehouses including Ashwani c/o Market Committee Madlauda (Warehouse ID- 7022403)
4. Whereas, in view of the above information, WDRA then appointed an Inspecting Officer (from WDRA empanelled Agency NABCONS) for a surprise inspection of the

warehouse. Accordingly, on 16.12.2025 the inspecting officer (Shri Shashi Bhushan Kumar, NABCONS) conducted the inspection. The Inspecting Officer subsequently submitted the following findings: (Annexure-I)

- a. The warehouse was registered as Ashwani c/o Market Committee Madlauda (WH ID- 7022403) with registration validity from 19/02/2025 to 18/02/2030. The warehouseman of the warehouse is Ashwani Sharma.
 - b. The warehouseman could not be contacted and was not available for inspection.
 - c. The security staff present at the site were enquired with regarding “Ashwani C/o Market Committee Madlauda”; however, they stated that they had no knowledge of any such warehouse.
 - d. It is also observed that there is no signboard or indication of ASHWANI C/o Market Committee Madlauda anywhere in the warehouse campus.
 - e. The officials of the Market committee informed that they have not leased or rented any warehouse to Ashwani Sharma.
 - f. The warehouse claimed under ASHWANI C/o Market Committee Madlauda does not exist in their records.
5. Whereas the registration certificate was granted on the basis of documents submitted by the warehouseman Shri Ashwani Sharma including inter alia the rent/lease agreement dated 13.08.2024 in respect of the warehouse premises and the undertaking verified on 26.09.2024 furnished with the registration application.
 6. Whereas, the discrepancy note dated 16.12.25 submitted by the inspection agency M/s NABCONS records that, upon inquiry at the Market Committee Madlauda office, the officials confirmed that they had not leased or rented any warehouse to Ashwani Sharma, and that the warehouse claimed in the name of ASHWANI C/O MARKET COMMITTEE MADLAUDA did not exist in their records. The officials further clarified that the warehouses were leased only to Dhanpat & Deepak Kumar Trading Co., Laxmi Trading Co., Tamak Seeds and Pesticides Trading Co., and Sarpanch Trading Agency.
 7. Whereas, the said Discrepancy Note therefore directly supports the serious doubt already arising from the inspection report regarding the existence of the alleged warehouse, the genuineness of the lease agreement submitted to WDRA by the warehouseman Shri Aswani Sharma and which was relied upon for registration, and the stock represented through eNWRs as lying in the said warehouse.
 8. Whereas as per rule 2((1)(e) of the W(D&R) Registration of Warehouses Rules 2017, *“effective control” means the ability of an applicant or a warehouseman to demonstrate physical possession and complete operational control with respect to a warehouse concerned through document specified in the First Schedule.* Above findings indicate loss of effective control over the said warehouse with the Warehouseman Shri Ashwani Sharma.

9. Whereas as per rule 12(4) of the said rules the certificate of registration issued shall be valid for a period of five years from the date of issuance of the certificate, subject to the maintenance of ownership or continuous effective control over the warehouse concerned by the warehouseman.
10. And whereas, as per rule 33(1) of the said rules, the Authority may cancel the registration of warehouse if,:
- (b) the warehouseman is no longer able to demonstrate ownership of, or effective control over, the warehouse;
 - (g) the warehouseman does not cooperate in any enquiry, inspection or audit conducted by the Authority or external person;
11. Whereas, vide email dated 17.02.2026, CCRL (a registered repository with WDRA) informed WDRA that the warehouseman Shri Ashwani Sharma had issued total 03 eNWRs which had been pledged for Rs. 6.82 crore approx. Copy of eNWRs are enclosed herewith. (Annexure-II).
12. Whereas, owing to above findings and record, vide Office order dated 18.02.2026, an Enquiry Officer was appointed under Rule 33 of W (D&R) Registration of Warehouses Rules, 2017 to look into the matter of cancellation of registration of Ashwani c/o Market Committee Madlauda (WH ID- 7022403), Registered address at VPO Madlauda, Panipat, Haryana 132113. This was subsequently modified vide office order dated 10.04.2025.
13. Whereas, a show cause notice under Rule 33(3) of W(D&R) Registration of Warehouses Rules, 2017 was issued to the warehousemen vide letter dated 17.04.2026 (Annexure-III) directing warehouseman to submit a reply against aforementioned violations within 15 days, failing which the Authority may initiate further action as per provisions of the Act and the Rules, Regulations framed thereunder.
14. Whereas, another opportunity for representation vide show cause notice under Rule 33(3) of W(D&R) Registration of Warehouses Rules, 2017 was granted to the warehousemen vide letter dated 14.05.2026 (Annexure-IV) directing warehouseman to submit a reply against aforementioned violations within 03 days, failing which the Authority may initiate further action as per provisions of the Act and the Rules, Regulations framed thereunder.
15. Whereas, no representation either in the form of written reply or any other mode to the said show cause notice(s) is received from the warehouseman. Copy of Show cause Notice(s) served upon the warehouseman vide email/post are attached herewith as Annexure-V
16. Whereas, a joint inspection was conducted in the said warehouse by WDRA empanelled inspection agency M/S SGS India Pvt. Ltd. through its Inspection Officer Sh. Digambar Sharma and another empanelled inspection agency True Quality Certifications Pvt. Ltd. through its Inspection Officer Sh. S.P. Sharma on 04.06.2026. The inspection was done

in the presence of Sh. Vishesh Gupta, Central Bank of India. As per the inspection report (Annexure-VI) the following discrepancies were observed:

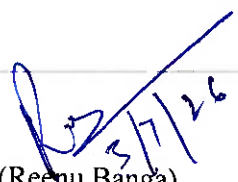
- a. Market committee has informed that the warehouse was never leased out to the Warehouseman Shri Ashwani Sharma.
 - b. Warehouseman Shri Ashwani Sharma was not present during inspection.
 - c. Warehouse was seen to be in control of Star Agri and Warehouseman Shri Ashwani Sharma has no effective control over the warehouse.
17. Whereas, vide forwarding email dated 05.06.2026, enclosing the contents of its internal email dated 03.06.2026, the Central Bank of India informed that an amount of ₹14.99 crore, along with applicable interest, was outstanding in the loan account against pledged electronic Negotiable Warehouse Receipts (eNWRs) valued at ₹6.82 crore, and that, upon verification, no pledged stock was found in the said warehouse.
18. Whereas the Enquiry Officer has submitted the Enquiry Report dated 16.06.2026 (Annexure-VII). The Enquiry Officer has recorded that the warehouseman has not replied to the Show Cause Notice dated 17.04.2026 and 14.05.2026.
19. Enquiry officer in his report has concluded that the warehouseman had committed multiple violations of the provisions of the Act, the Rules, and the Guidelines therein by submitting fraudulent documents regarding lease of warehouse, not maintaining effective control of the warehouse, not extending cooperation for inspection, not providing relevant records, releasing stocks related to pledged eNWRs.
20. The enquiry report submits that the warehouseman Shri Ashwani Sharma has violated the following provisions under the W(D&R) Act 2007 and the rules, regulations, guidelines therein in reference to Ashwani c/o Market Committee Madlauda (WH ID- 7022403)
- a) Rule 22(1)(a), 25(d), 25(e), 25(f), 25(g), 25(h), 25(l) of **Warehousing (Development and Regulation) Registration of Warehouses Rules, 2017**
 - b) Section 6(1), 6(3), 8, 10(3), 10(4), 43(1) of the **Warehousing (Development and Regulation) Act, 2007**
 - c) Clause 5(1), 9(4), 9(5) of the **Warehousing Development and Regulatory Authority (Electronic Negotiable Warehouse Receipts) Regulations, 2017**
21. After carefully, examining the inspection reports dated 16.12.2025, 04.06.2026, the enquiry report dated 16.06.2026 and the records/ documents placed before it, the Authority passes the following order:
- A. the Authority concurs with the findings of the Enquiry Officer and is satisfied that the warehouseman has failed to comply with the mandatory statutory obligations under the Act, and the rules, regulations, guidelines therein as elaborated in the enquiry report and thus resolved to cancel the registration of Ashwani c/o Market Committee Madlauda (WH ID- 7022403), Registered

address at VPO Madlauda, Panipat, Haryana 132113 under Rule 33 of the W (D&R) Registration of Warehouses Rules, 2017 with immediate effect.

The conduct of the warehouseman in remaining non-cooperative and unavailable during inspection is indicative of a deliberate and mala fide intention to circumvent statutory compliance under the W(D&R) Act, 2007. The warehouseman has submitted fraudulent documents regarding lease of warehouse, not maintained effective control of the warehouse, not extended cooperation for inspection, not provided relevant records, released stocks related to pledged eNWRs. The warehouseman did not even reply to Show Cause Notice(s) dated 17.04.2026 and 14.05.2026.

B. That, as per Rule 34 of the Warehousing (Development and Regulation) Registration of Warehouses Rules, 2017 the warehouseman shall on and from the date of cancellation of the registration of the said warehouses:

1. Cease to conduct the warehousing business in respect of Ashwani c/o Market Committee Madlauda (WH ID- 7022403), Registered address at VPO Madlauda, Panipat, Haryana 132113; and
 2. Continue to discharge its obligations in respect of negotiable warehouse receipts issued by it
 3. Ashwani c/o Market Committee Madlauda (WH ID- 7022403), Registered address at VPO Madlauda, Panipat, Haryana 132113 is prevented from issuing any negotiable warehouse receipts as the registration certificate of the said warehouse stands cancelled with immediate effect.
22. If aggrieved by this order, Shri Ashwani Sharma (warehouseman) has the right to appeal before the Appellate Authority under Section 42 of the Warehousing (Development and Regulation) Act, 2007, within Sixty (60) days, from the date of issuance of this order, in accordance with the procedure prescribed under the Warehousing (Development and Regulation) Appellate Authority Procedure Rules, 2010.


(Reenu Banga)
Dy. Director (SR&R)