

AND

Central Warehousing Corporation established as a Public Sector undertaking under the Warehousing Corporations Act, 1962 with its Corporate Office at "Warehousing Bhawan", 4/1, Siri Institutional Area, Hauz Khas, New Delhi-110 016 (hereinafter referred to as "CWC") which expression shall unless repugnant to the context or meaning thereof shall include its successors and permitted assigns.

WHEREAS

1. CWC has been established with primary objective of providing the facility of warehousing and logistics support to its clients particularly for the storage of food grains and notified commodities under the provisions of Warehousing Corporations Act, 1962 and has considerable expertise in handling and storage of a large number of commodities including agricultural produce and inputs.
2. That the bank is interested in the scheme of Financing the farmers/depositors on pledging the electronic Negotiable Warehouse Receipts (e-NWRs) issued by CWC with the Bank for agri commodities.

NOW THIS MOU WITNESSETH AS FOLLOWS

1. That the CWC has a network of warehouses across the country wherein Agriculturists and others store their produce and other notified commodities. CWC issues Warehouse Receipt for the goods/commodities deposited by them with CWC. CWC agrees to refer such persons to Bank for availing loan against the Warehouse Receipts issued by CWC.
2. That the Bank shall finance the farmers/depositors against the pledge of Warehouse Receipts issued by CWC for agri commodities at the rate of interest and other Bank norms prevailing at the time of such sanction.
3. That CWC agrees to keep the stocks of concerned farmer/depositor in safe custody in its warehouses and ensure its preservation with periodic prophylactic and curative treatments. CWC shall obtain a declaration from the farmer/depositor concerned that he has adequate title to the goods deposited.
4. That CWC shall prior to sanction of the loan by the Bank conduct as per the normal practice, quality testing for the agricultural produce as per quality parameters specified/prescribed etc. and weighing to the quantity of agricultural produce tendered for warehousing, brought by the agriculturists/depositors as security under the said scheme.
5. That Bank shall disburse the loan to such farmer/depositor within a reasonable time after receipt of Warehouse Receipt. Loan application and copy of Land Extracts will be obtained from the farmer/depositor by the Branch Manager of the Bank before sanction of the loan. The Bank shall inform CWC in writing about the amount of loan sanctioned and send the copies of all the relevant documents for record of CWC and get the lien "noted" on Warehouse Receipt by the respective Warehouse Manager of CWC. Before disbursing the loan, the Bank may conduct physical verification of the stocks and may also conduct inspection of goods periodically after it has granted loan.


राजीव बंसल / R. K. BANSAL
महाप्रबंधक (वाणिज्यिक) / General Manager (Commercial)
केन्द्रीय भण्डारण निगम
Central Warehousing Corporation
(भारत सरकार का उपक्रम) / (A Govt. of India Undertaking)
4/1, सीरी इंस्टिट्यूशनल एरिया, हाज खास, नई दिल्ली-110016
4/1, Siri Institutional Area, Hauz Khas, New Delhi-110016



6. That CWC shall not release the goods of the farmer/depositor in whose name the original Warehouse Receipt is issued unless lien is lifted by the Bank and intimation to release the goods either in part or full is given in writing by Bank to CWC.
7. That the Bank shall pay CWC a fee @ 0.50% + GST of the loan amount disbursed only **under Agriculture Segment (SBI Produce Marketing Loan Product)** subject to deduction of tax at source in relation to services described herein above.
8. That CWC shall be entitled to receive storage charges from the farmer/depositor and if the farmer/depositor fails to pay the storage charges for more than 3 months, the goods may be disposed of by CWC as per the Rules and Regulations of CWC upon notice to farmer/depositor and under intimation to the Bank who has lien over the goods. In such a case, CWC will pass on the sale proceeds of goods to the Bank after recovering its storage charges and other incidental charges towards adjustment of the loan granted by the Bank to such farmer/depositor.
9. That the Warehouse Receipt issued by CWC is valid for a period of 6 month which may be extended by CWC in further blocks of 3 months at a time after satisfying about its further storage worthiness. Farmers/depositors shall ensure the renewal of validity of the Warehouse Receipt by the CWC from time to time. In case of non-renewal of the validity period, a notice to lift the goods shall be served on the farmer/depositor under intimation to the Bank. In case of failure of the farmer/depositor to lift the goods even after the notice given, CWC shall dispose of the goods under intimation to the Bank and the farmer/depositor. In such cases, CWC will pass on the sale proceeds of the goods after recovering of its storage charges and other dues to the Bank towards adjustment of the loan granted by the Bank to such farmer/depositor.
10. That CWC shall monitor the quality of the agricultural produce stored in its warehouse during initial storage period as specified in the warehouse receipt and shall intimate to the Bank from time to time any deterioration in the quality thereof.
11. That CWC shall keep the goods insured against risks of fire, theft, burglary storm, tempest, flood inundation, riot, strike and malicious damages and in case of any loss or damage due to such incidents, the insurance claim amount received from insurance company after adjustment of its storage charges and other related dues will be kept undischursed, till Bank lien exists and the disbursement will be done in consultation with the Bank.
12. That CWC will indemnify the Bank to the extent of loss that has been incurred on account of CWC's lapse or negligence in performing their obligations under this MoU.
13. CWC shall take suitable fidelity insurance in respect of the employee (s) of CWC at the designated warehouse (s). In the event of any fraud / dishonesty by any such employee, CWC shall promptly make a claim to the insurance provider in respect thereof and all amounts received by CWC in this regard shall be paid to the Bank towards any loss or damage suffered or incurred by the Bank.
14. This MOU shall be valid and continuing unless terminated by either party. In the normal course, this MOU shall not be terminated by either of the parties. If, for any reason any party decides to terminate this MOU, then it shall give 3 months' notice to the other party and within this period both the parties shall continue to discharge their obligations. The termination of this MOU will not in any event release either of the parties from the


सजीव संकेत / R. K. BANSAL
महाप्रबंधक (व्यापारिक) / General Manager (Commercial)
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obligations arisen out of the loans already disbursed and shall cease on satisfactory liquidation of all the loans disbursed by the Bank to the farmer/depositor under the arrangement.

15. Dispute Resolution

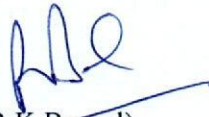
- 15.1 Any dispute or difference between both parties shall be amicably sorted out by both parties, for which two members of each organization shall be appointed by MD of the CWC and **State Bank of India**. Disputes, if any shall be resolved within 45 days.
- 15.2 In case the dispute or difference between both parties is/are not resolved, MDs of each organization shall amicably resolve / sort out remaining disputes, for which they will make best effort.
- 15.3 In the event of any dispute between State Bank of India and CWC remains unsettled then the Courts of New Delhi shall have the exclusive jurisdiction to adjudicate upon any or all disputes arising out of or in connection with this MoU.

16. This MoU shall be subject to exclusive jurisdiction of Courts in **New Delhi**.

17. The affirmation, the parties hereto have signed this Memorandum of Understanding on the day first hereinabove written.

Signed and delivered by the within Named
CWC through its Authorized Signatory

Signed and delivered by the within Named State
Bank of India through its Authorized Signatory



(R K Bansal)

General Manager (Commercial)
Central Warehousing Corporation,
Corporate Office, New Delhi

(भारत सरकार का उपक्रम) / (A Govt. of India Undertaking)
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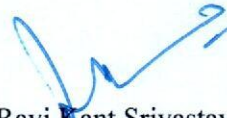
In the presence of Witness:

1. Name : Anjali Negi,
Designation: Manager(Commercial),
Central Warehousing Corporation,
Delhi



(Praveen Kumar Sinha)

Deputy General Manager (Crop Loans)
State Bank of India, ABU &GSS Department,
Corporate Centre, Mumbai



1. Name: Ravi Kant Srivastava
Designation: Chief Manager (Crop Loans)
State Bank of India, ABU &GSS Department,
Corporate Centre, Mumbai