

AUTHORISATION AGREEMENT FOR USE OF STORAGE SPACE ON DEDICATED WAREHOUSING

Central Warehousing Corporation is established under Warehousing Corporations Act, 1962 with the objective to provide storage of foodgrains and other notified commodities under the Act.

THIS AUTHORISATION AGREEMENT for use of storage space on dedicated warehousing basis is made on this _____ day of _____ between Central Warehousing Corporation having its Regional Office at _____ (hereinafter called "**CWC**" which expression shall include its successor or successors in interest and assigns) and M/s _____, represented by its authorized signatory (letter of authorization / Board Resolution/Power of Attorney to be enclosed Shri _____(_____) (hereinafter referred to as "the Second Party" which expression shall include its successor or successors in interest, legal heirs and representatives).

AND WHEREAS the Second Party has requested CWC for providing storage space at Central Warehouse, _____ for storage of _____ (only the notified commodities under the Warehousing Corporations Act, 1962) belonging to the second party or its clients as service provider (letter of authorization to be enclosed). In consideration of the Second party's request vide their letter dated -----CWC agrees to provide the storage space of _____square meter (sqm) at Central Warehouse, _____ on the following mutually agreed terms and conditions and as per following site plan:

Site Plan –

Covered Space	Open Space	Bound by
East West	North	South

1) Period of Agreement

1.1) The Second Party will utilize the storage space of _____sqm Covered space and -----sqm open space for a period of _____ months/years w.e.f. _____. Both CWC and Second Party shall have the option of renewing this agreement on mutually agreed terms and conditions. The storage space has been given by CWC to Second party on license basis for the specified purposes as mentioned in the agreement.

1.2) A site plan shall be prepared and enclosed, as annexure to the agreement. Warehouse Manager along with the second party (depositor) will jointly prepare the site plan of the reserved area which will contain the breakup of storage space i.e. open, covered, parking, office, dock, roof, mezzanine floor and north-south-east-west directions of the space, including left, right, front and back mark.

1.3) In case of any change in the allotted space as indicated above, an addendum or corrigendum to this agreement, with specific date of any such alterations will be signed. The covered area and open area will be provided on “As is where is” basis.

1.4) Lock in Period (if applicable)

The second party (depositor) shall not vacate the storage space allotted under this agreement (including any addendum) within ___ months/years from the date of commencement of this agreement. CWC shall also not ask the second party to vacate the storage space within the lock-in period ofmonths/years.

2) Storage Charges (as applicable)

2.1) The rate of storage charges shall be **Rs. _____/-per square meter per month** for covered area and **Rs. _____/-per square meter per month** for open area or part thereof on **gross area basis**. The aforesaid storage charges shall be subject to enhancement during the term of this Agreement at the rate of 6% (six per cent) every year applicable from the anniversary of this agreement, on last paid storage charges (on compoundable basis). The GST or any other tax in lieu thereof levied by the Central/State Government on the same as applicable from time to time, shall be payable extra by the Second Party.

OR

The rate of storage charges shall be **Rs. _____/-per square meter per month** for covered area and **Rs. _____/-per square meter per month** for open area or part thereof on gross area basis. The aforesaid storage charges shall be subject to enhancement during the term of this agreement as decided by CWC for its annual escalation. The escalation will be effective from 1st April of the financial year. The GST or any other tax in lieu thereof levied by the Central/State Government on the same as applicable from time to time, shall be payable extra by the Second Party.

Note: *Tariff escalation w.e.f. 1st April will be compulsory for the agreement signed for one year period or less than one year period.*

2.2) The all types of usage of the space/facility (including covered, open, parking, dock, mezzanine and office) will be subject to tariff escalation.

3) Rent free period for repairs (if applicable)

3.1 The depositor shall be allowed rent free period ofmonths commencing from (date) to(date) for carrying out repairs of roof, floor and road at their own cost, for which CWC will not make any reimbursement. And the second party will leave repaired / upgraded godown, in as it is condition unless otherwise as directed by the CWC.

4) Security Deposit

4.1) The second party has deposited Rs. _____ towards security deposit equivalent to three months storage charges.

4.2) Additional security deposit (if applicable)

The second party shall deposit additional Security Deposit of Rs. ____ (Rupees in words) towards storage charges equivalent to the lock-in period, as stipulated in clause 1.4 in the form of Bank Guarantee (BG) issued byBank. The period of BG is fromto CWC shall forfeit the additional Security Deposit to the extent of un-expired lock-in-period, in event of vacation by the second party, within lock in period.

Note

1. In case the second party has made investment in the facility to suit their requirement with a lock-in period and if it is not on BOT basis, then no additional Security Deposit is payable.
2. Further when CWC has not made any investment in the facility to suit the requirement of the Second Party and if Second Party seeks a Lock-in period, then no additional Security Deposit is required.

4.3) The Security Deposit shall be refunded to the depositor on completion or termination of the agreement, provided the second party clears all dues of CWC and No Dues Certificate is issued by the Warehouse Manager.

4.4) CWC shall be at liberty to recover any due amount, from the security deposit or any additional security deposit, on termination of contract, irrespective any other remedy available to CWC under the law.

4.5) The security deposit and additional security deposit for lock-in-period shall not carry any interest.

5) Insurance of stock and property

5.1) The Second Party shall make their own arrangements for comprehensive insurance of stocks stored, facilities created and their staff /workers working in the demised premises and also for the equipment, furniture and fittings, etc, installed by them in the demised premises, etc, covering against all insurable risks such as theft, burglary, pilferage, flood, cyclone, fire, civil commotion, accident etc including renewal of the insurance policies from time to time and keeping the policies in force. CWC shall not be responsible to make good any losses/damages to goods and the other items and / or persons, as mentioned herein above. The Second Party shall indemnify CWC, for all the costs which may be incurred by CWC for loss minimization with respect to insurance claim or any consequential loss to CWC. The Second Party shall endorse the location of CWC Warehouse to protect the interest of CWC, as Bailee of the goods and shall provide copy of insurance policy to CWC every year after renewal.

5.2) The building insurance shall be arranged by CWC at its own cost. In case of any malafide action or negligence on the part of the Second Party or his employees or any other person on his behalf as a result of which the claim of CWC is rejected, Second Party shall compensate the loss to CWC. The decision of the Regional Manager, CWC, RO- _____ in this regard will be final.

6) Payment terms

6.1) The payment of storage charges shall be made within 10(Ten) days of raising the bill **in advance**. It is also agreed that such bills would be submitted to the Depositor by the Warehouse Manager, CWC, on or before the 3rd day of every month. In case the payment is delayed or not made within 10(Ten) days from the date of submission of bill by Warehouse Manager, interest @ **12.5 %** per annum will be charged and it will be payable by the second party (Depositor).

6.2) Default in payment

In case payment is not made for a continuous period of two months (maximum) by the Second Party even during lock-in period, it shall be treated as breach of agreement and agreement shall stand terminated and **CWC shall have the right to stop transactions/operations of the depositors or take control of their stock/operations, put CWC lock in the dedicated godowns in case depositors fail to make payment for a period of 2 months.**

7) Overall Supervision

The Second Party will ensure to carry on their transactions in the said godown under the overall discipline of CWC and shall also abide by various laws of the land. The Second Party will also assume the responsibility for any damages to the property due to their negligence while the same remains under their use. The Second Party shall also ensure that the load on the godown floor at any given time shall not exceed 3.33 MT per sqm.

8) Compliance to prevalent laws

- 8.1)** The Second Party is required to take all the clearance/permission, etc, for storing the goods from the concerned authorities and liability if any, on account of violation/non-compliance occurs, the same will be borne by the Second party and CWC will not be responsible for the same including the expenses for defending/initiation of any legal suits/proceedings. The necessary assistance as may be required for this purpose shall be provided by CWC within legal framework to the second party, without any liability of whatsoever nature including any financial liability.
- 8.2)** Second party shall also indemnify CWC for all proceedings/liabilities against CWC by any third party at all times which are incurred due to the business of second party.

9) Responsibility of stocks and Inventory

- 9.1)** The Second Party is allowed to maintain their own stock accounting of goods stored in the godown on dedicated warehousing basis. The Second party is also permitted to deploy their own security personnel for the storage space allotted subject to overall discipline and control of the Warehouse Manager of CWC. Second Party will submit the KYC (Know you Customer) documents of all staffs including security personnel deployed by them at warehouse to warehouse manager.
- 9.2)** The Second Party agrees to allow CWC officials or its authorized representatives for inspection of the godown premises at any time to ensure compliance of the terms and conditions of the agreement and any other rules and regulations.

10) Access Control

10.1) Access control, at the main gate of the warehouse, to be manned by CWC and recording the movement of inward and outward of vehicles shall also be done by CWC, for which the second party shall produce requisite document / information to the authorized representative of CWC at main gate.

11) Provision for Utilities and the payment of utility charges

11.1) CWC, based on the request of the Second Party, and at its sole discretion may consider providing separate water, overhead water tank, bore well, DG set, fire-fighting, Sewage Treatment Plant, fencing, enabling services, telephone, electricity connection, electrical load enhancement, etc, wherever feasible. The cost of such installations shall be borne by the Second Party.

11.2) However, CWC, at its sole discretion can also permit execution of aforesaid facilities directly by the Second Party themselves, on their specific request and at their own cost. All charges / payment, to be made to any Govt. body / Third Party, for these utilities, shall be made by CWC and same will be reimbursed by the second party. If payment is made by the Second Party, necessary documentary proof of such payments will be submitted to CWC by the second party on monthly basis.

11.3) The overall electric load shall not exceed the sanctioned limit.

11.4) Cabling etc. to be done and removed at the cost of the Second Party.
But this should not hamper any installations/fixers of CWC or else the charges for repairs/replenish shall be payable by the Second Party.

11.5) Separate sub-meter is to be installed by the Second Party at their cost and the electricity charges to be paid on actual basis as calculated in the highest applicability of Electricity Supply Authority's rates along with proportionate minimum charges under highest slab-cess and levies, service tax/GST or any other tax, if any, calculated on actual consumption basis, by the second party with due intimation and necessary documentary proof of such payment.

11.6) If second party wants separate electricity connection of higher load than that of the present sanctioned load, CWC will facilitate by way of filing the application wherein related expenditure will be borne by the second party. All the payments shall be made by the second party in

the name of CWC, with due intimation and necessary documentary proof of such payments every month to CWC.

- 11.7)** If due to their using the electricity, CWC is required to pay a higher tariff for electricity than the prevailing highest tariff applicable, and due to change in the categorization/structured load, the difference/additional liability of whatever nature, on this score is to be borne by the Second Party.

12) Operational hours

12.1) CWC agrees to allow Second Party to carry out their transactions on a 24x7 basis subject to compliance of the relevant applicable laws/statutory provisions.

13) Installation of Mezzanine floor

13.1 Mezzanine floors shall be modular and prefabricated. It shall be designed to bear the cargo loading of 1.0 ton per sqm to 1.5 ton per sqm as per the second party's requirement. It should be fixed and assembled at site with use of holding down bolts and nuts of adequate strength to avoid any mishap and making the system un-storage worthy.

13.2 CWC shall provide the mezzanine floor in the storage space, for which the second party shall agree to pay storage charges @70% of the covered area storage tariff applicable to the second party.

13.3 CWC shall permit the Second Party to install mezzanine floor in the storage space provided under the agreement, at their own cost, provided the second party shall agree to pay storage charges @50% of the covered area storage tariff applicable to the second party.

13.4 Storage charges for the mezzanine floor (in case constructed by second party) shall be levied after a period of one / two month(s) from the date of giving such permission by CWC. In case of delay in construction or cancellation of mezzanine project, the second party shall seek more time/inform Regional Manager in writing. Regional Manager will permit extension or cancellation of the project.

OR

Storage charges for the mezzanine floor (in case constructed by CWC) shall be levied from the date of handing over of mezzanine floor.

13.5 Warehouse Manager along with Engineer and representative of the second party shall jointly verify the mezzanine area and submit the survey report. An addendum to this agreement shall be signed for provision of mezzanine floor under this agreement.

- 13.6** On completion of agreement period between CWC and the second party, the mezzanine floor installed by the second party shall be taken back by the Depositor. In case of damage to the floor or any infrastructure while uninstalloing the mezzanine structure, the same shall be repaired by the party at their own cost.
- 13.7** If the second party fails to repair, the same shall be repaired by CWC and the amount incurred on repairing or restoration of infrastructure will be paid by the Depositor at double the actual cost incurred by CWC.
- 13.8** The second party shall ensure that total load of mezzanine and original floor at any given point of time does not exceed the limit i.e. 3.33 MT per SQM.

14) Installation of Solar panel

- 14.1** The electricity generated from solar panel will be consumed by the depositor itself.
- 14.2** The depositor shall deposit @Rs.250/- per sqm of the roof area, as interest free refundable Security Deposit.
- 14.3** At the time of seeking permission, the depositor should provide structural safety certificate of the warehouse from a certified structural engineer duly vetted by Govt. Engineering College/NIT/IIT, stating that warehouse is safe for installation of the type of solar panel system. The certificate submitted by the depositor from structural engineer is to be verified by engineer of the concerned Regional Office before giving permission for solar panel installation.
- 14.4** Notwithstanding 1. (iii) above and grant of permission to install solar panel system by the CWC, the depositor will submit an undertaking that in event of any damage to warehouse, due to solar panel installation, the depositor will be solely responsible and therefore, they shall repair/replace the damaged roof and any part of the warehouse, to the entire satisfaction of CWC.
- 14.5** There shall not be any damage to the infrastructure i.e. columns, trusses and galvanized sheets of the godowns due to installation of solar panels.
- 14.6** Holes drilled, on the roofing system / sheets for fitting solar panels, shall be plugged and made free from any rain water leakages.
- 14.7** On Completion of agreement period between CWC and the Depositor, the solar panel shall be removed by the Depositor and the roof sheets where holes are made should be replaced completely by the Depositor at their own cost. If depositor fails to repair/replace/restore the infrastructure, the same shall be repaired/replaced/restored by

CWC. Cost of such works shall be recovered from the depositor @ double of actual expenditure incurred.

14.8 In case, the depositors desires to replace the existing roofs by superior quality galvalume / galvanised steel sheets, they will be allowed to do so at their own cost after taking permission of CWC. Such roofing system shall become the property of CWC. CWC shall not reimburse the initial or depreciated cost of new roofing system provided by the depositor at their own cost to suite their solar panel installations or as part of their overall schemes.

14.9 CWC may also use the roof of godowns for installation of Solar Panel for electricity generated for captive consumption of CWC or its depositors. The Depositor shall not have any rights over the roof or godown except right to use for the defined purpose. The depositor shall not create any hindrance in works of CWC on the roof of such godown.

15) Creation of temperature controlled covered area

15.1 The second party shall convert the existing covered warehousing space into controlled atmosphere and temperature / cold storage system, at their own cost, after the prior approval of CWC.

15.2 On completion of the agreement period, second party will hand over the covered space in its original condition i.e. prior to conversion/creation of CAT/CS. If the second party fails to restore the same, restoration of the infrastructure will be done by CWC and the depositor shall pay at double of actual expenditure incurred.

15.3 The second party, with the prior approval of CWC, may construct / create new CAT/CS system, at their own cost, in the open space allotted to them. The storage charges of said area shall be charged at the same rate as of the covered area tariff, prevailing under the agreement.

16) GST and other taxes

16.1)The Second Party shall have to bear GST and any other tax levied by Central/State/Local bodies from time to time including Stamp Duty, if any, imposed on execution on this agreement. The Second party shall also have to bear the GST, tax/duty etc. imposed in the aforesaid transaction on account of enactment of any new Act or any amendments made in the existing Acts/ Rules.

16.2) Any other tax/levy imposed by the local bodies on account of their business activities / operations at CW, -----, the same shall be borne / payable by the Second Party without any demur.

17) Subletting

17.1) The second party is forbidden to sublet the demised premises to any third party. Any violation to this clause shall be deemed as a breach to this agreement and the same shall be liable for termination, as per clause 21.

18) Use of Space

The Second Party shall be authorized to allow its affiliates, associates and group companies domiciled in India to use the demised premises in connection with business of the Second Party, subject to issue of “No Objection Certificate “by CWC as per Annexure-A to this Agreement. CWC shall not bear any liability arising on account of above said registration and the Second Party shall be solely responsible/liable for any liability for whatsoever arising on account of above provisions in **Annexure-A**.

19) Creation of permanent or temporary infrastructure:

19.1) The second party may use open area allotted to the party under this agreement for creation of a **permanent structure** (office, workers shed, firefighting, water tank, canteen, other utilities occupying permanent ground space, etc.) for commercial / their exclusive operational purpose, but with prior permission of CWC. The CWC shall charge the tariff for such area, as applicable for the covered storage space, prevailing under this agreement.

19.2) The second party may with prior permission of CWC create **temporary structure**, parking, pathway, fenced area, electrical lighting, etc, and / or for open storage for commercial or operational purpose, in exclusive manner, in the open area allotted under this agreement. The depositor shall make request for additional open area for such purpose on payment of storage charge @ 60% of the covered area rate of CW.....

19.3) CWC shall provide **office space** to the Depositor, if available, surplus to their own requirement @ double the tariff, as applicable for the covered storage space at CW.....

19.4) The depositor shall not use dock area for the storage of goods. Dock area shall be used for the operational purpose only. In case of use of dock area for storage, 60% of the covered area tariff as applicable shall be

payable by the depositor for the period of default. The Depositor shall also vacate such operational dock area immediately.

19.5) In no case the Depositor will use approach road for parking of vehicles. For dedicated parking space, the depositor shall make request for any additional open area on payment of storage charge @ 60% of the covered area rate of CW.....

19.6) CWC will be at it liberty to rent out **its unallocated** vacant land for mobile tower, ATM, Hoarding for advertisement and the depositor will not create any hindrance. Further, depositor shall not claim share or otherwise on the income/revenue/profits received from these facilities.

20) Alteration and modification

20.1) During currency of this agreement **no** alteration, modification or structural changes in the godown / demised premises shall be undertaken by the second party, without prior written permission of CWC. However, the second party may undertake whitewash /colour wash/ floor painting, repair and maintenance of equipment, replacement of machinery parts, improvisation of the cooling system and install their furniture, fixtures, at their own cost.

21) Termination of agreement

21.1)The agreement can be terminated by either party by giving Three months advance notice or storage charges in lieu thereof. However, in case breach of provisions/conditions of this agreement by the Second Party, CWC can immediately terminate this arrangement without resorting to three month notice period.

21.2) This agreement shall terminate on completion of period of agreement as per clause 1.1 or on default in payment under clause 6.2 of this agreement.

22) Restoration of infrastructure at the time of eviction/completion of agreement

22.1) The Second Party shall be entitled to remove its goods, fittings, fixtures etc. at their own cost and handover the Godown(s) to CWC after restoring complex/Godown(s) in the same condition, in which, the same existed at the time of execution of the Agreement/ handing over to the Second Party, which ever earlier.

22.2) In case the party fails to handover the godown in serviceable condition, the Second Party shall pay for the same at double the actual expenditure incurred in making it serviceable.

22.3) Any improvements made in the warehousing infrastructure and any other immovable asset created by the Second Party shall be left as it is by second party without any cost to CWC.

23) Removal of stock at the time of completion of Agreement

The corporation has first right of lien on the goods stored at the warehouse in respect of storage charges and other dues which may be recovered by sale of the goods deposited in the event of default on the part of Second Party. The Second Party should remove the stock immediately and if not removed, CWC will remove stock at the cost of party.

24) Anti-Corruption

CWC acknowledges the Code of Business Conduct and Ethics which prohibits the paying of bribes to anyone for any reason, whether in dealings with governments or the private sector. CWC and Second Party shall not violate or knowingly permit anyone to violate the Code's prohibition on bribery or any applicable anti-corruption laws in performing under this Agreement. The Parties may immediately terminate or suspend performance under this Agreement if any of the parties breach this Clause. CWC agrees and accepts that in case of any issue arising out of or in connection with this clause, it will provide all necessary assistance and co-operation to the Second Party for the purposes of this clause.

25) Adherence to ISO standards

CWC being an ISO 9001, 14001, and 18001 certified organization, the second party shall ensure that legal and other compliances of the ISO standards in the demised premises.

26) Cleanliness of Warehouses

The Second Party will ensure proper disposal of the debris, garbage, discarded packaging material on day to day basis at their own cost. Further second party shall be responsible for maintaining hygiene in the demised premises. **If Second Party fails to remove debris, garbage, discarded packing material even after reminded by CWC, it shall be removed by CWC at the risk and cost of the Second Party.**

27) Installation of Fire Fighting system

The Depositor shall install firefighting system in the area allotted to them in accordance with the requirement of the standard, as and when required and they shall be solely responsible for any violations or any fire hazards.

28) Arbitration clause:

- (i) All disputes and differences arising out of or in any way touching or concerning this agreement whatsoever shall be referred to the sole arbitration of any person appointed by the Managing Director, Central Warehousing Corporation, New Delhi. It is a term of this contract that in the event of such Arbitrator to whom the matter is originally referred being transferred, or vacating his office or being unable to act for any reason, the Central Warehousing Corporation at the time of such transfer, vacation of office or inability to act, shall appoint another person to act as Arbitrator in accordance with the terms of this contract. Such person shall be entitled to proceed with the reference from the stage at which was left by his predecessor. It is also a term of this contract that no person other than a person appointed by the Managing Director, Central Warehousing Corporation, New Delhi as aforesaid should act as Arbitrator and if for any reason that is not possible, the matter is not to be referred to arbitration at all. The Arbitrator shall give reasons for his award.

Provided further that any demand for arbitration in respect of any claim [s] of the contractors, under the contract shall be in writing and made within one year of the date of termination or completion [expiry of the period [of the contract and where this provision is not complied with the claim [s] of the contractors shall be deemed to have been waived and absolutely barred and the Corporation shall be discharged and released of liabilities under the contract.

The venue of arbitration shall be such place as may be fixed by the Arbitrator in his sole discretion.

The arbitral proceedings in respect of dispute shall commence on the date on which the Arbitrator call upon the parties to file their claim and defence statement.

The work under the contract shall, if reasonable possible continue during the arbitration proceedings and no payment due or payable to the contractors shall be withheld on account of such proceedings.

The cost of arbitration shall be borne by parties as per the decision of

the arbitrator.

The arbitrator shall give separate award in respect of each dispute of difference referred to him. Subject as aforesaid the **Arbitration & Conciliation Act 1996** and amended thereof, shall apply to the Arbitration proceedings under this clause.

29) Eviction under Public Premises (Eviction of Unauthorized Occupants) Act, 1971

It is agreed that consequent upon forced / normal termination of this agreement, M/s. ----- shall wind up and terminate their business operations and clear the said godowns of their personal property and their furniture, fixtures and other material within the period specified for such clearance in the termination order. In case of failure, the godown or the property of CWC would be got vacated under the provisions contained in the Public Premises (Eviction of Unauthorized Occupants) Act, 1971 at the risk and cost of M/s. ----- . Any damage to the facility or godowns, arising out of the business operations of M/s. ----- -- save for normal wear and tear, shall be made good by M/s. -----

30) Jurisdiction by Courts

The courts of _____ will have exclusive jurisdiction to adjudicate any dispute arising under or in connection with the agreement.

This agreement is made in two originals having different stamp papers. Each party will retain one original agreement.

In witness whereof the parties hereto have set their hand the day and year first written above.

WITNESS:

ON BEHALF OF CWC

Regional Manager

1.

2.

WITNESS:

ON BEHALF OF _____

Authorized signatory

1.

2.