Workspace licence agreement

Coworking and managed office licence (leave and licence) format for India

Read this first

This is a starting point for a coworking or managed office licence agreement in India. It is **not legal advice** and has not been reviewed for your state, your building or your clients. Laws, stamp duty and registration rules differ from state to state and change over time. **Have a lawyer review it for your state before you use it.**

How to use it: fill in everything in [square brackets], choose between the options marked [Option A / Option B], and delete every "Drafting note" before the agreement is signed. The commercial terms (seats, fees, dates) go in Schedule 1, and the services in Schedule 2, so the clauses stay the same from client to client.

This Workspace Licence Agreement (the **Agreement**) is made on [date] at [city].

Between

[Licensor legal name], a company incorporated under the Companies Act, 2013, with CIN [CIN], registered office at [address], and GSTIN [GSTIN for the state where the Centre is] (the **Licensor**, which includes its successors and permitted assigns);

and

[Licensee legal name], a [company / LLP / firm] with [CIN / LLPIN / registration number], registered office at [address], and GSTIN [GSTIN] (the **Licensee**, which includes its successors and permitted assigns).

The Licensor and the Licensee are each a **party** and together the **parties**.

Background

A. The Licensor runs a serviced workspace centre called [Centre name] at [full address, floor] (the **Centre**). [The Licensor holds the Centre under a lease from its owner that allows it to grant licences of this kind.]

B. The Licensee wishes to use seats and services at the Centre on licence, on the terms below.

1. Definitions and how to read this Agreement

1.1 In this Agreement: **Commencement Date**, **Term**, **Lock-in Period**, **Notice Period**, **Licence Fee**, **Security Deposit** and **Seats** have the meanings and values given in Schedule 1. **Services** means the services in Schedule 2. **House Rules** means the Centre's rules for members and visitors, as updated under clause 13. **Business Day** means a day other than a Sunday or a public holiday in [city]. **Licensee's People** means the Licensee's employees, contractors and visitors.

1.2 The Schedules and Annexures form part of this Agreement. If a figure in Schedule 1 differs from a figure in the clauses, Schedule 1 applies. If the House Rules conflict with this Agreement, this Agreement applies.

2. A licence, not a lease

2.1 The Licensor grants the Licensee a licence to use the Seats, and the common areas of the Centre in common with others, for the Permitted Use in Schedule 1, for the Term.

2.2 The Licensor keeps possession and control of the Centre at all times, including the keys, the access systems and the right to enter. This Agreement does not create a lease, sub-lease or tenancy, and does not give the Licensee any interest in, or tenancy rights over, the Centre or the building.

2.3 The licence is personal to the Licensee. The Licensee may not transfer it, sub-license it or let any other business use the Seats without the Licensor's written consent.

Drafting note: what you do in practice should match this clause. You control access, keep the keys and provide the services. If you hold the Centre on lease, check that your lease allows you to grant licences, and that nothing here promises more than your lease gives you.

3. Premises and seats

3.1 The Licensee may use the number and type of Seats in Schedule 1, at the seat or cabin numbers shown there [and on the floor plan in Annexure A].

3.2 Each Seat is for one person at a time [unless Schedule 1 says otherwise]. If the Licensee regularly has more people in the Centre than it has Seats, the Licensor may charge for the extra people at the rate in Schedule 1, or the parties will add Seats under clause 3.4.

3.3 The Licensor may move the Licensee to equivalent Seats in the same Centre on at least [15] days' written notice, at the Licensor's cost and with no change to the Licence Fee, [not more than once in any 12 months].

3.4 Seats can be added or given up only by a written amendment signed by both parties, which states the new number of Seats, the rate and the date the change takes effect. Seats may not be given up during the Lock-in Period unless Schedule 1 allows it.

3.5 If the Seats are not ready for use on the Commencement Date, the Licence Fee starts on the day they are ready. If they are not ready within [30] days of the Commencement Date, the Licensee may end this Agreement by written notice and the Licensor will refund the Security Deposit and any fees paid in advance within [15] days.

4. Term

4.1 This Agreement starts on the Commencement Date and continues for the Term in Schedule 1, unless it is ended earlier under clause 18 or renewed under clause 20.

4.2 The Licence Fee for a part month at the start or end of the Term is charged in proportion to the number of days in that month.

5. Lock-in

5.1 Neither party may end this Agreement for convenience with effect before the end of the Lock-in Period in Schedule 1. This does not limit clauses 3.5, 17.6, 18.2, 18.3 and 18.5.

5.2 If the Licensee ends this Agreement or leaves the Centre during the Lock-in Period, other than because of the Licensor's breach or under clause 17.6, the Licensee will pay the Licence Fee for the rest of the Lock-in Period (the **Lock-in Charge**). The Licensor will issue a GST tax invoice for the Lock-in Charge.

Drafting note: some operators agree a smaller lock-in charge, or a lock-in that binds the Licensor too. Whatever you agree, state the amount or the formula exactly.

6. Licence fee and escalation

6.1 The Licensee will pay the monthly Licence Fee in Schedule 1 (the rate per Seat multiplied by the number of Seats), plus GST and the charges for any extras it uses.

6.2 The Licence Fee will increase by [ ]% on each [anniversary of the Commencement Date / date in Schedule 1], calculated on the Licence Fee payable just before the increase. The new rate will apply from the first invoice after that date [and the Licensor will confirm it in writing at least [30] days before].

6.3 Any discount, free period or free extras apply only if they are written in Schedule 1.

7. Security deposit

7.1 The Licensee will pay the Security Deposit in Schedule 1 [on signing / before the Commencement Date]. It is interest-free and refundable on the terms of this clause.

7.2 The Licensee may not adjust the Security Deposit against the Licence Fee or other charges, including the fees for the last months of the Term, unless the Licensor agrees in writing.

7.3 When Seats are added or the Licence Fee increases, the Licensee will [top up the Security Deposit so it equals [ ] months of the new Licence Fee / not need to top it up].

7.4 The Licensor may deduct from the Security Deposit only:

(a) amounts invoiced under this Agreement that are unpaid, including any Lock-in Charge or Notice Charge;

(b) the reasonable cost of repairing damage to the Centre caused by the Licensee's People, beyond normal wear and tear; and

(c) the charge in Schedule 1 for each access card, key or parking sticker not returned.

7.5 The Licensor will give the Licensee an itemised statement of any deduction, with evidence such as invoices or photographs, and will refund the balance within [30] days after the later of the end of this Agreement and the completion of the exit steps in clause 19. [If the refund is late, the Licensor will pay interest at [ ]% a month on the late amount.]

8. GST

8.1 All amounts in this Agreement and its Schedules are exclusive of GST. The Licensee will pay GST at the applicable rate in addition. GST will be shown separately on each tax invoice.

8.2 The Licensor will invoice from its GST registration in the state where the Centre is. The Licensee will give the GSTIN of its registration in that state, if it has one, and will tell the Licensor in writing before the next invoice date if its GST details change. Each party is responsible for the accuracy of the GST details it gives.

8.3 If the GST rate changes, the rate that applies by law on the date of supply will be charged.

8.4 No GST is charged on the Security Deposit when it is paid. If the Licensor keeps any part of it as a charge that has not already been invoiced, it will issue a tax invoice with GST for that charge.

8.5 Issued invoices are not edited. If an invoice needs to change, for example because Seats were given up after the invoice date, the Licensor will issue a credit note or debit note against the original invoice.

9. TDS (tax deducted at source)

9.1 The Licensee may deduct tax at source from payments to the Licensor where the income-tax law requires it. Because GST is shown separately on each invoice, TDS will be calculated on the amount excluding GST.

9.2 The Licensee will deposit the TDS on time against the Licensor's PAN [PAN], file its TDS statements correctly, tell the Licensor which section of the law it deducts under, and give the Licensor a TDS certificate for each quarter within the time the law allows.

9.3 If TDS deducted by the Licensee does not appear in the Licensor's annual tax statement within [60] days after the end of the quarter, the Licensee will correct its TDS statement or pay the amount to the Licensor. Until then, that amount is treated as unpaid.

9.4 If the Licensor gives the Licensee a lower deduction certificate, the Licensee will deduct at the rate in that certificate, within its dates and limit.

9.5 The Licensee will not deduct TDS from the refundable Security Deposit unless the law requires it.

10. Invoices and payment

10.1 The Licensor will issue a tax invoice in advance on the [1st] day of each [month / quarter] for the Licence Fee and fixed charges for that period, and in arrears each month for extras charged by use.

10.2 Each invoice is due for payment within [7] days of the invoice date (the **Due Date**), by bank transfer to the Licensor's account in Schedule 1, quoting the invoice number.

10.3 The Licensor will tell the Licensee about any change to its bank details only by a signed letter on its letterhead. The Licensee should confirm any change by phone with the Licensor's finance contact before paying to a new account.

10.4 If the Licensee uses purchase orders, it will give the Licensor a valid purchase order covering the Term before the Commencement Date and renew it before it expires or runs out. A missing or expired purchase order does not change the Due Date.

10.5 If the Licensee disputes an invoice, it will tell the Licensor in writing within [7] days of receiving it, with reasons, and will pay the undisputed part by the Due Date.

10.6 On any amount not paid by the Due Date, the Licensee will pay a late fee of [ ]% a month [or INR [ ] per invoice], from the Due Date until payment, plus GST if applicable.

10.7 If an amount is unpaid for more than [15] days after the Due Date, the Licensor may, after giving [7] days' written notice, suspend access and Services until it is paid. The Licence Fee continues during any suspension.

11. Services included and extras

11.1 The Licensor will provide the Services marked as included in Schedule 2 during the service hours shown there. They are part of the Licence Fee.

11.2 Extras in Schedule 2 are available on request at the rates shown. The Licensor may change the rates for extras charged by use on [30] days' written notice. Extras agreed for the Term at a fixed price, such as parking, do not change except by amendment.

11.3 The Licensee will raise service requests through [the member app / help desk / email]. The Licensor will respond within the times in Schedule 2 and give at least [48] hours' notice of planned maintenance that affects the Licensee.

11.4 If the Seats cannot be used for more than [2] consecutive Business Days because of the Licensor's failure, the Licence Fee for those days will be reduced in proportion, by a credit note.

12. Meeting room credits

12.1 The Licensee receives the meeting room credits in Schedule 1 each month. Rooms are booked through [the member app / front desk] and are subject to availability.

12.2 Unused credits lapse at the end of each month. They cannot be carried forward, transferred or exchanged for money [unless Schedule 1 says otherwise].

12.3 Bookings beyond the credits are charged at the rates in Schedule 2 and invoiced in arrears. A booking cancelled less than [2] hours before it starts uses the credits or is charged as if used.

13. House rules and use of the Centre

13.1 The Licensee will make sure the Licensee's People follow the House Rules in Annexure B. The Licensor may update the House Rules on [15] days' written notice, or at once where the change is needed for safety or to comply with the law.

13.2 Without the Licensor's written approval, the Licensee will not make alterations, put up signage or branding, or install fixtures, network equipment or other IT equipment in the Centre.

13.3 The Licensee will not use the Centre for anything illegal, unsafe or that causes a nuisance to others, will not store dangerous items there, and will not use it as a residence.

13.4 The Licensee is responsible for the conduct of the Licensee's People and for damage they cause.

14. Access, IDs and visitors

14.1 The Licensee's People may use the Centre during the access hours in Schedule 1.

14.2 The Licensor will issue one access card for each Seat [or as stated in Schedule 1]. Cards are personal and may not be shared. The Licensee will give the Licensor a list of its users, tell the Licensor within [2] Business Days when someone leaves so their card can be switched off, and pay the charge in Schedule 1 for a lost card.

14.3 The Licensor may ask anyone entering the Centre for photo identification and keep a visitor register. Visitors must be invited in advance and signed in at reception.

14.4 The Licensor and its staff may enter the Licensee's area for cleaning, maintenance, safety checks and inspection, with reasonable notice except in an emergency.

14.5 The Licensor may refuse entry to, or remove, anyone who breaks the House Rules in a serious way or puts people or property at risk.

15. Data and confidentiality

15.1 Each party will keep the other's confidential information private and use it only for this Agreement. This does not apply to information that is public, or that must be disclosed by law or to a party's professional advisers, who must also keep it confidential.

15.2 To run the Centre, keep it secure and bill for it, the Licensor collects and uses personal data of the Licensee's People, such as names, contact details, ID details, access logs and CCTV footage of common areas. The Licensor will handle this data in line with applicable Indian data protection law and its privacy notice at [link].

15.3 The Licensee will tell the Licensee's People about the Licensor's privacy notice before they start using the Centre.

15.4 Neither party will use the other's name or logo in publicity without written consent.

16. IT, internet and Wi-Fi

16.1 The Licensor will provide internet access as described in Schedule 2. It is a shared service. The Licensor will fix faults within the times in Schedule 2 but does not promise that it will be uninterrupted or error-free.

16.2 The Licensee is responsible for the security of its own devices, accounts and data. [A dedicated line or separate network is available as an extra.]

16.3 The Licensee's People will not use the network for anything illegal or harmful, will not connect routers, access points or servers without written approval, and will not interfere with the network or try to access other users' traffic or devices.

16.4 The Licensor may disconnect a device or user that threatens the security of the network, and will tell the Licensee promptly. The Licensor may keep network logs where the law requires it.

17. Insurance, liability and indemnity

17.1 The Licensor will insure the Centre's fit-out and its own equipment [and hold public liability insurance].

17.2 The Licensee will insure its own equipment, belongings and people. The Licensor is not responsible for loss of or damage to the Licensee's property unless it is caused by the Licensor's negligence.

17.3 Each party's total liability under this Agreement in any 12-month period is limited to [ ] months of the Licence Fee [or INR [ ]]. This limit does not apply to the Licensee's obligation to pay fees and charges, damage to the Centre caused by the Licensee's People, fraud, wilful misconduct, breach of clause 15, or any liability that cannot be limited by law.

17.4 Neither party is liable for indirect or consequential loss, or for loss of profit, business or data.

17.5 Each party will make good the other's loss from claims by third parties caused by its own breach of this Agreement, negligence or wilful misconduct, or that of its people.

17.6 Neither party is liable for a delay or failure caused by events beyond its reasonable control, such as fire, flood, epidemic or a government order. If the Seats cannot be used for more than [30] days because of such an event, no Licence Fee is payable for that time, and either party may end this Agreement by written notice with no Lock-in Charge.

18. Termination and notice

18.1 Either party may end this Agreement by giving written notice of at least the Notice Period in Schedule 1, ending no earlier than the last day of the Lock-in Period. The Licence Fee is payable until the end of the Notice Period. If the Licensee leaves before then, it will pay the Licence Fee for the rest of the Notice Period (the **Notice Charge**), and the Licensor will issue a GST tax invoice for it.

18.2 The Licensor may end this Agreement by written notice if the Licensee:

(a) has not paid an amount within [30] days after its Due Date and does not pay within [7] days of a written reminder;

(b) commits a material breach and does not fix it within [30] days of written notice;

(c) becomes insolvent, or a resolution plan, liquidation or similar process starts for it; or

(d) uses the Centre for illegal activity or seriously breaches safety rules, in which case notice may take effect at once.

18.3 The Licensee may end this Agreement by written notice if the Licensor commits a material breach and does not fix it within [30] days of written notice. No Lock-in Charge or Notice Charge is then payable.

18.4 If the Licensor ends this Agreement under clause 18.2 during the Lock-in Period, the Lock-in Charge is payable.

18.5 If the Licensor's right to the Centre ends, it will give the Licensee at least [ ] months' written notice, refund the Security Deposit and any fees paid in advance, [and offer equivalent seats at another of its centres].

18.6 Ending this Agreement does not affect rights and obligations that arose before it ended.

19. Exit and handover

19.1 By the last day of this Agreement, the Licensee will:

(a) remove its belongings and equipment;

(b) return all access cards, keys and parking stickers;

(c) leave the Seats clean and in the condition recorded at move-in, except for normal wear and tear; and

(d) undo any approved alterations, unless the Licensor agreed in writing that they can stay.

19.2 The parties will inspect the area together on or before the last day and record its condition with a checklist and photographs, compared with the move-in condition report in Annexure C.

19.3 If the Licensee leaves belongings behind, the Licensor may remove or dispose of them at the Licensee's cost after [7] days' written notice, and is not responsible for them.

19.4 If the Licensee stays after the end date without a renewal, it will pay [ ] times the daily Licence Fee for each extra day, plus GST. This does not renew or extend this Agreement.

19.5 Within [15] days after the end date, the Licensor will issue the final invoice, and a credit note for any fees invoiced in advance for days after the end date. The Security Deposit is then refunded under clause 7.

19.6 If the Licensee has used the Centre's address for any registration, it will remove that address within [30] days after the end date.

20. Renewal

20.1 [Option A: This Agreement can be renewed only by a written renewal or a new agreement signed by both parties. The Licensor will offer renewal terms at least [ ] months before the end of the Term.]

20.2 [Option B: This Agreement renews automatically for further periods of [12] months unless either party gives written notice at least [ ] months before the end of the current period. On each renewal the Licence Fee increases as set out in clause 6.2.]

Drafting note: keep one option and delete the other. Check how a renewal affects stamp duty in your state.

21. Notices

21.1 Notices under this Agreement must be in writing and sent by email to the addresses in Schedule 1. A notice to end this Agreement, or of a breach, must also be sent by courier or registered post to the postal address in Schedule 1.

21.2 An email is received on the day it is sent if sent before [6 pm] on a Business Day, otherwise on the next Business Day. A letter is received [3] Business Days after it is sent.

21.3 A party may change its notice details by notice to the other party.

22. Governing law and disputes

22.1 This Agreement is governed by the laws of India.

22.2 The parties will first try to settle any dispute through a meeting of senior representatives within [30] days of one party raising it in writing.

22.3 [Arbitration: if the dispute is not settled, it will be referred to arbitration by a sole arbitrator under the Arbitration and Conciliation Act, 1996. The seat of arbitration will be [city] and the language English. Your lawyer should draft this clause.]

22.4 Subject to clause 22.3, the courts at [city] have exclusive jurisdiction.

23. Stamp duty and registration

23.1 This Agreement will be stamped, and registered if required, under the law of [state where the Centre is]. Stamp duty and registration charges will be paid by [the Licensee / the Licensor / both parties equally].

Drafting note: stamp duty and registration rules for licence agreements differ by state and can depend on the term, the fees and the deposit. Check them with your lawyer for your state before anyone signs. Do not rely on rates from another state or an old agreement.

23.2 Each party will keep a copy of the stamped and signed Agreement.

24. General

24.1 This Agreement, with its Schedules and Annexures, is the whole agreement between the parties about the Seats and Services and replaces earlier proposals and discussions.

24.2 Any change to this Agreement must be in writing and signed by both parties.

24.3 The Licensee may not assign this Agreement. The Licensor may assign it to an affiliate or to a successor operator of the Centre on written notice.

24.4 If any part of this Agreement is found invalid, the rest continues to apply.

24.5 A delay in enforcing a right is not a waiver of it.

24.6 Clauses 7, 8, 9, 15, 17, 19 and 22, and any obligation to pay, continue after this Agreement ends.

24.7 Each person signing confirms that they are authorised to sign for their party.

Signed by the parties on the date written at the start of this Agreement.

For the Licensor: [Licensor legal name]	**For the Licensee: [Licensee legal name]**
Signature: _____	Signature: _____
Name: [ ]	Name: [ ]
Designation: [ ]	Designation: [ ]
Date: [ ]	Date: [ ]
Place: [ ]	Place: [ ]

Witness 1	**Witness 2**
Signature: _____	Signature: _____
Name: [ ]	Name: [ ]
Address: [ ]	Address: [ ]

Drafting note: whether witnesses are needed, and how the agreement may be signed (for example electronically), depends on your state's stamp and registration rules. Check with your lawyer.

Schedule 1: Commercial terms

Item	Details
Agreement number	[ ]
Licensor	[Legal name], [address] GSTIN [ ] PAN [ ]
Licensee	[Legal name], [registered address] GSTIN in the Centre's state [ ] PAN [ ] TAN [ ]
Centre	[Centre name], [full address, floor]
Seats	[Number] [hot desks / dedicated desks / private cabin / managed floor] Seat or cabin numbers: [ ] [see Annexure A]
Permitted use	Office use for the Licensee's business of [ ]
Commencement Date	[date]
Term	[ ] months, ending on [date]
Lock-in Period	[ ] months from the Commencement Date, ending on [date]
Seats that may be given up during lock-in	[None / up to [ ] Seats after [date]]
Notice Period	[ ] months' written notice, ending no earlier than the last day of the Lock-in Period
Licence Fee per Seat	INR [ ] per Seat per month, plus GST
Total monthly Licence Fee	INR [ ] per month, plus GST
Discount or free period	[None / details]
Escalation	[ ]% every [12] months, first on [date]
Security Deposit	INR [ ] ([ ] months of the Licence Fee), interest-free and refundable
Invoice date and Due Date	Invoices on the [1st] of each [month]; due within [7] days
Late fee	[ ]% a month on overdue amounts [or INR [ ] per invoice]
Meeting room credits	[ ] hours (or credits) a month, in rooms for up to [ ] people
Access hours	[Monday to Saturday, 8 am to 8 pm / 24 x 7 for named users]
Access cards	[ ] cards; lost or unreturned card INR [ ] each
Extra people above Seats	INR [ ] per person per day [or per month]
Parking	[ ] car and [ ] two-wheeler spaces at INR [ ] each a month, plus GST
Purchase order	[PO number, valid until date / not used]
Licensor bank account	[Account name, bank, branch, account number, IFSC]
Notices to the Licensor	[Name, role], [email], [postal address]
Notices to the Licensee	[Name, role], [email], [postal address]
Finance contacts	Licensor: [name, phone, email] Licensee: [name, phone, email]
Liability cap (clause 17.3)	[ ] months of the Licence Fee
Renewal (clause 20)	[Option A / Option B]

Schedule 2: Services

Service hours: [Monday to Saturday, 9 am to 7 pm], except public holidays listed at the Centre.

Service	Included in the Licence Fee?	Notes and extra rates
Furnished workstation: desk, chair and [locker / pedestal]	Included	
Internet and Wi-Fi, [ ] Mbps shared	Included	Dedicated line or separate network: [rate / on quote]
Power and air-conditioning in service hours	Included	After-hours air-conditioning: INR [ ] an hour
Housekeeping of Seats and common areas	Included	[Daily]
Reception, visitor sign-in, mail and parcels	Included	Parcels held for up to [ ] days
Security and CCTV in common areas	Included	
Pantry: tea, coffee and drinking water	Included	
Meeting rooms	Up to the credits in Schedule 1	Extra hours: INR [ ] an hour, plus GST
Printing and scanning	[ ] pages a month	Extra: INR [ ] a page
Parking	Extra	As in Schedule 1
Event space	Extra	INR [ ] an hour or on quote
IT support for the Licensee's own equipment	[Extra / not offered]	[Rate]
[Other]	[ ]	[ ]

Response times for service requests

Type of request	Response within	Examples
Urgent	[1] hour in service hours	Internet down for the Licensee, no power, a safety issue
Routine	[1] Business Day	A broken chair, an access card problem, a cleaning request
Planned maintenance	Notice of at least [48] hours	Network upgrades, deep cleaning, fire drills

Annexures to attach

Annexure A: floor plan showing the Seats or cabin [if used].

Annexure B: House Rules.

Annexure C: move-in condition report, signed by both parties on the Commencement Date.