**TRUST RECEIPTS GIVEN TO THE BANK BY THE PAWNOR**

TRUST RECEIPT

Date:

To

The ................................

……………..Bank,

……………..Branch,

Dear Sir,

In consideration of your delivering the documents specified in Schedule hereunder, relating to produce of goods pledged to you, we confirm and declare that we hold the said documents on trust for you and undertake as follows:

1. We will comply with all the terms and conditions mentioned in your letter No. ....................... dated……………..a copy of which has been annexed at Annexure to this receipt.

2. We will treat the said documents and goods in our books as belonging to you and hold the same on your behalf.

3. We will take delivery of the goods and produce to which such documents relate, for the purpose of manufacturing and/or sale to buyers to whom we are not indebted or under any liability.

4. On receipt of the goods on the basis of the documents and till the sale thereof, the goods shall be stored in a warehouse and the warrant shall be handed over to you or to such person to whom you direct from time to time.

5. On sale of the said goods, the proceeds of sale or any part payment shall be remitted to you forthwith without any deduction whatsoever.

6. We will keep the goods fully insured with an insurance company in our and your joint names and hold the policies and the proceeds in trust for you. In case the goods are lost, damaged or destroyed any money received from the insurance company as compensation shall be forthwith paid to you and if the full value of the said goods is not received, we will pay the balance amount to make up the deficiency.

7. We will pay the freight charges, warehouse charges and other charges and costs of and incidental to the storing and transit of the said goods.

8. We will sell the said goods to the customers on market rate and will send the copy of the sales invoice for the goods to you. We undertake that we will not sell the goods on credit or at concessional or less than current market rate of the said goods.

9. We will keep the goods separate from our own goods or goods of any other person at all times and inform the address of the place from time to time where such goods are stored or kept.

10. You or your agents or nominees will have the right to inspect the goods at all reasonable times and for that purpose to enter into the premises, factory or place where the goods are kept or stored.

11. We hereby indemnify and keep you indemnified against all actions, claims, demands, costs, expenses or liabilities of whatever nature commenced, initiated or incurred by you for anything done or omitted to be done by us in connection with or relating to the release of documents to us or relating to the goods.

12. This trust receipt will remain in full force and effect, notwithstanding winding up proceeding taken against us or any change in our constitution or amalgamation or take over of our company with any other company or concern or any settlement, compromise or adjustment of account and this will be in addition and not in substitution of any security, guarantee, right or lien held by you and your rights shall not be affected in any way by varying, releasing or otherwise enforcing any of securities, rights, guarantee or lien.

13. The liability under this receipt will continue, until the moneys due on the pledge, for which the documents were pledged and interest, costs and charges due and payable thereon are repaid to you and until such time, we will continue to be liable under this Receipt.

14. This receipt is being issued in pursuance of the Resolution of the Board of Directors passed on the day……………..20……………..a copy of which is enclosed.

The Schedule above referred to

Annexure

Signed by ...............................

……...……………..Co. Ltd.

Director Managing Director