

Format - 1

(On the Letter Head of IREDA)

(Draft Letter to be issued by IREDA to the Bank who has issued FDRs)

No.

Dated :

_____ (Name of the Bank)

Registered
Duplicate

(Address of the Bank)

Dear Sirs,

Re :	Loan sanctioned to M/s. _____ Ltd. (Project No. _____) – Security/Pledge of Fixed Deposit Receipts (FDRs).
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We note that your Bank has issued the following Fixed Deposit Receipts (FDRs), at the request of M/s. _____ Ltd. :

Sl. No.	FDR No.	Date	Amount of FDR (Rs. in lakhs)	Period	
				From	To
Total					

2. In this connection, please note that the above said FDRs has/have been deposited by the above Company with IREDA as and by way of pledge to secure the loan of Rs. _____ lakhs sanctioned to the said Company for setting-up _____ (Project No. _____). In this connection, please also note that the above FDRs is/are in the possession of Indian Renewable Development Agency Ltd. (IREDA) with the lien of IREDA noted thereon your Bank, at the request of the above named Company.

3. In this connection, we also request you to kindly confirm the following :

I) That the Bank has noted that the following FDRs have been deposited by the above named Company with IREDA with the lien of IREDA noted thereon duly discharged by the Company as security for the loan of Rs. _____ lakhs granted by IREDA to the above named Company :

Sl. No.	FDR No.	Date	Amount of FDR (Rs. in lakhs)	Period	
				From	To
Total					

- II) That the Bank shall not issue any duplicate FDRs to the above named Company and/or any other person in lieu of original FDRs lying with IREDA as security for the loan, for any reason, whatsoever without first getting the concurrence/approval of IREDA in writing.
- III) That the Bank shall not make any loan/advance on the security of the said FDRs to the above named Company or any other person.
- IV) That the Bank shall not take security of the said FDRs for any other loan/advance made to the above named Company or any other person.
- V) That the Bank shall not cancel and/or deal with the said FDRs under any circumstances unless and until contrary instructions are issued by IREDA.
- VI) That the discharge made by the Company on the FDRs has been made by the authorised signatories of the Company and is proper and valid and the Bank shall not question the same as and when presented by IREDA for encashment, at any point of time.
- VII) That the Bank hereby agrees and confirms that the Bank shall make payment of all FDRs either in part or in full directly to IREDA as and when original FDRs is/are presented to the Bank by IREDA even if IREDA makes a request before maturity date/s of FDRs.

- VIII) That the Bank hereby further agrees and undertakes to renew the FDRs for the balance amount after adjusting the part payment to IREDA as above, in the name of the Company with lien of IREDA noted thereon and that the above assurances/ condition shall apply to the new FDRs issued by the Bank with the lien of IREDA noted thereon.
- IX) That the Bank will pay the principal amount of the FDRs to IREDA in full, without deducting any tax at source, deductible from the Company

4. We are sending this letter in duplicate with a request to send us duplicate copy of this letter duly signed on all pages with rubber stamp of the Bank affixed thereon by the authorised signatories for and on behalf of the Bank in token of having noted and confirmed the above arrangements.

Thanking you,

Yours faithfully,
For and on behalf of
M/s Indian Renewable Energy Development Agency Ltd.

(Authorised signatory of IREDA)

We agree note and confirm the above
For and on behalf of
(Name of the Bank)

(Authorised Signatory of the Bank)

Copy to :

M/s. _____ Ltd.

(Name of the Borrower)

(Address of the Borrower)

The Company is requested to follow-up the issuance of the Confirmation Letter with the Bank with a view to ensuring that the Letter of Confirmation from the Bank on the above lines is sent to us as early as possible.

(Authorised signatory of IREDA)

(On the Letter Head of the Company)

(Draft letter to be issued by Company to IREDA.)

No. _____

Dated : _____

M/s Indian Renewable Energy Development Agency Ltd.
India Habitat Centre
Core-4 'A', East Court, 1st Floor
Lodi Road
New Delhi – 110 003

Dear Sirs,

Re :	Loan sanctioned to us by IREDA (Project No. _____) – Security of Fixed Deposit Receipts (FDRs).
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We confirm that M/s Indian Renewable Energy Development Agency Ltd. (IREDA) having its Registered Office at India Habitat Centre, Core-4 'A', East Court, 1st Floor, Lodi Road, New Delhi – 110 003, has sanctioned loan of Rs. _____ lakhs (Rupees _____ only) to our Company for setting-up _____ (Project No. _____) on the security interalia of pledge of FDRs for Rs. _____ lakhs (Rupees _____ only).

2. We have noted that the said FDRs is/are to be deposited with IREDA as and by way of pledge and that the said FDRs shall remain valid until IREDA decides to encash the same on or before maturity date(s)/renewed maturity date(s) towards adjustment of overdues.

3. As stipulated by IREDA, we have obtained the following Fixed Deposited Receipts (FDRs) to secure the loan of IREDA :

Sl. No.	FDR No.	Date	Amount of FDR (Rs. in lakhs)	Period	
				From	To
Total					

4. We hereby deliver/deposit the said FDRs with IREDA as and by way of pledge of said FDRs with IREDA to secure the said loan of Rs. _____ lakhs sanctioned to the Company by IREDA.

5. In this connection, we hereby agree and undertake as follows :-

- I) That we shall not ask the Bank for issue of Duplicate FDRs under any circumstances.
- II) That we shall not take any Advance against the said FDRs.
- III) That we shall not pledge or charge in any way the said FDRs as security for any other loan/advance taken from the Bank and/or from any other party.
- IV) That we shall not cancel the said FDRs under any circumstances until the loan of IREDA and interest and other monies are repaid and only after obtaining written approval of IREDA
- V) That IREDA shall be entitled to encash/withdraw amount from FDRs either or part or in full, before on or after the maturity date/s as and when IREDA decides to do so and we shall not raise any objection thereto and we shall abide by the decision of IREDA.
- VI) That we hereby further agree and undertake to complete any other formality as and when required by IREDA to give effect to the above arrangements to the satisfaction of IREDA and we shall not raise any objection thereto.

VII) We hereby agree and undertake that the above undertakings and assurances shall remain in full force and shall be binding on the Company until IREDA's loan is repaid in full and IREDA has given its no objection in writing.

6. We hereby agree, undertake and confirm that any breach of the above undertakings/assurances shall tantamount to be breach of the terms and conditions on which the loan of Rs. _____ lakhs has been granted to the Company by IREDA and IREDA shall be entitled to take such action against the Company as it may deem fit.

Thanking you,

Yours faithfully,
For and on behalf of
M/s. _____ Ltd.

(Managing Director)

Format – 2

(On the Letter Head of IREDA)

(Draft Letter to be issued by IREDA to the Bank who has issued FDRs)

No.

Dated :

_____ (Name of the Bank)

Registered
Duplicate

(Address of the Bank)

Dear Sirs,

Re :	Loan sanctioned to M/s. _____ Ltd. (Project No. _____) – Security/Pledge of Fixed Deposit Receipts (FDRs).
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We note that your Bank has issued the following Fixed Deposit Receipts (FDRs), at the request of M/s. _____ Ltd. :

Sl. No.	FDR No.	Date	Amount of FDR (Rs. in lakhs)	Period	
				From	To
Total					

2. In this connection, please note that the above said FDRs has/have been deposited by the above Company with IREDA as and by way of pledge to secure the loan of Rs. _____ lakhs sanctioned to the said Company for setting-up _____ (Project No. _____). In this connection, please also note that the above FDRs is/are in the possession of Indian Renewable Development Agency Ltd. (IREDA) with the lien of IREDA noted thereon your Bank, at the request of the above named Company.

3. In this connection, we also request you to kindly confirm the following :

I) That the Bank has noted that the following FDRs have been deposited by the above named Company with IREDA with the lien of IREDA noted thereon duly discharged by the Company as security for the loan of Rs. _____ lakhs granted by IREDA to the above named Company :

Sl. No.	FDR No.	Date	Amount of FDR (Rs. in lakhs)	Period	
				From	To
Total					

- II) That the Bank shall not issue any duplicate FDRs to the above named Company and/or any other person in lieu of original FDRs lying with IREDA as security for the loan, for any reason, whatsoever without first getting the concurrence/approval of IREDA in writing.
- III) That the Bank shall not make any loan/advance on the security of the said FDRs to the above named Company or any other person.
- IV) That the Bank shall not take security of the said FDRs for any other loan/advance made to the above named Company or any other person.
- V) That the Bank shall not cancel and/or deal with the said FDRs under any circumstances unless and until contrary instructions are issued by IREDA.
- VI) That the discharge made by the Company on the FDRs has been made by the authorised signatories of the Company and is proper and valid and the Bank shall not question the same as and when presented by IREDA for encashment, at any point of time.
- VII) That the Bank hereby agrees and confirms that the Bank shall make payment of all FDRs either in part or in full directly to IREDA as and when original FDRs is/are presented to the Bank by IREDA even if IREDA makes a request before maturity date/s of FDRs.

- VIII) That the Bank hereby further agrees and undertakes to renew the FDRs for the balance amount after adjusting the part payment to IREDA as above, in the name of the Company with lien of IREDA noted thereon and that the above assurances/ condition shall apply to the new FDRs issued by the Bank with the lien of IREDA noted thereon.
- IX) That the Bank will pay the principal amount of the FDRs together with the interest cumulatively thereon to IREDA.

4. We are sending this letter in duplicate with a request to send us duplicate copy of this letter duly signed on all pages with rubber stamp of the Bank affixed thereon by the authorised signatories for and on behalf of the Bank in token of having noted and confirmed the above arrangements.

Thanking you,

Yours faithfully,
For and on behalf of
M/s Indian Renewable Energy Development Agency Ltd.

(Authorised signatory of IREDA)

We agree note and confirm the above
For and on behalf of
(Name of the Bank)

(Authorised Signatory of the Bank)

Copy to :

M/s. _____ Ltd.

(Name of the Borrower)

(Address of the Borrower)

The Company is requested to follow-up the issuance of the Confirmation Letter with the Bank with a view to ensuring that the Letter of Confirmation from the Bank on the above lines is sent to us as early as possible.

(Authorised signatory of IREDA)

