

**(Pertaining to Receivables of Sale Proceeds of Power to be credited  
to Trust and Retention Account)**

**SUPPLEMENTARY DEED OF HYPOTHECATION**

THIS DEED OF HYPOTHECATION executed at \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_, 20..... by M/s. \_\_\_\_\_ Ltd. a Company incorporated under the Companies Act,1956 and having its Registered Office at \_\_\_\_\_ (hereinafter referred to as "the Company" which expression shall, unless it be repugnant to the subject or context thereof, include its successors and assigns)

in favour of

INDIAN RENEWABLE ENERGY DEVELOPMENT AGENCY LTD, a Public Company incorporated under the Companies Act,1956 and having its Registered Office at India Habitat Centre Complex, Core 4-A, East Court, 1st Floor, Lodi Road, New Delhi – 110 003 (hereinafter referred to as the "IREDA", which expression shall unless it be repugnant to the subject or context thereof include its successors and assigns).

WHEREAS

- a) By an Agreement dated \_\_\_\_\_ day of \_\_\_\_\_, 20..... entered into between IREDA and the Company (hereinafter referred to as the "Loan Agreement") IREDA has agreed to lend and advance to the Company and the Company has agreed to borrow from IREDA the sum of Rs. \_\_\_\_\_ lakhs (Rupees \_\_\_\_\_ only) (hereinafter referred to as "the Loan") on the terms and conditions contained in the Loan Agreement.

b) One of the conditions of the Loan Agreement is that –

The Loan together with all interest at the agreed rates, liquidated damages, premia on prepayment or on redemption, costs, charges expenses and other monies whatsoever payable to IREDA under the Loan Agreement shall be secured, inter-alia by an exclusive charge in favour of IREDA on

- i) all the Receivables;
- ii) the Designated amount and;
- iii) All other amounts deposited/credited by the Company in the Designated Account

(all amounts referred to in sub-clauses b (i), (ii) and (iii) above are hereinafter collectively referred to as the “said Monies”)

- iv) the Designated Account (as defined in the Trust & Retention Account Agreement)

(the Designated Account and the said Monies are hereinafter collectively referred to as the “said Properties”)

- d) Under an Agreement dated the \_\_\_\_\_ day of \_\_\_\_\_, 20..... (the “Trust and Retention Account Agreement”) entered into between IREDA, the Company and \_\_\_\_\_ (Bank) (the “Designated Bank”) the Company has, inter-alia, agreed to establish an account (the “Designated Account”) with the Designated Bank and undertaken to deposit the said Monies in the Designated Account.
- e) IREDA has called upon the Company to execute these presents which the Company has agreed to do in the manner hereinafter expressed.
- f) Capitalised terms used herein shall have the meaning as provided under the Loan Agreement and the Trust and Retention Account Agreement unless specified otherwise.
- g) The Company has already hypothecated to IREDA all the movable assets of the Company \_\_\_\_\_ pertaining \_\_\_\_\_ to \_\_\_\_\_ (Project No. \_\_\_\_\_) by way of exclusive first charge under and in terms of the Deed of Hypothecation dated \_\_\_\_\_, executed by the Company in favour of IREDA as security for the repayment of the Loan and payment of interest and other monies thereon.

**NOW THEREFORE THESE PRESENTS WITNESSETH THAT :**

1. In pursuance of the Loan Agreement and in consideration of IREDA having lent and advanced and/or agreed to lend and advance the Loan of Rs. \_\_\_\_\_ lakhs (Rupees \_\_\_\_\_ only) to the Company for the purposes and subject to the terms and conditions set out in the Loan Agreement and in consideration of the premises, the Company doth hereby covenant with IREDA that it shall repay the Loan to IREDA and shall pay interest at the agreed rates, liquidated damages, premia on prepayment or on redemption, costs, charges and expenses and all other monies as stipulated and in the manner set out in the Loan Agreement and shall duly observe and perform all the terms and conditions of the Loan Agreement.
2. In pursuance of the Loan Agreement and the Trust and Retention Account Agreement and for the consideration aforesaid, the Company doth hereby hypothecate in favour of IREDA, the said properties as and by way of exclusive charge, inter-alia, as security for the repayment of the Loan and payment of other monies including all interest at the agreed rates, liquidated damages, premia on prepayment or on redemption, costs, charges, expenses and all other monies due to IREDA under the Agreement and these presents.
3. In further pursuance of the Loan Agreement and Trust and Retention Account Agreement and for the consideration aforesaid, the Company doth hereby further agree, declare and covenant with IREDA as follows :-
  - (i) The nominees of IREDA shall, without any notice and at the risk and expense of the Company, be entitled at all times to enter any place where the records, registers and books in respect of the said Properties may be and inspect and take particulars of all or any part of the said Properties and check any statement, accounts, reports, and information. Any costs, charges and expenses incurred by IREDA for such purpose shall forthwith on receipt of a notice of demand from IREDA be reimbursed to IREDA together with interest thereon at the Maximum Lending rate of IREDA on Rupee Loans as prevailing from time to time or at the applicable rate under the Loan Agreement, whichever is higher, from the date of payment and until such reimbursement by the Company the same be debited to the Company's Loan Account and be a charge on the said Properties.
  - (ii) In the event of any breach or default by the Company in the performance of its obligations, hereunder or any of the terms, covenants, obligations and conditions stipulated in the Loan Agreement or Trust and Retention Account Agreement or the related security documents or the deeds executed or that may hereafter be executed by the Company in favour of IREDA or in the event of the Company failing to pay either the interest or any instalments of the principal of the Loan, or in the event of the charge or the security created in favour of IREDA having become enforceable for any reason whatsoever, in terms of and under Loan Agreement, IREDA or its nominees shall, in case such breach or default is not remedied by the Company to the satisfaction of IREDA within a period of Fifteen (15) days from the date of intimation by IREDA of such breach or default or such extended time as may be granted by IREDA in writing, without any notice and without assigning any reason and at the risk and expense of the Company and if

necessary as Attorney for and in the name of the Company seize, recover and receive the said Properties or otherwise dispose of or deal with all or any part of said Monies and to enforce, realise, settle, compromise and deal with any rights or claims relating thereto without being bound to exercise any of these powers or be liable for any losses in the exercise or non-exercise thereof and without prejudice to IREDA's rights and remedies of suit or otherwise. Notwithstanding any pending suit or other proceeding, the Company undertakes to give irrevocable instructions to the Purchaser of power generated from the project to make payments of the said Monies to the Designated Account and/or IREDA directly and such payments when made to the Designated Account shall be in protanto discharge of their obligations to the Company and the Company undertakes to transfer and to deliver to and execute in favour of IREDA all relative contracts, securities and documents and the Company hereby agrees to accept IREDA's account of sales and/or realisations and/or appropriation as sufficient proof of amounts realised and/or appropriated and relative expenses and to pay on demand by IREDA any shortfall or deficiency thereby shown.

- (iii) All the said Properties and all realisations under this security shall always be kept distinguishable and held as the exclusive properties of the Company specifically appropriated to this security and be dealt with only under the directions of IREDA and the Company shall not create and charge, mortgage, lien or other encumbrance upon or over the same or any part thereof except in favour of IREDA nor suffer any such charge, mortgage, lien or other encumbrance or any attachment or distress to affect the same or any part thereof nor do or allow anything that may prejudice this security and IREDA shall be at liberty to incur all costs and expenses as may be necessary to preserve this security and to maintain the same undiminished and claim reimbursement thereof as mentioned in Sub-Clause (i) hereof.
- (iv) The Company shall, whenever required by IREDA, give full particulars to IREDA of all the said Properties and shall furnish and verify all statements, reports, returns, certificates and information from time to time and as required by IREDA and make furnish and execute all necessary documents to give effect to this security.
- (v) This security shall be a continuing security for the repayment of the Loan together with all interest at the agreed rates, liquidated damages, premia on prepayment or on redemption and repayment or payment of all other monies due to IREDA under the Loan Agreement and these presents and shall not affect, impair or discharge the liability of the Company by winding up (voluntary or otherwise) or by any merger or amalgamation, reconstruction or otherwise of the Company with any other Company or take over the management or nationalisation of the undertaking of the Company.
- (vi) The Company hereby declares that the said Properties are and will at all times be the absolute property of the Company at the sole disposal of the Company and subject to the charge hereby created in favour of IREDA are free from any charge, trust, pledge, lien, claim or encumbrance.

- (vii) The Company hereby appoints IREDA as its attorney and authorises IREDA to act for and in the name of the Company to do whatever the Company may be required to do under these presents and generally to use the name of the Company in the exercise of all or any of the powers by these presents conferred on IREDA and the Company shall bear the expenses that may be incurred in this regard.
- (viii) Nothing herein shall prejudice the rights or remedies of IREDA respect of any present or future security, guarantee obligation or decree for any indebtedness or liability of the Company to IREDA.
- (ix) The provisions contained herein shall be read in conjunction with the provisions of the Trust and Retention Account Agreement as amended from time to time and to the extent of any inconsistency or repugnancy the latter shall prevail to all intents and purpose.
- (x) The Company hereby agrees and confirms that Civil Courts/Tribunals in Delhi/ New Delhi alone shall have jurisdiction to entertain any suit or other legal proceedings arising out of this Deed of Hypothecation.

**IN WITNESS WHEREOF the Company has caused its Common Seal to be affixed hereto on the day, month and year first above.**

THE COMMON SEAL OF THE M/s.  
\_\_\_\_\_ Ltd. has  
been hereon affixed pursuant to the  
Resolutions passed at the meeting of  
its Board of Directors held on \_\_\_\_  
day of \_\_\_\_\_, in the  
presence of Shri \_\_\_\_\_  
Director of the Company who has  
subscribed his signature in token  
thereof.

