

SPECIMEN OF DRAFT RESOLUTIONS TO BE PASSED BY THE BOARD OF ASSISTED CONCERNS APPROVING THE SANCTION TERMS AND AUTHORISING EXECUTION OF DOCUMENTS.

- A. The Chairman informed the Board that arrangements have since been made with M/s. Indian Renewable Energy Development Agency Limited (IREDA) (A Government of India Enterprise and notified Public Financial Institution) for loan assistance for the Company's project envisaging setting up _____ of _____ project at _____ and IREDA has agreed in-principle, to grant to the Company a Term Loan of Rs._____ Lakhs (Rupees _____ only).

The Chairman, therefore, requested the Board to pass the following resolutions which, after some discussions, were passed:

1. That the Company do accept the offer of M/s. Indian Renewable Energy Development Agency Limited (IREDA) and that THE COMPANY DO BORROW from IREDA Rupee Loan not exceeding Rs._____ Lakhs (Rupees _____ only) on the terms and conditions contained in the IREDA's Sanction Letter No._____ dated _____ received from IREDA (a copy whereof duly signed by the Chairman for the purpose of identification had been circulated to the Board and was placed on the table of the meeting) and also to avail interim disbursement/s from time to time as may be allowed by IREDA at its sole discretion.
2. That the following Directors viz., Shri_____ and Shri _____ of the Company be and are hereby authorized severally to convey to IREDA acceptance on behalf of the Company to the said offer of the loan assistance on the terms and conditions contained in their Sanction Letter referred to above and agree to such changes and modifications in the said terms and conditions as may be suggested and acceptable to IREDA from time to time and to execute such deeds, documents and other writings as may be necessary or required for this purpose.

Contd.....

: 2 :

3. That IREDA will be at liberty to appoint and remove at its sole discretion nominee director(s) on the Board of Directors of the Company from the date of the passing of this resolution and that the appointment of the nominee director(s) shall not be construed as any commitment on the part of IREDA to grant/disburse the sanctioned loan assistance.
 4. That the aforesaid draft of Loan Agreement be and is hereby approved and the following _____ Directors, _____ viz.,
Shri _____ and Shri _____
_____ BE AND ARE HEREBY severally authorized to accept on behalf of the Company such modifications therein as may be acceptable to IREDA and to finalise the same.
 5. That the *Common Seal of the Company be affixed to the stamped engrossment(s) in duplicate on the Loan Agreement(s) (as per the Standard Form with such modifications as may be agreed to between IREDA and the Company) in the presence of any two of the following directors, viz., Shri _____ and Shri _____
_____, and Shri _____
_____, Company Secretary/Authorised Person/Officer, who shall sign the same in token thereof.
 6. That the standard forms of the following documents namely:-
 - I) Deed(s) of Hypothecation
 - II) Undertaking for over-run/for meeting shortfall, etc.
 - III) Undertaking regarding non-disposal of shareholdings
 - IV) Trust and Retention Account Agreement for deposit of sale proceeds of power duly initialed by the Chairman for the purpose of identification and placed before the meeting be and is hereby approved and that Shri _____ or Shri _____, Directors of the Company be and are hereby severally authorized to finalise on behalf of the Company the said documents and also to approve and finalise such other deeds, documents and writings as may be required by IREDA in connection with the above facility/loan.
- * To be modified in accordance with provisions of Articles of Association of the Company.

Contd..

7. That the *Common Seal of the Company be affixed to the stamped engrossment(s) of the Deed of Hypothecation and to such other documents as may be required to be executed under the *Common Seal of the Company in favour of IREDA to secure the aforesaid facility/loan in the presence of any two of the following Directors, viz.,
_____ and Shri
_____, and Shri
_____ Company Secretary/ Authorised
Person/Officer who shall sign the same in token thereof.
8. That Shri _____ and Shri
_____, Directors of the Company be and are hereby severally authorized to accept amendments to such executed Loan Agreement(s), Deed(s) of Hypothecation and other documents as and when become necessary and also to finalise and execute Trust and Retention Agreement/open Special Account for receipt of sale proceeds of power and to sign Deeds of Hypothecation of receivable of powers and other related matters and further also to finalise/execute Deed of Indemnity in favour of IREDA and other lenders, if any, indemnifying IREDA and other lenders for any defect in title to the immovable properties offered as security belonging to the Company and/or Promoters and to sign Deeds, Letter(s) of Undertakings, Declarations, Agreements and other papers which the Company may be required to sign for availing of the aforesaid facility/loan and if so required, the *Common Seal of the Company be affixed thereto in the presence of any two of the following Directors, viz.,
Shri _____ and Shri
_____, and Shri
_____ Company Secretary/ Authorised
Person/Officer who shall sign the same in token thereof.
9. That the Company do file the particulars of charges in connection with the creation of charge by way of Hypothecation in favour of IREDA with Registrar of Companies within the time prescribed by law therefor.

* To be modified in accordance with provisions of Articles of Association of the Company.

Contd...

- B. The Chairman further informed the Board that the above Financial Assistance by way of loan of Rs. _____ Lakhs (Rupees _____ only) sanctioned to the Company by IREDA will be secured, inter-alia, by mortgage by deposit of title deeds in respect of the Company's all the immovable properties, wherever situate including those pertaining to the project/s at _____.

The Chairman, therefore, requested the Board to pass the following resolutions, which, after some discussions, were passed: -

1. That the Company do create mortgage by deposit of title deeds in favour of Indian Renewable Energy Development Agency Limited (IREDA) by depositing with IREDA all documents of title, evidences, deeds and writings (hereinafter called "the said title deeds") in order to create security by way of mortgage of all the immovable properties of the company, wherever situate including those situate at _____ together with plant and machinery attached to earth (hereinafter referred to as "the said immovable properties") to secure, the due repayment, discharge and redemption by the Company to IREDA, of its Rupee Loan of Rs. _____ Lakhs (Rupees _____ only) together with interest, additional interest, further interest, liquidated damages, compound interest, commitment charges, premia on repayment on redemption, costs, charges, expenses and other monies payable under the Loan Agreements/Sanction Letters/Memorandum of Terms and Conditions as amended from time to time.
2. That the following Director(s) Shri _____ and Shri _____, be and are hereby authorized severally, to deliver to and deposit the said title deeds for the aforesaid purpose with IREDA.
3. That the following Director(s) Shri _____ and Shri _____, be and are hereby authorized severally, to state on behalf of the Company that the said title deeds so deposited were the only title deeds in the possession, power and control of the company and that the Company has a clear and marketable title to the said immovable properties and that the security in favour of IREDA shall enure in respect of the immovable properties of the Company, both present and future and also to give a declaration on oath to the satisfaction of IREDA.

Contd...

4. That the following Director(s) viz., Shri _____ and Shri _____, be and are hereby authorized severally, to approve and finalise such other deeds and documents as may be required by IREDA in connection with the said loan Assistance and that the *Common Seal of the Company be affixed thereto in the presence of any two of the following Director(s) viz., Shri _____ and Shri _____, and Shri _____, Company Secretary/Authorised Person/Authorised Officer who do sign the same in token thereof and in the event of affixation of the Common Seal not being required, the same be executed severally by the directors aforesaid.
5. That the Company do file the particulars of charges/modifications of charges in connection with the said mortgage by deposit of title deeds in favour of IREDA with Registrar of Companies within the time prescribed by law therefor.
6. Copies of the foregoing resolutions certified to be true copies by Secretary/Director of the Company be furnished to IREDA and IREDA may be requested to act thereon.

Certified to be True Copy

For _____

(_____)

Director.

* To be modified in accordance with provisions of Articles of Association of the Company.

Note:

1. The draft resolution can be modified suitably, if the Borrower is not a Company, that is to say, if the status of the Borrower is other than a Company registered under the Companies Act.