

FORM NO.SEC/L/LET-5/1

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 by 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
<u>Total</u>					

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)