

In Duplicate

Ref No.IDBI/ICG/RCOM/597

August 3, 2013

The Managing Director,
Reliance Communications Ltd.,
Reliance Centre,
19, Walchand Hirachand Marg,
Ballard Estate,
Mumbai – 400 001

Dear Sir,

Rupee Term Loan of Rs.750 crore
- Modification in terms of sanction

Please refer to your letter dated August 2, 2013 regarding certain amendments to the terms and conditions of the Rupee Term Loan of Rs.750 crore sanctioned to the company, as conveyed vide our sanction letters RefNo.IDBI/ICG(W)/RCOM/3166, Ref No.IDBI/ICG(W)/RCOM/3167 dated March 8, 2013, Ref No.IDBI/ICG/RCOM/521 dated July 9, 2013 and Ref No.IDBI/ICG/RCOM/591 dated August 1, 2013. In this regard, we advise that the request of the company has since been examined by IDBI and we are agreeable to consider modification in the terms and conditions of the Rupee Term Loan Facility, as under:

Particulars	Original Terms	Modified Terms
Availability Period	Availability period till August 04, 2013	Availability period till August 06, 2013.

2. Save and except the above, all other terms and conditions of sanction letter/s dated March 8, 2013 and July 9, 2013 and August 1, 2013 would remain unchanged.

3. This letter is to be read together with the above-mentioned sanction letter and modified sanction letters, which shall be forming an integral part of the

LOI- RCOM
Modification in Terms of Sanction

Facility Agreement executed for Interim Loan on March 26, 2013/ facility agreement to be executed.

4. This letter is being issued in duplicate. A duplicate copy of this letter duly signed by the authorized official/director in token of acceptance of the above modification may be returned to us at an early date.

5. Meanwhile, kindly acknowledge receipt of this letter.

Yours faithfully,



(Sanjay Panicker)
Deputy General Manager
Infrastructure Corporate Group



(Jyotsna Kumar)
Deputy General Manager
Infrastructure Corporate Group

ACCEPTED

For Reliance Communications Limited

AUTHORISED SIGNATORIES

1. NAME : Sandeep Pandey
DESIGNATION : AGP
ADDRESS : _____
2. NAME : _____
DESIGNATION : _____
ADDRESS : _____

Fileing

In Duplicate

Ref No.IDBI/ICG/RCOM/ 591

August 1, 2013

The Managing Director,
Reliance Communications Ltd.,
Reliance Centre,
19, Walchand Hirachand Marg,
Ballard Estate,
Mumbai – 400 001

Dear Sir,

Rupee Term Loan of Rs.750 crore
- Modification in terms of sanction

Please refer to your letter dated June 20, 2013 regarding certain amendments to the terms and conditions of the Rupee Term Loan of Rs.750 crore sanctioned to the company, as conveyed vide our sanction letters RefNo.IDBI/ICG(W)/RCOM/3166, Ref No.IDBI/ICG(W)/RCOM/3167 dated March 8, 2013 and Ref No.IDBI/ICG/RCOM/521 dated July 9, 2013. In this regard, we advise that the request of the company has since been examined by IDBI and we are agreeable to consider modification in the terms and conditions of the Rupee Term Loan Facility, as under:

Particulars	Original Terms	Modified Terms
Availability Period	Availability period till March 31, 2013.	Availability period till August 04, 2013.
Interim Disbursement	Interim disbursement of Rs.500 crore, out of total loan of Rs.750 crore.	Additional Interim disbursement of Rs.250 crore. Payment of penal interest at 1% p.a. from July 01, 2013.

2. Save and except the above, all other terms and conditions of sanction letter/s dated March 8, 2013 and July 9, 2013 would remain unchanged.

3. This letter is to be read together with the above-mentioned sanction letter and modified sanction letters, which shall be forming an integral part of the

LOI- RCOM
Modification in Terms of Sanction

Facility Agreement executed for Interim Loan on March 26, 2013/facility agreement to be executed.

4. This letter is being issued in duplicate. A duplicate copy of this letter duly signed by the authorized official/director in token of acceptance of the above modification may be returned to us at an early date.

5. Meanwhile, kindly acknowledge receipt of this letter.

Yours faithfully,


(Sanjay Panicker)
Deputy General Manager
Infrastructure Corporate Group




(Jyotsna Kumar)
Deputy General Manager
Infrastructure Corporate Group

ACCEPTED

For Reliance Communications Limited

AUTHORISED SIGNATORIES

1. NAME : Sandeep Pandey
DESIGNATION : AVP
ADDRESS : _____
2. NAME : _____
DESIGNATION : _____
ADDRESS : _____

O/c.

In Duplicate

Ref No.IDBI/ICG/RCOM/ 521

July 9, 2013

The Managing Director,
Reliance Communications Ltd.,
Reliance Centre,
19, Walchand Hirachand Marg,
Ballard Estate,
Mumbai – 400 001

Dear Sir,

Rupee Term Loan of Rs.750 crore
- Modification in terms of sanction

Please refer to your letter dated June 27, 2013 and SBI's mail dated July 2, 2013 regarding certain amendments to the terms and conditions of the Rupee Term Loan of Rs.750 crore sanctioned to the company, as conveyed vide our sanction letters RefNo.IDBI/ICG(W)/RCOM/3166 and Ref No.IDBI/ICG(W)/RCOM/3167 dated March 8, 2013. In this regard, we advise that the request of the company has since been examined by IDBI and we are agreeable to consider modification in the terms and conditions of the Rupee Term Loan Facility, as under:

Particulars	Original Terms	Modified Terms
Security	The following security for interim disbursement to be created within 4 months from the date of disbursement: i) First pari passu charge on moveable plant and machinery and Capital work in progress (pertaining to movable fixed assets), of Reliance Communications Ltd. (RCOM), Reliance Telecom Limited (RTL), Reliance Communications Infrastructure Limited (RCIL) & Reliance Infratel Limited (RITL); and	The said security i.e. i) First pari passu charge on moveable plant and machinery and Capital work in progress (pertaining to movable fixed assets), of Reliance Communications Ltd. (RCOM), Reliance Telecom Limited (RTL), Reliance Communications Infrastructure Limited (RCIL) & Reliance Infratel Limited (RITL); and ii) First pari passu charge on insurance contracts entered into in relation to the assets above, to be created by August 31, 2013,

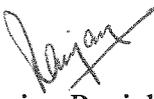


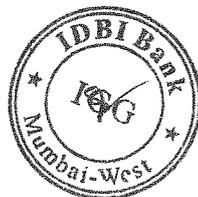
LOI- RCOM
Modification in Terms of Sanction

	ii) First pari passu charge on insurance contracts entered into in relation to the assets above.	subject to Reliance Infratel Limited (RITL) undertaking to assign its contract with Reliance Jio Infocomm Limited as an interim security and payment of penal interest at 1% p.a. from July 01, 2013. The assignment shall fall off on creation and perfection of stipulated security (i) and (ii).
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2. Save and except the above, all other terms and conditions of sanction letter/s dated March 8, 2013 would remain unchanged.
3. This letter is to be read together with the above-mentioned sanction letter and modified sanction letters, which shall be forming an integral part of the Facility Agreement executed for Interim Loan on March 26, 2013
4. This letter is being issued in duplicate. A duplicate copy of this letter duly signed by the authorized official/director in token of acceptance of the above modification may be returned to us at an early date.
5. Meanwhile, kindly acknowledge receipt of this letter.

Yours faithfully,


(Sanjay Panicker)
Deputy General Manager
Infrastructure Corporate Group




(Jyotsna Kumar)
Deputy General Manager
Infrastructure Corporate Group

ACCEPTED
For Reliance Communications Limited

AUTHORISED SIGNATORIES

1. NAME : Sandeep Sai Pandey.
DESIGNATION : A.V.P.
ADDRESS : _____
2. NAME : _____
DESIGNATION : _____
ADDRESS : _____



मुंबई बृहत कार्पोरेट शाखा :
ओरिएण्टल बिल्डींग, लल गंजील,
364, डी. एन. रोड, फोर्ट, मुंबई - 400 001

Mumbai Large Corporate Branch :
Oriental Building, Ground Floor,
364, D. N. Road, Fort, Mumbai - 400 001

दूरध्वनी/Tel.: +9122 2288 4473 / 4476, 6187 0403 / 0405
फैक्स/Fax : +9122 2288 4475, 2288 4474
ईमेल/Email : Mumbai.Lcbb@bankofindia.co.in

बैंक ऑफ इंडिया
Bank of India

BOI



Ref. No: MLCB/NRK/2014-15/ 848

Date: 21.01.2015

Managing Director
Reliance Communications Ltd
H Block, 1st Floor
Dhirubhai Ambani Knowledge City
Navi Mumbai - 400 710

Dear Sir,

Review of credit facilities

We invite reference to your request for review of credit facilities and are pleased to convey approval for sanction of aggregate fund based limits of Rs. 700.00 crore. Broad terms and conditions are given as per Annexure I, II & III of this letter.

2. Notwithstanding anything to the contrary stated or suggested herein, the outstanding indebtedness whether actual, under these facilities is subject to liquidation by you, on first demand by us.
3. This letter is issued in duplicate. Please return duplicate copy duly signed by an authorised signatory in token of having accepted the terms and conditions.

Yours faithfully,

Anjali Bhatnagar

(Anjali Bhatnagar)
Asst General Manager

Encl.: As above

Accepted Term of Sanction

For Reliance Communication Limited



1

प्रधान कार्यालय : स्टार हाऊस, सी-5, जी ब्लॉक, बान्द्रा कुर्ला संकुल, बान्द्रा (पूर्व), मुंबई - 400 051.
Head Office : Star House, C-5, "G" Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051
वेबसाईट/Website : www.bankofindia.co.in

ANNEXURE - I**A) Limits:**

(Rs in crores)

Limits	Existing	Proposed	Pricing
FB Limits			
Rupee Term Loan	700.00	700.00	2.50% over SBI Base rate presently 12.50% p.a including tenor premium for the entire tenor of TL. Our RoI shall not be lower than RoI of participating Banks in the consortium of Rs. 6750.00 crores. Term loan to be disbursed only after full compliances of terms & conditions till then, bridge loan/ STL to carry RoI of 3.75% over SBI Base Rate presently 13.75% p.a.
Total	700.00	700.00	

B) Charges:

Particulars	Fees/charges
Proposal processing charges	Rs. 5.25 crores + ST (0.75% of Rs. 700.00 crores + ST) (all inclusive).

C) Other major terms

- i) RoI at 3.75% over SBI base presently 13.75% shall continue to recover on interim disbursement of Rs. 350.00 crores till the interim disbursement is converted into long term facility.
- ii) Disbursement shall be made only after compliance of terms and conditions mentioned in the sanction letter and attached annexure.
- iii) SBI, Lead Bank to circulate approved/final assessment note before release of balance Rs. 350.00 crores.
- iv) Full tie up of limits with revised business plan by all lenders.
- v) Existing loan of Rs. 350.00 crores will be converted into long term loan. Balance Rs. 350.00 crores will be released upon infusion of equity of Rs. 12208.00 crores in FY-2014-15 and compliance of terms and conditions as per Annexure II.
- vi) Company shall submit Statutory Auditor certificate for infusion of equity of Rs. 12208.00 crores before release of balance term loan of Rs. 350.00 crores.
- vii) 1% commitment charges would be recoverable on unutilised amount of Rs. 350.00 crores from 01.09.2014 till availment of Long term loan.
- viii) Approval is accorded for appointment of M/s J. Sagar Associates as Lenders Legal Counsel.



- ix) Continuation of waiver for maintenance of Debt Service Reserve Account.
- x) Status report from major Banks shall be obtained before disbursement of RTL.
- xi) Approval is accorded to accept common terms and conditions for the facility as decided by the consortium.

D) Approval is accorded for testing of financial covenants as under:

- i) Net Worth, shall not be less than Rs. 25000 crores for FY 2014-15 and thereafter.
- ii) Net Debt to EBITDA ratio shall not be more than 5.00 as on 31.03.2015 and 4.00 as on 31.03.2016 and thereafter;
- iii) EBITDA to Interest Expenses ratio shall not be less than 3.00 for FY 2015 and 4.00 for FY 2016 and thereafter.
- iv) Adjusted EBITDA to Debt Service (Cash DSCR) ratio shall not be less than 1.00
- v) Asset Cover Ratio shall not be less than 1.10

E) Approval is accorded for following modification sought by the company:

	EXISTING TERMS	REVISED TERMS														
i	Facility: A Rupee Term Loan of Rs.6500 Crore under a consortium arrangement to the Borrower(s) earmarked as under <ul style="list-style-type: none"> - Rs. 6,000 Crores to Borrower 1 (RCOM) & - Rs. 500 Crores to Borrower 2 (RTL) 	Facility: A Rupee Term Loan of Rs.6,750 Crore under a consortium arrangement to the Borrower(s) earmarked as under <ul style="list-style-type: none"> - Rs. 6,015 Crores to Borrower 1 (RCOM) & - Rs. 735 Crores to Borrower 2 (RTL) 														
ii	Availability Period: RCOM: Until 31st March, 2013. RTL: 3 months from the creation of "Additional Security" or 30th September, 2016 whichever is earlier.	Availability Period: For RCOM and RTL until 30th June, 2015.														
iii	Door to Door Tenor: 7 years and 6 months (moratorium of 4 years)	Door to Door Tenor: 5 years and 3 months (moratorium of 1 year 9 months – repayment schedule remains unchanged)														
iv	Stake Sale/Equity Infusion: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Financial Year</th> <th>(Amount in Crores)</th> </tr> </thead> <tbody> <tr> <td>31st March, 2013</td> <td>5,000</td> </tr> <tr> <td>31st March, 2014</td> <td>10,400</td> </tr> <tr> <td>31st March, 2015</td> <td>1,000</td> </tr> </tbody> </table>	Financial Year	(Amount in Crores)	31 st March, 2013	5,000	31 st March, 2014	10,400	31 st March, 2015	1,000	Stake Sale/Equity Infusion: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Financial Year</th> <th>(Amount in Crores)</th> </tr> </thead> <tbody> <tr> <td>On or before 31st March, 2015</td> <td>12,208</td> </tr> <tr> <td>On or before 31st March, 2016</td> <td>4,200</td> </tr> </tbody> </table>	Financial Year	(Amount in Crores)	On or before 31 st March, 2015	12,208	On or before 31 st March, 2016	4,200
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31 st March, 2015	1,000															
Financial Year	(Amount in Crores)															
On or before 31 st March, 2015	12,208															
On or before 31 st March, 2016	4,200															



	<p>Borrower shall pay an additional interest of 1% p.a. on the entire outstanding loan amount in case of any breach in compliance with the above undertaking till such time the breach is cured. Further, any breach in adherence to the above schedule shall be construed as an Event of Default.</p>	<p>Borrower shall pay an additional interest of 1% p.a. on the entire outstanding loan amount in case of any breach in compliance with the above undertaking till such time the breach is cured. Further, on any breach in adherence to the above schedule, lenders shall have a right to call an Event of Default.</p>																		
v	<p>Debt Reduction:</p> <table border="1"> <thead> <tr> <th>As on</th> <th>(Amount in Crores)</th> </tr> </thead> <tbody> <tr> <td>31st March 2013</td> <td>41,000</td> </tr> <tr> <td>31st March 2014</td> <td>32,500</td> </tr> <tr> <td>31st March 2015</td> <td>29,000</td> </tr> <tr> <td>And thereafter shall not exceed</td> <td>25,500</td> </tr> </tbody> </table> <p>The Borrower undertakes to implement a debt reduction schedule due to which the aggregate Gross Debt of RCOM Group (consolidated financials of RCOM as per Indian GAAP) shall not exceed:</p> <p>Borrower shall pay an additional interest of 1% p.a. on the entire outstanding loan amount in case of any breach in compliance with the above undertaking till such time the breach is cured. Further, any breach in adherence to the above schedule shall be construed as an Event of Default.</p> <p>For the purpose of testing the above, foreign currency component of Gross Debt shall be calculated as per 1 USD = Rs. 55.</p>	As on	(Amount in Crores)	31st March 2013	41,000	31st March 2014	32,500	31st March 2015	29,000	And thereafter shall not exceed	25,500	<p>Debt Reduction:</p> <table border="1"> <thead> <tr> <th>As on</th> <th>(Amount in Crores)</th> </tr> </thead> <tbody> <tr> <td>31st March 2015</td> <td>32,500</td> </tr> <tr> <td>31st March 2016</td> <td>29,000</td> </tr> <tr> <td>31st March, 2017 and thereafter shall not exceed</td> <td>25,500</td> </tr> </tbody> </table> <p>The Borrower undertakes to implement a debt reduction schedule due to which the aggregate Gross Debt of RCOM Group (consolidated financials of RCOM as per Indian GAAP) shall not exceed:</p> <p>Borrower shall pay an additional interest of 1% p.a. on the entire outstanding loan amount in case of any breach in compliance with the above undertaking till such time the breach is cured. Further, on any breach in adherence to the above schedule, lenders shall have a right to call an Event of Default.</p> <p>(Foreign currency component of Gross USD Debt calculated @ Rs. 61).</p>	As on	(Amount in Crores)	31st March 2015	32,500	31st March 2016	29,000	31st March, 2017 and thereafter shall not exceed	25,500
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vi	<p>Conditions Precedent:</p> <p>i) Any disbursement to RTL under the Facility shall be made only subsequent to creation of "Additional Security".</p> <p>ii) Company to provide undertaking to submit consent letters from existing lenders granting waiver for non-compliance of financial covenants for FY 2011-12 and modification in</p>	<p>Conditions Precedent:</p> <p>i) Any disbursement to RTL under the Facility shall be made only after creation of "Initial Security".</p> <p>ii) Provide Consent letters from existing lenders/facility agents granting waiver for non-compliance of financial covenants for FY 2013-14 on the lines of Financial</p>																		



<p>financial covenants on the lines of Financial Covenants of this facility to be in place within 6 months from the date of first disbursement.</p> <p>iii) Provide an undertaking that – Cash infusion on account of stake sale transactions i.e. Rs. 5,000 crores in FY 2012-13, Rs.10,400 Crores in FY 2013-14 and Rs. 1,000 Crores in FY 2014-15 shall not be reduced on account of tax implications, if any. If cash infusion is reduced on account of tax implication or proceeds of stake sale transactions are not available for debt reduction, the Borrower shall infuse additional cash so as to give the same financial impact.</p> <p>iv) Submission of certified copies of constitutional documents of each of Obligors</p> <p>v) Submission of certified copies of all approvals including regulatory and shareholder approvals to the extent applicable;</p>	<p>Covenants of this Facility</p> <p>iii) Provide an undertaking that – Cash infusion on account of stake sale transactions i.e. Rs. 6,100 Crores in FY 2014-15 (over and above Rs. 6,108 Crores infused by way of QIP proceeds and preferential allotment to promoters), Rs. 4,200 Crores in FY 2015-16 shall not be reduced on account of tax implications, if any. If cash infusion is reduced on account of tax implication or proceeds of stake sale transactions are not available for debt reduction, the Borrower shall infuse additional cash so as to give the same financial impact.</p> <p>iv) Submission of certified copies of constitutional documents of each of Obligors except RGBV which will be submitted within 3 months from the date of disbursement.</p> <p>(included as an undertaking)</p>
<p>vii Negative Covenants: The Borrower(s) shall not without prior permission of Lenders – (i) Formulate any scheme of amalgamation or reconstruction or change in capital structure, which shall result in dilution of stake held by RCOM in the Obligor Group and its subsidiaries. FLAG transaction as defined in the Lenders Base Case shall be a sole exception to this. (ii) Enter into borrowing arrangement either secured or unsecured with any other bank, financial institution, or company or otherwise or accept deposits apart from the arrangement indicated in</p>	<p>Negative Covenants: The Borrower(s) shall not without prior permission of Lenders – (i) Formulate any scheme of amalgamation or reconstruction or change in capital structure, which shall result in dilution of stake held by RCOM in the Obligor Group and its subsidiaries. Global Cloud Xchange Ltd., transaction as defined in the Lenders Base Case shall be a sole exception to this. (ii) Enter into any secured borrowing arrangement with any other bank, financial institution, or company or otherwise or accept deposits apart from the arrangement indicated in the funds flow statements submitted</p>



	<p>the funds flow statements submitted to the Bank from time to time and approved by the Bank.</p> <p>(iii) Create any charge, lien or encumbrance over its undertaking/assets or any part thereof in favour of any financial institution, bank, company, firm or persons other than as per the Lenders Base Case approved by Bank.</p>	<p>to the Bank from time to time and approved by the Bank. However, refinancing may be permitted provided Debt Reduction Undertaking / Covenant being complied with.</p> <p>(iii) Create any charge, lien or encumbrance over its undertaking/assets or any part thereof in favour of any financial institution, bank, company, firm or persons other than as per the Lenders Base Case approved by Bank. Charge creation on refinanced debt may be permitted provided Debt Reduction Undertaking/ Covenant being complied with.</p>
viii	<p>Financial Covenants:</p> <ol style="list-style-type: none"> 1. Net Worth, shall not be less than Rs. 250,000,000,000 (Rupees Twenty Five thousand crores); 2. The ratio of Net Debt to EBITDA shall not be more than 5.82 as on 31.03.2013 and 4.00 thereafter; 3. The ratio of EBITDA to Interest Expenses shall not be less than 3.00 for FY 2012-13 and FY 2013-14 and 4.00 thereafter; 4. Testing of Financial Covenants to begin from 31.03.2013 	<p>Financial Covenants:</p> <ol style="list-style-type: none"> 1. Net Worth, shall not be less than Rs. 250,000,000,000 (Rupees Twenty Five thousand crores) for FY 2014-15 and thereafter; 2. The ratio of Net Debt to EBITDA shall not be more than 5.00 as on 31.03.2015 and 4.00 as on 31.03.2016 and thereafter; 3. The ratio of EBITDA to Interest Expenses shall not be less than 3.00 for FY 2014-15 and 4.00 for FY 2015-16 and thereafter; 4. Testing of Financial Covenants to begin from 31.03.2015
ix	<p>Affirmative Covenants</p> <p>i) Reliance Group shall maintain Management Control of the Obligor Group and its subsidiaries through the entire tenor of the Facility. Management Control shall mean the right to appoint/remove majority of directors on the Board of the Obligor Group or power to directly/indirectly cause the direction of management and policies of a company.</p>	<p>Affirmative Covenants</p> <p>i) Reliance Group shall maintain Management Control of the Obligor Group and its subsidiaries through the entire tenor of the Facility. Management Control shall mean the right to appoint/remove majority of directors on the Board of the Obligor Group or power to directly/indirectly cause the direction of management and policies of a company. The sole exception shall be Global Cloud Xchange Limited transaction as envisaged in the Lenders Base Case.</p>



	<p>ii) Borrower(s) shall ensure that its assets and the assets of each other obligor are fully insured</p> <p>iii) The Borrower(s) undertakes to:- Offer to the Lenders any favourable term offered to other lenders to the Obligor Group except pricing terms.</p>	<p>ii) Borrower(s) shall ensure that all insurable assets and the insurable assets of each other Obligor are fully insured.</p> <p>iii) The Borrower(s) undertakes to:- Offer to the Lenders any favourable term offered to other lenders to the Obligor Group (except RGBV) except pricing terms.</p>
x	<p>Change in Security Sale of FLAG and Reliance Infratel Ltd envisaged in earlier Lenders Base Case</p>	<p>Change in Security Sale of DTH and Global Cloud Xchange Limited envisaged in Lenders Base Case</p>
xi	<p>Waiver of pre-payment premium if prepayment is made From proceeds of strategic sale of assets of group entities or equity infusion</p>	<p>Waiver of pre-payment premium if prepayment is made From proceeds of strategic sale of assets of group entities or equity infusion or securitisation of receivables under tower sharing agreement with other telecom operators</p>



Reliance Communications Limited
Indicative terms and conditions

1. Reliance Group:	"Reliance Group" means Mr. Anil Dhirubhai Ambani ("ADA") and his family in a personal capacity and family trusts (in respect of the shares held by such family members or family trusts, only those shares deemed controlled by Mr. Anil Dhirubhai Ambani will be included for the purposes of this definition) or the companies where ADA has at least a 26% stake and the companies that are also controlled directly or indirectly by ADA (together "Reliance Group").
2. Borrower(s) :	Reliance Communications Ltd. (RCOM)
3. Obligor Group	Reliance Communications Ltd. (RCOM), Reliance Telecom Limited (RTL), Reliance Communications Infrastructure Limited (RCIL), Reliance Infratel Limited (RITL) & Reliance Globalcom BV (RGBV). Each one of the above entity would be individually referred to as an Obligor & together would be referred to as the "Obligor Group". RCOM shall act as the "Obligor's Agent".
4. RCOM Group	Reliance Communications Ltd. (RCOM) along with all its subsidiaries
5. Lenders:	Banks/Financial Institutions, collectively the "Lenders", who are participating in funding the project by way of the Facility. State Bank of India shall act as the Facility Agent.
6. Facility:	A Rupee Term Loan of Rs.6,750 Crore under a consortium arrangement. Our share Rs. 700.00 crores.
7. Purpose of the Facility:	For meeting ongoing - 1. Capital expenditure 2. Operational expenditure 3. Repayment of existing liabilities, other than any related party/ shareholder loans
8. Syndicator/ Sole Arranger	SBI Capital Markets Ltd. (SBICAPS) shall be the sole arranger for the Facility
9. Signing Date:	The date on which the loan documentation for the Facility (the "Facility Agreement") is signed by the parties thereto.
10. Lenders Base Case	The business plan and financial projections as accepted by the Lenders at the time of sanction.
11. Validity Period of SBI Facility	- The commercial terms shall be valid for a period upto one month from the date of sanction before which Company shall convey their acceptance. - The other sanction terms shall be valid up to a period of three months from the date of sanction before which Facility Agreement shall be executed.
12. Availability Period:	For RCOM and RTL: Until 30th June 2015 Any undrawn amount of the Facility at the end of the Availability Period will be automatically cancelled and will not be available for drawing.
13. Moratorium Period	Upto 30th September 2016
14. Repayment	Principal Repayment in 14 structured quarterly installments post



	<p>Moratorium. For both term loans i.e. Rs 6,015 Cr to RCOM and Rs 735 Cr to RTL.</p> <table border="1"> <thead> <tr> <th></th> <th>Q1</th> <th>Q2</th> <th>Q3</th> <th>Q4</th> </tr> </thead> <tbody> <tr> <td>FY 2017</td> <td>-</td> <td>-</td> <td>8%</td> <td>8%</td> </tr> <tr> <td>FY 2018</td> <td>8%</td> <td>8%</td> <td>8%</td> <td>8%</td> </tr> <tr> <td>FY 2019</td> <td>1%</td> <td>1%</td> <td>1%</td> <td>1%</td> </tr> <tr> <td>FY 2020</td> <td>12%</td> <td>12%</td> <td>12%</td> <td>12%</td> </tr> </tbody> </table> <p>The repayment due dates shall be 31st December, 31st March, 30th June and 30th September in each year.</p>		Q1	Q2	Q3	Q4	FY 2017	-	-	8%	8%	FY 2018	8%	8%	8%	8%	FY 2019	1%	1%	1%	1%	FY 2020	12%	12%	12%	12%
	Q1	Q2	Q3	Q4																						
FY 2017	-	-	8%	8%																						
FY 2018	8%	8%	8%	8%																						
FY 2019	1%	1%	1%	1%																						
FY 2020	12%	12%	12%	12%																						
15. Door to Door Tenor	5 years and 3 months including a moratorium of 1 year 9 months																									
16. Interest Rate on the Facility	<p>(i) Floating rate of interest equivalent to SBI Base Rate (SBRR) plus a "Spread" of 2.50% present effective 12.50% p.a. with monthly rests.</p> <p>The interest payable shall be subject to the changes in interest rate policy, etc. made by the Reserve Bank of India/any other agency empowered for the purpose from time to time. However, our RoI shall not be lower than RoI of participating Banks in the consortium of Rs. 6750.00 crores. Term loan to be disbursed only after full compliances of terms & conditions till then, bridge loan/ STL to carry RoI of 3.75% over SBI Base Rate presently 13.75% p.a.</p>																									
17. Trigger for Re-Pricing of Rate of Interest	<p>Any adverse deviation from the estimated/ projected level in the Lenders Base Case by more than 20%, in respect of any two of the following financial parameters, arrived at from financial results, will entitle the Bank to re-price the loan.</p> <ol style="list-style-type: none"> Interest Coverage Ratio Return on Capital Employed TOL/TNW Gross DSCR; However, the same shall not be below 1 at any point of time during the tenor of the Facility. Current Ratio <p>The measurement of deviation shall be with reference to last audited statement of accounts and made from the first anniversary of the First Disbursement and annually thereafter.</p>																									
18. Interest Tax, Levies & Duties	Interest tax / other levies / duties, if any, applicable as per Facility Agreement, shall be payable by the Borrower(s) over and above the Interest Rate mentioned above.																									
19. Commitment Fee	Commitment fee of 1.20% on the amount of undrawn amounts i.e. variance in actual disbursements with respect to quarterly disbursement schedule provided by the Borrower(s) at the time of documentation for the entire availability period or the amended disbursement schedule accepted by the Lenders. The Commitment Fee shall be calculated on the basis of amount undrawn during that quarter. The disbursement schedule, with the approval of the Lender's Agent, may be amended by the Borrower(s), with a thirty (30) days' prior written notice before the beginning of the respective quarter.																									
20. Prepayment Premium	The Borrower(s) shall at any time have the option to prepay the Lenders in part or in full, the loan together with all interest, prepayment premium and other charges and monies due and																									



	<p>payable to the Lenders upto the date of such prepayment, on payment of prepayment premium equal to 1 % of the amount prepaid.</p> <p>No pre-payment premium, however, shall be payable if the pre-payment is effected in any of the following events:</p> <ol style="list-style-type: none"> At the instance of the Lenders; From the surplus internal accruals generated by the Project with 30 days prior notice period with such prepayment being made once in financial year, From proceeds of strategic sale of assets of group entities or equity infusion or securitization of receivables under the Tower Sharing agreement with other telecom operators. On Re-pricing of Rate of Interest if interest is found unacceptable, the Borrower(s) shall have the option to prepay the outstanding Rupee Term Loan by advising its intention to prepay within 30 days of such re-pricing advice date and prepay the Rupee Term Loan within 90 days from the re-pricing date; However, during this period, the Company shall service the Facility at the Re-priced Rate of Interest
21. Liquidated damages defaulted payments	<p>on</p> <p>The Borrower(s) shall pay default interest @ 1% p.a. for the period of default on the total outstanding amount</p> <ul style="list-style-type: none"> - in respect of Principal & interest or any other monies due on their respective due dates. - In case of Cross Default to other lenders <p>Arrears of default interest shall carry interest at the applicable Interest Rate till the date of payment of the defaulted amount.</p> <p>However, the total additional interest on account of liquidated damages, non-compliance of various conditions/stipulations shall not exceed 3% p.a.</p>
22. Security	<p>Security for the Facility shall be created in two stages – namely Stage - 1 & Stage - 2</p> <p>Stage - 1 ("Initial Security")</p> <p>The proposed Facility along with interest, fees, commission and other dues to the Lenders shall be secured by:-</p> <ol style="list-style-type: none"> 1) Pari passu first charge on all the present and future moveable plant and machinery including (without limitation) tower assets and optic fibre cables, if any, capital work in progress (pertaining to movable fixed assets) of Reliance Communications Ltd. (RCOM), Reliance Telecom Limited (RTL), Reliance Communications Infrastructure Limited (RCIL) & Reliance Infratel Limited (RITL); 2) Pari passu first charge on all the rights, title, interest, benefit, in respect of all insurance contracts entered into in relation to the assets described in (1) above; 3) Assignment of all telecom licenses of RCOM (UASL, NLD & ILD) 4) Negative lien on the following – <ul style="list-style-type: none"> • present and future moveable fixed assets of RGBV (subject



to existing encumbrance as on date of execution of Facility Agreement)

- present and future Immoveable assets of the Obligor Group
- Telecom Licenses held by RTL (subject to the existing assignments of the telecom licenses for the benefit of the existing lenders of RTL)
- present & future Investments of RCOM in the Obligor Group, subject to existing encumbrance as on date of execution of Facility Agreement
- cash and cash equivalents of the Obligor Group (subject to existing encumbrance as on date of execution of Facility Agreement)

The security in (1) (2) & (4) shall be created before first disbursement and (3) within 6 months from the date of first disbursement.

The above security shall be shared on a pari - passu basis with other Secured creditors of the Obligor Group.

Stage - 2 ("Additional Security")

5) Pari passu first charge on all present & future moveable fixed assets of the Obligor Group, including, but not limited to moveable Plant and Machinery and Capital Work in Progress

6) Assignment of all telecom licenses of the RTL (UASL)

7) Pari passu first charge on present and future cash flows, receivables, other current assets, revenues, intangibles of the Obligor Group

8) Pari passu first charge on all present and future immoveable assets of the Obligor Group

9) Assignment of rights, titles, interests, benefits, claims and demands in material project contracts incl. insurance proceeds of the Obligor Group.

10) Implementation of Co-obligor structure for the Obligor Group. This shall mean joint and several guarantees from each of the members of the Obligor Group to secure the obligations of the Borrower(s) in connection with this Facility.

11) Pledge by:

a) RCOM over their shareholding in RCIL;

b) RCOM and Reliance Infocomm Infrastructure Private Limited over their shareholding in RTL.

Subject to regulatory approvals permitting mortgage of spectrum, all spectrum belonging to the Obligor Group shall be mortgaged in favour of Lenders within 3 months from the date of such permission/notification.

The security in (5), (6), (7), (8) (9) ,(10) & (11) shall be created post obtention of consent of existing lenders of respective Obligor Group entities and such other regulatory or statutory approvals, as may be required. The same shall have to be created & perfected within 6



	<p>months from the date of first disbursement of the Facility. However, in instances where despite the Obligor Group having demonstrated due effort to create/perfect security, if there is a delay on account of statutory/regulatory reasons, the same shall not be construed as an Event of Default.</p> <p>The above security shall be shared on a pari - passu basis with other Secured creditors of the Obligor Group.</p> <p>All Security to be held by Security Trustee for the benefit of Lenders in a form and manner satisfactory to State Bank of India.</p>								
23. Additional Interest	<p>In case the Obligor Group fails to create & perfect the Security (for both Stage - 1 & Stage - 2) within stipulated time periods, the Borrower(s) shall pay an additional interest of 1% p.a. on the entire outstanding loan amount from the end of such stipulated time period till creation & perfection of Security. However, in instances where despite the Obligor Group having demonstrated due effort to create/perfect security, there is a delay is on account of statutory/regulatory reasons, extension in timeline, based on mutual consent between RCOM & SBI may be granted. During such extension, such additional interest may not be charged. Any further disbursements pending perfection of security shall be at the sole discretion of the Lenders.</p>								
24. Stake sale/ Equity infusion	<p>The Borrower undertakes to implement a stake sale/ equity infusion plan due to which a cash infusion shall be made into the Borrower as per the schedule indicated below:-</p> <table border="1"> <thead> <tr> <th>Financial Year</th> <th>(Amount in Cr)</th> </tr> </thead> <tbody> <tr> <td>31st March 2015</td> <td>12,208</td> </tr> <tr> <td>31st March 2016</td> <td>4,200</td> </tr> </tbody> </table> <p>Borrower shall pay an additional interest of 1% p.a. on the entire outstanding loan amount in case of any breach in compliance with the above undertaking till such time the breach is cured. Further on any breach in adherence to the above schedule, Lenders shall have a right to call an Event of Default.</p>	Financial Year	(Amount in Cr)	31st March 2015	12,208	31st March 2016	4,200		
Financial Year	(Amount in Cr)								
31st March 2015	12,208								
31st March 2016	4,200								
25. Debt Reduction Undertaking/ Covenant	<p>The Borrower undertakes to implement a debt reduction schedule due to which the aggregate Gross Debt of RCOM Group (consolidated financials of RCOM as per Indian GAAP) shall not exceed:</p> <table border="1"> <thead> <tr> <th>As on</th> <th>(Amount in Cr)</th> </tr> </thead> <tbody> <tr> <td>31st March 2015</td> <td>32,500</td> </tr> <tr> <td>31st March 2016</td> <td>29,000</td> </tr> <tr> <td>31st March 2017 and thereafter shall not exceed</td> <td>25,500</td> </tr> </tbody> </table> <p>Borrower shall pay an additional interest of 1% p.a. on the entire outstanding loan amount in case of any breach in compliance with the above undertaking till such time the breach is cured. Further on any breach in adherence to the above schedule, Lenders shall have</p>	As on	(Amount in Cr)	31st March 2015	32,500	31st March 2016	29,000	31st March 2017 and thereafter shall not exceed	25,500
As on	(Amount in Cr)								
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31st March 2017 and thereafter shall not exceed	25,500								



	<p>a right to call an Event of Default.</p> <p>(Foreign currency of Gross USD Debt calculated @ Rs. 61)</p>
26. Financing Documentation:	<p>The Facility will be governed by a Facility Agreement in form and substance acceptable to both the parties. The Facility Agreement will contain usual provisions for a facility of this nature and the conditions precedent, events of default, representations and warranties, and covenants detailed in this term sheet.</p> <p>Finance Documents shall include the Facility Agreement and other documents designated as such by the Lender and the Borrower(s).</p>
27. Pre-commitment conditions	<p>The Borrower(s)</p> <p>a. Ties-up the entire debt requirements envisaged in the Facility.</p> <p>b. Gives a declaration / undertaking to the effect that none of its directors, is a director or specified near relation of a director of a lending bank</p> <p>c. Confirms/undertakes that name of none of the directors appears in RBI's/CIBIL's Defaulters' list/ECGC Caution List</p> <p>d. undertakes that the Obligor Group are in compliance with all matters pertaining to licenses and regulations.</p>
28. Conditions Precedent:	<p>Prior to first disbursement under the Facility, the Borrower(s) shall, to the satisfaction of the Lenders, have complied with the following:-</p> <p>(a) All the financing documents pertaining to the Facility (save and except the security documents required to be executed in connection with the Stage 2 Additional Security and the telecom license assignment of RCOM) shall have been executed and the same are in full force and effect backed by a legal opinion from Lenders Legal Counsel.</p> <p>(b) Confirmation from the Lenders Legal Counsel that the terms of security offered by RCOM, RCIL, RTL and RITL as part of the Stage 1 Initial Security are at par with the terms of the security provided by RCOM, RCIL, RTL and RITL over their assets for the benefit of the other lenders of RCOM.</p> <p>(c) Create/perfect the security as envisaged under the Security clause within the stipulated time periods.</p> <p>(d) Provide an undertaking that –</p> <ul style="list-style-type: none"> - Consent letters from existing lenders/facility agents granting waiver for non-compliance of financial covenants for Financial Year 2014 and modification in financial covenants on the lines of Financial Covenants of this Facility. - The Borrower(s) has not agreed to more favourable terms than those offered to the "Lenders" of this "Facility" in any of its existing debt facilities. In case, it is subsequently found that more favourable terms have been agreed to by the Borrower(s), the same shall also be applicable for the Facility. Further, the Lenders are free to take any action that they deem fit to regularize the position. - Cash infusion on account of stake sale transactions i.e. Rs. 6,100 Crs. in FY'15 (over and above Rs 6,108 Cr infused by way of QIP



	<p>proceeds and preferential allotment to promoters) and Rs. 4,200 Crs in FY'16 shall not be reduced on account of tax implications, if any. If cash infusion is reduced on account of tax implication or proceeds of stake sale transactions are not available for debt reduction, the Borrower shall infuse additional cash so as to give the same financial impact.</p> <p>- All approvals including regulatory and shareholder approvals to the extent applicable are in place.</p> <p>(e) Submission of certified copies of constitutional documents of each of Obligors except RGBV which will be submitted within 3 months from the date of disbursement;</p> <p>(f) Submission of certified copies of appropriate board resolutions and other corporate authorizations;</p> <p>(g) Agree to submit a certificate of end use of the disbursement within 30 days of such disbursement and a certificate from the Statutory Auditor within 60 days of such disbursement.</p> <p>Any disbursement to RTL under the facility shall be made only after creation of "Initial Security"</p>
<p>29. Affirmative Covenants</p>	<p>The Borrower(s) agrees that or shall ensure that (as applicable):-</p> <p>a. Reliance Group shall maintain Management Control of the Obligor Group and its subsidiaries through the entire tenor of the Facility. Management Control shall mean the right to appoint/remove majority of directors on the Board of the Obligor Group or power to directly/indirectly cause the direction of management and policies of a company. The sole exception shall be Global Cloud Xchange Limited transaction as envisaged in the Lenders Base Case.</p> <p>b. All statutory clearances as applicable shall be obtained and maintained at all times during the tenor of the Facility.</p> <p>c. All telecom business related approvals/clearances/ licenses from Department of Telecommunication or any other statutory body shall be obtained and maintained during the tenor of the Facility.</p> <p>d. To create security by way of mortgage of spectrum in favour of Lenders subject to regulatory approvals. Further, in case a more favourable term is offered to any other lender to the Obligor Group (except RGBV), the same shall also be applicable to the Lenders of the Facility.</p> <p>e. In case of default in repayment of the loan / advances or in the payment of the interest thereon or any of the agreed installments of the loan on due date/s by the Borrower(s), the Bank and / or the RBI will have an unqualified right to disclose or publish the Borrower(s) name/unit and its directors/ partners / proprietors as defaulter in such manner and through such medium as the Bank or RBI in their absolute discretion may think fit.</p> <p>f. The Bank will have the right to share credit information as deemed appropriate with CIBIL or any other institution as approved by RBI from time to time.</p> <p>g. The Borrower(s) shall not induct into its Board a person whose name appears in the wilful defaulters list of RBI/ CIBIL (other than</p>



	<p>as a Nominee/ Professional/ Honorary director). In case such a person is already on the Board of the borrowing company, it would take expeditious and effective steps for removal of that person from its Board.</p> <p>h. Lenders shall have the right to securitize the loan asset and in the event of such securitization, the Bank is not bound to send an individual intimation to the Borrower(s) or any other Obligor.</p> <p>i. Borrower(s) shall ensure that all insurable assets and the insurable assets of each other Obligor are fully insured.</p> <p>j. Bank shall have the right to convert at its option the whole or part of the defaulted amount of the Loan into fully paid-up equity shares of the Borrower(s), at a mutually acceptable formula (or as per SEBI Regulation), if the Borrower(s) commits a default in payment of interest or repayment resulting into an Event of Default.</p> <p>k. It shall, at all times during the currency of the Facility, comply with the environmental, health, safety and social (EHSS) regulations/requirements.</p> <p>l. The Borrower(s) agrees to offer to the Bank, at least pro-rata business relating to remittances, bills / cheque purchase, non-fund based transactions including LCs and BGs, forex transactions and any interest rate or currency hedging business.</p> <p>m. Modify/Amend its Memorandum of Association or Articles of Association as per the requirements of the proposed Facility.</p> <p>n. Lenders shall have the right to appoint independent agencies, in consultation with the Borrower(s), for monitoring of the financials and operational performance with cost to be borne by the Borrower(s).</p>
<p>30. Negative Covenants</p>	<p>The Borrower(s) shall not without prior permission of Lenders –</p> <ol style="list-style-type: none"> 1. Formulate any scheme of amalgamation or reconstruction or change in capital structure, which shall result in dilution of stake held by RCOM in the Obligor Group and its subsidiaries. Global Cloud Xchange Limited transaction as defined in the Lenders Base Case shall be a sole exception to this. 2. Undertake any new project, implement any scheme of expansion or acquire fixed assets except those indicated in the funds flow statement submitted to the Bank from time to time and approved by the Bank. 3. Enter into borrowing arrangement either secured or unsecured with any other bank, financial institution, or company or otherwise or accept deposits apart from the arrangement indicated in the funds flow statements submitted to the Bank from time to time and approved by the Bank. However, refinancing may be permitted provided Debt Reduction Undertaking/Covenant being complied with. 4. Undertake any guarantee obligation on behalf of any other company other than as permitted by the bank and those issued for the benefit of the subsidiaries of the Borrower(s) in telecom related business to the aggregate extent of Rs. 500 cr. 5. Create any charge, lien or encumbrance over its undertaking/assets or any part thereof in favour of any financial



	<p>institution, bank, company, firm or persons other than as per the Lenders Base Case approved by Bank. Charge creation on refinanced debt may be permitted provided Debt Reduction Undertaking/Covenant being complied with.</p> <p>6. Enter into any contractual obligation of a long-term nature or affecting the company financially to a significant extent.</p> <p>7. Change the practice with regard to remuneration of directors by means of ordinary remuneration or commission, scale of sitting fees, etc.</p> <p>8. Undertake any trading activity other than as approved by the lenders.</p> <p>9. Permit any transfer of management control from Reliance Group or make any drastic change in the management set-up.</p> <p>10. Invest by way of share capital, Lend or advance funds to or place deposits with any other concern (excluding subsidiaries of the Borrower(s) in telecom related business to the extent of Rs. 500 cr), other than approved as per business plan. Normal trade credit or security deposits in the normal course of business or advances to employees can, however, be extended.</p> <p>11. Repay monies brought in by the promoters/ directors/ principal shareholders/related parties of Reliance Group and their friends and relatives by way of deposits/ loans / advances/sub-debt.</p> <p>12. Declare dividends for any year out of the profits relating to that year or of the previous years if the Borrower(s) is in breach of any financial covenants or the Debt Reduction Undertaking or an Event of Default has occurred.</p> <p>13. Assign or mortgage any of the fixed assets charged to the Lenders. However the Borrower(s) shall have the right to sell, lease, transfer or otherwise dispose of its assets in any period of 365 days of an aggregate amount of Rs 125 Cr.</p>
31. Information Covenants	<p>The Borrower(s) shall</p> <p>a. Maintain adequate books of accounts and Furnish to the Lenders every year a copy of consolidated audited annual accounts of the RCOM as per Indian GAAP together with compliance certificates within 120 days and unaudited consolidated semi-annual financial statements within 90 days;</p> <p>b. Keep the Lenders informed of the happening of any event likely to have substantial effect on its profit and business with explanations and the remedial steps proposed to be taken.</p> <p>c. Keep the Lenders advised of any circumstances which could have a material adverse effect on the financial position of its subsidiaries/group companies/companies in which it has large investments/ Obligor Group, including any action taken by the creditor against the said companies.</p> <p>d. Notify any events of default or potential events of default, material litigation and other material matters to the Lenders.</p> <p>e. Provide yearly auditor certifications as required by the Lenders incl. that on the revaluation amounts, etc.</p>
32. Undertakings	<p>The Borrower(s) undertakes to:-</p> <p>a) Maintain pari-passu ranking of obligations amongst secured</p>



	<p>lenders</p> <p>b) Offer to the Lenders any favourable term offered to other lenders to the Obligor Group (except RGBV) except pricing terms.</p> <p>c) provide right of access/site inspections for Lenders throughout the tenor of the Facility</p> <p>d) Arrange for funds for payments required to be made for the following -</p> <ul style="list-style-type: none"> • Onetime fee on account of spectrum held • License/ Spectrum renewal costs • Any other payment on account of regulatory compliances which has not been considered in the Lenders Base Case.
<p>33. Financial Covenants</p>	<p>RCOM Group (consolidated financials of RCOM as per Indian GAAP) shall comply with the following financial covenants throughout the tenor of the Facility including on the date of first disbursement of the Facility:-</p> <ol style="list-style-type: none"> 1. Net Worth, shall not be less than Rs. 250,000,000,000 (Rupees Twenty Five thousand crores) for FY 2015 and thereafter; 2. The ratio of Net Debt to EBITDA shall not be more than 5.00 as on 31.03.2015 and 4.00 as on 31.03.2016 and thereafter; 3. The ratio of EBITDA to Interest Expenses shall not be less than 3.00 for FY'15 and 4.00 for FY 16 and thereafter; 4. The ratio of Adjusted EBITDA to Debt Service (Cash DSCR) shall not be less than 1.00 5. Asset Cover Ratio shall not be less than 1.10 <p>The above covenants shall be tested annually and semi-annually respectively, on a rolling 12-month basis according to Indian GAAP. The testing for the end of Financial year shall be made on basis of Consolidated Audited Financials of the Borrower & mid of the Financial Year on the basis of Consolidated Unaudited Financials. Testing of covenants shall be done within 120 days from the respective financial-year end dates. Testing of Financial Covenants to begin from 31.03.2015. Both testing shall be accompanied by a compliance certificate from the Auditor & the Borrower. For the purpose of the covenants above the definitions of the terms used are as listed below:</p> <p>Relevant Period:</p> <p>(a) each period of 12 calendar months ending on 31 March in any year; or</p> <p>(b) each period of 12 calendar months ending on 30 September in any year;</p> <p>Net Worth</p> <p>The aggregate of paid up share capital and the amount standing to the credit of its consolidated reserves, including equity warrants issued to the extent they are paid up, however, after deducting the following:</p> <p>(a) all accumulated losses;</p>



- (b) all deferred expenditures;
(c) all deferred tax liabilities; and
(d) revaluation amounts. This shall be certified by Statutory Auditor.

Net Debt

Gross Debt as reduced by cash and cash Equivalents.

Gross Debt

Sum of all fund based facilities availed by RCOM Group as per the consolidated financials of RCOM as per Indian GAAP

EBITDA

In relation to any period, the net income from ordinary activities (for the avoidance of doubt excluding non-operating income and expense) before taking into account:

- (a) Tax;
(b) Interest Expense;
(c) any exceptional or extraordinary items; and
(d) amortisation of intangible assets and depreciation of tangible assets

Interest Expense

The aggregate amount of all interest, commissions and fees in respect of moneys borrowed, discounts in respect of bills, notes or debts discounted, and that part of any amount under a financing lease or hire purchase, credit sale, conditional sale or deferred payment agreement which represents any of the foregoing but after deducting any interest income received.

Adjusted EBITDA - EBITDA for that Relevant Period

- less all Taxes payable in respect of that Relevant Period.
- less realised forex losses
- less all capital expenditure for the Relevant Period.
- add cash inflow on account of asset sale/ stake sale for the Relevant Period
- add additional loans availed during the Relevant Period. This applies only for Financial Year 2015

Debt Service

The sum of:

- (a) Interest Expense for that period; and
(b) that portion of Gross Debt scheduled for repayment in that period;

Asset Cover ratio

The ratio of a) Net Block incl. CWIP and excl. intangible assets & revaluation amounts and b) Gross Debt excluding unsecured loans, if any

Additional interest of 1% p.a. shall be levied in case of breach in the above financial covenants. However, a cure period of 30 days shall be available to the Borrower to redress the breach before which the



	above additional interest shall be applicable. The additional interest thus applied shall be recovered with effect from the date of breach.
34. Events of Default:	<p>The Lenders shall have a right to call an Event of Default on occurrence of the following events;</p> <p>(a) failure to pay any sum when due to the Lenders (b) breach of financial covenants or Debt Reduction Undertaking; (c) breach of covenants; (d) misrepresentation; (e) cross default with other indebtedness (f) Breach of material terms (g) insolvency or initiation of insolvency proceedings with respect to the borrower; (h) cessation of business by the borrower or threat of cessation; (i) invalidity/rescission/unlawfulness of a Finance Document; (j) repudiation of the Finance Document; (k) material proceedings and other litigation including court proceedings on license related issues resulting in a Material Adverse Effect; (l) expropriation, nationalization or moratoria; (m) cessation of telecom licenses (n) Change of Management Control of the Obligor Group; other than due to the notified transactions for which Lenders approval has been obtained (o) cessation of listing of the shares of the RCOM. (p) Failure to comply with license conditions or any revocation thereof (q) The occurrence of any event or circumstance which is prejudicial to or imperils or depreciates the security given to the Lenders or security ceases to be effective</p> <p>Besides the loan documents would also incorporate other Events of Default.</p>
35. Consequences of Event of Default :	<p>The following inter alia shall be the consequences of Event of Default;</p> <p>a. Acceleration of debt repayment /cancellation of Facility. b. Conversion of debt into equity at a mutually acceptable formula or as per extant SEBI Regulations whichever applicable. c. Appointment of Nominee Directors by the Lenders. d. Enforcement of security</p>
36. Cancellation Clause	<p>The Lenders have a right to unconditionally fully/partially, without notice, cancel the facility –</p> <ul style="list-style-type: none"> ➤ In case the limits/parts of the limits are not utilized by the Borrower(s), and/or ➤ In case of deterioration in the loan accounts in any manner whatsoever, and/or ➤ In case of non-compliance of terms and conditions of sanction
37. Material Adverse Effect:	<p>Material Adverse Effect will be defined as any event or circumstance which has a material adverse effect on:</p> <p>(a) the business operations, assets or financial condition of RCOM Group and its subsidiaries (taken as a whole); or (b) the ability of RCOM Group to perform the payment obligations and/or comply with the financial covenants contained in the</p>



	Financing Documentation; or (c) the validity or legality or the enforceability of or any rights or remedies of the lenders under the Financing Documentation.
38. Change of Control:	For the purpose of this clause "control" means the power to appoint and/or remove all or a majority of the members of the board of directors (excluding independent directors) and otherwise directly or indirectly to control or have the power to control the affairs and policies of the Borrower(s).
39. Transferability	Lender will have the right to freely transfer or assign or novate to one or more persons all or a portion of its rights and obligations under the Facility Documentation without the consent of the Borrower(s). However, Lenders shall inform the Borrower(s) of any such assignment/novation/transfer.
40. Governing Law and Jurisdiction	The Facility will be governed by the laws of India and will provide for submission by the Borrower(s) to the non-exclusive jurisdiction of the courts of Mumbai.
41. Documentation	In addition to the terms and conditions contained in this Term Sheet, the final documentation will contain other customary clauses such as Financial covenants, Representation & Warranties from the Borrower(s), Conditions Precedent to the effectiveness of the loan and Condition Precedent to each disbursement, Affirmative Covenants by Borrower(s), Negative Covenants, Additional Covenants, Information Covenants, Events of Defaults by the Borrower(s) and the Consequences of the Event of Default, RBI disclosure norms, as applicable etc.



OTHER TERMS, CONDITIONS & COVENANTS ETC. APPLICABLE TO THE SANCTIONED FACILITIES:

1. Without prejudice to the demand nature of the advance(s), the/ these credit facility(ies) will remain in force for a period of one year and is/ are subject to annual review. **Next review will be due on 13.01.2016.**
2. The Company to execute necessary security documents/ renewal documents for sanctioned limit(s) duly supported by Board resolution and create and register stipulated charges with the authorities specified for the purpose within stipulated time limit before release of sanctioned limits.
3. The company to display bank's hypothecation plate/ board at its Unit/ business premises indicating that stocks/ assets are hypothecated to the Bank.
4. All the assets charged/ to be charged to the Bank] to be kept fully insured at all times against all risks (FRSD, Burglary, comprehensive risks etc.) and copy of Insurance cover note / policy in the name of the Bank a/c borrower firm/ Company with Bank's Hypothecation clause to be submitted to the Bank.
5. The Company to submit copy of statutory permissions/ clearances like 'NOC' from Pollution Control Board and ensure for timely renewal of same from time to time.
6. Inspection will be done on annual basis (in rotation by consortium member banks) or as and when required by the bank. The Bank has the right of deputing its officials/ person(s) (like qualified auditors or management consultants or technical experts) duly authorised by the Bank to inspect the unit, assets, books of accounts/ records etc. from time to time. Also the Bank may appoint, at its sole discretion, stock/ concurrent auditors, valuers, consultants for specific jobs relating to company's/ firm's activities, the cost of which will be borne by the company/ firm.
7. Penal interest of 2% p.a. will be levied on the overdue amount for the period account remains overdrawn due to irregularities such as – non payment of interest immediately on the day of application; non payment of installments within one month of their falling due, etc. If the account continues to be overdrawn for a period of 90 days, the bank may consider initiation of other action also as deemed fit by the bank.
8. Any default in complying with terms of sanction within the stipulated time will attract penal interest of 1% p.a. from the date of expiry of such time.
9. In case of default either in the payment of interest, the repayment of the principal amounts as and when due and payable or reimbursement of all costs, charges and the expenses when demanded; you shall pay additional interest at the rate of 2% above the interest rate for the facilities on the overdue interest, costs, charges or expenses and/or from the respective due dates for payment and/or repayment.
10. CMA data to be submitted at least one month before the due date of review. Any delay without specific approval from the bank will attract penal rate @1% p.a. In case CMA data is not submitted for a continuous period of three months, the bank may take further action as deemed fit by the Bank
11. Company to declare/ undertake to us:



- ✓ to supply to us, audited financial statements of the firm/company within 6 months from closure of financial year. Any delay in submitting these audited financial statements without our specific approval will attract penal interest @1%p.a. In case these statements are not received by us for a continuous period of 3 months, the bank may take further action as deemed fit by the bank.
- ✓ to provide to us promptly information (alongwith comments/explanation) about all material and adverse changes in your project/business, ownership, management, liquidity, financial position etc.
- ✓ that any liabilities or obligations under the facilities shall not, at any time, rank postponed in point and security to any other obligation or liabilities to other lending institutions or banks or creditors, unless expressly agreed or permitted by bank.
- ✓ not to create or permit to subsist any mortgage, charge (whether floating or specific), pledge, lien or other security interest on any of your undertakings, properties or assets, without our prior consent in writing.

12. A stamped undertaking to be submitted in favour of the Bank to the following effect that during the currency of bank's credit facilities, the company/ firm shall not, without our permission in writing :-

- ✓ effect any adverse changes in company's/ firm's capital structure.
- ✓ formulate any scheme of amalgamation or merger or reconstruction.
- ✓ implement any scheme of expansion or diversification or capital expenditure except normal replacements indicated in funds flow statement submitted to and approved by the Bank;
- ✓ enter into any borrowing or non-borrowing arrangements either secured or unsecured with any other bank, financial institution, company, firm or otherwise or accept deposits in excess of the limits laid down by Reserve Bank of India.
- ✓ invest by way of share capital in or lent or advance funds to or place deposits with any other company/ firm/ concern (including group companies/ associates)/ persons. Normal trade credit or security deposit in the normal course of business or advance to employees can, however be extended.
- ✓ undertake guarantee obligations on behalf of any other company/ firm/ person.
- ✓ declare dividend for any year except out of profits relating to that year after meeting all the financial commitments to the bank and making all due and necessary provisions.
- ✓ make any drastic change(s) in its management set-up.
- ✓ approach capital market for mobilising additional resources either in the form of Debts or equity.
- ✓ sell or dispose off or create security or encumbrances on the assets charged to the bank in favour of any other bank, financial institution, company, firm, individual.
- ✓ repay monies brought in by the promoters, partners, directors, share holders, their relatives and friends in the business of the company/ firm by way of deposits/ loans/ share application money etc.

13. Declare the relationship, if any, of the directors of the company with the directors of the bank and senior officers of the bank.



14. The Bank reserves its right to appoint its nominee on Company's Board of Directors - part time/ full time to oversee the functioning of the company/ to look after bank's interests. In case of default.
15. Firm/ Company is permitted to open/ maintain following C/D accounts with other banks/ branches of our bank for specified purposes subject to submission of bank statements of these accounts to us every month/ quarter for our perusal. firm/ Company will be required to close these accounts as and when required by bank.
16. The company/ firm to submit a stamped declaration cum undertaking to the effect that:
 - ✓ the company/ firm or its directors/ partners/ promoters/ guarantors/ associate concerns of the company/ firm are not on ECGC Caution list/ specific approval list, RBI's defaulters/ caution list, COFEPOSA defaulters list or our bank's defaulters list, and that no director of the company is disqualified u/s 274 of the Companies Act.
 - ✓ No legal case of any nature has been filed against the company/ its associates affecting the financial position substantially, and in case of any suit is/ will be filed against the Company, the bank shall be kept informed;
 - ✓ the company shall not induct a person who is/ was a director in a company, which has been identified as a 'Willful defaulter' by the Bank, RBI or CIBIL or any bank/ FI, on company's Board and if such a person is found to be on the Company's Board, the company shall take expeditious and effective steps for removal of such person/s from Company's Board.
17. The 'credit facilities shall be utilised only for the purposes for which same are granted and said facilities shall not be 'diverted' or 'siphoned off' or used for any other purposes.
18. In case of default in the repayment of loans/ advances/ above said facilities or in the repayment of interest thereon or any of the installment of Loan as per stipulated terms, or in the event of diversion or siphoning off or utilising the said facilities for any other purpose other than for which it is granted, the Bank and/ or RBI and /or CIBIL will have an unqualified right to disclose or publish the name of the company/ firm or its directors/ partners as defaulters in such manner and through such medium as the Bank or RBI or CIBIL or such other agency authorised by them, in their absolute discretion may think fit.
19. Bank assumes no obligation whatsoever to meet your further (fund based or non-fund based requirements on account of growth in business or otherwise without proper revision and sanction of credit limits decided at the sole discretion of the bank. Further, if sanction terms are not complied with by you or if your account is classified as Non-performing Asset (NPA), then bank may not allow further withdrawals in the account.
20. a) Notwithstanding what is stated herein above, we shall at any time and from time to time, be entitled to notify you and charge interest/ commission/ charges at such notified rates and this letter shall be construed as if such revised rates were mentioned herein.
b) You shall pay to or reimburse all costs, charges, expenses (including charges between the attorney or counsel and bank and those of our internal legal adviser/ officer and other experts, consultants or professionals), disbursements, taxes, fees, stamp duties etc. whatsoever, incidental or to arising out of the facilities, their negotiation, the preparation, execution, registration and stamping of the documents relating thereto, the preservation



or protection of our rights and interests of the enforcement or realisation of any security or any demand or any attempted recovery of the amounts due from you.

21. We shall be entitled to debit the amounts of all costs, charges and expenses to your account and such amounts shall stand secured by all securities given to or created in our favour in connection with the facilities. You indemnify and keep us fully and completely indemnified from time to time against the liabilities including all costs, charges and expenses stipulated herein whether debited to your account or not.
22. Any failure to exercise or delay in exercising any of our rights hereunder or under any other documents will not act as a waiver of that or any other right nor shall any single or partial exercise preclude any future exercise of that right.
23. So long as any monies are due to us from you under any of the facilities, we shall have a lien/ charge for such amounts on all your credit balances, deposits, securities or other assets with, any of the branches of Bank of India or of its subsidiaries any where in the world and upon the happening of any of the events of default referred herein, we shall be entitled to exercise a right of set off between the amounts due and payable to us and the said credit balances, deposits, securities and other assets.
24. You shall not, except after prior written permission from us, make any alterations in your constitution, controlling ownership or any documents relating to its constitution or any other material change in your management or in the nature of your business or operations during the period of the subsistence of facilities.
25. The bank reserves the right to discontinue any/ all the credit facilities granted without giving you any prior notice in case of non-compliance and/ or breach of any of the terms and conditions based on which the facilities have been sanctioned to you and/ or if any information/ particulars/ documents furnished by you are found to be incorrect.
26. The Bank carries out the credit rating exercise every year when the facilities are reviewed. However, it reserves the right to carry out the credit rating exercise of the facilities at frequencies considered necessary and the rate of interest chargeable to the facilities would depend upon the rating obtained by the borrowing firm/ Company.
27. The Bank reserves the right to add, amend, alter, cancel and modify any of the terms and conditions stipulated herein above with or without any prior reference to you. Further, the bank's general rules governing advances shall also apply. The company/ firm to abide by such terms and conditions as the bank may stipulate from time to time.
28. Other terms and conditions as per earlier sanction letter to remain unchanged.



केनरा बैंक



Canara Bank

Ref: SPCB/ADV/AKA/CR-RCOM/619/2016-17

Date: 14.07.2016

²⁰¹⁵
M/s Reliance Communication Limited
 Reliance Centre
 4th Floor, North Wing
 Off Western Express Highway,
 Santacruz (East), Mumbai - 400055

K/A: Mr D Vishwanath

Dear Sir,

Sub: Your request for modification in sanction terms & conditions in respect of Term Loan of Rs 800.00 Crores

With reference to the above we are pleased to inform you that the Competent Authority has permitted the following in respect of Term Loan of Rs 800.00 Crores:

1. Forbearance for non achievement of certain milestones / financial covenants vis-a-vis accepted revised business plan as under, by waiving penal interest of 1%:

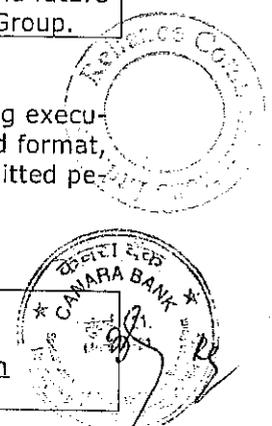
Parameter	As per Business Plan accepted by lenders as on 31.03.2015	Actual Position as on 31.03.2015	Remarks
Equity infusion through monetization / stake sale	12208.00	6108.00	Not complied
Gross Debt	32500.00	39220.00	Not complied
EBITDA to interest expenses	Not less than 3:1	2.73	Not complied

2. Modification in securities as under:

Security as per existing sanction	Modification permitted now
Stage - 1 ("Initial Security") Assignment of telecom licenses of RCOM (UASL, NLD and ILD)	Recording of terms & conditions to provide transfer / assignment of license in case of default as per the standard Tripartite Agreement of Department of Telecom
Stage - 2 ("Additional Security") Assignment of telecom licenses of RTL (UASL)	
First pari-passu charge on all present and future immoveable assets of the Obligor Group	Mortgage of minimum 20 properties (net block value Rs 473.68 Crores) as against all immoveable properties (704 properties with net block value of Rs 864.99 Crores) and extending negative lien on all existing (except 155 residential flats in the name of Reliance Communications Infrastructure Limited located at Navi Mumbai) and future immoveable assets of the Obligor Group.

3. Extension of time till 30.09.2016 for creation / perfection of security including execution of tripartite agreement with department of Telecom as per their standard format, subject to company paying additional 1% interest for delay beyond the permitted period (i.e. beyond 27.08.2015) for security creation.

Specialised Prime Corporate Branch Maker Chambers, 7 th Floor, Nariman Point, Mumbai- 400 021	Phone: 22871110/22871106 Fax: 22875094 E-mail id: cb1903@canarabank.com www.canarabank.com
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Reliance Communications Limited

4. Issuance of NOC for sale of Reliance Infratel Limited subject to reduction of overall debt of the company.

The above permission is subject to the following condition:

"The sale proceeds of Reliance Infratel Limited divestment shall be credited to an Escrow Account and the net amount from sale proceeds shall be utilized to reduce overall debt of the company."

Conditions:

1. All the above permissions are subject to similar permissions from other lenders.
2. Company to pay Modification Charges of Rs 2.00 Lacs + Applicable Tax.
3. All other existing terms & conditions shall be adhered strictly.

Remarks:

Reduction in consortium debt out of sale consideration of nearly 150 flats situated at Sea Woods Complex, Navi Mumbai to be discussed in the consortium meeting.

Kindly return the duplicate copy of this letter duly signed in token of your having accepted the terms and conditions.

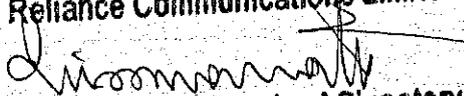
Yours faithfully,



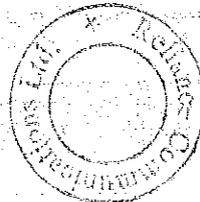
**R KRISHNA PRASAD
CHIEF MANAGER**

Accepted the terms and conditions

For Reliance Communications Limited
Reliance Communications Limited



Authorized Signatory





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CFB/NP/2014-15/680

21.01.2015

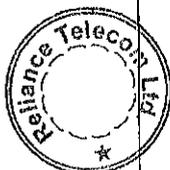
RELIANCE COMMUNICATIONS LTD
H Block, 1st Floor
Dhirubhai Ambani Knowledge City
Navi Mumbai 400 710
Maharashtra, India

Dear Sir,

Reg: your credit facilities with us
Ref: your request letter dated

The company's request was placed before our Management Committee in its meeting held on 31st December 2014 who have approved the following:

Modification in terms of sanction dated 13.02.2013 & review dated 27.09.2014 by Management Committee of the Board.																	
EXISTING TERMS	APPROVED TERMS																
i Facility: A Rupee Term Loan of Rs.6,500 Crore under a consortium arrangement to the Borrower(s) earmarked as under - Rs. 6,000 Cr to Borrower 1 (RCOM) & - Rs. 500 Cr to Borrower 2 (RTL)	Facility: A Rupee Term Loan of Rs.6,750 Crore under a consortium arrangement to the Borrower(s) earmarked as under - Rs. 6,015 Cr to Borrower 1 (RCOM) & - Rs. 735 Cr to Borrower 2 (RTL)																
ii Availability Period: RCOM: Until 31st March 2013. RTL: 3 months from the creation of "Additional Security" or 30th September 2016 whichever is earlier.	Availability Period: For RCOM and RTL: Until 30th June 2015.																
iii Reduction in ROI The ROI is charged at 13.75% (including penal for pending joint documentation, equity infusion and debt reduction)	Reduction in ROI Post Joint documentation as equity infusion, debt reduction and security perfection to be complied, reduce ROI in line with SBI to 12.50% presently - linked to SBI BR (spread 2.50%)																
iv Stake Sale/Equity Infusion: <table border="1"> <thead> <tr> <th>Financial Year</th> <th>(Amount in Cr)</th> </tr> </thead> <tbody> <tr> <td>31st March 2013</td> <td>5,000</td> </tr> <tr> <td>31st March 2014</td> <td>10,400</td> </tr> <tr> <td>31st March 2015</td> <td>1,000</td> </tr> <tr> <td></td> <td></td> </tr> </tbody> </table> Borrower shall pay an additional interest of 1% p.a. on the entire outstanding loan amount in case of any	Financial Year	(Amount in Cr)	31st March 2013	5,000	31st March 2014	10,400	31st March 2015	1,000			Stake Sale/Equity Infusion: <table border="1"> <thead> <tr> <th>Financial Year</th> <th>(Amount in Cr)</th> </tr> </thead> <tbody> <tr> <td>On or before 31st March 2015</td> <td>12,208</td> </tr> <tr> <td>On or before 31st March 2016</td> <td>4,200</td> </tr> </tbody> </table> Borrower shall pay an additional interest of 1% p.a. on the entire outstanding loan amount in case of any breach in compliance with the above undertaking	Financial Year	(Amount in Cr)	On or before 31st March 2015	12,208	On or before 31st March 2016	4,200
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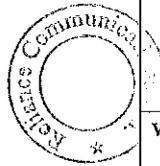
E-mail: dgmbf3873@centralbank.co.in



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CORPORATE FINANCE BRANCH, NARIMAN POINT

	breach in compliance with the above undertaking till such time the breach is cured. Further, any breach in adherence to the above schedule shall be construed as an Event of Default.	till such time the breach is cured. Further, on any breach in adherence to the above schedule, lenders shall have a right to call an Event of Default.																		
v	<p>Debt Reduction:</p> <p>The Borrower undertakes to implement a debt reduction schedule due to which the aggregate Gross Debt of RCOM Group (consolidated financials of RCOM as per Indian GAAP) shall not exceed:</p> <table border="1"> <thead> <tr> <th>As on</th> <th>(Amount in Cr)</th> </tr> </thead> <tbody> <tr> <td>31st March 2013</td> <td>41,000</td> </tr> <tr> <td>31st March 2014</td> <td>32,500</td> </tr> <tr> <td>31st March 2015</td> <td>29,000</td> </tr> <tr> <td>And thereafter shall not exceed</td> <td>25,500</td> </tr> </tbody> </table> <p>Borrower shall pay an additional interest of 1% p.a. on the entire outstanding loan amount in case of any breach in compliance with the above undertaking till such time the breach is cured. Further, any breach in adherence to the above schedule shall be construed as an Event of Default.</p> <p>For the purpose of testing the above, foreign currency component of Gross Debt shall be calculated as per 1 USD = Rs. 55.</p>	As on	(Amount in Cr)	31st March 2013	41,000	31st March 2014	32,500	31st March 2015	29,000	And thereafter shall not exceed	25,500	<p>Debt Reduction:</p> <p>The Borrower undertakes to implement a debt reduction schedule due to which the aggregate Gross Debt of RCOM Group (consolidated financials of RCOM as per Indian GAAP) shall not exceed:</p> <table border="1"> <thead> <tr> <th>As on</th> <th>(Amount in Cr)</th> </tr> </thead> <tbody> <tr> <td>31st March 2015</td> <td>32,500</td> </tr> <tr> <td>31st March 2016</td> <td>29,000</td> </tr> <tr> <td>31st March, 2017 and thereafter shall not exceed</td> <td>25,500</td> </tr> </tbody> </table> <p>Borrower shall pay an additional interest of 1% p.a. on the entire outstanding loan amount in case of any breach in compliance with the above undertaking till such time the breach is cured. Further, on any breach in adherence to the above schedule, lenders shall have a right to call an Event of Default.</p> <p>(Foreign currency component of Gross USD Debt calculated @ Rs. 61).</p>	As on	(Amount in Cr)	31st March 2015	32,500	31st March 2016	29,000	31st March, 2017 and thereafter shall not exceed	25,500
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vi	<p>Conditions Precedent:</p> <p>i) Any disbursement to RTL under the Facility shall be made only subsequent to creation of "Additional Security".</p> <p>ii) Company to provide undertaking to submit consent letters from existing lenders granting waiver for non-compliance of financial covenants for FY-12 and modification in financial covenants on the lines of Financial Covenants of this facility to be in place within 6 months from the date of first disbursement.</p>	<p>Conditions Precedent:</p> <p>i) Any disbursement to RTL under the Facility shall be made only after creation of "Initial Security".</p> <p>ii) Provide Consent letters from existing lenders/facility agents granting waiver for non-compliance of financial covenants for FY 2014 on the lines of Financial Covenants of this Facility</p>																		

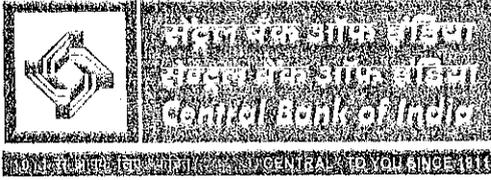


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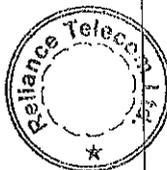
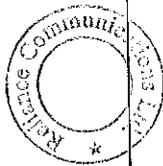
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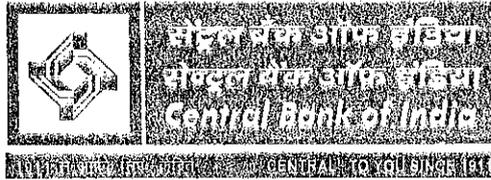
<p>iii) Provide an undertaking that – Cash infusion on account of stake sale transactions i.e. Rs. 5,000Crs in FY'13, Rs.10,400 Crs in FY'14 and Rs. 1,000Crs in FY'15 shall not be reduced on account of tax implications, if any. If cash infusion is reduced on account of tax implication or proceeds of stake sale transactions are not available for debt reduction, the Borrower shall infuse additional cash so as to give the same financial impact.</p> <p>iv) Submission of certified copies of constitutional documents of each of Obligors</p> <p>v) Submission of certified copies of all approvals including regulatory and shareholder approvals to the extent applicable;</p>	<p>iii) Provide an undertaking that – Cash infusion on account of stake sale transactions i.e. Rs. 6,100 Crs in FY'15 (over and above Rs. 6,108 Crs infused by way of QIP proceeds and preferential allotment to promoters), Rs. 4,200Crs in FY'16 shall not be reduced on account of tax implications, if any. If cash infusion is reduced on account of tax implication or proceeds of stake sale transactions are not available for debt reduction, the Borrower shall infuse additional cash so as to give the same financial impact.</p> <p>iv) Submission of certified copies of constitutional documents of each of Obligors except RGBV which will be submitted within 3 months from the date of disbursement.</p> <p>(included as an undertaking)</p>
<p>vi i Negative Covenants: The Borrower(s) shall not without prior permission of Lenders –</p> <p>(i) Formulate any scheme of amalgamation or reconstruction or change in capital structure, which shall result in dilution of stake held by RCOM in the Obligor Group and its subsidiaries. FLAG transaction as defined in the Lenders Base Case shall be a sole exception to this.</p> <p>(ii) Enter into borrowing arrangement either secured or unsecured with any other bank, financial institution, or company or otherwise or accept deposits apart from the arrangement indicated in the funds flow statements submitted to the Bank from time to time and approved by the Bank.</p> <p>(iii) Create any charge, lien or encumbrance over its undertaking/ assets or any part thereof in favour of any financial institution, bank, company, firm or persons other than</p>	<p>Negative Covenants: The Borrower(s) shall not without prior permission of Lenders –</p> <p>(i) Formulate any scheme of amalgamation or reconstruction or change in capital structure, which shall result in dilution of stake held by RCOM in the Obligor Group and its subsidiaries. Global Cloud Xchange Ltd transaction as defined in the Lenders Base Case shall be a sole exception to this.</p> <p>(ii) Enter into borrowing arrangement any secured with any other bank, financial institution, or company or otherwise or accept deposits apart from the arrangement indicated in the funds flow statements submitted to the Bank from time to time and approved by the Bank. However, refinancing may be permitted provided Debt Reduction Undertaking/Covenant is complied with.</p> <p>(iii) Create any charge, lien or encumbrance over its undertaking/assets or any part thereof in favour of any financial institution, bank, company, firm or persons other than as per the Lenders Base Case approved by Bank. Charge</p>



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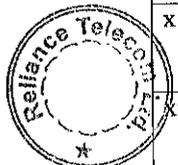
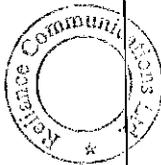
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	as per the Lenders Base Case approved by Bank.	creation on refinanced debt may be permitted provided Debt Reduction Undertaking/ Covenant being complied with.
vi ii	<p>Financial Covenants:</p> <ol style="list-style-type: none"> 1. Net Worth, shall not be less than Rs. 250,000,000,000 (Rupees Twenty Five thousand crores); 2. The ratio of Net Debt to EBITDA shall not be more than 5.82 as on 31.03.2013 and 4.00 thereafter; 3. The ratio of EBITDA to Interest Expenses shall not be less than 3.00 for FY'13 & FY'14 and 4.00 thereafter; 4. Testing of Financial Covenants to begin from 31.03.2013 	<p>Financial Covenants:</p> <ol style="list-style-type: none"> 1. Net Worth, shall not be less than Rs. 250,000,000,000 (Rupees Twenty Five thousand crores) for FY2015 and thereafter; 2. The ratio of Net Debt to EBITDA shall not be more than 5.00 as on 31.03.2015 and 4.00 as on 31.03.2016 and thereafter; 3. The ratio of EBITDA to Interest Expenses shall not be less than 3.00 for FY'15 and 4.00 for FY16 and thereafter; 4. Testing of Financial Covenants to begin from 31.03.2015
ix	<p>Affirmative Covenants</p> <ol style="list-style-type: none"> i) Reliance Group shall maintain Management Control of the Obligor Group and its subsidiaries through the entire tenor of the Facility. Management Control shall mean the right to appoint/remove majority of directors on the Board of the Obligor Group or power to directly/indirectly cause the direction of management and policies of a company. ii) Borrower(s) shall ensure that its assets and the assets of each other obligor are fully insured iii) The Borrower(s) undertakes to:- Offer to the Lenders any favourable term offered to other lenders to the Obligor Group except pricing terms. 	<p>Affirmative Covenants</p> <ol style="list-style-type: none"> i) Reliance Group shall maintain Management Control of the Obligor Group and its subsidiaries through the entire tenor of the Facility. Management Control shall mean the right to appoint/remove majority of directors on the Board of the Obligor Group or power to directly/indirectly cause the direction of management and policies of a company. The sole exception shall be Global Cloud Xchange Limited transaction as envisaged in the Lenders Base Case. ii) Borrower(s) shall ensure that all insurable assets and the insurable assets of each other Obligor are fully insured iii) The Borrower(s) undertakes to:- Offer to the Lenders any favourable term offered to other lenders to the Obligor Group (except RGBV) except pricing terms.
x	<p>Change in Sale Transaction</p> <p>Sale of FLAG and Reliance Infratel Ltd envisaged in earlier Lenders Base Case</p>	<p>Change in Sale Transaction</p> <p>Sale of DTH and Global Cloud Xchange Limited envisaged in Lenders Base Case</p>
xi	<p>Waiver of pre-payment premium if prepayment is made</p> <p>From proceeds of strategic sale of assets of group entities or equity infusion</p>	<p>Waiver of pre-payment premium if prepayment is made From proceeds of strategic sale of assets of group entities or equity infusion or securitisation of receivables under tower sharing agreement with other telecom operators.</p>



चंदर मुखी, तल मजला,
नरीमन पॉइंट, सुवर्ण - 400 021.
SWIFT: CBININBBOSB
Telephone: (022) 6636 1904-1918

Chander Mukhi, Ground Floor,
Nariman Point, Mumbai - 400 021.
IFSC: CBIN0283873
Fax: (022) 2285 2657 / 66361919

E-mail: dgmlfb3873@centralbank.co.in



कारपोरेट वित्त शाखा, नरीमन पॉइंट

CORPORATE FINANCE BRANCH, NARIMAN POINT

xii To issue NOC for sale of Global Cloud Xchange Limited.

Facility	Limit		Interest/Comm.		Margin		Our Share in Conso.
	(Exit)	(Sanc)	(Exit)	(Sanc)	(Exit)	(Prop)	
TERM LOAN			In line with interest rate of SBI.	In line with interest rate of SBI. Present Rate charged by SBI is 13.75%	Nil	Nil	4.44%
-RCom	280.00	280.00 *		Rate charged by SBI is BR+2.50% with monthly rests.			
-RTL	20.00	20.00					
TOTAL	300.00	300.00					

* limits already released to the extent of Rs.280.00 crore.

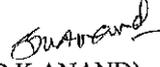
PRICING /COMMISSION/UPFRONT FEE/PROCESSING /OTHER CHARGES	
Approval for pricing	Approved
Rate of Interest TERM LOAN	BR + 2.25% *
Upfront Fee	Recovered
Processing Charges	NA
Inspection Charges	Rs. 10,000/-
Other charges (Specify)	As per Co Circular

- *In case any other participating Bank is charging higher ROI, the same would be applicable to our Bank also.
- Inspection of the Company to be carried out immediately and thereafter at regular intervals of time.
- Modification charges of Rs 5 lacs plus service taxes to be remitted.
- Above approval is subject to similar modification approval to be received from all the participating banks of the consortium.

All the other terms and conditions/Term Sheet remains unchanged. Please ensure that all the terms are complied with.

Kindly acknowledge the duplicate of this sanction in token of having accepted the terms and conditions.

Yours faithfully,


(B.K.ANAND)
ASSISTANT GENERAL MANAGER

(M)

For Reliance Communications Limited

Reliance Telecom Limited

Authorised Signatory

Authorised Signatory

चंदर मुखी, तल मजला,
नरीमन पॉइंट, मुंबई - 400 021.
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Nariman Point, Mumbai - 400 021.
IFSC : CBIN0283873
Fax : (022) 2285 2657 / 66361919

E-mail: dgmifb3873@centralbank.co.in



Corporation Bank

A Premier Public Sector Bank

Corporate Banking Branch

Bharat House, No.104, Ground Floor, M.S.Marg, Mumbai - 400 023

Phones: 022 - 2267 7088 / 2269 3453, Fax: 022 - 2267 5309

Ref: No. OR/CBB/1908/2014-15

January 13, 2015

M/s Reliance Communications Ltd.

Reliance Centre, 19 Walchand Hirachand Marg,
Ballard Estate,
Mumbai - 400 001

CSI is sent in duplicate.
Kindly retransmit the
'Customer Acknowledgement
Copy' duly authenticating on
all the pages.

Dear Sir,

Sub: Your proposal for Sanction of credit limits

This has reference to the above subject. We are pleased to communicate sanction of credit facilities subject to special and general terms and conditions as detailed in the enclosed Credit Sanction Intimation (CSI) bearing reference No CDS/CSI/BB/MC/165/2014-15 dated 22.12.2014 and the annexure thereto.

1 The CSI is sent in duplicate and we request you to retransmit the 'Customer Acknowledgement Copy' to us, duly authenticating the same in confirmation of acceptance of the terms and conditions of sanction. We also request you to take necessary steps for complying with the terms and conditions stipulated therein to enable us to release the credit facilities.

2. Please also find enclosed herewith the list of service charges. Please note that unless expressly waived/sanctioned the charges as per the circular will be applicable.

3. We request you to submit the following statements/information periodically wherever applicable in the format prescribed by the Bank. Kindly note that the Bank is entitled charge penal interest for non-submission /delay in submission of the statement/information.

Sl.No.	Particulars	Due Date for submission	Penal interest applicable for Delay in submission	Applicable / Not Applicable
01	Submission of Renewal/Review Papers along with all the information as required by Bank	2 months before the due date of review/renewal of limits as indicated in the sanction letter i.e. 22.12.2015	1% from the due date of review/renewal i.e. 22.12.2015 till the date of actual submission	Applicable
02	Diligence Report and ROC Search Report by Company Secretary/Chartered Accountant - applicable to Limited Companies	Once in a year as on 31.03.2014 and 31.03.2015 In the RBI prescribed format	-	Applicable
03	External Rating by approved rating	Review every year	If the delay in review of rating	Applicable





Corporation Bank

A Premier Public Sector Bank
Corporate Banking Branch

Bharat House, No.104, Ground Floor, M.S.Marg, Mumbai – 400 023

Phones: 022 – 2267 7088 / 2269 3453, Fax: 022 – 2267 5309

	agencies-CRISIL, CARE, ICRA, INDIA Ratings, BRICK Works		beyond 3 months from the due date for review by external rating agency 1% penal interest is applicable for the period of delay beyond 3 months	
04	End Use Certificate from Statutory CA	Within 15 days from the date of availment of limit.	—	WHEREVER APPLICABLE

4. Please note that credit limits have to be operationalised within 6 months from the date of sanction i.e. on or before 22nd June, 2015 falling which the sanctioned limits have to be revalidated subject to the approval of competent authority. You may also note that as per service charges guidelines, the applicable revalidation charges are Rs.2,00,000+service tax

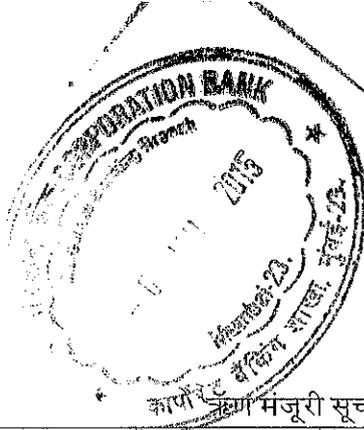
Thanking you,

Yours faithfully,
For CORPORATION BANK

Dy. General Manager

Encl: as above





CUSTOMER COPY

कार्पोरेशन बैंक Corporation Bank,

ऋण मंजूरी सूचना CREDIT SANCTION INTIMATION

प्रेषित From : शाखा / BRANCH MUMBAI- CBB	प्रेषित Mail to: RELIANCE COMMUNICATIONS LTD. H BLOCK, 1ST FLOOR, DHIRUBHAI AMBANI KNOWLEDGE CITY, NAVI MUMBAI 400 710
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विषय Sub : ऋण सुविधा / ओं के लिये आपका आवेदन पत्र
Subject: Your application for credit facility / facilities

प्रिय महोदय Dear Sir,

उपर्युक्त के संदर्भ में अनुबंध में निहित सामान्य और विशेष निबंधनों एवं शर्तों के अधीन हम आपको ऋण सुविधा/ओं की मंजूरी / समीक्षा की सूचना प्रेषित करते हैं।

With reference to the above, we are pleased to communicate sanction/revision of credit facilities subject to the general and the special terms and conditions set out in Annexure (s).

कृपया यह स्पष्ट रूप से समझ लें कि बैंक की सुविधा के अनुसार आपको इन ऋण सुविधाओं की मंजूरी दी गयी है तथा मंजूरीकृत सुविधाओं का लाभ उठाने से पहले, बिना किसी पूर्व सूचना के किसी भी समय ये रद्द की जा सकती हैं। बैंक वित्तीय सहायता को किसी भी स्तर पर बिना किसी सूचना अथवा उद्देश्य के कोई भी कारण दिये बिना आंशिक रूप में अथवा पूर्णतः निरसन कर सकता है या इसको वापस ले सकता है या इस पर रोक लगा सकता है।

It is to be clearly understood that these facilities are sanctioned subject to the convenience of the Bank and may be cancelled at any time without prior notice before making available the sanctioned facilities. The Bank may revoke in part or in full or withdraw/Stop financial assistance at any stage, without any notice or giving any reasons or any purpose whatsoever.

हमें ऋण मंजूरी सूचना की प्राप्ति संबंधी आपकी पावती भी चाहिए तथा यह पुष्टीकरण भी कि विभिन्न ऋण सुविधाओं के लिए निहित शर्तें आपको मान्य हैं। यह सूचना इसलिए दो प्रतियों में भेजी गयी है। आपसे अनुरोध है कि संबंधित स्थान पर विधिवत् हस्ताक्षर करने, कि ये शर्तें आपको मान्य हैं, एक प्रति हमें वापस भेज दें। आपके द्वारा विधिवत् हस्ताक्षरित ऋण मंजूरी सूचना की प्रति की प्राप्ति तथा गारंटीकर्ता/ओं के साथ आपके द्वारा निर्धारित प्रतिभूति प्रलेखों के निष्पादन के बाद, हम ऋण सुविधाओं को जारी करने की व्यवस्था करेंगे।

We require your acknowledgement for having received Credit Sanction Intimation and confirmation that the terms and conditions as communicated herein for various credit facilities are acceptable to you. This intimation is therefore sent to you in duplicate. You are requested to return one copy duly signed at the relevant space in token of having accepted these terms. On receipt of the copy of Credit Sanction Intimation duly signed by you and your executing the prescribed security documents alongwith the Guarantors(s) we will arrange to release the facility/ies.

संलग्नक Encl: Annexure I and GI

शाखा प्रबंधक / Branch Manager

समीक्षा/नवीकरण को किया जाना चाहिए Review/Renewal due on : 22/12/2015	मंजूरीकर्ता विभाग Sanctioning Department : CDS,H.O, Mangalore
शाखा संदर्भ और तारीख Branch reference OR/CBB/SC/5070/2014-15 DT.19/11/2014	मंजूरी संदर्भ और तारीख Sanction reference & date CDS:CSI:BB:MC:165:2014-15 DT.22/12/2014
मंजूरी कूट Sanction Code : 8137-Y-3285-909-1250-20-XXX BSR CODE: 64202	कुले कार्पोरेशन बैंक For CORPORATION BANK

मंजूरी की शर्तें TERMS OF SANCTION: ANNEXURE I AND GI.

DEPUTY GENERAL MANAGER
DEPUTY GENERAL MANAGER
Corporate Bank



1 RELIANCE COMMUNICATIONS LIMITED.

NAME OF THE BORROWER	RELIANCE COMMUNICATIONS LIMITED.
BRANCH	MUMBAI-CBB
REF NO.	CDS:CSI:BB:MC:165:2014-15 DT.22/12/2014

Annexure - I

TERMS & CONDITIONS

Facility 1	Inland / Import LC cum Buyer's Credit cum Bank Guarantee – Renewal at existing level
Extent of Credit	250.00 (Rs. in crore)
Extent of Credit in Words	Rupees two hundred fifty crore only.
Sub limits (if, any)	Nil
Purpose	FLC/ BC : For import of capital goods / handsets for the telecom activity. BG : Issuance of guarantee for fulfilling the obligations under telecom license and interconnectivity conditions.
Security	Nil
Cash Margin	Nil
Beneficiary	To be specified at the time of issuance of BG and establishment of LC.
Commission	FLC / BG / Buyer's Credit facilities: 0.50% p.a. + applicable service tax recoverable upfront on quarterly basis including retirement charges on bills.
Validity	FLC / Buyer's Credit: Upto 3 years in respect of capital goods and 12 months for other hand sets. Total period of LC + Buyer's credit shall not exceed 360 days for handsets and 3 years for capital goods. BG: Upto 5 years. Note: The tenor of Buyer's Credit including tenor of LC shall be within the operating cycle of the company.
Counter Guarantee	By the company

Other terms and Conditions for LC:

1. The company to give irrevocable and unconditional undertaking at the time of opening of LCs that adequate arrangements would be made to meet the payment of the bills received under LC and it shall not resort to additional finance from the Bank for this purpose.



2 RELIANCE COMMUNICATIONS LIMITED.

2. The goods procured under LCs providing for drawing DA bills may be released to the company on execution of trust letter in favour of the bank.
3. The company shall provide an undertaking to comply with all the exchange / import trade control regulations of RBI in respect of the above facility.
4. The company shall furnish an undertaking to the extent that in respect of transactions relating to the Import LCs, they will bear exchange fluctuation risks if any and that they will also manage for necessary forward cover whenever called upon to do so by the Bank.
5. The goods or assets covered in the bills under the credit shall be insured against transit risks.

Other terms and Conditions for Buyer's Credit:

1. A Letter of undertaking shall be obtained from the company to provide funds in their account for meeting the commitment under Buyer's credit on due date.
2. The Branch shall comply with all the extant guidelines of RBI under FEMA as amended from time to time with regard to the amount, extent of interest factor etc, in respect of the Buyers credit facility.
3. The Branch shall ensure necessary guidance from I & IBD while putting through the transactions under this facility.

Other terms and Conditions for Bank Guarantee:

1. The guarantee issued shall be specific in regard to the amount and period of validity and shall contain our usual limitation and enforcement clauses.
2. It shall be ensured that the guarantees do not contain any clause prejudicial to the Bank's interest.
3. Deferred payment guarantees or guarantees supporting other transactions of capital nature shall not be issued under the limit.
4. Guarantees in respect of disputed matters / tax liabilities shall be issued against 100% cash margin.

Facility 2	Forward Sale Contract - Renewal at the existing level
Extent of Credit	250.00 (Rs. in crore)
Extent of Credit in Words	Rupees two hundred fifty crore only.
Purpose	To mitigate exchange risks involved in Imports
Commission	At prescribed rate



Other terms and Conditions:

1. The booking should be done against specific request of the borrower company as per laid down procedure.
2. The booking should be for genuine business transactions. To ensure this, the customer's purchase orders / LCs shall be verified before booking of the contract.
3. The company should undertake to make good any loss arising on account of extension / cancellation / early delivery of the contract if any.
4. All the relevant exchange control regulations / FEMA and RBI guidelines should be strictly adhered.
5. Our Bank's lien shall duly be endorsed on the relative export orders / LCs/ bills / purchase orders in respect of which forward contracts have been booked.

Facility 3	Long Term Loan – Review
Extent of Credit	250.00 (Rs. in crore)
Extent of Credit in Words	Rupees Two Hundred fifty crore only.
1. Reliance Group:	“Reliance Group” means Mr. Anil Dhirubhai Ambani (“ADA”) and his family in a personal capacity and family trusts (in respect of the shares held by such family members or family trusts, only those shares deemed controlled by Mr. Anil Dhirubhai Ambani will be included for the purposes of this definition) or the companies where ADA has at least a 26% stake and the companies that are also controlled directly or indirectly by ADA (together “Reliance Group”).
2. Borrower(s):	Borrower 1 - Reliance Communications Ltd. (RCOM) – Rs.235.00 crore Borrower 2 - Reliance Telecom Limited (RTL) – Rs.15.00 crore
3. Obligor Group	Reliance Communications Ltd. (RCOM), Reliance Telecom Limited (RTL), Reliance Communications Infrastructure Limited (RCIL), Reliance Infratel Limited (RITL) & Reliance Globalcom BV (RGBV). Each one of the above entity would be individually referred to as an Obligor & together would be referred to as the “Obligor Group”. RCOM shall act as the “Obligor’s Agent”.
4. RCOM Group	Reliance Communications Ltd. (RCOM) along with all its subsidiaries
5. Lenders:	Banks / Financial Institutions, collectively the “Lenders”, who are participating in funding the project by way of the Facility. State Bank of India shall act as the Facility Agent.
6. Facility:	A Rupee Term Loan of Rs.6750 crore under a consortium arrangement to the Borrower (s) earmarked as under



4 RELIANCE COMMUNICATIONS LIMITED.

	<ul style="list-style-type: none"> - Rs.6015 crore to Borrower 1 (RCOM) (our Share is Rs.235 crore & - Rs.735 crore to Borrower 2 (RTL) (our Share is Rs.15 crore) <p>All terms & conditions mentioned herein shall apply to both term loans of the Facility.</p>																									
7. Purpose of the Facility:	<p>For meeting ongoing -</p> <p>1. Capital expenditure 2.Operational expenditure 3. Repayment of existing liabilities, other than any related party / shareholder loans</p>																									
8. Corporation Bank Facility	A Rupee Term Loan of Rs.250.00 crore																									
9. Lead Bank	State Bank of India.																									
10. Syndicator / Sole Arranger	SBI Capital Markets Ltd. (SBICAPS) shall be the sole arranger for the Facility																									
11. Signing Date:	The date on which the loan documentation for the Facility (the "Facility Agreement") is signed by the parties thereto.																									
12. Lenders Base Case	The business plan and financial projections as accepted by the Lenders at the time of sanction.																									
13. Validity Period of Facility	<ul style="list-style-type: none"> - The commercial terms shall be valid for a period upto one month from the date of sanction before which company shall convey their acceptance. - The other sanction terms shall be valid up to a period of three months from the date of sanction before which Facility Agreement shall be executed. 																									
14. Availability Period:	<p>For RCOM and RTL: Until 30th June 2015</p> <p>Any undrawn amount of the Facility at the end of the Availability Period will be automatically cancelled and will not be available for drawing.</p>																									
15. Moratorium	Upto 30 th September 2016																									
16. Repayment	<p>Principal Repayment in 14 structured quarterly installments post Moratorium. For both term loans i.e. Rs.235.00 crore to RCOM and Rs.15.00 crore to RTL.</p> <p style="text-align: right;">(Rs. in crore)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>Q1</th> <th>Q2</th> <th>Q3</th> <th>Q4</th> </tr> </thead> <tbody> <tr> <td>FY 2017</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> <td style="text-align: center;">8%</td> <td style="text-align: center;">8%</td> </tr> <tr> <td style="padding-left: 20px;">- Rcom</td> <td></td> <td></td> <td style="text-align: center;">18.80</td> <td style="text-align: center;">18.80</td> </tr> <tr> <td style="padding-left: 20px;">- RTL</td> <td></td> <td></td> <td style="text-align: center;">1.20</td> <td style="text-align: center;">1.20</td> </tr> <tr> <td>FY 2018</td> <td style="text-align: center;">8%</td> <td style="text-align: center;">8%</td> <td style="text-align: center;">8%</td> <td style="text-align: center;">8%</td> </tr> </tbody> </table>		Q1	Q2	Q3	Q4	FY 2017	-	-	8%	8%	- Rcom			18.80	18.80	- RTL			1.20	1.20	FY 2018	8%	8%	8%	8%
	Q1	Q2	Q3	Q4																						
FY 2017	-	-	8%	8%																						
- Rcom			18.80	18.80																						
- RTL			1.20	1.20																						
FY 2018	8%	8%	8%	8%																						



5 RELIANCE COMMUNICATIONS LIMITED.

	- Rcom	18.80	18.80	18.80	18.80
	- RTL	1.20	1.20	1.20	1.20
	FY 2019	1%	1%	1%	1%
	- Rcom	2.35	2.35	2.35	2.35
	- RTL	0.15	0.15	0.15	0.15
	FY 2020	12%	12%	12%	12%
	- Rcom	28.20	28.20	28.20	28.20
	- RTL	1.80	1.80	1.80	1.80
	The repayment due dates shall be 31 st December, 31 st March, 30 th June and 30 th September in each year.				
17. Door to Door Tenor	5 years and 3 months including a moratorium of 1 year 9 months				
18. Interest Rate	Floating rate of interest equivalent to SBI Base Rate (SBBR) plus a "Spread" of 2.50% present effective 12.50% p.a. with monthly rests. The interest payable shall be subject to the changes in interest rate policy, etc. made by the Reserve Bank of India / any other agency empowered for the purpose from time to time. However, Interest Rate cannot be lower than the base rate of our Bank.				
19. Trigger for Re-Pricing of Rate of Interest	<p>Any adverse deviation from the estimated / projected level in the Lenders Base Case by more than 20%, in respect of any two of the following financial parameters, arrived at from financial results, will entitle the Bank to re-price the loan.</p> <ol style="list-style-type: none"> Interest Coverage Ratio Return on Capital Employed TOL / TNW Gross DSCR; However, the same shall not be below 1 at any point of time during the tenor of the Facility. Current Ratio <p>The measurement of deviation shall be with reference to last audited statement of accounts and made from the first anniversary of the First Disbursement and annually thereafter.</p>				
20. Interest Tax, Levies & Duties	Interest tax / other levies / duties, if any, applicable as per Facility Agreement, shall be payable by the Borrower (s) over and above the Interest Rate mentioned above.				
21. Commitment Fee	<p>Commitment fee of 1.20% on the amount of undrawn amounts i.e. variance in actual disbursements with respect to quarterly disbursement schedule provided by the Borrower (s) at the time of documentation for the entire availability period or the amended disbursement schedule accepted by the Lenders. The commitment fee shall be calculated on the basis of amount undrawn during that quarter.</p> <p>The disbursement schedule, with the approval of the Lender's Agent, may be amended by the Borrower (s), with a thirty (30) days' prior written notice before the beginning of the respective quarter.</p>				



<p>22. Prepayment Premium</p>	<p>The Borrower (s) shall at any time have the option to prepay the Lenders in part or in full, the loan together with all interest, prepayment premium and other charges and monies due and payable to the Lenders upto the date of such prepayment, on payment of prepayment premium equal to 1 % of the amount prepaid.</p> <p>No pre-payment premium, however, shall be payable if the pre-payment is effected in any of the following events:</p> <ol style="list-style-type: none"> At the instance of the Lenders; From the surplus internal accruals generated by the Project with 30 days prior notice period with such prepayment being made once in financial year, From proceeds of strategic sale of assets of group entities or equity infusion or securitization of receivables under the Tower Sharing agreement with other telecom operators. On Re-pricing of Rate of Interest if interest is found unacceptable, the Borrower (s) shall have the option to prepay the outstanding Rupee Term Loan by advising its intention to prepay within 30 days of such re-pricing advice date and prepay the Rupee Term Loan within 90 days from the re-pricing date; However, during this period, the company shall service the Facility at the Re-priced Rate of Interest
<p>23. Liquidated damages on defaulted payments</p>	<p>The Borrower (s) shall pay default interest @ 1% p.a. for the period of default on the total outstanding amount</p> <ul style="list-style-type: none"> - In respect of Principal & interest or any other monies due on their respective due dates. - In case of Cross Default to other lenders <p>Arrears of default interest shall carry interest at the applicable Interest Rate till the date of payment of the defaulted amount.</p> <p>However, the total additional interest on account of liquidated damages, non-compliance of various conditions / stipulations shall not exceed 3% p.a.</p>
<p>24. Security</p>	<p>Security for the Facility shall be created in two stages – namely Stage - 1 & Stage - 2</p> <p>Stage - 1 (“Initial Security”)</p> <p>The proposed Facility along with interest, fees, commission and other dues to the Lenders shall be secured by:-</p> <p>First paripassu charge on all the present and future moveable plant and machinery including (without limitation) tower assets and optic fibre cables, if any, capital work in progress (pertaining to movable fixed assets) of Reliance Communications Ltd. (RCOM), Reliance Telecom Limited (RTL), Reliance Communications Infrastructure Limited (RCIL) & Reliance Infratel Limited (RITL);</p>



First paripassu charge on all the rights, title, interest, benefit, in respect of all insurance contracts entered into in relation to the assets described in (1) above;

Assignment of all telecom licenses of RCOM (UASL, NLD & ILD)

4) Negative lien on the following –

- Present and future moveable fixed assets of RGBV (subject to existing encumbrance as on date of execution of Facility Agreement)
- Present and future immoveable assets of the Obligor Group
- Telecom Licenses held by RTL (subject to the existing assignments of the telecom licenses for the benefit of the existing lenders of RTL)
- Present & future investments of RCOM in the Obligor Group, subject to existing encumbrance as on date of execution of Facility Agreement
- Cash and cash equivalents of the Obligor Group (subject to existing encumbrance as on date of execution of Facility Agreement)

The security in (1) (2) & (4) shall be created before first disbursement and (3) within 6 months from the date of first disbursement.

The above security shall be shared on a paripassu basis with other Secured creditors of the Obligor Group.

Stage - 2 (“Additional Security”)

5) First paripassu charge on all present & future moveable fixed assets of the Obligor Group, including, but not limited to moveable Plant and Machinery and Capital Work in Progress

6) Assignment of all telecom licenses of the RTL (UASL)

7) First paripassu charge on present and future cash flows, receivables, other current assets, revenues, intangibles of the Obligor Group

8) First paripassu charge on all present and future immoveable assets of the Obligor Group

9) Assignment of rights, titles, interests, benefits, claims and demands in material project contracts incl. insurance proceeds of the Obligor Group.

10) Implementation of Co-obligor structure for the Obligor Group. This shall mean joint and several guarantees from each of the members of the Obligor Group to secure the obligations of the Borrower(s) in connection with this Facility.

11) Pledge by

- a) RCOM over their shareholding in RCIL;
- b) RCOM and Reliance Infocomm Infrastructure Private Limited over their shareholding in RTL.



	<p>12) Subject to regulatory approvals permitting mortgage of spectrum, all spectrum belonging to the Obligor Group shall be mortgaged in favour of Lenders within 3 months from the date of such permission/notification.</p> <p>The security in (5), (6), (7), (8) (9) ,(10) & (11) shall be created post obtention of consent of existing lenders of respective Obligor Group entities and such other regulatory or statutory approvals, as may be required. The same shall have to be created & perfected within 6 months from the date of first disbursement of the Facility. However, in instances where despite the Obligor Group having demonstrated due effort to create/perfect security, if there is a delay on account of statutory/regulatory reasons, the same shall not be construed as an Event of Default.</p> <p>The above security shall be shared on a pari - passu basis with other Secured creditors of the Obligor Group.</p> <p>All Security to be held by Security Trustee for the benefit of Lenders in a form and manner satisfactory to State Bank of India.</p>						
25. Additional Interest	<p>In case the Obligor Group fails to create & perfect the Security (for both Stage - 1 & Stage - 2)within stipulated time periods, the Borrower(s) shall pay an additional interest of 1% p.a. on the entire outstanding loan amount from the end of such stipulated time period till creation & perfection of Security. However, in instances where despite the Obligor Group having demonstrated due effort to create/perfect security, there is a delay is on account of statutory/ regulatory reasons, extension in timeline, based on mutual consent between RCOM & SBI may be granted. During such extension, such additional interest may not be charged. Any further disbursements pending perfection of security shall be at the sole discretion of the Lenders.</p>						
26. Stake sale/ Equity infusion	<p>The Borrower undertakes to implement a stake sale/ equity infusion plan due to which a cash infusion shall be made into the Borrower as per the schedule indicated below:-</p> <table border="1" data-bbox="539 1585 1283 1798"><thead><tr><th>Financial Year</th><th>(Amount in Cr)</th></tr></thead><tbody><tr><td>31st March 2015</td><td>12,208</td></tr><tr><td>31st March 2016</td><td>4,200</td></tr></tbody></table> <p>Borrower shall pay an additional interest of 1% p.a. on the entire outstanding loan amount in case of any breach in compliance with the above undertaking till such time the breach is cured. Further on any</p>	Financial Year	(Amount in Cr)	31 st March 2015	12,208	31 st March 2016	4,200
Financial Year	(Amount in Cr)						
31 st March 2015	12,208						
31 st March 2016	4,200						



	breach in adherence to the above schedule, Lenders shall have a right to call an Event of Default.								
27. Debt Reduction Undertaking / Covenant	<p>The Borrower undertakes to implement a debt reduction schedule due to which the aggregate Gross Debt of RCOM Group (consolidated financials of RCOM as per Indian GAAP) shall not exceed:</p> <table border="1"> <thead> <tr> <th>As on</th> <th>(Amount in Cr)</th> </tr> </thead> <tbody> <tr> <td>31st March 2015</td> <td>32,500</td> </tr> <tr> <td>31st March 2016</td> <td>29,000</td> </tr> <tr> <td>31st March 2017 and thereafter shall not exceed</td> <td>25,500</td> </tr> </tbody> </table> <p>Borrower shall pay an additional interest of 1% p.a. on the entire outstanding loan amount in case of any breach in compliance with the above undertaking till such time the breach is cured. Further on any breach in adherence to the above schedule, Lenders shall have a right to call an Event of Default.</p> <p>(Foreign currency of Gross USD Debt calculated @ Rs. 61)</p>	As on	(Amount in Cr)	31 st March 2015	32,500	31 st March 2016	29,000	31 st March 2017 and thereafter shall not exceed	25,500
As on	(Amount in Cr)								
31 st March 2015	32,500								
31 st March 2016	29,000								
31 st March 2017 and thereafter shall not exceed	25,500								
28. Financing Documentation:	<p>The Facility will be governed by a Facility Agreement in form and substance acceptable to both the parties. The Facility Agreement will contain usual provisions for a facility of this nature and the conditions precedent, events of default, representations and warranties, and covenants detailed in this term sheet.</p> <p>Finance Documents shall include the Facility Agreement and other documents designated as such by the Lender and the Borrower(s).</p>								
29. Pre-commitment conditions	<p>The Borrower(s)</p> <ol style="list-style-type: none"> Ties-up the entire debt requirements envisaged in the Facility. Gives a declaration / undertaking to the effect that none of its directors, is a director or specified near relation of a director of a lending bank Confirms/undertakes that name of none of the directors appears in RBI's/CIBIL's Defaulters' list/ECGC Caution List undertakes that the Obligor Group are in compliance with all matters pertaining to licenses and regulations. 								
30. Conditions Precedent:	<p>Prior to first disbursement under the Facility, the Borrower(s) shall, to the satisfaction of the Lenders, have complied with the following:-</p> <p>(a) All the financing documents pertaining to the Facility (save and except the security documents required to be executed in connection with the Stage 2 Additional Security and the telecom license assignment of RCOM) shall have been executed and the same are in full force and effect backed by a legal</p>								



	<p>opinion from Lenders Legal Counsel.</p> <p>(b) Confirmation from the Lenders Legal Counsel that the terms of security offered by RCOM, RCIL, RTL and RITL as part of the Stage 1 Initial Security are at par with the terms of the security provided by RCOM, RCIL, RTL and RITL over their assets for the benefit of the other lenders of RCOM..</p> <p>(c) Create/perfect the security as envisaged under the Security clause within the stipulated time periods.</p> <p>(d) Provide an undertaking that –</p> <ul style="list-style-type: none"> - Consent letters from existing lenders/facility agents granting waiver for non-compliance of financial covenants for Financial Year 2014 and modification in financial covenants on the lines of Financial Covenants of this Facility - The Borrower(s) has not agreed to more favourable terms than those offered to the “Lenders” of this “Facility” in any of its existing debt facilities. In case, it is subsequently found that more favourable terms have been agreed to by the Borrower(s), the same shall also be applicable for the Facility. Further, the Lenders are free to take any action that they deem fit to regularize the position. - Cash infusion on account of stake sale transactions i.e. Rs. 6,100 Crs in FY’15 (over and above Rs 6,108 Cr infused by way of QIP proceeds and preferential allotment to promoters) and Rs. 4,200 Crs in FY’16 shall not be reduced on account of tax implications, if any. If cash infusion is reduced on account of tax implication or proceeds of stake sale transactions are not available for debt reduction, the Borrower shall infuse additional cash so as to give the same financial impact. - All approvals including regulatory and shareholder approvals to the extent applicable are in place. <p>(e) Submission of certified copies of constitutional documents of each of Obligors except RGBV which will be submitted within 3 months from the date of disbursement;</p> <p>(f) Submission of certified copies of appropriate board resolutions and other corporate authorizations;</p> <p>(g) Agree to submit a certificate of end use of the disbursement within 30 days of such disbursement and a certificate from the Statutory Auditor within 60 days of such disbursement.</p> <p>Any disbursement to RTL under the facility shall be made only after creation of “Initial Security”</p>
<p>31. Affirmative Covenants</p>	<p>The Borrower(s) agrees that or shall ensure that (as applicable):-</p> <ul style="list-style-type: none"> a. Reliance Group shall maintain Management Control of the Obligor Group and its subsidiaries through the entire tenor of the Facility. Management Control shall mean the right to appoint/remove majority of directors on the Board of the Obligor Group or power to directly/indirectly cause the direction of management and policies of a company. The sole exception shall be Global Cloud Xchange Limited transaction as envisaged in the Lenders Base Case. b. All statutory clearances as applicable shall be obtained and maintained at all times during the tenor of the Facility. c. All telecom business related approvals/clearances/ licenses from Department



11 RELIANCE COMMUNICATIONS LIMITED.

	<p>of Telecommunication or any other statutory body shall be obtained and maintained during the tenor of the Facility.</p> <p>d. To create security by way of mortgage of spectrum in favour of Lenders subject to regulatory approvals. Further, in case a more favourable term is offered to any other lender to the Obligor Group (except RGBV), the same shall also be applicable to the Lenders of the Facility.</p> <p>e. In case of default in repayment of the loan / advances or in the payment of the interest thereon or any of the agreed installments of the loan on due date/s by the Borrower(s), the Bank and / or the RBI will have an unqualified right to disclose or publish the Borrower(s) name/unit and its directors/ partners / proprietors as defaulter in such manner and through such medium as the Bank or RBI in their absolute discretion may think fit.</p> <p>f. The Bank will have the right to share credit information as deemed appropriate with CIBIL or any other institution as approved by RBI from time to time.</p> <p>g. The Borrower(s) shall not induct into its Board a person whose name appears in the wilful defaulters list of RBI/ CIBIL (other than as a Nominee/ Professional/ Honorary director). In case such a person is already on the Board of the borrowing company, it would take expeditious and effective steps for removal of that person from its Board.</p> <p>h. Lenders shall have the right to securitize the loan asset and in the event of such securitization, the Bank is not bound to send an individual intimation to the Borrower(s) or any other Obligor.</p> <p>i. Borrower(s) shall ensure that all insurable assets and the insurable assets of each other Obligor are fully insured</p> <p>j. Bank shall have the right to convert at its option the whole or part of the defaulted amount of the Loan into fully paid-up equity shares of the Borrower(s), at a mutually acceptable formula (or as per SEBI Regulation), if the Borrower(s) commits a default in payment of interest or repayment resulting into an Event of Default.</p> <p>k. It shall, at all times during the currency of the Facility, comply with the environmental, health, safety and social (EHSS) regulations/requirements.</p> <p>l. The Borrower(s) agrees to offer to the Bank, at least pro-rata business relating to remittances, bills / cheque purchase, non-fund based transactions including LCs and BGs, forex transactions and any interest rate or currency hedging business.</p> <p>m. Modify/Amend its Memorandum of Association or Articles of Association as per the requirements of the proposed Facility.</p> <p>n. Lenders shall have the right to appoint independent agencies, in consultation with the Borrower(s), for monitoring of the financials and operational performance with cost to be borne by the Borrower(s).</p>
32. Negative Covenants	<p>The Borrower(s) shall not without prior permission of Lenders –</p> <ol style="list-style-type: none">1. Formulate any scheme of amalgamation or reconstruction or change in capital structure, which shall result in dilution of stake held by RCOM in the Obligor Group and its subsidiaries. Global Cloud Xchange Limited transaction as defined in the Lenders Base



12 RELIANCE COMMUNICATIONS LIMITED.

	<p>Case shall be a sole exception to this.</p> <ol style="list-style-type: none">2. Undertake any new project, implement any scheme of expansion or acquire fixed assets except those indicated in the funds flow statement submitted to the Bank from time to time and approved by the Bank.3. Enter into borrowing arrangement either secured or unsecured with any other bank, financial institution, or company or otherwise or accept deposits apart from the arrangement indicated in the funds flow statements submitted to the Bank from time to time and approved by the Bank. However, refinancing may be permitted provided Debt Reduction Undertaking/Covenant being complied with.4. Undertake any guarantee obligation on behalf of any other company other than as permitted by the bank and those issued for the benefit of the subsidiaries of the Borrower(s) in telecom related business to the aggregate extent of Rs. 500 cr.5. Create any charge, lien or encumbrance over its undertaking/assets or any part thereof in favour of any financial institution, bank, company, firm or persons other than as per the Lenders Base Case approved by Bank. Charge creation on refinanced debt may be permitted provided Debt Reduction Undertaking/Covenant being complied with.6. Enter into any contractual obligation of a long-term nature or affecting the company financially to a significant extent.7. Change the practice with regard to remuneration of directors by means of ordinary remuneration or commission, scale of sitting fees, etc.8. Undertake any trading activity other than as approved by the lenders.9. Permit any transfer of management control from Reliance Group or make any drastic change in the management set-up.10. Invest by way of share capital, Lend or advance funds to or place deposits with any other concern (excluding subsidiaries of the Borrower(s) in telecom related business to the extent of Rs. 500 cr), other than approved as per business plan. Normal trade credit or security deposits in the normal course of business or advances to employees can, however, be extended.11. Repay monies brought in by the promoters/ directors/ principal shareholders/related parties of Reliance Group and their friends and relatives by way of deposits/ loans / advances/sub-debt.12. Declare dividends for any year out of the profits relating to that year or of the previous years if the Borrower(s) is in breach of any financial covenants or the Debt Reduction Undertaking or an Event of Default has occurred.13. Assign or mortgage any of the fixed assets charged to the Lenders.
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13 RELIANCE COMMUNICATIONS LIMITED.

	<p>However the Borrower(s) shall have the right to sell, lease, transfer or otherwise dispose of its assets in any period of 365 days of an aggregate amount of Rs 125 Cr.</p>
33. Information Covenants	<p>The Borrower(s) shall</p> <p>Maintain adequate books of accounts and Furnish to the Lenders every year a copy of consolidated audited annual accounts of the RCOM as per Indian GAAP together with compliance certificates within 120 days and unaudited consolidated semi-annual financial statements within 90 days;</p> <p>Keep the Lenders informed of the happening of any event likely to have substantial effect on its profit and business with explanations and the remedial steps proposed to be taken.</p> <p>Keep the Lenders advised of any circumstances which could have a material adverse effect on the financial position of its subsidiaries/group companies/companies in which it has large investments/ Obligor Group, including any action taken by the creditor against the said companies.</p> <p>Notify any events of default or potential events of default, material litigation and other material matters to the Lenders.</p> <p>e. Provide yearly auditor certifications as required by the Lenders incl. that on the revaluation amounts, etc.</p>
34. Undertakings	<p>The Borrower(s) undertakes to:-</p> <p>a) Maintain pari-passu ranking of obligations amongst secured lenders</p> <p>b) Offer to the Lenders any favourable term offered to other lenders to the Obligor Group (except RGBV) except pricing terms.</p> <p>c) provide right of access/site inspections for Lenders throughout the tenor of the Facility</p> <p>d) Arrange for funds for payments required to be made for the following -</p> <ul style="list-style-type: none"> • Onetime fee on account of spectrum held • License/ Spectrum renewal costs • Any other payment on account of regulatory compliances which has not been considered in the Lenders Base Case.
35. Financial Covenants	<p>RCOM Group (consolidated financials of RCOM as per Indian GAAP) shall comply with the following financial covenants throughout the tenor of the Facility including on the date of first disbursement of the Facility:-</p> <ol style="list-style-type: none"> 1. Net Worth, shall not be less than Rs. 250,000,000,000 (Rupees Twenty Five thousand crores) for FY 2015 and thereafter; 2. The ratio of Net Debt to EBITDA shall not be more than 5.00 as on 31.03.2015 and 4.00 as on 31.03.2016 and thereafter; 3. The ratio of EBITDA to Interest Expenses shall not be less than 3.00 for FY'15 and 4.00 for FY 16 and thereafter; 4. The ratio of Adjusted EBITDA to Debt Service (Cash DSCR) shall not be less than 1.00 5. Asset Cover Ratio shall not be less than 1.10 <p>The above covenants shall be tested annually and semi-annually respectively,</p>



on a rolling 12-month basis according to Indian GAAP. The testing for the end of Financial year shall be made on basis of Consolidated Audited Financials of the Borrower & mid of the Financial Year on the basis of Consolidated Unaudited Financials. Testing of covenants shall be done within 120 days from the respective financial year end dates. Testing of Financial Covenants to begin from 31.03.2015. Both testing shall be accompanied by a compliance certificate from the Auditor & the Borrower. For the purpose of the covenants above the definitions of the terms used are as listed below:

Relevant Period:

- (a) each period of 12 calendar months ending on 31 March in any year; or
- (b) each period of 12 calendar months ending on 30 September in any year;

Net Worth

The aggregate of paid up share capital and the amount standing to the credit of its consolidated reserves, including equity warrants issued to the extent they are paid up, however, after deducting the following:

- (a) all accumulated losses;
- (b) all deferred expenditures;
- (c) all deferred tax liabilities; and
- (d) revaluation amounts. This shall be certified by Statutory Auditor.

Net Debt

Gross Debt as reduced by cash and cash Equivalents.

Gross Debt

Sum of all fund based facilities availed by RCOM Group as per the consolidated financials of RCOM as per Indian GAAP

EBITDA

In relation to any period, the net income from ordinary activities (for the avoidance of doubt excluding non-operating income and expense) before taking into account:

- (a) Tax;
- (b) Interest Expense;
- (c) any exceptional or extraordinary items; and
- (d) amortisation of intangible assets and depreciation of tangible assets

Interest Expense

The aggregate amount of all interest, commissions and fees in respect of moneys borrowed, discounts in respect of bills, notes or debts discounted, and that part of any amount under a financing lease or hire purchase, credit sale, conditional sale or deferred payment agreement which represents any of the foregoing but after deducting any interest income received.

Adjusted EBITDA - EBITDA for that Relevant Period

- less all Taxes payable in respect of that Relevant Period.



	<ul style="list-style-type: none"> • less realised forex losses • less all capital expenditure for the Relevant Period. • add cash inflow on account of asset sale/ stake sale for the Relevant Period • add additional loans availed during the Relevant Period. This applies only for Financial Year 2015 <p>Debt Service The sum of: (a) Interest Expense for that period; and (b) that portion of Gross Debt scheduled for repayment in that period;</p> <p>Asset Cover ratio The ratio of a) Net Block incl. CWIP and excl. intangible assets & revaluation amounts and b) Gross Debt excluding unsecured loans, if any</p> <p>Additional interest of 1% p.a. shall be levied in case of breach in the above financial covenants. However, a cure period of 30 days shall be available to the Borrower to redress the breach before which the above additional interest shall be applicable. The additional interest thus applied shall be recovered with effect from the date of breach.</p>
<p>36. Events of Default:</p>	<p>The Lenders shall have a right to call an Event of Default on occurrence of the following events;</p> <ul style="list-style-type: none"> (a) failure to pay any sum when due to the Lenders (b) breach of financial covenants or Debt Reduction Undertaking; (c) breach of covenants; (d) misrepresentation; (e) cross default with other indebtedness (f) Breach of material terms (g) insolvency or initiation of insolvency proceedings with respect to the borrower; (h) cessation of business by the borrower or threat of cessation; (i) invalidity/rescission/unlawfulness of a Finance Document; (j) repudiation of the Finance Document; (k) material proceedings and other litigation including court proceedings on license related issues resulting in a Material Adverse Effect; (l) expropriation, nationalization or moratoria; (m) cessation of telecom licenses (n) Change of Management Control of the Obligor Group; other than due to the notified transactions for which Lenders approval has been obtained (o) cessation of listing of the shares of the RCOM. (p) Failure to comply with license conditions or any revocation thereof (q) The occurrence of any event or circumstance which is prejudicial to or imperils or depreciates the security given to the Lenders or security ceases to be effective <p>Besides the loan documents would also incorporate other Events of Default.</p>



16 RELIANCE COMMUNICATIONS LIMITED.

37. Consequences of Event of Default	The following inter alia shall be the consequences of Event of Default; a. Acceleration of debt repayment /cancellation of Facility. b. Conversion of debt into equity at a mutually acceptable formula or as per extant SEBI Regulations whichever applicable. c. Appointment of Nominee Directors by the Lenders. d. Enforcement of security
38. Cancellation Clause	The Lenders have a right to unconditionally fully/partially, without notice, cancel the facility – ➤ In case the limits/parts of the limits are not utilized by the Borrower(s), and/or ➤ In case of deterioration in the loan accounts in any manner whatsoever, and/or ➤ In case of non-compliance of terms and conditions of sanction
39. Material Adverse Effect:	Material Adverse Effect will be defined as any event or circumstance which has a material adverse effect on: (a) the business operations, assets or financial condition of RCOM Group and its subsidiaries (taken as a whole); or (b) the ability of RCOM Group to perform the payment obligations and/or comply with the financial covenants contained in the Financing Documentation; or (c) the validity or legality or the enforceability of or any rights or remedies of the lenders under the Financing Documentation.
40. Change of Control:	For the purpose of this clause “control” means the power to appoint and/or remove all or a majority of the members of the board of directors (excluding independent directors) and otherwise directly or indirectly to control or have the power to control the affairs and policies of the Borrower(s).
41. Transferability:	Lender will have the right to freely transfer or assign or novate to one or more persons all or a portion of its rights and obligations under the Facility Documentation without the consent of the Borrower(s). However, Lenders shall inform the Borrower(s) of any such assignment/novation/transfer.
42. Governing Law and Jurisdiction	The Facility will be governed by the laws of India and will provide for submission by the Borrower(s) to the non-exclusive jurisdiction of the courts of Mumbai.
43. Documentation	In addition to the terms and conditions contained in this Term Sheet, the final documentation will contain other customary clauses such as Financial covenants, Representation & Warranties from the Borrower(s), Conditions Precedent to the effectiveness of the loan and Condition Precedent to each disbursement, Affirmative Covenants by Borrower(s), Negative Covenants, Additional Covenants, Information Covenants, Events of Defaults by the Borrower(s) and the Consequences of the Event of Default, RBI disclosure norms, as applicable etc.



Annexure – IA:

OTHER TERMS & CONDITIONS

1. **Guarantors:** Nil
2. **Collateral Securities:** Nil

Other existing terms and conditions which are proposed to continue:

1. The company shall pay lump sum processing fees of Rs.50.00 lakhs + applicable service tax for renewal of NFB limits.
2. In case the company commits default in honoring their commitments under the facility, the Bank and / or Reserve Bank of India will have an unqualified right to disclose or publish the name of the company and its directors as defaulters in such manner and through such medium as the Bank or Reserve Bank of India in their absolute discretion may think fit.
3. In terms of RBI guidelines, the company is required to give its consent for disclosure of information regarding all credit facilities to Credit Information Bureau and agency. The company to undertake that they shall submit the required information to the Bank which can be disclosed to CIBIL or any other agency so authorized which may use, process the information and also the data disclosed by the Bank in the manner as deemed fit.
4. The documentation formalities shall be completed under the advice from Legal Services Division H.O / Zonal Office, Greater Mumbai and thereafter subjected to legal audit.
5. The Branch shall put in place proper and effective system for exchange of information about the conduct of the borrowal account with other financing bank at least at quarterly intervals and also obtain regular certification by a professional, preferably a Company Secretary, regarding compliance by the company of various statutory prescriptions that are in vogue (as per prescribed format given by H.O. Circular No.867 / 2008 & 1088 / 2008.
6. The change in business plan of the company in line with the Lead bank / consortium and corresponding change in terms of sanction is permitted subject to similar approval from all the consortium members.
7. The company is permitted for conversion of the existing STL of Rs.235.00 crore availed by the by the company to Long Term Loan in pursuance to the change in business plan subject to similar approval and implementation by the Lead Bank.
8. **All other terms and conditions as stipulated by the Lead Bank /Consortium shall be applicable to our Term Loan also.**

DEPUTY GENERAL MANAGER

For CORPORATION BANK
DEPUTY GENERAL MANAGER



BORROWER : RELIANCE COMMUNICATIONS LIMITED
BRANCH : MUMBAI-CBB
REF : CDS:CSI:33:MC:165:2014-15 DT.22/12/2014

General terms and conditions:

ANNEXURE GI

01. Processing charges / upfront fees wherever applicable shall be collected from the applicant company as per the Bank's rules.

02. The credit limits sanctioned shall be made available to the applicant after the Bank secures/the applicant furnishes as the case may be:

(a) Satisfactory confidential opinion/credit report from the concerned bankers of the applicant or the applicant's associate concerns,

(b) Letter of Confirmation from the applicant stating that the unit is not enjoying any credit limits with other Banks and that the unit will exclusively deal with our Bank:

(c) A copy of valid License/SSI registration certificates.

(d) Legal opinion from the Bank's approved advocate affirming that the applicant holds valid legal and marketable title in respect of the title to the land and buildings to be mortgaged in the Bank's favour as primary/collateral security for the term loan and / or working capital credit limits.

(e) Permission letter issued by the Urban Land Ceiling Authorities, if applicable.

(f) Valuation Report from the Bank's approved Engineer in respect of the cost or market value of the property to be mortgaged in the Bank's favour.

(g) A power of attorney in favour of the Bank for receiving on behalf of the applicants the proceeds of subsidy/development loan from the Government/Government Agency. Cheques representing proceeds of subsidy/development loan shall be routed through the Bank.

(h) A declaration from the applicant that:

i) If he is an individual, that he is not a specified near relation of any senior officer of the financing bank.

ii) If it is a partnership firm or H.U.F. firm, that none of the partners or none of the members of the H.U.F. is a specified near relation of any senior officer of the financing bank.

iii) If it is a joint stock company, that none of its directors, is a relative of any senior officer of the financing Bank.

or

A declaration from the applicant furnishing details of the relationship, if any of the applicant to any senior officer of the financing Bank.

NOTE: If the declaration made by the borrower with reference to the above is found to be false, then the Bank will be entitled to revoke and/or recall the credit limits(s) sanctioned.

(i) If the applicant is a company (Public or Private), certified copy of resolution passed at the Board Meeting of the Company authorising borrowal of credit Limits from the Bank and execution of loan documents.

(j) If the applicant is a Public Limited Company or Private Limited Company which a subsidiary of a Public Limited Company -

i) Certified copy of the Board resolution declaring that the Company's total borrowings including the proposed borrowings from the Bank are within the aggregate of its paid up capital and free reserves as required by Sec.293 (1) (d) of the Companies Act. 1956 or within the borrowing limit sanctioned by a resolution passed by the shareholders at the General Meeting of the Company.



CIN: L65190MH2004GO1148838

आईडीबीआई बैंक लिमिटेड
पंजीकृत कार्यालय : आईडीबीआई टॉवर,
डब्ल्यूटीसी कॉम्प्लेक्स, कफ परेड,
मुंबई - 400 005.
टेलिफोन : (+91 22) 6655 3355, 2218 9111
फैक्स : (+91 22) 2218 0411
वेबसाइट : www.idbi.com

IDBI Bank Limited
Regd. Office : IDBI Tower,
WTC Complex, Cuffe Parade,
Mumbai - 400 005.
TEL.: (+91 22) 6655 3355, 2218 9111
FAX : (+91 22) 2218 0411
Website : www.idbi.com

SANCTION LETTER

In Duplicate

Ref No.IDBI/ICG(W)/RCOM/ 2347

February 20, 2015

To
The Managing Director
Reliance Communications Ltd.,
Reliance Centre,
19, Walchand Hirachand Marg,
Ballard Estate,
Mumbai – 400 001

Dear Sirs,

Financial assistance of Rupee Term Loan of Rs.750 crore

Please refer to our letters IDBI/ICG(W)/RCOM/2112(A) dated December 29, 2014 and IDBI/ICG(W)/RCOM/2242(A) January 28, 2015 revalidating the Rupee Term Loan (RTL) of Rs.750 (Rupee Seven hundred and fifty crore only) to Reliance Communication Limited. This letter is issued in supersession of both the letters mentioned hereinabove.

2. The aforesaid financial assistance is subject to the normal terms and conditions contained in the Loan Agreement and the terms and conditions set out in **Appendix-I** hereto. This letter shall form an integral part of the Loan Agreement to be entered into by you with IDBI Bank.

3. In case the above terms and conditions are acceptable to you, you may return the duplicate copy of this letter duly signed by you/ your authorized person along with two certified copies of the resolution duly passed by the Board of Directors of your Company as per the proforma in **Appendix-III** within 30 days from the date of receipt of this Sanction Letter.

4. Please note that this communication should not be construed as giving rise to any binding obligation on the part of IDBI Bank unless you communicate to IDBI Bank within 30 days from the date of receipt of this Sanction Letter that the terms and conditions set out herein are acceptable to you and unless the Loan Agreement and other documents relating to the financial assistance are executed by you in such form as may be



5 IDBI reserves the right to amend any of the terms and conditions hereof (including reducing or canceling any or all-financial assistance) at its sole discretion.

6. Meanwhile, kindly acknowledge receipt of this Sanction Letter.

Yours faithfully,



[Amit Kumar Nanda]
Deputy General Manager
Infrastructure Corporate Group



[Jyotsna Kumar]
Deputy General Manager
Infrastructure Corporate Group

ACCEPTED

For Reliance Communication Limited

AUTHORISED SIGNATORIES

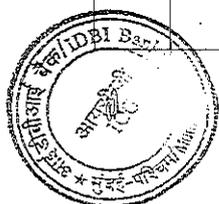
1. NAME : _____
DESIGNATION : _____
ADDRESS : _____

2. NAME : _____
DESIGNATION : _____
ADDRESS : _____

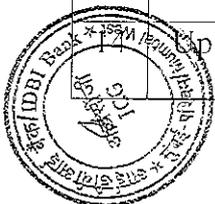
Appendix-I

TERM SHEET FOR REVALIDATION OF RTL of Rs.750 crore Reliance Communication Ltd. (RCOM)

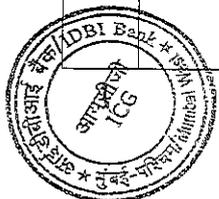
1	Reliance Group	“Reliance Group” means Shri Anil Dhirubhai Ambani (ADA) and his family in a personal capacity and family trusts (in respect of the shares held by such family members or family trusts, only those shares deemed controlled by Shri Anil Dhirubhai Ambani will be included for the purposes of this definition) or the companies where ADA has at least a 26% stake and the companies that are also controlled directly or indirectly by ADA (together “Reliance Group”).
2	Borrower	Reliance Communication Ltd. (RCOM).
3	Obligor Group	Reliance Communications Ltd. (RCOM), Reliance Telecom Ltd. (RTL), Reliance Communications Infrastructure Ltd. (RCIL), Reliance Infratel Ltd. (RITL) & Reliance Globalcom BV (RGBV). Each one of the above entity would be individually referred to as an Obligor & together would be referred to as the “Obligor Group”. RCOM shall act as the “Obligor’s Agent”.
4	RCOM Group	Reliance Communications Ltd. (RCOM) along with all its subsidiaries.
5	Lenders	Banks/Financial Institutions, collectively the “Lenders”, who are participating in funding the project by way of the Facility. State Bank of India shall act as the Facility Agent.
6	Facility	RTL of Rs.750 crore (Rupees Seven Hundred Fifty crore only)
7	Purpose	For meeting ongoing - 1. Capital expenditure; 2. Operational expenditure; 3. Repayment of existing liabilities, other than any related party/shareholder loans.
8	Validity Period	The commercial terms shall be valid for a period upto one month from the date of sanction before which company shall convey their acceptance. The other sanction terms shall be valid up to a period of three months from the date of sanction before which Facility Agreement shall be executed.
9	Availability Period	Until June 30, 2015. Any undrawn amount of the Facility at the end of the Availability Period will be automatically cancelled and will not



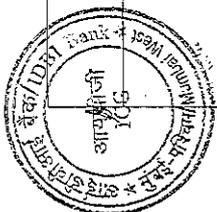
		be available for drawing.																									
10	Repayment	<p>In 14 structured quarterly installments post Moratorium (including moratorium period of 1 year and 9 months upto September 30, 2016), with door to door tenor of 5 years and 3 months.</p> <table border="1"> <thead> <tr> <th>FY</th> <th>Q1</th> <th>Q2</th> <th>Q3</th> <th>Q4</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>-</td> <td>-</td> <td>8%</td> <td>8%</td> </tr> <tr> <td>2018</td> <td>8%</td> <td>8%</td> <td>8%</td> <td>8%</td> </tr> <tr> <td>2019</td> <td>1%</td> <td>1%</td> <td>1%</td> <td>1%</td> </tr> <tr> <td>2020</td> <td>12%</td> <td>12%</td> <td>12%</td> <td>12%</td> </tr> </tbody> </table> <p>The repayment due dates shall be 31st December, 31st March, 30th June and 30th September in each year.</p>	FY	Q1	Q2	Q3	Q4	2017	-	-	8%	8%	2018	8%	8%	8%	8%	2019	1%	1%	1%	1%	2020	12%	12%	12%	12%
FY	Q1	Q2	Q3	Q4																							
2017	-	-	8%	8%																							
2018	8%	8%	8%	8%																							
2019	1%	1%	1%	1%																							
2020	12%	12%	12%	12%																							
11	Rate of Interest (net of interest tax, other levies / duties)	<p>Floating rate of interest equivalent to IDBI Base Rate + 2.25% (floating), (present effective @ 12.50%) with a monthly rest.</p> <p>The interest payable shall be subject to the changes in interest rate policy, etc. made by the Reserve Bank of India/any other agency empowered for the purpose from time to time. However, Interest Rate cannot be lower than the base rate of any participating lender in the Facility.</p>																									
12	Trigger for Re-Pricing of Rate of Interest	<p>Any adverse deviation from the estimated/projected level in the Lenders Base Case by more than 20%, in respect of any two of the following financial parameters, arrived at from financial results, will entitle the Bank to re-price the loan.</p> <ol style="list-style-type: none"> 1) Interest Coverage Ratio. 2) Return on Capital Employed. 3) TOL/TNW. 4) Gross DSCR; however, the same shall not be below 1 at any point of time during the tenor of the Facility. 5) Current Ratio. <p>The measurement of deviation shall be with reference to the last audited statement of accounts and made from the first anniversary of the First Disbursement and annually thereafter.</p>																									
13	Interest Tax, Levies & Duties	<p>Interest tax / other levies / duties, if any, applicable as per Facility Agreement, shall be payable by the Borrower(s) over and above the Interest Rate mentioned above.</p>																									
	Up – front fee	<p>Rs. 5 lakh plus applicable taxes. This Upfront Fees shall be payable on the date of execution of the Term Loan Facility</p>																									



		Agreement or any interim facility agreement, whichever is earlier.
15	Commitment Fee	<p>Commitment fee of 1.20% on the amount of undrawn amounts i.e. variance in actual disbursements with respect to quarterly disbursement schedule provided by the Borrower(s) at the time of documentation for the entire availability period or the amended disbursement schedule accepted by the Lenders. The Commitment Fee shall be calculated on the basis of amount undrawn during that quarter.</p> <p>The disbursement schedule, with the approval of the Lender's Agent, may be amended by the Borrower(s), with a thirty (30) days' prior written notice before the beginning of the respective quarter.</p>
16	Prepayment	<p>The Borrower(s) shall at any time have the option to prepay the Lenders in part or in full, the loan together with all interest, prepayment premium and other charges and monies due and payable to the Lenders upto the date of such prepayment, on payment of prepayment premium equal to 1% of the amount prepaid.</p> <p>No pre-payment premium, however, shall be payable if the pre-payment is effected in any of the following events :</p> <ol style="list-style-type: none"> 1. At the instance of the Lenders; 2. From the surplus internal accruals generated by the Project with 30 days prior notice period with such prepayment being made once in financial year; 3. From proceeds of strategic sale of assets of group entities or equity infusion or securitisation of receivables under the tower sharing agreement with other telecom operators; 4. On Re-pricing of Rate of Interest, if interest is found unacceptable, the Borrower(s) shall have the option to prepay the outstanding Rupee Term Loan by advising its intention to prepay within 30 days of such re-pricing advice date and prepay the Rupee Term Loan within 90 days from the re-pricing date; However, during this period, the Company shall service the Facility at the Re-priced Rate of Interest.
17	Liquidated Damages	<p>The Borrower(s) shall pay default interest @ 1% p.a. for the period of default on the total outstanding amount</p> <ul style="list-style-type: none"> • in respect of Principal & interest or any other monies



		<p>due on their respective due dates.</p> <ul style="list-style-type: none"> In case of Cross Default to other lenders <p>Arrears of default interest shall carry interest at the applicable Interest Rate till the date of payment of the defaulted amount.</p> <p>However, the total additional interest on account of liquidated damages, non-compliance of various conditions/stipulations shall not exceed 3% p.a.</p>
18	Security	<p>Security for the Facility shall be created in two stages viz. Stage – 1 & Stage – 2.</p> <p><u>Stage-1 (“Initial Security”)</u></p> <p>The proposed Facility along with interest, fees, commission and other dues to the Lenders shall be secured by :-</p> <ol style="list-style-type: none"> 1) First pari-passu charge on all the present and future moveable plant and machinery including (without limitation) tower assets and optic fibre cables, if any, capital work in progress (pertaining to movable fixed assets) of Reliance Communications Ltd. (RCOM), Reliance Telecom Limited (RTL), Reliance Communications Infrastructure Limited (RCIL) & Reliance Infratel Limited (RITL); 2) First paripassu charge on all the rights, title, interest, benefit, in respect of all insurance contracts entered into in relation to the assets described in (1) above; 3) Assignment of all telecom licenses of RCOM (UASL, NLD & ILD). 4) Negative Lien on the following : <ul style="list-style-type: none"> present and future moveable fixed assets of RGBV (subject to existing encumbrance as on date of execution of Facility Agreement) present and future immovable assets of the Obligor Group Telecom Licenses held by RTL (subject to the existing assignments of the telecom licenses for the benefit of the existing lenders of RTL) present & future investments of RCOM in the Obligor Group, subject to existing encumbrance as on date of execution of Facility Agreement cash and cash equivalents of the Obligor Group (subject to existing encumbrance as on date of



		<p>shall be mortgaged in favour of Lenders within 3 months from the date of such permission/notification.</p> <p>The security in (5), (6), (7), (8), (9), (10) & (11) shall be created post obtention of consent of existing lenders of respective Obligor Group entities and such other regulatory or statutory approvals, as may be required. The same shall have to be created & perfected within 6 months from the date of first disbursement of the Facility. However, in instances where despite the Obligor Group having demonstrated due effort to create/perfect security, if there is a delay on account of statutory/regulatory reasons, the same shall not be construed as an Event of Default.</p> <p>The above security shall be shared on a pari-passu basis with other Secured creditors of the Obligor Group.</p> <p>All Security to be held by Security Trustee for the benefit of Lenders in a form and manner satisfactory to the Lenders.</p>
19	Further Interest (not there)	<p>Interest on RTL and all other dues accruing under RTL Agreement (or any other financing documents to be entered into between the company and IDBI) shall, in case the same be not paid on the respective due dates, carry further interest at the applicable interest rate (the further interest) computed from the respective due date until the date of actual payment. Such further interest shall be compounded monthly and shall become payable on demand or, in the absence of any such demand, on the next interest payment date falling after the date of default.</p>
20	Additional Interest	<p>In case the Obligor Group fails to create & perfect the Security (for both Stage – 1 & Stage – 2) within stipulated time periods, the Borrower(s) shall pay an additional interest of 1% p.a. on the entire outstanding loan amount from the end of such stipulated time period till creation & perfection of Security.</p> <p>However, in instances where despite the Obligor Group having demonstrated due efforts to create/perfect security, there is a delay on account of statutory/ regulatory reasons, extension in timeline may be granted, at the sole discretion of the lenders. An additional interest of 1% on the entire outstanding loan amount shall be recovered till such time</p>



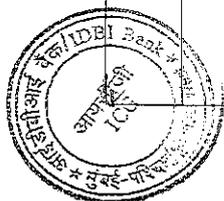
		extension is approved. Any further disbursements pending perfection of security shall be at the sole discretion of the Lenders.								
21	Stake sale/Equity infusion	<p>The Borrower undertakes to implement a stake sale/ equity infusion plan due to which a cash infusion shall be made into the Borrower as per the schedule indicated below :-</p> <table border="1"> <thead> <tr> <th>FY</th> <th>(Rs. In crore)</th> </tr> </thead> <tbody> <tr> <td>31.03.2015</td> <td>12208</td> </tr> <tr> <td>31.03.2016</td> <td>4200</td> </tr> </tbody> </table> <p>Borrower shall pay an additional interest of 1% p.a. on the entire outstanding loan amount in case of any breach in compliance with the above undertaking till such time the breach is cured. Further, any breach in adherence to the above schedule shall have a right to call an Event of Default.</p>	FY	(Rs. In crore)	31.03.2015	12208	31.03.2016	4200		
FY	(Rs. In crore)									
31.03.2015	12208									
31.03.2016	4200									
22	Debt Reduction Undertaking/Covenant	<p>The Borrower undertakes to implement a debt reduction schedule due to which the aggregate Gross Debt of RCOM Group (consolidated financials of RCOM as per Indian GAAP) shall not exceed :</p> <table border="1"> <thead> <tr> <th>As on</th> <th>(Rs. Crore)</th> </tr> </thead> <tbody> <tr> <td>31st March 2015</td> <td>32,500</td> </tr> <tr> <td>31st March 2016</td> <td>29,000</td> </tr> <tr> <td>31st March 2017 and thereafter shall not exceed</td> <td>25,500</td> </tr> </tbody> </table> <p>Borrower shall pay an additional interest of 1% p.a. on the entire outstanding loan amount in case of any breach in compliance with the above undertaking till such time the breach is cured. Further, any breach in adherence to the above schedule, lenders shall have a right to call an Event of Default. Foreign currency Gross USD Debt calculated at Rs.61.</p>	As on	(Rs. Crore)	31 st March 2015	32,500	31 st March 2016	29,000	31 st March 2017 and thereafter shall not exceed	25,500
As on	(Rs. Crore)									
31 st March 2015	32,500									
31 st March 2016	29,000									
31 st March 2017 and thereafter shall not exceed	25,500									
	Financing Documentation:	<p>The Facility will be governed by a Facility Agreement in form and substance acceptable to both the parties. The Facility Agreement will contain usual provisions for a facility of this nature and the conditions precedent, events of default, representations and warranties, and covenants detailed in this term sheet.</p> <p>Finance Documents shall include the Facility Agreement and other documents designated as such by the Lender and the</p>								



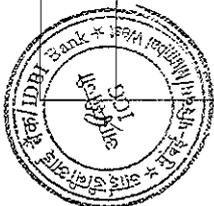
		Borrower(s).
23	Pre-commitment conditions	<p>The Borrower (s) :</p> <ol style="list-style-type: none"> 1) Ties-up the entire debt requirements envisaged in the Facility. 2) Gives a declaration/undertaking to the effect that none of its directors, is a director or specified near relation of a director of a lending bank 3) Confirms/undertakes that name of none of the directors appears in RBI's/CIBIL's Defaulters' list/ECGC Caution List. 4) undertakes that the Obligor Group are in compliance with all matters pertaining to licenses and regulations.
24	Conditions Precedent	<p>Prior to first disbursement under the Facility, the Borrower(s) shall, to the satisfaction of the Lenders, have complied with the following:-</p> <ol style="list-style-type: none"> a) All the financing documents pertaining to the Facility (save and except the security documents required to be executed in connection with the Stage 2 Additional Security and the telecom license assignment of RCOM) shall have been executed and the same are in full force and effect backed by a legal opinion from Lenders Legal Counsel b) Confirmation from the Lenders Legal Counsel that the terms of security offered by RCOM, RCIL, RTL and RITL as part of the Stage 1 Initial Security are at par with the terms of the security provided by RCOM, RCIL, RTL and RITL over their assets for the benefit of the other lenders of RCOM. c) Create/perfect the security as envisaged under the Security clause within the stipulated time periods. d) Provide an undertaking that – <ul style="list-style-type: none"> - Consent letters from existing lenders/facility agents granting waiver for non-compliance of financial covenants for Financial Year 2014 on the lines of Financial Covenants of this Facility - The Borrower(s) has not agreed to more favourable terms than those offered to the "Lenders" of this "Facility" in any of its existing debt facilities. In case, it is subsequently found that more favourable terms have been agreed to by the Borrower(s), the same shall also be applicable for the Facility. Further, the Lenders are free to take any action that they deem



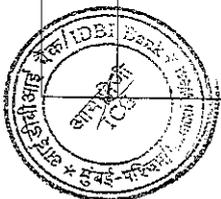
		<p>fit to regularize the position.</p> <ul style="list-style-type: none"> - Cash infusion on account of stake sale transactions i.e. Rs. 6,100 Crore in FY'15(over and above Rs 6108 crore infused by way of QIP proceeds and preferential allotment to promoters) and Rs 4, 200 crore in FY 2016 shall not be reduced on account of tax implications, if any. If cash infusion is reduced on account of tax implication or proceeds of stake sale transactions are not available for debt reduction, the Borrower shall infuse additional cash so as to give the same financial impact. - All approvals including regulatory and shareholder approvals to the extent applicable are in place. - Utilize securitisation proceeds of RJio exclusively to reduce the outstanding loan amount of SBI led RTL consortium. <p>e) Submission of certified copies of constitutional documents of each of Obligors except RGBV which will be submitted within 3 months from the date of disbursement.</p> <p>f) Submission of certified copies of appropriate board resolutions and other corporate authorizations;</p> <p>g) Agree to submit a certificate of end use of the disbursement within 30 days of such disbursement and a certificate from the Statutory Auditor within 60 days of such disbursement</p> <p>Any disbursement to Reliance Telecom Ltd (RTL) under the Facility shall be made only after creation of "Initial Security".</p>
25	Affirmative Covenants	<p>The Borrower(s) agrees that or shall ensure that (as applicable):</p> <ul style="list-style-type: none"> a. Reliance Group shall maintain Management Control of the Obligor Group and its subsidiaries through the entire tenor of the Facility. Management Control shall mean the right to appoint/remove majority of directors on the Board of the Obligor Group or power to directly/indirectly cause the direction of management and policies of a company. The sole exception shall be Global Cloud Exchange Ltd transaction as envisaged in the Lenders Base Case. b. All statutory clearances as applicable shall be obtained and maintained at all times during the tenor of the Facility.



- c. All telecom business related approvals/clearances/ licenses from Department of Telecommunication or any other statutory body shall be obtained and maintained during the tenor of the Facility.
- d. To create security by way of mortgage of spectrum in favour of Lenders subject to regulatory approvals. Further, in case a more favourable term is offered to any other lender to the Obligor Group (except RGBV) , the same shall also be applicable to the Lenders of the Facility.
- e. In case of default in repayment of the loan / advances or in the payment of the interest thereon or any of the agreed installments of the loan on due date/s by the Borrower(s), the Bank and / or the RBI will have an unqualified right to disclose or publish the Borrower(s) name/unit and its directors/ partners / proprietors as defaulter in such manner and through such medium as the Bank or RBI in their absolute discretion may think fit.
- f. The Bank will have the right to share credit information as deemed appropriate with CIBIL or any other institution as approved by RBI from time to time.
- g. The Borrower(s) shall not induct into its Board a person whose name appears in the willful defaulters list of RBI/ CIBIL (other than as a Nominee/ Professional/ Honorary director). In case such a person is already on the Board of the borrowing company, it would take expeditious and effective steps for removal of that person from its Board.
- h. Lenders shall have the right to securitize the loan asset and in the event of such securitization, the Bank is not bound to send an individual intimation to the Borrower(s) or any other Obligor.
- i. Borrower(s) shall ensure that all its insurable assets and the insurable assets of each other Obligor are fully insured.
- j. Bank shall have the right to convert at its option the whole or part of the defaulted amount of the Loan into fully paid-up equity shares of the Borrower(s), at a mutually acceptable formula (or as per SEBI Regulation), if the Borrower(s) commits a default in payment of interest or repayment resulting into an Event of Default.
- k. It shall, at all times during the currency of the Facility, comply with the environmental, health, safety and social (EHSS) regulations/requirements.
- l. The Borrower(s) agrees to offer to the Bank, at least pro-rata business relating to remittances, bills/cheque



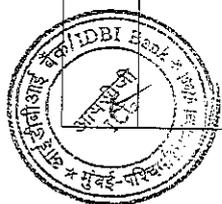
		<p>purchase, non-fund based transactions including LCs and BGs, forex transactions and any interest rate or currency hedging business.</p> <p>m. Modify/Amend its Memorandum of Association or Articles of Association as per the requirements of the proposed Facility.</p> <p>n. Lenders shall have the right to appoint independent agencies, in consultation with the Borrower(s), for monitoring of the financials and operational performance with cost to be borne by the Borrower(s).</p> <p>o. The borrowers shall take suitable hedging for foreign currency loan exposures in a form acceptable to lenders.</p>
26	Negative Covenants	<p>The Borrower(s) shall not without prior permission of Lenders –</p> <p>a. Formulate any scheme of amalgamation or reconstruction or change in capital structure, which shall result in dilution of stake held by RCOM in the Obligor Group and its subsidiaries. Global Cloud Xchange Limited transaction as defined in the Lenders Base Case shall be a sole exception to this.</p> <p>b. Undertake any new project, implement any scheme of expansion or acquire fixed assets except those indicated in the funds flow statement submitted to the Bank from time to time and approved by the Bank.</p> <p>c. Enter into secured borrowing arrangement with any other bank, financial institution, or company or otherwise or accept deposits apart from the arrangement indicated in the funds flow statements submitted to the Bank from time to time and approved by the Bank. However refinancing may be permitted provided debt reduction undertaking /Covenant being complied with.</p> <p>d. Undertake any guarantee obligation on behalf of any other company other than as permitted by the bank and those issued for the benefit of the subsidiaries of the Borrower(s) in telecom related business to the aggregate extent of Rs. 500 cr.</p> <p>e. Create any charge, lien or encumbrance over its undertaking/assets or any part thereof in favour of any financial institution, bank, company, firm or persons other than as per the Lenders Base Case approved by Bank. Charge creation on refinanced debt may be</p>



		<p>permitted provided debt reduction undertaking/covenant being complied with .</p> <p>f. Enter into any contractual obligation of a long-term nature or affecting the company financially to a significant extent.</p> <p>g. Change the practice with regard to remuneration of directors by means of ordinary remuneration or commission, scale of sitting fees, etc.</p> <p>h. Undertake any trading activity other than as approved by the lenders.</p> <p>i. Permit any transfer of management control from Reliance Group or make any drastic change in the management set-up.</p> <p>j. Invest by way of share capital, Lend or advance funds to or place deposits with any other concern (excluding subsidiaries of the Borrower(s) in telecom related business to the extent of Rs. 500 cr), other than approved as per business plan. Normal trade credit or security deposits in the normal course of business or advances to employees can, however, be extended.</p> <p>k. Repay monies brought in by the promoters/ directors/ principal shareholders/related parties of Reliance Group and their friends and relatives by way of deposits/ loans / advances/sub-debt.</p> <p>l. Declare dividends for any year out of the profits relating to that year or of the previous years if the Borrower(s) is in breach of any financial covenants or the Debt Reduction Undertaking or an Event of Default has occurred.</p> <p>m. Assign or mortgage any of the fixed assets charged to the Lenders. However the Borrower(s) shall have the right to sell, lease, transfer or otherwise dispose of its assets in any period of 365 days of an aggregate amount of Rs.125 crore.</p>
27	Information Covenants	<p>The Borrower(s) shall</p> <p>a. Maintain adequate books of accounts and Furnish to the Lenders every year a copy of consolidated audited annual accounts of the RCOM as per Indian GAAP together with compliance certificates within 120 days and unaudited consolidated semi-annual financial statements within 90 days;</p> <p>b. Keep the Lenders informed of the happening of any event likely to have substantial effect on its profit and business</p>



		<p>with explanations and the remedial steps proposed to be taken.</p> <p>c. Keep the Lenders advised of any circumstances which could have a material adverse effect on the financial position of its subsidiaries/group companies/companies in which it has large investments/ Obligor Group, including any action taken by the creditor against the said companies.</p> <p>d. Notify any events of default or potential events of default, material litigation and other material matters to the Lenders.</p> <p>e. Provide yearly auditor certifications as required by the Lenders incl. That on the revaluation amounts, etc.</p>
28	Undertakings	<p>The Borrower(s) undertakes to:-</p> <ol style="list-style-type: none"> 1) Maintain pari-passu ranking of obligations amongst secured lenders 2) Offer to the Lenders any favourable term offered to other lenders to the Obligor Group (except RGBV) except pricing terms. 3) provide right of access/site inspections for Lenders throughout the tenor of the Facility 4) Arrange for funds for payments required to be made for the following - <ul style="list-style-type: none"> • Onetime fee on account of spectrum held • License/ Spectrum renewal costs • Any other payment on account of regulatory compliances, which has not been considered in the Lenders Base Case.
29	Financial Covenants	<p>RCOM Group (consolidated financials of RCOM as per Indian GAAP) shall comply with the following financial covenants throughout the tenor of the Facility including on the date of first disbursement of the Facility :-</p> <ol style="list-style-type: none"> 1) Net Worth shall not be less than Rs.250,000,000,000 (Rupees Twenty Five thousand crore) for FY 2015 and thereafter. 2) The ratio of Net Debt to EBITDA shall not be more than 5.00 as on 31.03.2015 and 4.00 as on 31.03.2016 and thereafter; 3) The ratio of EBITDA to Interest Expenses shall not be less than 3.00 for FY 2015 & 4.00 for FY 2016 and thereafter; 4) The ratio of Adjusted EBITDA to Debt Service (Cash DSCR) shall not be less than 1.00.



5) Asset Cover Ratio shall not be less than 1.10.

The above covenants shall be tested annually and semi-annually respectively, on a rolling 12-month basis according to Indian GAAP. The testing for the end of Financial year shall be made on basis of Consolidated Audited Financials of the Borrower & mid of the Financial Year on the basis of Consolidated Unaudited Financials. Testing of covenants shall be done within 120 days from the respective financial year end dates. Testing of Financial Covenants to begin from 31.03.2015. Both testing shall be accompanied by a compliance certificate from the Auditor & the Borrower. For the purpose of the covenants above, the definitions of the terms used are as listed below :

Relevant Period

- (b) each period of 12 calendar months ending on 31 March in any year; or
- (b) each period of 12 calendar months ending on 30 September in any year;

Net Worth

The aggregate of paid up share capital and the amount standing to the credit of its consolidated reserves, including equity warrants issued to the extent they are paid up, however, after deducting the following:

- (b) all accumulated losses;
- (b) all deferred expenditures;
- © all deferred tax liabilities; and
- (b) revaluation amounts. This shall be certified by Statutory Auditor.

Net Debt

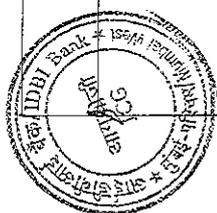
Gross Debt as reduced by cash and cash Equivalents.

Gross Debt

Sum of all fund based facilities availed by RCOM Group as per the consolidated financials of RCOM as per Indian GAAP.

EBITDA

In relation to any period, the net income from ordinary activities (for the avoidance of doubt excluding non-operating



income and expense) before taking into account:
(b) Tax;
(b) Interest Expense;
© any exceptional or extraordinary items; and
(b) amortisation of intangible assets and depreciation of tangible assets

Interest Expenses

The aggregate amount of all interest, commissions and fees in respect of moneys borrowed, discounts in respect of bills, notes or debts discounted, and that part of any amount under a financing lease or hire purchase, credit sale, conditional sale or deferred payment agreement which represents any of the foregoing but after deducting any interest income received.

Adjusted EBITDA

EBITDA for that Relevant Period

less : all Taxes payable in respect of that Relevant Period.

Less : realised forex losses

less : all capital expenditure for the Relevant Period.

Add : cash inflow on account of asset sale/ stake sale for the Relevant Period

add : additional loans availed during the Relevant Period. This applies only for Financial Year 2015.

Debt Service

The sum of :

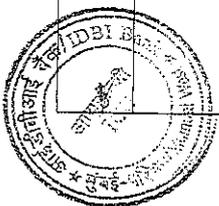
(b) Interest Expense for that period; and

(b) that portion of Gross Debt scheduled for repayment in that period ;

Asset Cover ratio

The ratio of a) Net Block incl. CWIP and excl. intangible assets & revaluation amounts and b) Gross Debt excluding unsecured loans, if any.

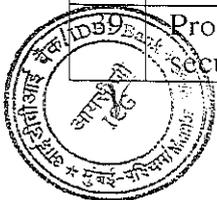
Additional interest of 1% p.a. shall be levied in case of breach in the above financial covenants. However, a cure period of 30 days shall be available to the Borrower to redress the breach before which the above additional interest shall be applicable. The additional interest thus applied shall be recovered with effect from the date of breach.



30	Events of Default	<p>The following inter-alia would be the Events of Default:</p> <ol style="list-style-type: none"> a. failure to pay any sum when due to the Lenders b. breach of financial covenants or Debt Reduction Undertaking; c. breach of covenants; d. misrepresentation; e. cross default with other indebtedness f. Breach of material terms g. insolvency or initiation of insolvency proceedings with respect to the borrower; h. cessation of business by the borrower or threat of cessation; i. invalidity/rescission/unlawfulness of a Finance Document; j. repudiation of the Finance Document; k. material proceedings and other litigation including court proceedings on license related issues resulting in a Material Adverse Effect; l. expropriation, nationalization or moratoria; m. cessation of telecom licenses n. Change of Management Control of the Obligor Group; other than due to the notified transactions for which Lenders approval has been obtained o. cessation of listing of the shares of the RCOM. p. Failure to comply with license conditions or any revocation thereof. q. The occurrence of any event or circumstance which is prejudicial to or imperils or depreciates the security given to the Lenders or security ceases to be effective <p>Besides the loan documents would also incorporate other Events of Default.</p>
31	Consequences of Event of Default	<p>The following inter alia shall be the consequences of Event of Default;</p> <ol style="list-style-type: none"> a. Acceleration of debt repayment /cancellation of Facility. b. Conversion of debt into equity at a mutually acceptable formula or as per extant SEBI Regulations whichever applicable. c. Appointment of Nominee Directors by the Lenders. d. Enforcement of security.
32	Cancellation Clause	<p>The Lenders have a right to unconditionally fully/partially, without notice, cancel the facility –</p> <ol style="list-style-type: none"> 1) In case the limits/parts of the limits are not utilized by the



		<p>Borrower(s), and/or</p> <p>2) In case of deterioration in the loan accounts in any manner whatsoever, and/or</p> <p>3) In case of non-compliance of terms and conditions of sanction.</p>
33	Material Adverse Effect	<p>Material Adverse Effect will be defined as any event or circumstance which has a material adverse effect on :</p> <p>a. the business operations, assets or financial condition of RCOM Group and its subsidiaries (taken as a whole); or</p> <p>b. the ability of RCOM Group to perform the payment obligations and/or comply with the financial covenants contained in the Financing Documentation; or</p> <p>c. the validity or legality or the enforceability of or any rights or remedies of the lenders under the Financing Documentation.</p>
34	Change of Control	<p>For the purpose of this clause "control" means the power to appoint and/or remove all or a majority of the members of the board of directors (excluding independent directors) and otherwise directly or indirectly to control or have the power to control the affairs and policies of the Borrower(s).</p>
35	Transferability	<p>Lender will have the right to freely transfer or assign or novate to one or more persons all or a portion of its rights and obligations under the Facility Documentation without the consent of the Borrower(s). However, Lenders shall inform the Borrower(s) of any such assignment/novation/transfer.</p>
36	Governing Law and Jurisdiction	<p>The Facility will be governed by the laws of India and will provide for submission by the Borrower(s) to the non-exclusive jurisdiction of the courts of Mumbai.</p>
37	Documentation	<p>In addition to the terms and conditions contained in this Term Sheet, the final documentation will contain other customary clauses such as Financial covenants, Representation & Warranties from the Borrower(s), Conditions Precedent to the effectiveness of the loan and Condition Precedent to each disbursement, Affirmative Covenants by Borrower(s), Negative Covenants, Additional Covenants, Information Covenants, Events of Defaults by the Borrower(s) and the Consequences of the Event of Default, RBI disclosure norms, as applicable etc.</p>
38	Lenders Base Case	<p>The business plan and financial projections, as accepted by the Lenders at the time of sanction.</p>
	Proceeds from Securitization of RJio	<p>The company will utilize the proceeds from securitization of RJio Receivables solely to reduce Consortium RTL of</p>



	Receivables	Rs.6750 crores, on a pro rata basis to all the lenders. Borrower will provide a undertaking in this regard.
40	NOC for Securitisation RJo	NOC for securitization of receivables of RJo through issue of bonds/NCD
41	Insurance	<ol style="list-style-type: none"> 1. The Borrowers shall effect or procure to be effected insurance of all physical assets which are owned by them or which are otherwise necessary and third party liability insurances in amounts and in form satisfactory to the Lenders/Lenders Agent/ Security Trustee/LIA 2. The Borrowers will procure that the lenders/ Security Trustee, are endorsed as loss payee beneficiaries under all such insurances and shall use all endeavours to procure that every such policy shall contain a clause whereby such insurance shall not be vitiated or avoided as against a mortgagee or assignee in the event or as a result of any misrepresentation, act or neglect or failure to make disclosure on the part of the insured party or any circumstances beyond the control of the insured party. There shall however, be no obligation on the Lenders to pay the insurance premiums in case the Borrowers fail to pay the same. 3. The Borrowers shall promptly pay all premiums and do all other things necessary to keep all of the insurance policies in force and shall not do or permit anything to be done which may make void or voidable any insurance policy of the Borrowers. 4. If the Borrowers fail to comply with any of the above mentioned provisions, the Lenders/ Lenders Agent/ Security Trustee shall immediately be entitled to affect the insurances concerned at the expense of the Borrowers. 5. The Borrowers shall deliver to the Lenders/ Lenders Agent/ Security Trustee originals of all policies of insurance including renewal policies and policy endorsements required to be purchased and maintained.
42	Fees/charges for Lender's consultants	Lenders' Legal Counsel (LLC) and Lenders' Insurance Advisor (LIA) shall be appointed by the Bank. The cost of services of LIA and LLC or other consultants shall be borne by the borrower.
	Credit Rating	Reliance Communication Limited and Reliance Telecom Limited shall get all their credit facilities rated by any of the independent rating agencies viz. CRISIL or CARE or ICRA or Fitch or Brickworks or any other rating agencies approved by RBI, on a yearly basis. In case, the company defaults in obtaining Credit Rating within 15 months from the date of





		earlier credit rating, an additional interest of 1% on entire outstanding shall be charged till the time such condition is fulfilled.
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Appendix –III

Draft of resolutions to be passed by the Board of Directors of the Company accepting the terms and conditions of Sanction Letter and execution of Loan documents.

Resolutions to be passed at a meeting of the Board of Directors of the borrower company for acceptance of the terms and conditions of Sanction Letter and execution of documents.

The Chairman informed the Board that arrangements have since been made with IDBI Bank Ltd. (IDBI Bank) for meeting ongoing – capital expenditure, operational expenditure Repayment of existing liabilities, other than any related party/shareholder loans.and that IDBI Bank has agreed in principle, to grant to the Company, Rupee Term Loan (RTL) of Rs.750 crore (Rupee Seven Hundred and Fifty Crore only) on the terms and conditions contained in the Sanction Letter No. Ref No.IDBI/ICG(W)/RCOM/ 2347 dated February 20, 2015 issued by IDBI Bank.

After some discussions, the following resolutions were passed.

RESOLVED

1. THAT the Company do accept the offer of IDBI Bank to grant to the Company RTL of Rs. 750 crore (Rupee Seven Hundred and Fifty croreonly) (hereinafter referred to as "the financial assistance") on the terms and conditions contained in the Sanction letter Ref No.IDBI/ICG(W)/RCOM/ 2347 dated February 20, 2015 received from IDBI Bank (a copy, whereof is duly signed by the Chairman of the Board for the purpose of identification, has been circulated to the Board/placed on the table of the meeting).
2. THAT the following directors viz. Shri....., Shri..... and Shri..... be and are hereby authorised severally to convey to IDBI Bank acceptance on behalf of the Company of the said offer for the financial assistance on the terms and conditions contained in the 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 IDBI Bank from time to time and to execute such deeds, documents and other writings as may be necessary or required for this purpose.
3. THAT the Company do borrow from IDBI Bank the financial assistance on the terms and conditions set out in Standard Form of Loan Agreement in addition to the special terms and conditions mentioned in the Sanction Letter No. Ref No.IDBI/ICG(W)/RCOM/2347 dated February 20, 2015 received from IDBI Bank (a



copy, whereof duly signed by the Chairman of the Board for purpose of identification, has been circulated to the Board/placed on the table of the meeting) and also avail of interim disbursement(s) from time to time as may be allowed by IDBI Bank.

4. THAT the aforesaid Standard form of Loan Agreement be and is hereby approved and the following Directors viz. Shri....., Shri..... and Shri.... be and hereby severally authorised to accept on behalf of the Company such modifications therein as may be acceptable to IDBI Bank and finalise the same.

5. THAT the *Common seal of the Company be affixed to the stamped engrossment(s) in duplicate of the Loan agreement (as per the Standard form with such modifications as may be agreed to between IDBI Bank and the Company) in the presence of any of the following directors viz. Shri, Shri and Shri who shall sign the same in token thereof and Shri, Secretary/Authorized person who shall sign/countersign the same in token thereof.

6. THAT the Company shall execute the Loan Agreement relating to the above facilities within the period stipulated by IDBI Bank, condition being that such Agreement is executed, there is no binding obligation or commitment on the part of IDBI Bank to advance any money or incur any obligation there under.

7. THAT the following documents namely,
a) –Facility agreement
b) –Deed of Hypothecation

duly initialled by the Chairman for purposes of identification and placed before the meeting be and are hereby approved and that Shri..... and Shri, Directors of the Company be and are hereby severally authorised to finalise, on behalf of the Company, the said documents and writings as may be required by IDBI Bank in connection with the above facilities.

8. THAT the Common seal* of the Company be affixed to the stamped endorsement(s) of the Deed(s) of Hypothecation,and to such other documents as may be required to be executed under the Common seal of the Company in favour of IDBI Bank to secure the aforesaid facilities in the presence of any of the following Directors viz. Shri....., Shri..... and Shri who shall sign the same in token thereof and Shri, Secretary/Authorised person who shall sign/counter sign the same in token thereof.

9. THAT Shri....., Shri..... and Shri Directors of the Company be and are hereby severally authorised to accept amendments to such executed Loan Agreements/Deed of Hypothecation and other documents as and when become necessary and to sign letter(s) of undertakings, declarations, agreements and other papers where the



Company may be required to sign for availing of the financial assistance and, be required to sign for availing of the financial assistance and, if so required, the Common seal of the Company be affixed thereto in the presence of any of the said Directors, who shall sign the same in token thereof and Shri, Secretary/Authorised person who shall sign/counter sign the same in token thereof as required by the Articles of Association of the Company.

10. That the Company do requestShri Shri..... to Pledge of -----equity shares of face value of Rs.....each, in -----Ltd. in favour of IDBI Bank, securing the repayment by the Company of RTL of Rs.750 crore and the disbursement(s) /interim disbursement(s) from/against the Lender's RTL of Rs.750 crore sanctioned to the Company by IDBI Bank together with interest, and all other moneys payable by the Company to IDBI Bank; in such form and manner as may be required by IDBI Bank.

12. That the Company do file the requisite particulars relating to charge/modification of charge with the Registrar of Companies within the time prescribed by law therefore.

13. Copies of the foregoing resolutions certified to be true copies by the Chairman /Managing Director/ Secretary of the Company be furnished to IDBI Bank and IDBI Bank be requested to act thereon.

** to be suitably modified in conformity with the Common seal provision contained in the Articles of Association of the Company..*

Delete if not applicable.



	INDIAN OVERSEAS BANK NARIMAN POINT BRANCH Bhaktawar, Nariman Point, Mumbai-400021	Telephone : 22021801
		: 22028772
		: 22028929
		: 22817034
		D.G.M : 22040019
		Fax : 22027461
		Date:01.01.2015

To,

**The Managing Director,
 Reliance Communications Ltd/Reliance Telecom Ltd.
 H Block, 1st Floor,
 Dhirubhai Ambani Knowledge City,
 Navi Mumbai – 400 710.**

Sir(s),

CREDIT SANCTION ADVICE

(This sanction letter contains 19 pages. Any alteration herein needs authentication).

1. We refer to your loan application and also refer to the related correspondence and discussions seeking clarifications on various points raised by you / us and the consensus of the terms and conditions and the credit facilities arrived.

We have pleasure in advising sanction of credit facilities as appended to this communication on terms and conditions stipulated thereon.

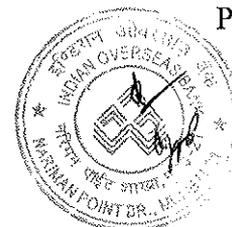
As and when you avail the said credit facilities, renewal of the limits at our option is due (i) at the end of twelve months from the date of this communication or (ii) from the date of our letter, if any, advising revalidation of this sanction.

Please note that:

2.a. bank reserves its right to amend, alter the terms and conditions or withdraw all or any of the credit limits sanctioned at any time at its discretion without assigning any reasons whatsoever.

2.b. the limits shall not be operative until specified documents are executed both by loanee /s and guarantor/s and terms and conditions of sanction are complied with as per the requirements of Sanctioning Authority / disbursing branch (es).

2.c. the credit facility should be utilised for the specific purpose for which the same has been sanctioned and if the bank has reason to believe that you have violated, or apprehends that you are about to violate the said conditions, the Bank shall have the option to exercise its right to recall the entire loan or any



part thereof at once, in addition to its right to withdraw the undrawn limits not withstanding anything contrary contained in this Sanction Advice. It is affirmed that this right is without prejudice to the Bank's right to demand the Loan amount for violation of other terms and conditions of the sanction and / or the terms reflected in the loan / security documents to be executed by you.

2.d. the referred credit facility is extended to you solely at the Bank's discretion. In addition to what is stated in para 2.c., the Bank reserves the right to withdraw partially / wholly or regulate such credit facility on the occurrence of any one or all of the following events:

2.d.1. your non-compliance with terms and conditions of sanction

2.d.2. indulging in drawings beyond sanctioned limits.

2.d.3. issuing cheques for purposes other than specifically agreed.

2.d.4. indulging in large cash withdrawals not commensurate with the requirements estimated.

2.d.5. indulging in activities which are detrimental to the image / interest of the Bank viz., acts that are unlawful, mala fide etc.

2.e. in terms of directives in force now or as may be modified from time to time default in repayment of installments and / or servicing of interest for a notified period, automatically results in categorisation of all your borrowal accounts as Non Performing Asset (NPA). Such categorisation renders you ineligible from seeking.

2.e.1. additional / adhoc credit facilities (Fund based and / or Non- fund based).

2.e.2. waiver of overdue interest.

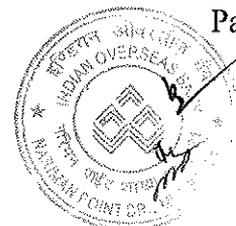
2.e.3. soft recovery measures etc.

2.f. bank is under no obligation to consider your request, if any, for additional Credit facility(ies) without a comprehensive review of the existing credit limits, operations in the accounts and past performance in meeting commitments such as servicing of interest charged to the loan account(s) repayment of loan installments, prompt submission of stock-statements., upkeep of records of inventory and books of accounts, upkeep of machinery financed, honouring commitments under LC / LG promptly etc, as applicable to the purpose for which credit facility has been extended.

2.g. in the event of your borrowal account being overdrawn without prior agreement or exceeding the agreed borrowing limit or in the event of delay / non-submission of stock statement, bank shall charge overdue interest at the rates specified from time to time.

The amount of such overdue interest debited to the loan account will find a place in the statement of account received by you (presently such overdue interest is levied @ 2 per annum on the amount due).

2.h.1. In the case of borrowal accounts where interest rate is linked to BPLR (Benchmark Prime Lending Rate) or Base Rate or where fixed interest rate is specified by the Bank, changes if any, in the Bank's BPLR and/or the spread (viz. Plus or minus percentage factor to BPLR) or fixed rate specified by the Bank, shall be conveyed through Press Report or Publicity through media or a suitable



'Notice' placed in the banking hall of the branch and such mode of communication shall be construed as sufficient 'Notice' to you about the revisions effected in the interest rates.

2.h.2.the applicable interest rate/s will be charged with monthly / quarterly / half yearly /annual rests, or such other rates and rests as may be notified by the Bank from time to time.

2.h.3.the interest will be calculated and charged as per the daily balances, to your borrowal account/s until the same is fully liquidated and the interest so charged will be paid by you as per the terms agreed or as and when demanded by the Bank.

2.i. prepayment of your borrowal accounts will be subjected to the applicable prepayment charges and revised terms and conditions.

2.j. copies of loan documents to be executed by you for the credit facility(ies) referred herein, will be provided at your cost, on receipt of a specific request in writing to the undersigned.

2.k. upon availment of credit facility on terms agreed, you have to produce necessary documentary evidence for end-use and facilitate verification by the bank. As and when called for , a certificate from your Auditor regarding end-use of the loan availed should be produced to the bank.

2.l. change if any, in the constitution of your organisation viz Reconstitution of partnership Firm or conversion of Private Limited Company into a Public Limited Company or changes in Constitution / Directors, proposals for merger / takeover etc., should be advised immediately to us in writing. The Bank has the sole discretion to accept or reject such reconstitution / conversion/ changes and until such time, the same will have the right to suspend the operation of the limits and in the event, the bank does not accept / recognise such reconstitution / conversion / changes, the bank will have the right to recall the entire loans, in addition to the right to withdraw the undrawn limits.

2.m. all your borrowal accounts with our branch / bank will be subjected to the application of disclosure norms prescribed by RBI.

2.n. this credit sanction is valid for an availment- period six months from the date of this communication before which the said credit facilities are to be availed . Unless availed within the period of six months, this sanction requires revalidation by the Sanctioning Authority. When the necessity for revalidation arises, you have to submit a written request – letter to the branch furnishing the reasons for the non-availment of credit facilities even after lapse of six months from the date of this communication. Such request for revalidation will be evaluated by the Sanctioning Authority and the validation of availment - period of sanction or otherwise will be communicated to you. It is to be noted that request for revalidation of sanction will be entertained only once.

2.p. your borrowal accounts are subject to the applicability of KYC (Know Your Customer) guidelines in terms of directives from RBI currently in force. We seek your co-operation in furnishing the required personal information / data under the requirements of KYC guidelines as and when the same is sought by us.



2.q.1. In respect of Loan accounts (with Credit Limits of above Rupees Five Lacs) which are renewed with delay, processing charges shall be collected proportionally for the period from the due date of renewal up to the date of actual renewal as per the schedule of charges prescribed.

2.q.2. In addition to the processing charges for the lapsed period, processing charges

shall also be collected for one year from the date of actual renewal.

2.r. The information / data pertaining to all your borrowal accounts shall be furnished to Credit Information Bureau of India Limited (CIBIL) and other Agencies / Authorities, from time to time in terms of mandatory provisions in force.

3. Guarantor/ s is/are advised to take notice that the bank shall have the right to exercise discretion with regard to allowing the loanee to withdraw amount from the loan account over and above the limit sanctioned and the guarantee to be extended shall cover such an eventuality also.

4. This Sanction Advice is being delivered to you in duplicate. Kindly return the duplicate copy of this Sanction Advice duly signed on all pages by you as also by the guarantor/s in token of your acceptance of Credit facility / facilities sanctioned to you on the Terms and Conditions specified herein.

5. You are requested to insure the assets financed by us. As a matter of information, we wish to add that we are Corporate Agent of Universal Sompo General Insurance Co. Ltd to meet your insurance requirements including insurance of the assets financed by us in the instant case against your specific request. However, please note that the responsibility to keep the assets insured will be solely yours and the Bank shall not hold any responsibility what so ever if the assets are not insured.


[Ritesh Kumar Sahu]
Senior Manager


[Suresh Phatnani]
Chief Manager


[D V Ramana]
Deputy General Manager



DETAILS OF CREDIT FACILITY / FACILITIES SANCTIONED

Nature of Facility	Limit [Rs in Crs]	Margin	Rate of interest/ Comm.
Term Loan towards funding expansion and capacity augmentation of existing telecommunications network related to 2G/3G/BWA, Direct-to-Home Services, Operating expenditure and repayment of existing short term facilities Total Debt – Rs.6750 cr (RCOM – Rs.6015 cr & RTL – Rs.735 cr) Our share – Rs. 150 cr (RCOM – Rs. 130 cr & RTL – Rs. 20 cr)	150.00 (Rupees One hundred and fifty crore) Fresh	Min. Asset Cover of 1.10 times	SBI Base Rate + 2.50% (Presently 12.50%)*
*our rate of interest shall not be lower than the rates charged by other Banks. The concession will be allowed only after compliance of all the sanction terms. Rate of interest charged by the Bank shall not be below the Base Rate of our Bank at any point of time.			

Company to ensure that the short term loans/interim disbursements are closed on or before availing the long term loan.

Prime Security: Security for the Facility shall be created in two stages – namely Stage - 1 & Stage - 2

Stage - 1 ("Initial Security")

The proposed Facility along with interest, fees, commission and other dues to the Lenders shall be secured by:-

- 1) First pari - passu charge on all the present and future moveable plant and machinery including (without limitation) tower assets and optic fibre cables, if any, capital work in progress (pertaining to movable fixed assets) of Reliance Communications Ltd. (RCOM), Reliance Telecom Limited (RTL), Reliance Communications Infrastructure Limited (RCIL) & Reliance Infratel Limited (RITL);
- 2) First paripassu charge on all the rights, title, interest, benefit, in respect of all insurance contracts entered into in relation to the assets described in (1) above;
- 3) Assignment of all telecom licenses of RCOM (UASL, NLD & ILD)
- 4) Negative lien on the following –
 - present and future moveable fixed assets of RGBV (subject to existing encumbrance as on date of execution of Facility Agreement)
 - present and future immovable assets of the Obligor Group
 - Telecom Licenses held by RTL (subject to the existing assignments of the telecom licenses for the benefit of the existing lenders of RTL)



- present & future investments of RCOM in the Obligor Group, subject to existing encumbrance as on date of execution of Facility Agreement
- cash and cash equivalents of the Obligor Group (subject to existing encumbrance as on date of execution of Facility Agreement)

The security in (1) (2) & (4) shall be created before first disbursement and (3) within 6 months from the date of first disbursement.

The above security shall be shared on a pari - passu basis with other Secured creditors of the Obligor Group.

Stage - 2 ("Additional Security")

- 5) First pari - passu charge on all present & future moveable fixed assets of the Obligor Group, including, but not limited to moveable Plant and Machinery and Capital Work in Progress
- 6) Assignment of all telecom licenses of the RTL (UASL)
- 7) First pari-passu charge on present and future cash flows, receivables, other current assets, revenues, intangibles of the Obligor Group.
- 8) First pari-passu charge on all present and future immoveable assets of the Obligor Group
- 9) Assignment of rights, titles, interests, benefits, claims and demands in material project contracts incl. insurance proceeds of the Obligor Group.
- 10) Implementation of Co-obligor structure for the Obligor Group. This shall mean joint and several guarantees from each of the members of the Obligor Group to secure the obligations of the Borrower(s) in connection with this Facility.
- 11) Pledge by
 - a) RCOM over their shareholding in RCIL;
 - b) RCOM and Reliance Infocomm Infrastructure Private Limited over their shareholding in RTL.
- 12) Subject to regulatory approvals permitting mortgage of spectrum, all spectrum belonging to the Obligor Group shall be mortgaged in favour of Lenders within 3 months from the date of such permission/notification.

The security in (5), (6), (7), (8) (9) ,(10) & (11) shall be created post obtention of consent of existing lenders of respective Obligor Group entities and such other regulatory or statutory approvals, as may be required. The same shall have to be created & perfected within 6 months from the date of first disbursement of the Facility. However, in instances where despite the Obligor Group having demonstrated due effort to create/perfect security, if there is a delay on account of statutory/regulatory reasons, the same shall not be construed as an Event of Default.

The above security shall be shared on a pari - passu basis with other Secured creditors of the Obligor Group.



All Security to be held by Security Trustee for the benefit of Lenders in a form and manner satisfactory to State Bank of India.

Collateral Security: Nil

Guarantee: Nil

Terms and conditions of Sanction:

Term Sheet

1. Reliance Group:	"Reliance Group" means Mr. Anil Dhirubhai Ambani ("ADA") and his family in a personal capacity and family trusts (in respect of the shares held by such family members or family trusts, only those shares deemed controlled by Mr. Anil Dhirubhai Ambani will be included for the purposes of this definition) or the companies where ADA has at least a 26% stake and the companies that are also controlled directly or indirectly by ADA (together "Reliance Group").
2. Borrower(s) :	Borrower 1 - Reliance Communications Ltd. (RCOM) Borrower 2 - Reliance Telecom Limited (RTL)
3. Obligor Group	Reliance Communications Ltd. (RCOM), Reliance Telecom Limited (RTL), Reliance Communications Infrastructure Limited (RCIL), Reliance Infratel Limited (RITL) & Reliance Globalcom BV (RGBV). Each one of the above entity would be individually referred to as an Obligor & together would be referred to as the "Obligor Group". RCOM shall act as the "Obligor's Agent".
4. RCOM Group	Reliance Communications Ltd. (RCOM) along with all its subsidiaries
5. Lenders:	Banks/Financial Institutions, collectively the "Lenders", who are participating in funding the project by way of the Facility. State Bank of India shall act as the Facility Agent.
6. Facility:	A Rupee Term Loan of Rs.6,750 Crore under a consortium arrangement to the Borrower(s) earmarked as under - Rs. 6,015 Cr to Borrower 1 (RCOM) & - Rs. 735 Cr to Borrower 2 (RTL) All terms & conditions mentioned herein shall apply to both term loans of the Facility.
7. Purpose of the Facility:	For meeting ongoing - 1. Capital expenditure 2. Operational expenditure 3. Repayment of existing liabilities, other than any related party/ shareholder loans



8. Facility Amount (IOB Share)	A Rupee Term Loan of Rs 150 Cr (RCOM – Rs. 130 cr & RTL – Rs. 20 cr)			
9. Syndicated Amount	A Rupee Term Loan of Rs 5,125 Cr			
10. Syndicator/ Sole Arranger	SBI Capital Markets Ltd. (SBICAPS) shall be the sole arranger for the Facility			
11. Signing Date:	The date on which the loan documentation for the Facility (the "Facility Agreement") is signed by the parties thereto.			
12. Lenders Base Case	The business plan and financial projections as accepted by the Lenders at the time of sanction.			
13. Validity Period of SBI Facility	<ul style="list-style-type: none"> - The commercial terms shall be valid for a period upto one month from the date of sanction before which Company shall convey their acceptance. - The other sanction terms shall be valid up to a period of three months from the date of sanction before which Facility Agreement shall be executed. 			
14. Availability Period:	For RCOM and RTL: Until 30 th June 2015 Any undrawn amount of the Facility at the end of the Availability Period will be automatically cancelled and will not be available for drawing.			
15. Moratorium	Upto 30 th September 2016			
16. Repayment	Principal Repayment in 14 structured quarterly installments post Moratorium. For both term loans i.e. Rs 6,015 Cr to RCOM and Rs 735 Cr to RTL.			
		Q1	Q2	Q3
	FY 2017	-	-	8%
	FY 2018	8%	8%	8%
	FY 2019	1%	1%	1%
	FY 2020	12%	12%	12%
	The repayment due dates shall be 31 st December, 31 st March, 30 th June and 30 th September in each year.			
17. Door to Door Tenor	5 years and 3 months including a moratorium of 1 year 9 months			
18. Interest Rate on the Facility	<p>Floating rate of interest equivalent to SBI Base Rate (SBBR) plus a "Spread" of 2.50% present effective 12.50% p.a. with monthly rests.</p> <p>The interest payable shall be subject to the changes in interest rate policy, etc. made by the Reserve Bank of India/any other agency empowered for the purpose from time to time. However, Interest Rate cannot be lower than the base rate of any participating lender in the Facility.</p>			



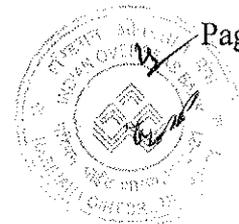
<p>19. Trigger for Re-Pricing of Rate of Interest</p>	<p>Any adverse deviation from the estimated/ projected level in the Lenders Base Case by more than 20%, in respect of any two of the following financial parameters, arrived at from financial results, will entitle the Bank to re-price the loan.</p> <ul style="list-style-type: none"> i. Interest Coverage Ratio ii. Return on Capital Employed iii. TOL/TNW iv. Gross DSCR; However, the same shall not be below 1 at any point of time during the tenor of the Facility. v. Current Ratio <p>The measurement of deviation shall be with reference to last audited statement of accounts and made from the first anniversary of the First Disbursement and annually thereafter.</p>
<p>20. Interest Tax, Levies & Duties</p>	<p>Interest tax / other levies / duties, if any, applicable as per Facility Agreement, shall be payable by the Borrower(s) over and above the Interest Rate mentioned above.</p>
<p>21. Commitment Fee</p>	<p>Commitment fee of 1.20% on the amount of undrawn amounts i.e. variance in actual disbursements with respect to quarterly disbursement schedule provided by the Borrower(s) at the time of documentation for the entire availability period or the amended disbursement schedule accepted by the Lenders. The Commitment Fee shall be calculated on the basis of amount undrawn during that quarter.</p> <p>The disbursement schedule, with the approval of the Lender's Agent, may be amended by the Borrower(s), with a thirty (30) days' prior written notice before the beginning of the respective quarter.</p>
<p>22. Prepayment Premium</p>	<p>The Borrower(s) shall at any time have the option to prepay the Lenders in part or in full, the loan together with all interest, prepayment premium and other charges and monies due and payable to the Lenders upto the date of such prepayment, on payment of prepayment premium equal to 1 % of the amount prepaid.</p> <p>No pre-payment premium, however, shall be payable if the pre-payment is effected in any of the following events:</p> <ul style="list-style-type: none"> a. At the instance of the Lenders; b. From the surplus internal accruals generated by the Project with 30 days prior notice period with such prepayment being made once in financial year, c. From proceeds of strategic sale of assets of group entities or equity infusion or securitization of receivables under the Tower Sharing agreement with other telecom operators.



	d. On Re-pricing of Rate of Interest if interest is found unacceptable, the Borrower(s) shall have the option to prepay the outstanding Rupee Term Loan by advising its intention to prepay within 30 days of such re-pricing advice date and prepay the Rupee Term Loan within 90 days from the re-pricing date; However, during this period, the Company shall service the Facility at the Re-priced Rate of Interest						
23. Liquidated damages on defaulted payments	<p>The Borrower(s) shall pay default interest @ 1% p.a. for the period of default on the total outstanding amount</p> <ul style="list-style-type: none"> - in respect of Principal & interest or any other monies due on their respective due dates. - In case of Cross Default to other lenders <p>Arrears of default interest shall carry interest at the applicable Interest Rate till the date of payment of the defaulted amount.</p> <p>However, the total additional interest on account of liquidated damages, non-compliance of various conditions/stipulations shall not exceed 3% p.a.</p>						
24. Security	Refer page No. 2 & 3 under the head prime security						
25. Additional Interest	<p>In case the Obligor Group fails to create & perfect the Security (for both Stage - 1 & Stage - 2) within stipulated time periods, the Borrower(s) shall pay an additional interest of 1% p.a. on the entire outstanding loan amount from the end of such stipulated time period till creation & perfection of Security. However, in instances where despite the Obligor Group having demonstrated due effort to create/perfect security, there is a delay is on account of statutory/ regulatory reasons, extension in timeline, based on mutual consent between RCOM & SBI may be granted. During such extension, such additional interest may not be charged. Any further disbursements pending perfection of security shall be at the sole discretion of the Lenders.</p>						
26. Stake sale/ Equity infusion	<p>The Borrower undertakes to implement a stake sale/ equity infusion plan due to which a cash infusion shall be made into the Borrower as per the schedule indicated below:-</p> <table border="1" data-bbox="438 1579 1189 1702"> <thead> <tr> <th>Financial Year</th> <th>(Amount in Cr)</th> </tr> </thead> <tbody> <tr> <td>31st March 2015</td> <td>12,208</td> </tr> <tr> <td>31st March 2016</td> <td>4,200</td> </tr> </tbody> </table> <p>Borrower shall pay an additional interest of 1% p.a. on the entire outstanding loan amount in case of any breach in compliance with the above undertaking till such time the breach is cured. Further on any breach in adherence to the</p>	Financial Year	(Amount in Cr)	31 st March 2015	12,208	31 st March 2016	4,200
Financial Year	(Amount in Cr)						
31 st March 2015	12,208						
31 st March 2016	4,200						



	above schedule, Lenders shall have a right to call an Event of Default.								
27. Debt Reduction Undertaking/ Covenant	<p>The Borrower undertakes to implement a debt reduction schedule due to which the aggregate Gross Debt of RCOM Group (consolidated financials of RCOM as per Indian GAAP) shall not exceed:</p> <table border="1"> <thead> <tr> <th>As on</th> <th>(Amount in Cr)</th> </tr> </thead> <tbody> <tr> <td>31st March 2015</td> <td>32,500</td> </tr> <tr> <td>31st March 2016</td> <td>29,000</td> </tr> <tr> <td>31st March 2017 and thereafter shall not exceed</td> <td>25,500</td> </tr> </tbody> </table> <p>Borrower shall pay an additional interest of 1% p.a. on the entire outstanding loan amount in case of any breach in compliance with the above undertaking till such time the breach is cured. Further on any breach in adherence to the above schedule, Lenders shall have a right to call an Event of Default. (Foreign currency of Gross USD Debt calculated @ Rs. 61)</p>	As on	(Amount in Cr)	31 st March 2015	32,500	31 st March 2016	29,000	31 st March 2017 and thereafter shall not exceed	25,500
As on	(Amount in Cr)								
31 st March 2015	32,500								
31 st March 2016	29,000								
31 st March 2017 and thereafter shall not exceed	25,500								
28. Financing Documentation:	<p>The Facility will be governed by a Facility Agreement in form and substance acceptable to both the parties. The Facility Agreement will contain usual provisions for a facility of this nature and the conditions precedent, events of default, representations and warranties, and covenants detailed in this term sheet.</p> <p>Finance Documents shall include the Facility Agreement and other documents designated as such by the Lender and the Borrower(s).</p>								
29. Pre-commitment conditions	<p>The Borrower(s)</p> <ol style="list-style-type: none"> Ties-up the entire debt requirements envisaged in the Facility. Gives a declaration / undertaking to the effect that none of its directors, is a director or specified near relation of a director of a lending bank Confirms/undertakes that name of none of the directors appears in RBI's/CIBIL's Defaulters' list/ECGC Caution List undertakes that the Obligor Group are in compliance with all matters pertaining to licenses and regulations. 								
30. Conditions Precedent:	<p>Prior to first disbursement under the Facility, the Borrower(s) shall, to the satisfaction of the Lenders, have complied with the following:-</p> <p>(a) All the financing documents pertaining to the Facility (save and except the security documents required to be executed</p>								



	<p>in connection with the Stage 2 Additional Security and the telecom license assignment of RCOM) shall have been executed and the same are in full force and effect backed by a legal opinion from Lenders Legal Counsel.</p> <p>(b) Confirmation from the Lenders Legal Counsel that the terms of security offered by RCOM, RCIL, RTL and RITL as part of the Stage 1 Initial Security are at par with the terms of the security provided by RCOM, RCIL, RTL and RITL over their assets for the benefit of the other lenders of RCOM..</p> <p>(c) Create/perfect the security as envisaged under the Security clause within the stipulated time periods.</p> <p>(d) Provide an undertaking that –</p> <ul style="list-style-type: none">- Consent letters from existing lenders/facility agents granting waiver for non-compliance of financial covenants for Financial Year 2014 and modification in financial covenants on the lines of Financial Covenants of this Facility- The Borrower(s) has not agreed to more favourable terms than those offered to the "Lenders" of this "Facility" in any of its existing debt facilities. In case, it is subsequently found that more favourable terms have been agreed to by the Borrower(s), the same shall also be applicable for the Facility. Further, the Lenders are free to take any action that they deem fit to regularize the position.- Cash infusion on account of stake sale transactions i.e. Rs. 6,100 Crs in FY'15 (over and above Rs 6,108 Cr infused by way of QIP proceeds and preferential allotment to promoters) and Rs. 4,200 Crs in FY'16 shall not be reduced on account of tax implications, if any. If cash infusion is reduced on account of tax implication or proceeds of stake sale transactions are not available for debt reduction, the Borrower shall infuse additional cash so as to give the same financial impact.- All approvals including regulatory and shareholder approvals to the extent applicable are in place. <p>(e) Submission of certified copies of constitutional documents of each of Obligors except RGBV which will be submitted within 3 months from the date of disbursement;</p> <p>(f) Submission of certified copies of appropriate board resolutions and other corporate authorizations;</p> <p>(g) Agree to submit a certificate of end use of the disbursement within 30 days of such disbursement and a certificate from the Statutory Auditor within 60 days of such disbursement.</p> <p>Any disbursement to RTL under the facility shall be made only after creation of "Initial Security"</p> <p>Also the company shall satisfactorily address the Auditors</p>
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	Remarks /Emphasis of Matter in the Audit Report for the year ended 31 st Mar 14.
31. Affirmative Covenants	<p>The Borrower(s) agrees that or shall ensure that (as applicable):-</p> <p>a. Reliance Group shall maintain Management Control of the Obligor Group and its subsidiaries through the entire tenor of the Facility. Management Control shall mean the right to appoint/remove majority of directors on the Board of the Obligor Group or power to directly/indirectly cause the direction of management and policies of a company. The sole exception shall be Global Cloud Xchange Limited transaction as envisaged in the Lenders Base Case.</p> <p>b. All statutory clearances as applicable shall be obtained and maintained at all times during the tenor of the Facility.</p> <p>c. All telecom business related approvals/clearances/ licenses from Department of Telecommunication or any other statutory body shall be obtained and maintained during the tenor of the Facility.</p> <p>d. To create security by way of mortgage of spectrum in favour of Lenders subject to regulatory approvals. Further, in case a more favourable term is offered to any other lender to the Obligor Group (except RGBV), the same shall also be applicable to the Lenders of the Facility.</p> <p>e. In case of default in repayment of the loan / advances or in the payment of the interest thereon or any of the agreed installments of the loan on due date/s by the Borrower(s), the Bank and / or the RBI will have an unqualified right to disclose or publish the Borrower(s) name/unit and its directors/ partners / proprietors as defaulter in such manner and through such medium as the Bank or RBI in their absolute discretion may think fit.</p> <p>f. The Bank will have the right to share credit information as deemed appropriate with CIBIL or any other institution as approved by RBI from time to time.</p> <p>g. The Borrower(s) shall not induct into its Board a person whose name appears in the wilful defaulters list of RBI/ CIBIL (other than as a Nominee/ Professional/ Honorary director). In case such a person is already on the Board of the borrowing company, it would take expeditious and effective steps for removal of that person from its Board.</p> <p>h. Lenders shall have the right to securitize the loan asset and in the event of such securitization, the Bank is not bound to send an individual intimation to the Borrower(s) or any other Obligor.</p> <p>i. Borrower(s) shall ensure that all insurable assets and the</p>



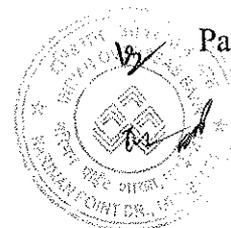
	<p>insurable assets of each other Obligor are fully insured</p> <p>j. Bank shall have the right to convert at its option the whole or part of the defaulted amount of the Loan into fully paid-up equity shares of the Borrower(s), at a mutually acceptable formula (or as per SEBI Regulation), if the Borrower(s) commits a default in payment of interest or repayment resulting into an Event of Default.</p> <p>k. It shall, at all times during the currency of the Facility, comply with the environmental, health, safety and social (EHSS) regulations/requirements.</p> <p>l. The Borrower(s) agrees to offer to the Bank, at least pro-rata business relating to remittances, bills / cheque purchase, non-fund based transactions including LCs and BGs, forex transactions and any interest rate or currency hedging business.</p> <p>m. Modify/Amend its Memorandum of Association or Articles of Association as per the requirements of the proposed Facility.</p> <p>n. Lenders shall have the right to appoint independent agencies, in consultation with the Borrower(s), for monitoring of the financials and operational performance with cost to be borne by the Borrower(s).</p>
<p>32. Negative Covenants</p>	<p>The Borrower(s) shall not without prior permission of Lenders –</p> <ol style="list-style-type: none"> 1. Formulate any scheme of amalgamation or reconstruction or change in capital structure, which shall result in dilution of stake held by RCOM in the Obligor Group and its subsidiaries. Global Cloud Xchange Limited transaction as defined in the Lenders Base Case shall be a sole exception to this. 2. Undertake any new project, implement any scheme of expansion or acquire fixed assets except those indicated in the funds flow statement submitted to the Bank from time to time and approved by the Bank. 3. Enter into borrowing arrangement either secured or unsecured with any other bank, financial institution, or company or otherwise or accept deposits apart from the arrangement indicated in the funds flow statements submitted to the Bank from time to time and approved by the Bank. However, refinancing may be permitted provided Debt Reduction Undertaking/Covenant being complied with. 4. Undertake any guarantee obligation on behalf of any other company other than as permitted by the bank and those issued for the benefit of the subsidiaries of the Borrower(s) in telecom related business to the aggregate extent of Rs. 500 cr. 5. Create any charge, lien or encumbrance over its



	<p>undertaking/assets or any part thereof in favour of any financial institution, bank, company, firm or persons other than as per the Lenders Base Case approved by Bank. Charge creation on refinanced debt may be permitted provided Debt Reduction Undertaking/Covenant being complied with.</p> <p>6. Enter into any contractual obligation of a long-term nature or affecting the company financially to a significant extent.</p> <p>7. Change the practice with regard to remuneration of directors by means of ordinary remuneration or commission, scale of sitting fees, etc.</p> <p>8. Undertake any trading activity other than as approved by the lenders.</p> <p>9. Permit any transfer of management control from Reliance Group or make any drastic change in the management set-up.</p> <p>10. Invest by way of share capital, Lend or advance funds to or place deposits with any other concern (excluding subsidiaries of the Borrower(s) in telecom related business to the extent of Rs. 500 cr), other than approved as per business plan. Normal trade credit or security deposits in the normal course of business or advances to employees can, however, be extended.</p> <p>11. Repay monies brought in by the promoters/ directors/ principal shareholders/related parties of Reliance Group and their friends and relatives by way of deposits/ loans / advances/sub-debt.</p> <p>12. Declare dividends for any year out of the profits relating to that year or of the previous years if the Borrower(s) is in breach of any financial covenants or the Debt Reduction Undertaking or an Event of Default has occurred.</p> <p>13. Assign or mortgage any of the fixed assets charged to the Lenders. However the Borrower(s) shall have the right to sell, lease, transfer or otherwise dispose of its assets in any period of 365 days of an aggregate amount of Rs 125 Cr.</p>
<p>33. Information Covenants</p>	<p>The Borrower(s) shall</p> <p>a. Maintain adequate books of accounts and Furnish to the Lenders every year a copy of consolidated audited annual accounts of the RCOM as per Indian GAAP together with compliance certificates within 120 days and unaudited consolidated semi-annual financial statements within 90 days;</p> <p>b. Keep the Lenders informed of the happening of any event likely to have substantial effect on its profit and business with explanations and the remedial steps proposed to be taken.</p> <p>c. Keep the Lenders advised of any circumstances which</p>



	<p>could have a material adverse effect on the financial position of its subsidiaries/group companies/companies in which it has large investments/ Obligor Group, including any action taken by the creditor against the said companies.</p> <p>d. Notify any events of default or potential events of default, material litigation and other material matters to the Lenders.</p> <p>e. Provide yearly auditor certifications as required by the Lenders incl. that on the revaluation amounts, etc.</p>
34. Undertakings	<p>The Borrower(s) undertakes to:-</p> <p>a) Maintain pari-passu ranking of obligations amongst secured lenders</p> <p>b) Offer to the Lenders any favourable term offered to other lenders to the Obligor Group (except RGBV) except pricing terms.</p> <p>c) provide right of access/site inspections for Lenders throughout the tenor of the Facility</p> <p>d) Arrange for funds for payments required to be made for the following -</p> <ul style="list-style-type: none"> • Onetime fee on account of spectrum held • License/ Spectrum renewal costs • Any other payment on account of regulatory compliances which has not been considered in the Lenders Base Case.
35. Financial Covenants	<p>RCOM Group (consolidated financials of RCOM as per Indian GAAP) shall comply with the following financial covenants throughout the tenor of the Facility including on the date of first disbursement of the Facility:-</p> <ol style="list-style-type: none"> 1. Net Worth, shall not be less than Rs. 250,000,000,000 (Rupees Twenty Five thousand crores) for FY 2015 and thereafter; 2. The ratio of Net Debt to EBITDA shall not be more than 5.00 as on 31.03.2015 and 4.00 as on 31.03.2016 and thereafter; 3. The ratio of EBITDA to Interest Expenses shall not be less than 3.00 for FY'15 and 4.00 for FY 16 and thereafter; 4. The ratio of Adjusted EBITDA to Debt Service (Cash DSCR) shall not be less than 1.00 5. Asset Cover Ratio shall not be less than 1.10 <p>The above covenants shall be tested annually and semi-annually respectively, on a rolling 12-month basis according to Indian GAAP. The testing for the end of Financial year shall be made on basis of Consolidated Audited Financials of the Borrower & mid of the Financial Year on the basis of Consolidated Unaudited Financials. Testing of covenants shall</p>



be done within 120 days from the respective financial year end dates. Testing of Financial Covenants to begin from 31.03.2015. Both testing shall be accompanied by a compliance certificate from the Auditor & the Borrower. For the purpose of the covenants above the definitions of the terms used are as listed below:

Relevant Period:

- (a) each period of 12 calendar months ending on 31 March in any year; or
- (b) each period of 12 calendar months ending on 30 September in any year;

Net Worth

The aggregate of paid up share capital and the amount standing to the credit of its consolidated reserves, including equity warrants issued to the extent they are paid up, however, after deducting the following:

- (a) all accumulated losses;
- (b) all deferred expenditures;
- (c) all deferred tax liabilities; and
- (d) revaluation amounts. This shall be certified by Statutory Auditor.

Net Debt

Gross Debt as reduced by cash and cash Equivalents.

Gross Debt

Sum of all fund based facilities availed by RCOM Group as per the consolidated financials of RCOM as per Indian GAAP

EBITDA

In relation to any period, the net income from ordinary activities (for the avoidance of doubt excluding non-operating income and expense) before taking into account:

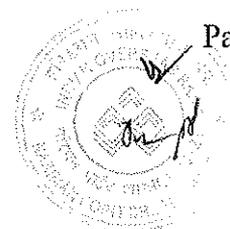
- (a) Tax;
- (b) Interest Expense;
- (c) any exceptional or extraordinary items; and
- (d) amortisation of intangible assets and depreciation of tangible assets

Interest Expense

The aggregate amount of all interest, commissions and fees in respect of moneys borrowed, discounts in respect of bills, notes



	<p>or debts discounted, and that part of any amount under a financing lease or hire purchase, credit sale, conditional sale or deferred payment agreement which represents any of the foregoing but after deducting any interest income received.</p> <p>Adjusted EBITDA - EBITDA for that Relevant Period</p> <ul style="list-style-type: none"> • less all Taxes payable in respect of that Relevant Period. • less realised forex losses • less all capital expenditure for the Relevant Period. • add cash inflow on account of asset sale/ stake sale for the Relevant Period • add additional loans availed during the Relevant Period. This applies only for Financial Year 2015 <p>Debt Service The sum of: (a) Interest Expense for that period; and (b) that portion of Gross Debt scheduled for repayment in that period;</p> <p>Asset Cover ratio The ratio of a) Net Block incl. CWIP and excl. intangible assets & revaluation amounts and b) Gross Debt excluding unsecured loans, if any</p> <p>Additional interest of 1% p.a. shall be levied in case of breach in the above financial covenants. However, a cure period of 30 days shall be available to the Borrower to redress the breach before which the above additional interest shall be applicable. The additional interest thus applied shall be recovered with effect from the date of breach.</p>
<p>36. Events of Default:</p>	<p>The Lenders shall have a right to call an Event of Default on occurrence of the following events;</p> <ul style="list-style-type: none"> (a) failure to pay any sum when due to the Lenders (b) breach of financial covenants or Debt Reduction Undertaking; (c) breach of covenants; (d) misrepresentation; (e) cross default with other indebtedness (f) Breach of material terms (g) insolvency or initiation of insolvency proceedings with respect to the borrower; (h) cessation of business by the borrower or threat of cessation;



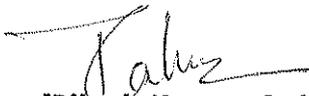
	<p>(i) invalidity/rescission/unlawfulness of a Finance Document;</p> <p>(j) repudiation of the Finance Document;</p> <p>(k) material proceedings and other litigation including court proceedings on license related issues resulting in a Material Adverse Effect;</p> <p>(l) expropriation, nationalization or moratoria;</p> <p>(m) cessation of telecom licenses (n) Change of Management Control of the Obligor Group; other than due to the notified transactions for which Lenders approval has been obtained</p> <p>(o) cessation of listing of the shares of the RCOM.</p> <p>(p) Failure to comply with license conditions or any revocation thereof</p> <p>(q) The occurrence of any event or circumstance which is prejudicial to or imperils or depreciates the security given to the Lenders or security ceases to be effective</p> <p>Besides the loan documents would also incorporate other Events of Default.</p>
37. Consequences of Event of Default	<p>The following inter alia shall be the consequences of Event of Default;</p> <p>a. Acceleration of debt repayment /cancellation of Facility.</p> <p>b. Conversion of debt into equity at a mutually acceptable formula or as per extant SEBI Regulations whichever applicable.</p> <p>c. Appointment of Nominee Directors by the Lenders.</p> <p>d. Enforcement of security</p>
38. Cancellation Clause	<p>The Lenders have a right to unconditionally fully/partially, without notice, cancel the facility –</p> <ul style="list-style-type: none"> ➤ In case the limits/parts of the limits are not utilized by the Borrower(s), and/or ➤ In case of deterioration in the loan accounts in any manner whatsoever, and/or ➤ In case of non-compliance of terms and conditions of sanction
39. Material Adverse Effect:	<p>Material Adverse Effect will be defined as any event or circumstance which has a material adverse effect on:</p> <p>(a) the business operations, assets or financial condition of RCOM Group and its subsidiaries (taken as a whole); or</p> <p>(b) the ability of RCOM Group to perform the payment obligations and/or comply with the financial covenants contained in the Financing Documentation; or</p> <p>(c) the validity or legality or the enforceability of or any rights or remedies of the lenders under the Financing Documentation.</p>
40. Change of	<p>For the purpose of this clause "control" means the power to</p>



Control:	appoint and/or remove all or a majority of the members of the board of directors (excluding independent directors) and otherwise directly or indirectly to control or have the power to control the affairs and policies of the Borrower(s).
41. Transferability:	Lender will have the right to freely transfer or assign or novate to one or more persons all or a portion of its rights and obligations under the Facility Documentation without the consent of the Borrower(s). However, Lenders shall inform the Borrower(s) of any such assignment/novation/transfer.
42. Governing Law and Jurisdiction	The Facility will be governed by the laws of India and will provide for submission by the Borrower(s) to the non-exclusive jurisdiction of the courts of Mumbai.
43. Documentation	In addition to the terms and conditions contained in this Term Sheet, the final documentation will contain other customary clauses such as Financial covenants, Representation & Warranties from the Borrower(s), Conditions Precedent to the effectiveness of the loan and Condition Precedent to each disbursement, Affirmative Covenants by Borrower(s), Negative Covenants, Additional Covenants, Information Covenants, Events of Defaults by the Borrower(s) and the Consequences of the Event of Default, RBI disclosure norms, as applicable etc.

Others:

1. The company should help the bank in mobilizing savings a/c, insurance business from their staff members.
2. The company should also endeavour to pass on the company's insurance policy business partially through Universal Sompo General Insurance Co Ltd.
3. All the terms and conditions stipulated by the lead bank and other members of the consortium will be applicable Mutatis Mutandis.


[Ritesh Kumar Sahu]
 Senior Manager


[Suresh Phatnani]
 Chief Manager


[D V Ramana]
 Deputy General Manager



ACKNOWLEDGEMENT

Date:

We are thankful to the Bank for providing clarifications sought by us regarding this sanction. We are fully satisfied with and accept the terms and conditions of the sanction of the credit facilities stipulated above by the bank as the same were arrived at by consensus after discussions and receiving clarifications.

BORROWERS

GUARANTORS

Signature of all borrowers

Signature of all guarantors



ओरियन्टल बैंक ऑफ कॉमर्स

(भारत सरकार का उपक्रम)

बृहद् कॉर्पोरेट शाखा :

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CN/902/LCB/ 9502/2014-15

12.01.2015

M/s Reliance Communication Limited/Reliance Telecom Ltd.

H-Block, 1st Floor,
Dhirubhai Ambani Knowledge City,
Navi Mumbai-400710.

Dear Sir,

Reg. : Approval of New Business Plan and Conversion of interim disbursement of Short Term Loan of Rs. 205.00 Crores to Reliance Communication Ltd. & Rs. 20.00 Crores to Reliance Telecom Ltd

With reference to your request for Approval of New Business Plan and Conversion of interim disbursement of Short Term Loan of Rs. 205.00 Crores to Reliance Communication Ltd. & Rs. 20.00 Crores to Reliance Telecom Ltd., we here by convey our approval as under:-

- Approval for New Business Plan
- Conversion of interim disbursement of Short Term Loan of Rs. 205.00 Crores to RCOM & Rs. 20.00 Crores to R.Tel. Ltd till 31.12.2014 in line with lead bank @ SBI Base Rate +2.50%

Above permissions shall be subject to similar approval from other Lenders

Kindly arrange to pay Review charge of Rs. 3,00,000/- + service tax @ 12.36% (Total Rs.3,37,080/-).

Terms and condition of sanction:

Particulars	Terms as per Revised Business plan
Reliance Group:	"Reliance Group" means Mr.Anil DhirubhaiAmbani ("ADA") and his family in a personal capacity and family trusts (in respect of the shares held by such family members or family trusts, only those shares deemed controlled by Mr. Anil Dhirubhai Ambani will be included for the purposes of this definition) or the companies where ADA has at least a 26% stake and the companies that are also controlled directly or indirectly by ADA (together "Reliance Group").
Borrower(s) :	Borrower 1 - Reliance Communications Ltd. (RCOM) Borrower 2 - Reliance Telecom Limited (RTL)
Obligor Group	Reliance Communications Ltd. (RCOM), Reliance Telecom Limited (RTL), Reliance Communications Infrastructure Limited (RCIL), Reliance Infratel Limited (RITL) & Reliance Globalcom BV (RGBV). Each one of the above entity would be individually referred to as an Obligor &



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	together would be referred to as the "Obligor Group". RCOM shall act as the "Obligor's Agent".																									
RCOM Group	Reliance Communications Ltd. (RCOM) along with all its subsidiaries																									
Lenders:	Banks/Financial Institutions, collectively the "Lenders", who are participating in funding the project by way of the Facility. State Bank of India shall act as the Facility Agent.																									
Facility:	A Rupee Term Loan of Rs.6,750 Crore under a consortium arrangement to the Borrower(s) earmarked as under: <ul style="list-style-type: none">Rs. 6,015.00 Cr to Borrower 1 (RCOM) &Rs.735.00 Cr to Borrower 2 (RTL) All terms & conditions mentioned herein shall apply to both term loans of the Facility.																									
Purpose of the Facility:	For meeting ongoing - 1. Capital expenditure 2. Operational expenditure 3. Repayment of existing liabilities, other than any related party/ shareholder loans																									
Our Share	TOTAL – Rs.225.00 crore Rs.205.00 crore for Reliance Communication Ltd. Rs.20.00 crore for Reliance Telecom Ltd.																									
Syndicator/ Sole Arranger	SBI Capital Markets Ltd. (SBICAPS) shall be the sole arranger for the Facility																									
Signing Date:	The date on which the loan documentation for the Facility (the "Facility Agreement") is signed by the parties thereto.																									
Lenders Base Case	The business plan and financial projections as accepted by the Lenders at the time of sanction.																									
Validity Period	The commercial terms shall be valid for a period upto one month from the date of sanction before which Company shall convey their acceptance. The other sanction terms shall be valid up to a period of three months from the date of sanction before which Facility Agreement shall be executed.																									
Availability Period:	For RCOM and RTL: Until 30th June 2015 Any undrawn amount of the Facility at the end of the Availability Period will be automatically cancelled and will not be available for drawing.																									
Moratorium	Upto 30th September 2016																									
Repayment	Principal Repayment in 14 structured quarterly installments post Moratorium. For both term loans i.e. Rs 6,015 Cr to RCOM and Rs 735 Cr to RTL. <table border="1"><thead><tr><th></th><th>Q1</th><th>Q2</th><th>Q3</th><th>Q4</th></tr></thead><tbody><tr><td>FY 2017</td><td>-</td><td>-</td><td>8%</td><td>8%</td></tr><tr><td>FY 2018</td><td>8%</td><td>8%</td><td>8%</td><td>8%</td></tr><tr><td>FY 2019</td><td>1%</td><td>1%</td><td>1%</td><td>1%</td></tr><tr><td>FY 2020</td><td>12%</td><td>12%</td><td>12%</td><td>12%</td></tr></tbody></table> The repayment due dates shall be 31st December, 31st March, 30th June and 30th September in each year.		Q1	Q2	Q3	Q4	FY 2017	-	-	8%	8%	FY 2018	8%	8%	8%	8%	FY 2019	1%	1%	1%	1%	FY 2020	12%	12%	12%	12%
	Q1	Q2	Q3	Q4																						
FY 2017	-	-	8%	8%																						
FY 2018	8%	8%	8%	8%																						
FY 2019	1%	1%	1%	1%																						
FY 2020	12%	12%	12%	12%																						
Door to Door	5 years and 3 months including a moratorium of 1 year 9 months																									



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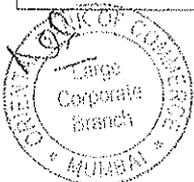
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Tenor	
Interest Rate on the SBI Facility	Floating rate of interest equivalent to SBI Base Rate (SBBR) plus a "Spread" of 2.50% present effective 12.50% p.a. with monthly rests. The interest payable shall be subject to the changes in interest rate policy, etc. made by the Reserve Bank of India/any other agency empowered for the purpose from time to time. However, Interest Rate cannot be lower than the base rate of any participating lender in the Facility.
Trigger for Re-Pricing of Rate of Interest	Any adverse deviation from the estimated/ projected level in the Lenders Base Case by more than 20%, in respect of any two of the following financial parameters, arrived at from financial results, will entitle the Bank to re-price the loan. <ul style="list-style-type: none">• Interest Coverage Ratio• Return on Capital Employed• TOL/TNW• Gross DSCR; However, the same shall not be below 1 at any point of time during the tenor of the Facility.• Current Ratio The measurement of deviation shall be with reference to last audited statement of accounts and made from the first anniversary of the First Disbursement and annually thereafter.
Interest Tax, Levies & Duties	Interest tax / other levies / duties, if any, applicable as per Facility Agreement, shall be payable by the Borrower(s) over and above the Interest Rate mentioned above.
Upfront Fees	NIL
Commitment Fee	Commitment fee of 1.20% on the amount of undrawn amounts i.e. variance in actual disbursements with respect to quarterly disbursement schedule provided by the Borrower(s) at the time of documentation for the entire availability period or the amended disbursement schedule accepted by the Lenders. The Commitment Fee shall be calculated on the basis of amount undrawn during that quarter. The disbursement schedule, with the approval of the Lender's Agent, may be amended by the Borrower(s), with a thirty (30) days' prior written notice before the beginning of the respective quarter.
Prepayment Premium	The Borrower(s) shall at any time have the option to prepay the Lenders in part or in full, the loan together with all interest, prepayment premium and other charges and monies due and payable to the Lenders upto the date of such prepayment, on payment of prepayment premium equal to 1 % of the amount prepaid. No pre-payment premium, however, shall be payable if the pre-payment is effected in any of the following events: At the instance of the Lenders; From the surplus internal accruals generated by the Project with 30 days prior notice period with such prepayment being made once in financial year, From proceeds of strategic sale of assets of group entities or equity infusion or



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	<p>securitization of receivables under the Tower Sharing agreement with other telecom operators.</p> <p>On Re-pricing of Rate of Interest if interest is found unacceptable, the Borrower(s) shall have the option to prepay the outstanding Rupee Term Loan by advising its intention to prepay within 30 days of such re-pricing advice date and prepay the Rupee Term Loan within 90 days from the re-pricing date; However, during this period, the Company shall service the Facility at the Re-priced Rate of Interest</p>
Liquidated damages on defaulted payments	<p>The Borrower(s) shall pay default interest @ 1% p.a. for the period of default on the total outstanding amount</p> <ul style="list-style-type: none">• In respect of Principal & interest or any other monies due on their respective due dates.• In case of Cross Default to other lenders <p>Arrears of default interest shall carry interest at the applicable Interest Rate till the date of payment of the defaulted amount.</p> <p>However, the total additional interest on account of liquidated damages, non-compliance of various conditions/stipulations shall not exceed 3% p.a.</p>
Security	<p>Security for the Facility shall be created in two stages – namely Stage - 1 & Stage - 2</p> <p><u>Stage - 1 ("Initial Security")</u></p> <p>The proposed Facility along with interest, fees, commission and other dues to the Lenders shall be secured by:-</p> <ol style="list-style-type: none">1) First pari - passu charge on all the present and future moveable plant and machinery including (without limitation) tower assets and optic fibre cables, if any, capital work in progress (pertaining to movable fixed assets) of Reliance Communications Ltd. (RCOM), Reliance Telecom Limited (RTL), Reliance Communications Infrastructure Limited (RCIL) & Reliance Infratel Limited (RITL); (Obligor Group).2) First paripassu charge on all the rights, title, interest, benefit, in respect of all insurance contracts entered into in relation to the assets described in (1) above;3) Assignment of all telecom licenses of RCOM (UASL, NLD & ILD)4) Negative lien on the following – <ul style="list-style-type: none">• present and future moveable fixed assets of Reliance GlobalcomBV (subject to existing encumbrance as on date of execution of Facility Agreement)• present and future immoveable assets of the Obligor Group• Telecom Licenses held by RTL (subject to the existing assignments of the telecom licenses for the benefit of the existing lenders of RTL)• present & future investments of RCOM in the Obligor Group(subject to existing encumbrance as on date of execution of Facility Agreement)



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- cash and cash equivalents of the Obligor Group (subject to existing encumbrance as on date of execution of Facility Agreement)

The security in (1) (2) & (4) shall be created before first disbursement and (3) within 6 months from the date of first disbursement.

The above security shall be shared on a pari - passu basis with other Secured creditors of the Obligor Group.

Stage - 2 ("Additional Security")

5) First pari - passu charge on all present & future moveable fixed assets of the Obligor Group, including, but not limited to moveable Plant and Machinery and Capital Work in Progress

6) Assignment of all telecom licenses of the RTL (UASL)

7) First pari-passu charge on present and future cash flows, receivables, other current assets, revenues, intangibles of the Obligor Group

8) First pari-passu charge on all present and future immoveable assets of the Obligor Group

9) Assignment of rights, titles, interests, benefits, claims and demands in material project contracts incl. insurance proceeds of the Obligor Group.

10) Implementation of Co-obligor structure for the Obligor Group. This shall mean joint and several guarantees from each of the members of the Obligor Group to secure the obligations of the Borrower(s) in connection with this Facility.

11) Pledge by

a) RCOM over their shareholding in RCIL;

b) RCOM and Reliance Infocomm Infrastructure Private Limited over their shareholding in RTL.

12) Subject to regulatory approvals permitting mortgage of spectrum, all spectrum belonging to the Obligor Group shall be mortgaged in favour of Lenders within 3 months from the date of such permission/notification.

The security in (5), (6), (7), (8) (9) ,(10) & (11) shall be created post obtention of consent of existing lenders of respective Obligor Group entities and such other regulatory or statutory approvals, as may be required. The same shall have to be created & perfected within 6 months from the date of first disbursement of the



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	<p>Facility. However, in instances where despite the Obligor Group having demonstrated due effort to create/perfect security, if there is a delay on account of statutory/regulatory reasons, the same shall not be construed as an Event of Default.</p> <p>The above security shall be shared on a pari - passu basis with other Secured creditors of the Obligor Group.</p> <p>All Security to be held by Security Trustee for the benefit of Lenders in a form and manner satisfactory to State Bank of India.</p> <p>All the securities in the account shall be in line with the lead bank.</p>						
Additional Interest	<p>In case the Obligor Group fails to create & perfect the Security (for both Stage - 1 & Stage - 2) within stipulated time periods, the Borrower(s) shall pay an additional interest of 1% p.a. on the entire outstanding loan amount from the end of such stipulated time period till creation & perfection of Security. However, in instances where despite the Obligor Group having demonstrated due effort to create/perfect security, there is a delay is on account of statutory/ regulatory reasons, extension in timeline, based on mutual consent between RCOM & SBI may be granted. During such extension, such additional interest may not be charged. Any further disbursements pending perfection of security shall be at the sole discretion of the Lenders.</p>						
Stake sale/ Equity infusion	<p>The Borrower undertakes to implement a stake sale/ equity infusion plan due to which a cash infusion shall be made into the Borrower as per the schedule indicated below:-</p> <table border="1"><thead><tr><th>Financial Year</th><th>(Amount in Cr)</th></tr></thead><tbody><tr><td>31st March 2015</td><td>12,208.00</td></tr><tr><td>31st March 2016</td><td>4,200.00</td></tr></tbody></table> <p>Borrower shall pay an additional interest of 1% p.a. on the entire outstanding loan amount in case of any breach in compliance with the above undertaking till such time the breach is cured. Further on any breach in adherence to the above</p>	Financial Year	(Amount in Cr)	31 st March 2015	12,208.00	31 st March 2016	4,200.00
Financial Year	(Amount in Cr)						
31 st March 2015	12,208.00						
31 st March 2016	4,200.00						



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Oriental Bank of Commerce

(A Government of India Undertaking)

Large Corporate Branch :

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	schedule, Lenders shall have a right to call an Event of Default.								
Debt Reduction Undertaking/ Covenant	<p>The Borrower undertakes to implement a debt reduction schedule due to which the aggregate Gross Debt of RCOM Group (consolidated financials of RCOM as per Indian GAAP) shall not exceed:</p> <table border="1"><thead><tr><th>As on</th><th>(` in Crore)</th></tr></thead><tbody><tr><td>31st March 2015</td><td>32,500</td></tr><tr><td>31st March 2016</td><td>29,000</td></tr><tr><td>31st March 2017 and thereafter shall not exceed</td><td>25,500</td></tr></tbody></table> <p>Borrower shall pay an additional interest of 1% p.a. on the entire outstanding loan amount in case of any breach in compliance with the above undertaking till such time the breach is cured. Further on any breach in adherence to the above schedule, Lenders shall have a right to call an Event of Default. (Foreign currency of Gross USD Debt calculated @ Rs. 61)</p>	As on	(` in Crore)	31 st March 2015	32,500	31 st March 2016	29,000	31 st March 2017 and thereafter shall not exceed	25,500
As on	(` in Crore)								
31 st March 2015	32,500								
31 st March 2016	29,000								
31 st March 2017 and thereafter shall not exceed	25,500								
Financing Documentation:	<p>The Facility will be governed by a Facility Agreement in form and substance acceptable to both the parties. The Facility Agreement will contain usual provisions for a facility of this nature and the conditions precedent, events of default, representations and warranties, and covenants detailed in this term sheet. Finance Documents shall include the Facility Agreement and other documents designated as such by the Lender and the Borrower(s).</p>								
Pre-commitment conditions	<p>The Borrower(s)</p> <p>a. Ties-up the entire debt requirements envisaged in the Facility. b. Gives a declaration / undertaking to the effect that none of its directors, is a director or specified near relation of a director of a lending bank c. Confirms/undertakes that name of none of the directors appears in RBI's/CIBIL's Defaulters' list/ECGC Caution List d. undertakes that the Obligor Group are in compliance with all matters pertaining to licenses and regulations.</p>								
Conditions Precedent:	<p>Prior to first disbursement under the Facility, the Borrower(s) shall, to the satisfaction of the Lenders, have complied with the following:-</p> <ul style="list-style-type: none">• Review charges of ₹ 3.00 lacs plus applicable service tax shall be recovered.• The commercial terms shall be valid for a period upto one month from the date of sanction before which Company shall convey their acceptance. The other sanction terms shall be valid up to a period of three months from the date of sanction before which Facility Agreement shall be executed..• The facilities shall be released only after all the securities are properly charged and all documentation formalities completed in consultation with Legal Retainer.• Branch Certificate of Compliance be submitted as per extant guideline.• All the financing documents pertaining to the Facility (save and except the security documents required to be executed in connection with the Stage 2 Additional Security and the telecom license assignment of RCOM) shall have been executed and the same are in full force and effect backed by a legal opinion from Lenders Legal Counsel.								



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	<ul style="list-style-type: none">• Confirmation from the Lenders Legal Counsel that the terms of security offered by RCOM, RCIL, RTL and RITL as part of the Stage 1 Initial Security are at par with the terms of the security provided by RCOM, RCIL, RTL and RITL over their assets for the benefit of the other lenders of RCOM..• Create/perfect the security as envisaged under the Security clause within the stipulated time periods.• Provide an undertaking that – Consent letters from existing lenders/facility agents granting waiver for non-compliance of financial covenants for Financial Year 2014 and modification in financial covenants on the lines of Financial Covenants of this Facility The Borrower(s) has not agreed to more favourable terms than those offered to the "Lenders" of this "Facility" in any of its existing debt facilities. In case, it is subsequently found that more favourable terms have been agreed to by the Borrower(s), the same shall also be applicable for the Facility. Further, the Lenders are free to take any action that they deem fit to regularize the position. Cash infusion on account of stake sale transactions i.e. Rs. 6,100 Crs in FY'15 (over and above Rs 6,108 Cr infused by way of QIP proceeds and preferential allotment to promoters) and Rs. 4,200 Crs in FY'16 shall not be reduced on account of tax implications, if any. If cash infusion is reduced on account of tax implication or proceeds of stake sale transactions are not available for debt reduction, the Borrower shall infuse additional cash so as to give the same financial impact. All approvals including regulatory and shareholder approvals to the extent applicable are in place.• Submission of certified copies of constitutional documents of each of Obligors except RGBV which will be submitted within 3 months from the date of disbursement;• Submission of certified copies of appropriate board resolutions and other corporate authorizations;• Agree to submit a certificate of end use of the disbursement within 30 days of such disbursement and a certificate from the Statutory Auditor within 60 days of such disbursement. <p>Any disbursement to RTL under the facility shall be made only after creation of "Initial Security"</p>
Affirmative Covenants	<p>The Borrower(s) agrees that or shall ensure that (as applicable):-</p> <ol style="list-style-type: none">a. Reliance Group shall maintain Management Control of the Obligor Group and its subsidiaries through the entire tenor of the Facility. Management Control shall mean the right to appoint/remove majority of directors on the Board of the Obligor Group or power to directly/indirectly cause the direction of management and policies of a company. The sole exception shall be Global Cloud Xchange Limited transaction as envisaged in the Lenders Base Case.b. All statutory clearances as applicable shall be obtained and maintained at all times during the tenor of the Facility.c. All telecom business related approvals/clearances/ licenses from Department of



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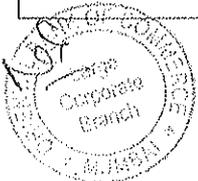
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	<p>Telecommunication or any other statutory body shall be obtained and maintained during the tenor of the Facility.</p> <p>d. To create security by way of mortgage of spectrum in favour of Lenders subject to regulatory approvals. Further, in case a more favourable term is offered to any other lender to the Obligor Group (except RGBV), the same shall also be applicable to the Lenders of the Facility.</p> <p>e. In case of default in repayment of the loan / advances or in the payment of the interest thereon or any of the agreed installments of the loan on due date/s by the Borrower(s), the Bank and / or the RBI will have an unqualified right to disclose or publish the Borrower(s) name/unit and its directors/ partners / proprietors as defaulter in such manner and through such medium as the Bank or RBI in their absolute discretion may think fit.</p> <p>f. The Bank will have the right to share credit information as deemed appropriate with CIBIL or any other institution as approved by RBI from time to time.</p> <p>g. The Borrower(s) shall not induct into its Board a person whose name appears in the wilful defaulters list of RBI/ CIBIL (other than as a Nominee/ Professional/ Honorary director). In case such a person is already on the Board of the borrowing company, it would take expeditious and effective steps for removal of that person from its Board.</p> <p>h. Lenders shall have the right to securitize the loan asset and in the event of such securitization, the Bank is not bound to send an individual intimation to the Borrower(s) or any other Obligor.</p> <p>i. Borrower(s) shall ensure that all insurable assets and the insurable assets of each other Obligor are fully insured</p> <p>j. Bank shall have the right to convert at its option the whole or part of the defaulted amount of the Loan into fully paid-up equity shares of the Borrower(s), at a mutually acceptable formula (or as per SEBI Regulation), if the Borrower(s) commits a default in payment of interest or repayment resulting into an Event of Default.</p> <p>k. It shall, at all times during the currency of the Facility, comply with the environmental, health, safety and social (EHSS) regulations/requirements.</p> <p>l. The Borrower(s) agrees to offer to the Bank, at least pro-rata business relating to remittances, bills / cheque purchase, non-fund based transactions including LCs and BGs, forex transactions and any interest rate or currency hedging business.</p> <p>m. Modify/Amend its Memorandum of Association or Articles of Association as per the requirements of the proposed Facility.</p> <p>n. Lenders shall have the right to appoint independent agencies, in consultation with the Borrower(s), for monitoring of the financials and operational performance with cost to be borne by the Borrower(s).</p>
Negative Covenants	<p>The Borrower(s) shall not without prior permission of Lenders –</p> <ul style="list-style-type: none">• Formulate any scheme of amalgamation or reconstruction or change in capital structure, which shall result in dilution of stake held by RCOM in the Obligor Group and its subsidiaries. Global Cloud Xchange Limited transaction as defined in the Lenders Base Case shall be a sole exception to this.



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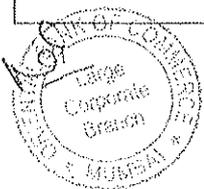
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	<ul style="list-style-type: none">• Undertake any new project, implement any scheme of expansion or acquire fixed assets except those indicated in the funds flow statement submitted to the Bank from time to time and approved by the Bank.• Enter into borrowing arrangement either secured or unsecured with any other bank, financial institution, or company or otherwise or accept deposits apart from the arrangement indicated in the funds flow statements submitted to the Bank from time to time and approved by the Bank. However, refinancing may be permitted provided Debt Reduction Undertaking/Covenant being complied with.• Undertake any guarantee obligation on behalf of any other company other than as permitted by the bank and those issued for the benefit of the subsidiaries of the Borrower(s) in telecom related business to the aggregate extent of Rs. 500 cr.• Create any charge, lien or encumbrance over its undertaking/assets or any part thereof in favour of any financial institution, bank, company, firm or persons other than as per the Lenders Base Case approved by Bank. Charge creation on refinanced debt may be permitted provided Debt Reduction Undertaking/Covenant being complied with.• Enter into any contractual obligation of a long-term nature or affecting the company financially to a significant extent.• Change the practice with regard to remuneration of directors by means of ordinary remuneration or commission, scale of sitting fees, etc.• Undertake any trading activity other than as approved by the lenders.• Permit any transfer of management control from Reliance Group or make any drastic change in the management set-up.• Invest by way of share capital, Lend or advance funds to or place deposits with any other concern (excluding subsidiaries of the Borrower(s) in telecom related business to the extent of Rs. 500 cr), other than approved as per business plan. Normal trade credit or security deposits in the normal course of business or advances to employees can, however, be extended.• Repay monies brought in by the promoters/ directors/ principal shareholders/related parties of Reliance Group and their friends and relatives by way of deposits/ loans / advances/sub-debt.• Declare dividends for any year out of the profits relating to that year or of the previous years if the Borrower(s) is in breach of any financial covenants or the Debt Reduction Undertaking or an Event of Default has occurred.• Assign or mortgage any of the fixed assets charged to the Lenders. However the Borrower(s) shall have the right to sell, lease, transfer or otherwise dispose of its assets in any period of 365 days of an aggregate amount of ₹ 125 Cr.
Information Covenants	<p>The Borrower(s) shall</p> <ul style="list-style-type: none">• Maintain adequate books of accounts and Furnish to the Lenders every year a copy of consolidated audited annual accounts of the RCOM as per Indian GAAP together with compliance certificates within 120 days and unaudited consolidated semi-annual financial statements within 90 days;• Keep the Lenders informed of the happening of any event likely to have



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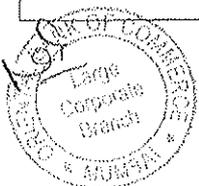
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	<p>substantial effect on its profit and business with explanations and the remedial steps proposed to be taken.</p> <ul style="list-style-type: none">• Keep the Lenders advised of any circumstances which could have a material adverse effect on the financial position of its subsidiaries/group companies/companies in which it has large investments/ Obligor Group, including any action taken by the creditor against the said companies.• Notify any events of default or potential events of default, material litigation and other material matters to the Lenders.• Provide yearly auditor certifications as required by the Lenders incl. that on the revaluation amounts, etc.
Undertakings	<p>The Borrower(s) undertakes to:-</p> <ul style="list-style-type: none">• Maintain pari-passu ranking of obligations amongst secured lenders• Offer to the Lenders any favourable term offered to other lenders to the Obligor Group (except RGBV) except pricing terms.• provide right of access/site inspections for Lenders throughout the tenor of the Facility• Arrange for funds for payments required to be made for the following -<ul style="list-style-type: none">- Onetime fee on account of spectrum held- License/ Spectrum renewal costs- Any other payment on account of regulatory compliances which has not been considered in the Lenders Base Case.
Financial Covenants	<p>RCOM Group (consolidated financials of RCOM as per Indian GAAP) shall comply with the following financial covenants throughout the tenor of the Facility including on the date of first disbursement of the Facility:-</p> <ul style="list-style-type: none">• Net Worth, shall not be less than ₹ 250,000,000,000 (Rupees Twenty Five thousand crores) for FY 2015 and thereafter;• The ratio of Net Debt to EBITDA shall not be more than 5.00 as on 31.03.2015 and 4.00 as on 31.03.2016 and thereafter;• The ratio of EBITDA to Interest Expenses shall not be less than 3.00 for FY'15 and 4.00 for FY 16 and thereafter;• The ratio of Adjusted EBITDA to Debt Service (Cash DSCR) shall not be less than 1.00• Asset Cover Ratio shall not be less than 1.10 <p>The above covenants shall be tested annually and semi-annually respectively, on a rolling 12-month basis according to Indian GAAP. The testing for the end of Financial year shall be made on basis of Consolidated Audited Financials of the Borrower & mid of the Financial Year on the basis of Consolidated Unaudited Financials. Testing of covenants shall be done within 120 days from the respective financial year end dates. Testing of Financial Covenants to begin from 31.03.2015. Both testing shall be accompanied by a compliance certificate from the Auditor & the Borrower. For the purpose of the covenants above the definitions of the terms</p>



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used are as listed below:

Relevant Period:

- (a) each period of 12 calendar months ending on 31 March in any year; or
- (b) each period of 12 calendar months ending on 30 September in any year;

Net Worth

The aggregate of paid up share capital and the amount standing to the credit of its consolidated reserves, including equity warrants issued to the extent they are paid up, however, after deducting the following:

- (a) all accumulated losses;
- (b) all deferred expenditures;
- (c) all deferred tax liabilities; and
- (d) revaluation amounts. This shall be certified by Statutory Auditor.

Net Debt

Gross Debt as reduced by cash and cash Equivalents.

Gross Debt

Sum of all fund based facilities availed by RCOM Group as per the consolidated financials of RCOM as per Indian GAAP

EBITDA

In relation to any period, the net income from ordinary activities (for the avoidance of doubt excluding non-operating income and expense) before taking into account:

- (a) Tax;
- (b) Interest Expense;
- (c) any exceptional or extraordinary items; and
- (d) amortisation of intangible assets and depreciation of tangible assets

Interest Expense

The aggregate amount of all interest, commissions and fees in respect of moneys borrowed, discounts in respect of bills, notes or debts discounted, and that part of any amount under a financing lease or hire purchase; credit sale, conditional sale or deferred payment agreement which represents any of the foregoing but after deducting any interest income received.

Adjusted EBITDA - EBITDA for that Relevant Period

- less all Taxes payable in respect of that Relevant Period.



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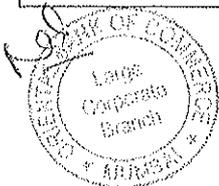
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	<ul style="list-style-type: none">• less realised forex losses• less all capital expenditure for the Relevant Period.• add cash inflow on account of asset sale/ stake sale for the Relevant Period• add additional loans availed during the Relevant Period. This applies only for Financial Year 2015 <p>Debt Service The sum of: (a) Interest Expense for that period; and (b) that portion of Gross Debt scheduled for repayment in that period;</p> <p>Asset Cover ratio The ratio of a) Net Block incl. CWIP and excl. intangible assets & revaluation amounts and b) Gross Debt excluding unsecured loans, if any</p> <p>Additional interest of 1% p.a. shall be levied in case of breach in the above financial covenants. However, a cure period of 30 days shall be available to the Borrower to redress the breach before which the above additional interest shall be applicable. The additional interest thus applied shall be recovered with effect from the date of breach.</p>
Events of Default:	<p>The Lenders shall have a right to call an Event of Default on occurrence of the following events;</p> <ul style="list-style-type: none">▪ failure to pay any sum when due to the Lenders▪ breach of financial covenants or Debt Reduction Undertaking;▪ breach of covenants;▪ misrepresentation;▪ cross default with other indebtedness▪ Breach of material terms▪ insolvency or initiation of insolvency proceedings with respect to the borrower;▪ cessation of business by the borrower or threat of cessation;▪ invalidity/rescission/unlawfulness of a Finance Document;▪ repudiation of the Finance Document;▪ material proceedings and other litigation including court proceedings on license related issues resulting in a Material Adverse Effect;▪ expropriation, nationalization or moratoria;▪ cessation of telecom licenses (n) Change of Management Control of the Obligor Group; other than due to the notified transactions for which Lenders approval has been obtained▪ cessation of listing of the shares of the RCOM.• Failure to comply with license conditions or any revocation thereof• The occurrence of any event or circumstance which is prejudicial to or imperils or depreciates the security given to the Lenders or security ceases to be



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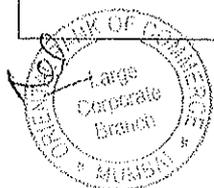
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	effective Besides the loan documents would also incorporate other Events of Default.
Consequences of Event of Default	The following inter alia shall be the consequences of Event of Default; a. Acceleration of debt repayment /cancellation of Facility. b. Conversion of debt into equity at a mutually acceptable formula or as per extant SEBI Regulations whichever applicable. c. Appointment of Nominee Directors by the Lenders. d. Enforcement of security
Cancellation Clause	The Lenders have a right to unconditionally fully/partially, without notice, cancel the facility – <ul style="list-style-type: none">• In case the limits/parts of the limits are not utilized by the Borrower(s), and/or• In case of deterioration in the loan accounts in any manner whatsoever, and/or• In case of non-compliance of terms and conditions of sanction
Material Adverse Effect:	Material Adverse Effect will be defined as any event or circumstance which has a material adverse effect on: <ul style="list-style-type: none">▪ the business operations, assets or financial condition of RCOM Group and its subsidiaries (taken as a whole); or▪ the ability of RCOM Group to perform the payment obligations and/or comply with the financial covenants contained in the Financing Documentation; or• the validity or legality or the enforceability of or any rights or remedies of the lenders under the Financing Documentation.
Change of Control:	For the purpose of this clause "control" means the power to appoint and/or remove all or a majority of the members of the board of directors (excluding independent directors) and otherwise directly or indirectly to control or have the power to control the affairs and policies of the Borrower(s).
Transferability:	Lender will have the right to freely transfer or assign or novate to one or more persons all or a portion of its rights and obligations under the Facility Documentation without the consent of the Borrower(s). However, Lenders shall inform the Borrower(s) of any such assignment/novation/transfer.
Governing Law and Jurisdiction	The Facility will be governed by the laws of India and will provide for submission by the Borrower(s) to the non-exclusive jurisdiction of the courts of Mumbai.
Documentation	In addition to the terms and conditions contained in this Term Sheet, the final documentation will contain other customary clauses such as Financial covenants, Representation & Warranties from the Borrower(s), Conditions Precedent to the



कारपोरेट कार्यालय : प्लॉट नं. 5, सेक्टर - 32, इन्स्टीट्यूशनल एरिया, गुर्गाँव - 122001.
Corporate Office : Plot No. 5, Sector - 32, Institutional Area, Gurgaon - 122001.

ओरियन्टल बैंक ऑफ कॉमर्स

(भारत सरकार का उपक्रम)

बृहद् कॉर्पोरेट शाखा :

मेकर टॉवर-एफ, 14 वा माला, कफ परेड, मुंबई - 400 005.

दूरभाष : 022 43023151 / 43023127 / 43023149 / 43023144

फैक्स : 2216 0623 / 2218 1739 E-mail : bm0902@obc.co.in



ओ. बी. सी.

Oriental Bank of Commerce

(A Government of India Undertaking)

Large Corporate Branch :

Maker Tower 'F', 14th Floor, Cuffe Parade, Mumbai - 400 005.

Phone : 022 43023151 / 43023127 / 43023149 / 43023144

Fax : 2216 0623 / 2218 1739 E-mail : bm0902@obc.co.in

effectiveness of the loan and Condition Precedent to each disbursement, Affirmative Covenants by Borrower(s), Negative Covenants, Additional Covenants, Information Covenants, Events of Defaults by the Borrower(s) and the Consequences of the Event of Default, RBI disclosure norms, as applicable etc.

Pre-Disbursement Conditions:

- The commercial terms shall be valid for a period upto one month from the date of sanction before which Company shall convey their acceptance. The other sanction terms shall be valid up to a period of three months from the date of sanction before which Facility Agreement shall be executed..
- The facilities shall be released only after all the securities are properly charged and all documentation formalities completed in consultation with Legal Retainer.
- All the financing documents pertaining to the Facility (save and except the security documents required to be executed in connection with the Stage 2 Additional Security and the telecom license assignment of RCOM) shall have been executed and the same are in full force and effect backed by a legal opinion from Lenders Legal Counsel.
- Confirmation from the Lenders Legal Counsel that the terms of security offered by RCOM, RCIL, RTL and RITL as part of the Stage 1 Initial Security are at par with the terms of the security provided by RCOM, RCIL, RTL and RITL over their assets for the benefit of the other lenders of RCOM..
- Create/perfect the security as envisaged under the Security clause within the stipulated time periods.
- **Provide an undertaking that –**
 - Consent letters from existing lenders/facility agents granting waiver for non-compliance of financial covenants for Financial Year 2014 and modification in financial covenants on the lines of Financial Covenants of this Facility
 - The Borrower(s) has not agreed to more favourable terms than those offered to the "Lenders" of this "Facility" in any of its existing debt facilities. In case, it is subsequently found that more favourable terms have been agreed to by the Borrower(s), the same shall also be applicable for the Facility. Further, the Lenders are free to take any action that they deem fit to regularize the position.
 - Cash infusion on account of stake sale transactions i.e. Rs.6,100.00 Crs in FY'15 (over and above Rs.6,108.00 Cr infused by way of QIP proceeds and preferential allotment to promoters) and Rs.4,200.00 Crs in FY'16 shall not be reduced on account of tax implications, if any. If cash infusion is reduced on account of tax implication or proceeds of stake sale transactions are not available for debt reduction, the Borrower shall infuse additional cash so as to give the same financial impact.
 - All approvals including regulatory and shareholder approvals to the extent applicable are in place.
- Submission of certified copies of constitutional documents of each of Obligors except RGBV which will be submitted within 3 months from the date of disbursement;
- Submission of certified copies of appropriate board resolutions and other corporate authorizations;
- Agree to submit a certificate of end use of the disbursement within 30 days of such disbursement and a certificate from the Statutory Auditor within 60 days of such disbursement.



कारपोरेट कार्यालय : प्लॉट नं. 5, सेक्टर - 32, इन्स्टीट्यूशनल एरिया, गुरुगाँव - 122001.
Corporate Office : Plot No. 5, Sector - 32, Institutional Area, Gurgaon - 122001.

ओरियन्टल बैंक ऑफ कॉमर्स

(भारत सरकार का उपक्रम)

वृहद कॉर्पोरेट शाखा :

मेकर टॉवर-एफ, 14 वा माला, कफ परेड, मुंबई - 400 005.

दूरभाष : 022 43023151 / 43023127 / 43023149 / 43023144

फैक्स : 2216 0623 / 2218 1739 E-mail : bm0902@obc.co.in



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Oriental Bank of Commerce

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Maker Tower 'F', 14th Floor, Cuffe Parade,
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Phone : 022 43023151 / 43023127 / 43023149 / 43023144

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- Any disbursement to RTL under the facility shall be made only after creation of "Initial Security"

Post-Disbursement Conditions:

The company shall obtain external credit rating from any one of RBI approved agency within three months from the date of sanction letter.

We are sending this letter in duplicate. You are requested to return us the duplicate copy of this letter duly signed by the Authorised Signatory/ies (along with necessary rubber stamp affixed) in token of having accepted all the terms and conditions of sanction conveyed by us. In case we do not receive the duplicate copy in the manner as mentioned above, this letter will stand automatically withdrawn.

Yours faithfully,

R. C. Sawan



ASST. GENERAL MANAGER

We hereby accept all the terms and conditions of your sanction.

Authorised Signatory(ies)



भारतीय स्टेट बैंक
भारतीय स्टेट बैंक
State Bank of India

परियोजना वित्त एसवीयू, वॉल्टास हाऊस, पहिला आणि दुसरा मंजला,
23, जे. एन. हेरेडिया मार्ग, बलार्ड इस्टेट, फोर्ट, मुंबई - 400 001,
परियोजना वित्त एसवीयू, वॉल्टास हाऊस, प्रथम एवं द्वितीय तल,
23, जे. एन. हेरेडिया मार्ग, बलार्ड इस्टेट, फोर्ट, मुंबई - 400 001.
Project Finance SBU, Voltas House, 1st & 2nd Floor,
23, J. N. Heredia Marg, Ballard Estate, Fort, Mumbai - 400 001.

7

Tel.: 2268 6901 / 02 / 12 | Fax : 2268 6911

DUPLICATE

Date :

The Managing Director,
Reliance Communications Ltd / Reliance Telecom Ltd
H Block, 1st Floor
Dhirubhai Ambani Knowledge City
Navi Mumbai 400 710

Ref. No. :

PF/PK/2179

Date: 03.01.2013

Kind Attn.: Shri Harsha Saksena, Head – Structured Finance

Dear Sir,

Reliance Communications Ltd (RCOM/Company)
Letter of Intent – Short Term Loan of Rs 325 Crore

We refer to your letter dated 28th December 2012 requesting short term debt funding of Rs 325 Cr within the overall Long Term Loan of Rs 1,625 Cr sanctioned vide our Letter No. PF/PK/1424 dated 26th September 2012.

2. In this regard, subject to Terms and Conditions broadly indicated in Annexure I to this letter, we are agreeable to sanction the following credit facilities

Short Term Loan (STL) of Rs.325 crore earmarked as below within RTL of Rs. 1,625 Crore -
- Rs 200 Cr to Reliance Communications Ltd.
- Rs 125 Cr to Reliance Telecom Ltd.

3. The final terms and conditions will be detailed at the time of preparation of final agreement/documentation in this regard.

4. A processing fees of Rs 35 lacs plus applicable taxes shall be payable at the time of acceptance of the sanction letter.

5. Please communicate to the Bank within 15 days of this letter, the acceptance of the terms and conditions set out herein by returning to us a duplicate copy hereof duly signed by the authorised representative(s) of both RCOM and RTL in token of having accepted the terms and conditions supported by two certified copies of the resolution duly passed by the respective Board of Directors. The resolution must provide that RCOM/RTL are agreeable to enter into the Loan Agreements/documentation within the time stipulated by SBI, along with the names of the authorised signatories for the purpose. There is no obligation or commitment on the part of SBI to advance any money till such Agreements are executed.

7. The sanction of facility is valid up-to 31st January 2013.

8. Meanwhile, kindly acknowledge receipt.

Harsha Saksena
23.08.2013
Reliance

Terms & Conditions

Short Term Loan (STL)

1	Borrower(s)	Reliance Communications Ltd. (RCOM) & Reliance Telecom Ltd. (RTL)
2	Facility	Short Term Loan of Rs 325 Cr within the Long Term Rupee Loan of Rs 1,625 Cr
3	Purpose	For meeting on going Capital/Operating expenditure and repayment of existing loans
4	Amount	Short Term Loan of Rs 325 Cr earmarked as below - Rs 200 Cr to Reliance Communications Ltd - Rs 125 Cr to Reliance Telecom Ltd
5	Pre-payment	Prepayment of STL without pre-payment penalty permitted
6	Interest Rate	3.75% above Base Rate, present effective rate 13.50% p.a. with monthly rests.
7	Security	The Company shall create second ranking pari passu charge on all the present and future moveable plant and machinery including tower assets and optic fibre cables, if any, capital work in progress (pertaining to movable fixed assets) of Reliance Communications Ltd. (RCOM), Reliance Telecom Limited (RTL), Reliance Communications Infrastructure Limited (RCIL) & Reliance Infratel Limited (RITL) within 15 days from the date of STL Disbursement.
8	Loan documents	Loan documents drafted by Lenders Legal Counsel
10.	Tenor	9.5 month from date of documentation disbursement or 18 th October 2013 whichever is earlier
11	Condition Precedent to interim disbursement	(a) Submission of certified copies of constitutional documents of Borrower(s); (b) Submission of certified copies of appropriate board resolutions and other corporate authorizations by respective Borrowers; (c) Submission of certified copies of all approvals including regulatory and shareholder approvals to the extent applicable by respective Borrowers; (d) Agree to submit a certificate of end use of the disbursement within 30 days of such disbursement and a certificate from the Statutory Auditor within 60 days of such disbursement; (e) Submission of Undertakings from RCOM & RTL that they shall seek waiver from lenders of existing debt facilities for non-compliance of financial covenants for Financial Year 2012.
12.	Other conditions	If Long Term Rupee Loan is not disbursed for what so over reason and the Short Term Loan of Rs. 325 Cr is not repaid by 18 th April 2013, additional interest of 1% p.a. will be levied. If the Short Term Loan of Rs 325 Cr is not repaid on or before 18 th October 2013, it will be construed as an Event of Default and SBI will initiate suitable steps as it may deem fit to regularize the position.

[Signature]
23.08.25

[Signature]
23.08.25



भारतीय स्टेट बैंक
भारतीय स्टेट बैंक
State Bank of India

परियोजना वित्त एसवीयू, वोल्टास हाऊस, पहिला आणि दुसरा मजला,
23, जे. एन. हेरेडिया मार्ग, बलार्ड इस्टेट, फोर्ट, मुंबई - 400 001.
परियोजना वित्त एसवीयू, वोल्टास हाऊस, प्रथम एवं द्वितीय तल,
23, जे. एन. हेरेडिया मार्ग, बलार्ड एस्टेट, फोर्ट, मुंबई - 400 001.
Project Finance SBU, Voltas House, 1st & 2nd Floor,
23, J. N. Heredia Marg, Ballard Estate, Fort, Mumbai - 400 001.

15

Tel.: 2268 6901 / 02 / 12 | Fax : 2268 6911

Date :

Ref. No. :

The Managing Director,
Reliance Communications Ltd / Reliance Telecom Ltd
H Block, 1st Floor
Dhirubhai Ambani Knowledge City
Navi Mumbai 400 710

PF/PK/ 1771

Date: 03.11.2012

Kind Attn.: Shri Vishwas Joshi, President – Corporate Finance

Dear Sir,

Reliance Communications Ltd (RCOM/Company)
Interim Disbursement – Rs 300 Cr under Rupee Term Loan of Rs 1,625 Crore

We refer to the Interim Facility Agreement dated 16th October 2012 and the subsequent disbursement of Rs 300 Cr on 19th October 2012. In accordance to the facility sanctioned, kindly arrange to provide the following within the stipulated timelines;

1. Kindly ensure that Security creation in accordance with Clause 3.1 of the Interim Facility Agreement dated 16.10.2012 is completed within 4 month from disbursement i.e. before 18th February 2013
2. Kindly ensure to submit waiver letters from existing lenders waiving all breaches committed by the Borrower on account of or arising out of non compliance with certain financial covenants under any finance document within 6 month from disbursement i.e. before 18th April 2013.
3. Kindly provide the following within 30 days from disbursement i.e. before 18th November 2012
 - a. the consent from the Income Tax Authorities for consent under Section 281 of the Income Tax Act, 1961 permitting each of the Obligor to create Security over their respective Secured Assets
 - b. a certificate from the statutory auditor of the Borrower confirming that borrowing of and securing the Loan would not cause any borrowing, guaranteeing, securing or similar limit binding on the Borrower to be exceeded
 - c. a certificate from the statutory auditor of each Obligor (except the Borrower) confirming that securing the Loan would not cause any securing or similar limit binding on such Obligor to be exceeded; and
 - d. a certificate from the statutory auditor of each Obligor confirming that creation of security on the Secured Assets under the Security Documents will not result in an Obligor being in non-compliance of any security cover ratio stipulated in any finance document executed by such Obligor in relation to the facilities availed by such Obligor.
4. Kindly arrange to submit the financial statements for quarter ending September 2012.

Yours faithfully,

[Handwritten signature]
[Handwritten text: Page-2009 23.06.12]



भारतीय स्टेट बैंक
State Bank of India

88-2

कारपोरेट लेखा समूह - मुंबई, नेवील हॉऊस, 3री मंजिल, जे. एन. हेरेडीया मार्ग,
बेलाई इस्टेट, मुंबई - 400 001.
Corporate Accounts Group - Mumbai, Neville House, 3rd Floor,
J. N. Heredia Marg, Ballard Estate, Mumbai - 400 001.

Tel.No.022-61542861, 27719666 Fax No.61542802, 61542819

Date June 28th, 2012

Ref. No. :
CAG/AMT-6/12-13/27-1.

Reliance Communications Ltd.,
H Block, 1st floor,
Dhirubhai Ambani Knowledge City,
Navi Mumbai - 400 710.

Dear Sir,

We have pleasure in advising that as per your request, the Bank has enhanced the following credit facilities, payable on demand and subject to periodical review at the Bank's discretion :-

NATURE OF FACILITIES	(Rs in Cr)	
	Existing	Proposed
FUND BASED (FB)		
Fund Based Working Capital	330.00	1000.00
FUND BASED (FB) Total	330.00	1000.00

2. The above limits are subject to the terms and conditions detailed in Annexure I and II will be made available on execution of necessary additional security documents as may be required.

3. Unconditional Cancellability:

The Bank reserves the absolute right to cancel the limits (either fully or partially) unconditionally without prior notice.

- in case the limits / part of the limits are not utilized by the company, and / or
- in case of deterioration in the loan accounts in any manner whatsoever, and/ or
- in case of non-compliance of terms and conditions of sanction.

Also, During the currency of the Credit facility the bank will have the option of calling up the advance and also withdraw cheque facility in terms of the Bank's policy on dishonor of cheque, in case incidence of frequent dishonor of cheque/failed ECS(debit) due to insufficient funds is observed in the account. For details, please refer to the policy on dishonor of cheque displayed at www.sbi.co.in

4. Clause regarding details of borrowing arrangements:

The Company shall furnish information about credit facilities enjoyed from the banking system, as required under the RBI circular letter DBOD No. BP BC 46/08.12.001/2008-09 dated 19th September 2008.



Reliance Communications Limited

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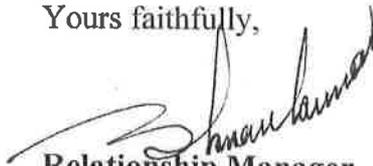


CAG-Mumbai

5. Please return to us the duplicate copy of this letter, duly signed by authorized signatory of the Company in token of acceptance of the terms and conditions stipulated herein.

Assuring you our Best of Services.

Yours faithfully,


Relationship Manager
Encl: As above

Accepted.

29/6/2012.



Annexure I

Facility	Fund based Working Capital facility
Amount	Rs 1000.00 Cr
Purpose	To meet temporary mismatch of cash flow
Interest Rate	2.00% above Base Rate of 10.00% i.e present effective rate of 12.00% floating
Repayment	4 months from the date of first drawal
Security	Pari-passu first charge on all inventory and receivables of the company and pari-passu second charge on all fixed assets of Reliance Communications Ltd, Reliance Infratel Ltd, Reliance Communications Infrastructure Ltd and Reliance Telecom Ltd both present and future with other lenders
Time for creation of security	A time period of 3 months from the date of acceptance of sanction letter for creation of second charge on fixed assets of the Reliance Communications Ltd, Reliance Infratel Ltd, Reliance Communications Infrastructure Ltd and Reliance Telecom Ltd. In the event of non creation of charge penal interest of 1% on the entire outstanding for the period of default will be levied.
Margin	Receivables – 25% Inventory – 25%
Processing fee	Rs.20.00 lacs
Documentation	As per Bank's standard format
Event of Default	Non-payment of interest/ principal on due date; Penal interest of 2% on entire outstanding for the period of default.
Commitment fee	a.0.25% of unutilized limits, if utilization is 50-75% or less. b.0.50% p.a on entire unutilized portion on quarterly basis if utilization is less than 50%
Other conditions	The facility will be utilized for the purpose for which it is approved. The facility shall not be used for investments in Real estate, Stock Market or Inter Corporate Deposits. End use certificate from the chartered accountant to be submitted.



Annexure II

STANDARD COVENANTS

- (i) Subject to the Borrower's obligations to third parties as to secrecy, Bank will have the right to examine at all times the company's books of accounts and to have the company's place of business inspected, from time to time, by officer(s) of the Bank and / or qualified auditors of the Bank's choice. Cost of such inspection shall be borne by the company. PROVIDED that if the auditor or technical expert is not a Whole-time employee of the Bank, such Auditor or Technical Expert shall be acceptable to the Borrower, having regard to his other activities, if any and on signing appropriate NDA with the Borrower.
- (ii) The company shall maintain adequate books of accounts, which should correctly reflect its financial position and scale of operations and shall not radically change its accounting system without notice to the Bank.
- (iii) The company shall submit to the Bank such financial statements as may be required by the Bank from time to time, apart from the set of such statements to be furnished by the company to the Bank as on the date of publication of the company's annual accounts.
- (iv) The profits of the Borrower (after provision for taxation), shall be utilised first for repayment of installments under the Loan granted by the Bank or other repayment obligation, if any, due from the Borrower to the Bank or other term lenders before making reserves or declaring dividends or repayment of any other obligation.
- (v) If the Borrower commits default in repayment of the loan and payment of interest thereon on due dates, the Bank shall have an unqualified right to disclose name of the borrower and its Directors to the Reserve Bank of India (RBI). The Borrower hereby gives its consent to the bank and/or RBI to publish its name and the names of its Directors as defaulters in such manner and through such medium as the Bank/RBI may in their absolute discretion think fit.
- (vi) As a precondition to the grant of the facility, the Borrower hereby agrees and consents for the disclosure by the Bank of all or any information and data relating to the Borrower, the Facility availed by the Borrower, obligations assumed/to be assumed by the Borrower in relation thereto and default if any, committed by the Borrower in discharge thereof, as the Bank may deem appropriate and necessary to disclose and furnish to Credit Information Bureau (India) Ltd. and any other agency so authorized in this behalf by RBI.
- (vii) The company will not induct in their Board a person whose has been identified as a willful Defaulter or is a Director of a Company, or a Partner in a Partnership Firm, which has been identified as a willful defaulter and in case such a person is found to be on the Board of Directors of the borrower, it shall take expeditious and effective steps for the removal of the person from its Board.
- (viii) The company shall keep the Bank advised of any circumstance materially/adversely affecting the financial position of their subsidiaries/groups



companies or companies in which it has invested, including any action taken by any creditor against the said companies legally or otherwise.

- (ix) For all term loans, borrower shall be liable to pay penal interest at rate of 2% p.a., over and above the Interest Rate Applicable, if the Borrower commits default in payment of interest and/or repayment of installments on the due date thereof in respect of any other credit facilities extended by the bank/other Term lenders to the Borrower and such default continues unremedied beyond the grace period, if any provided under the relevant document.
- (x) Each of following events will attract penal interest at applicable rate as indicated, over and above the normal interest applicable in the account:
- Irregularities in cash credit accounts. On the entire outstandings, if continuously irregular for a period beyond 60 days; in other cases, on the irregular portion. (at 2%p.a).
 - Non-submission of renewal data beyond three months from the due date of renewal (at 1%p.a).
 - Non-compliance with covenants (at 1%p.a).

However, the total penal interest charged on a borrower due to various non compliances will not exceed 3%p.a

NEGATIVE COVENANTS:

During the currency of the facility, if the company/Borrower undertakes any one or more of the following activities, it shall intimate in writing the details thereof to the bank immediately thereafter, but in any case, within 7 days from the date of happening of any of the following. However, if in the opinion of the Bank, the move contemplated by the company is not in the best interest of the Bank, then the Bank will have the right to call back the credit facilities sanctioned.

- I. Effect any change in the company's capital structure.
- II. Formulate any scheme of amalgamation or reconstruction.
- III. Undertake any new project, implement any scheme of expansion or acquire fixed assets except those indicated in the funds flow statement submitted to the Bank from time to time and approved by the Bank.
- IV. Enter into borrowing arrangement either secured or unsecured with any other bank, financial institution, company or otherwise except Capital expenditure, Working Capital Borrowings and inter-corporate borrowings from other group companies in the normal course of business of the company.
- V. Undertake any guarantee obligation on behalf of any other company (excluding group companies).
- VI. Declare dividends except out of profits relating to the year for which dividend is being declared.
- VII. Create any charge, lien or encumbrance over its undertaking or any part thereof in favour of any financial institution, bank, company, firm or persons.



- VIII. Sell, assign, mortgage, transfer, grant lease or otherwise dispose off any of the assets, which are essential for the business of the company.
- IX. Enter into any contractual obligation of a long-term nature or affecting the company financially to a significant extent other than in normal course of business.
- X. Undertake any trading activity other than the sale of products arising in the normal course of business.
- XI. During the currency of the facility, the Reliance ADA Group continues to have Management Control of or own atleast 26% of the issued Share capital in the Borrower.

Management Control of the Borrower during the currency of the facility shall continue to vest in Reliance Anil Dhirubhai Ambani Group. For the purpose of this clause "Management Control" means the power to appoint and/or remove all or a majority of the members of the Board of Directors of the Borrower or otherwise directly or indirectly to control or have the power to control the affairs and policies of the Borrower.

Copy to – Dy. General Manager & COO, State Bank of India, CAG Branch, Mumbai for your information and necessary action please.


Relationship Manager





भारतीय स्टेट बैंक
भारतीय स्टेट बैंक
State Bank of India

परियोजना वित्त एसबीयू, व्हॉल्टास हाऊस, पहला आणि दुसरा मजला,
23, जे. एन. हेरेडिया मार्ग, बलार्ड एस्टेट, फोर्ट, मुंबई - 400 001.
परियोजना वित्त एसबीयू, व्हॉल्टास हाऊस, प्रथम एवं द्वितीय तल,
23, जे. एन. हेरेडिया मार्ग, बलार्ड एस्टेट, फोर्ट, मुंबई - 400 001.
Project Finance SBU, Voltas House, 1st & 2nd Floor,
23, J. N. Heredia Marg, Ballard Estate, Fort, Mumbai - 400 001.

Tel.: 2268 6901 / 02 / 03 | Fax : 2268 6911

The Managing Director,
Reliance Communications Ltd / Reliance Telecom Ltd
H Block, 1st Floor
Dhirubhai Ambani Knowledge City
Navi Mumbai 400 710

Date :

Ref. No. :

PF/PK/1567

Date: 13.10.2012

Kind Attn.: Shri Vishwas Joshi, President – Corporate Finance

Dear Sir,

Reliance Communications Ltd (RCOM/Company)
Letter of Intent - Rupee Term Loan of Rs 1,625 Crore
Modification

Please refer to our letter No. PF/PK/1424 dated 26.10.2012 and your letters dated October 8, 2012 & October 9, 2012 with regards to modification in terms and conditions of Letter of Intent.

2. In this connection, the following modifications in Terms and Conditions have been made.
All other terms of sanction shall remain unchanged.

Existing Sanction Term	Proposed Terms
Annexure II Page 14 Para 11: Other Conditions (a) Security as stipulated to be completed before interim disbursement.	Annexure II The Stipulation has now been modified as:- <ul style="list-style-type: none">- Security as stipulated in Para 7 to be completed within 4 months from the date of interim disbursement.- The Company shall create second ranking pari passu charge on all the present and future moveable plant and machinery including tower assets and optic fibre cables, if any, capital work in progress (pertaining to movable fixed assets) of Reliance Communications Ltd. (RCOM), Reliance Telecom Limited (RTL), Reliance Communications Infrastructure Limited (RCIL) & Reliance Infratel Limited (RITL) before interim disbursement

3. Please communicate to the Bank the acceptance of the modification of terms and conditions by returning to us a duplicate copy hereof duly signed by the authorised representative(s) of the Company in token of having accepted the terms and conditions supported by two certified copies of the resolution duly passed by the Board of Directors of the Company.

4. Meanwhile, kindly acknowledge receipt.

Yours faithfully,

Deputy General Manager
(Project Finance SBU)



Date :

Ref. No. :

The Managing Director,
Reliance Communications Ltd / Reliance Telecom Ltd
H Block, 1st Floor
Dhirubhai Ambani Knowledge City
Navi Mumbai 400 710

PF/PK/1424

Date: 26.09.2012

Kind Attn.: Shri Vishwas Joshi, President – Corporate Finance

Dear Sir,

Reliance Communications Ltd (RCOM/Company)
Letter of Intent - Rupee Term Loan of Rs 1,625 Crore

We refer to your letter dated 8th June 2012 requesting debt funding to RCOM and your letter dated 1st August 2012 mandating SBI Capital Markets Ltd. for syndication of Rs 6,500 Cr and our subsequent discussions/ correspondences on the same.

2. In this regard, subject to Terms and Conditions broadly indicated in Annexure I to this letter, we are agreeable to sanction the following credit facilities

- Rupee Term Loan of Rs 1,500 Cr (Rs One Thousand Five Hundred Crore only) to RCOM and
- Rupee Term Loan of Rs 125 Cr (Rs One Hundred Twenty Five Crore only) to Reliance Telecom Ltd (RTL).

Further, we are also agreeable for an interim disbursement of Rs 300 Cr to RCOM within the proposed Rupee Term Loan of Rs 1,500 Cr on the Terms and Conditions broadly indicated in Annexure II.

3. The final terms and conditions will be detailed at the time of preparation of final agreement/documentation in this regard.

4. An All-Inclusive Fees at 1% of the Facility amount of Rs 6,500 Cr plus applicable taxes shall be payable. The fees include upfront fees payable for SBI Facility, syndication fees for SBI Capital Markets and upfront fees payable to lenders. This All Inclusive Fees shall be payable as per the following milestones:

Milestone 1

Rs. 5 Cr plus applicable taxes shall be payable to SBI upon conveyance of the sanction letter.

Milestone 2

(a) Rs 11.25 Cr plus applicable taxes shall be payable to SBI on the date of execution of Term Loan Facility Agreement or any interim facility agreement with SBI, whichever is earlier.

(b) Rs.48.75 Cr plus applicable taxes, on a pro-rata basis with respect to Rs.6,500 Cr, payable to SBI Capital Markets on the date of execution of the Term Loan Facility Agreement or any interim facility, whichever is earlier. Fees collected by SBI Capital Markets shall also include upfront fees payable to lenders. SBI/SBI Capital Markets at any point of time shall suitably advise the Borrower as to which party (SBI/ SBICAP/ other lenders) needs to be paid by RCOM for respective milestones.

5. The interest rate on the SBI facility as mentioned in the item no. 18 of Annexure I will be inclusive of the facilitation interest of 0.25% p.a. which will be computed on the similar lines of interest payable on the Term Loan.

6. Please communicate to the Bank within 15 days of this letter, the acceptance of the terms and conditions set out herein by returning to us a duplicate copy hereof duly signed by the authorised representative(s) of both RCOM and RTL in token of having accepted the terms and conditions supported by two certified copies of the resolution duly passed by the respective Board of Directors. The resolution must provide that RCOM/RTL are agreeable to enter into the Loan Agreements/documentation within the time stipulated by SBI, along with the names of the authorised signatories for the purpose. There is no obligation or commitment on the part of SBI to advance any money till such Agreements are executed.

7. The sanction of facility is valid up-to 31st December 2012.

8. Meanwhile, kindly acknowledge receipt.

Yours faithfully,


Asst. General Manager
(Project Finance SBU)
Encl: Pages (14 Pages)



Terms & Conditions

1. Reliance Group	"Reliance Group" means Mr. Anil Dhirubhai Ambani ("ADA") and his family in a personal capacity and family trusts (in respect of the shares held by such family members or family trusts, only those shares deemed controlled by Mr. Anil Dhirubhai Ambani will be included for the purposes of this definition) or the companies where ADA has at least a 26% stake and the companies that are also controlled directly or indirectly by ADA (together "Reliance Group").
2. Borrower(s)	Borrower 1 - Reliance Communications Ltd. (RCOM) Borrower 2 - Reliance Telecom Limited (RTL)
3. Obligor Group	Reliance Communications Ltd. (RCOM), Reliance Telecom Limited (RTL), Reliance Communications Infrastructure Limited (RCIL), Reliance Infratel Limited (RITL) & Reliance Globalcom BV (RGBV). Each one of the above entity would be individually referred to as a Obligor & together would be referred to as the "Obligor Group". RCOM shall act as the "Obligor's Agent".
4. RCOM Group	Reliance Communications Ltd. (RCOM) along with all its subsidiaries
5. Lenders	Banks/Financial Institutions, collectively the "Lenders", who are participating in funding the project by way of the Facility. State Bank of India shall act as the Facility Agent.
6. Facility	A Rupee Term Loan of Rs.6,500 Crore under a consortium arrangement to the Borrower(s) earmarked as under - Rs. 6,000 Cr to Borrower 1 (RCOM) & - Rs. 500 Cr to Borrower 2 (RTL) All terms & conditions mentioned herein shall apply to both term loans of the Facility.
7. Purpose of the Facility	For meeting ongoing - 1. Capital expenditure 2. Operational expenditure 3. Repayment of existing liabilities, other than any related party/ shareholder loans
8. State Bank of India Facility	A Rupee Term Loan of Rs 1,625 Cr
9. Syndicated Amount	A Rupee Term Loan of Rs 4,875 Cr
10. Syndicator/ Sole Arranger	SBI Capital Markets Ltd. (SBICAPS) shall be the sole arranger for the Facility
11. Signing Date:	The date on which the loan documentation for the Facility (the "Facility Agreement") is signed by the parties thereto.
12. Lenders Base Case	The business plan and financial projections as accepted by the Lenders at the time of sanction.
13. Validity Period of SBI Facility	- The commercial terms shall be valid for a period upto one month from the date of sanction before which Company shall convey their acceptance. - The other sanction terms shall be valid up to a period of three months from the date of sanction before which Facility Agreement shall be executed.



14. Availability Period	<ul style="list-style-type: none"> - For Borrower 1: Until 31st March 2013. - For Borrower 2: 3 months from the creation of "Additional Security" or 30th September 2016 whichever is earlier. <p>Any undrawn amount of the Facility at the end of the Availability Period will be automatically cancelled and will not be available for drawing.</p>																									
15. Moratorium	Upto 30 th September 2016																									
16. Repayment	<p>Principal Repayment in 14 structured quarterly installments post Moratorium. For both term loans i.e. Rs 6,000 Cr to RCOM and Rs 500 Cr to RTL.</p> <table border="1" data-bbox="467 533 1214 752"> <thead> <tr> <th></th> <th>Q1</th> <th>Q2</th> <th>Q3</th> <th>Q4</th> </tr> </thead> <tbody> <tr> <td>FY 2017</td> <td>-</td> <td>-</td> <td>8%</td> <td>8%</td> </tr> <tr> <td>FY 2018</td> <td>8%</td> <td>8%</td> <td>8%</td> <td>8%</td> </tr> <tr> <td>FY 2019</td> <td>1%</td> <td>1%</td> <td>1%</td> <td>1%</td> </tr> <tr> <td>FY 2020</td> <td>12%</td> <td>12%</td> <td>12%</td> <td>12%</td> </tr> </tbody> </table> <p>The repayment due dates shall be 31st December, 31st March, 30th June and 30th September in each year.</p>		Q1	Q2	Q3	Q4	FY 2017	-	-	8%	8%	FY 2018	8%	8%	8%	8%	FY 2019	1%	1%	1%	1%	FY 2020	12%	12%	12%	12%
	Q1	Q2	Q3	Q4																						
FY 2017	-	-	8%	8%																						
FY 2018	8%	8%	8%	8%																						
FY 2019	1%	1%	1%	1%																						
FY 2020	12%	12%	12%	12%																						
17. Door to Door Tenor	7 years and 6 months																									
18. Interest Rate on the SBI Facility	<p>Floating rate of interest equivalent to SBI Base Rate (SBBR) plus a "Spread" of 2.75% present effective 12.50% p.a. with monthly rests. The interest payable shall be subject to the changes in interest rate policy, etc. made by the Reserve Bank of India/any other agency empowered for the purpose from time to time. However, Interest Rate cannot be lower than the base rate of any participating lender in the Facility.</p>																									
19. Trigger for Re-Pricing of Rate of Interest	<p>Any adverse deviation from the estimated/ projected level in the Lenders Base Case by more than 20%, in respect of any two of the following financial parameters, arrived at from financial results, will entitle the Bank to re-price the loan.</p> <ul style="list-style-type: none"> i. Interest Coverage Ratio ii. Return on Capital Employed iii. TOL/TNW iv. Gross DSCR; However, the same shall not be below 1 at any point of time during the tenor of the Facility. v. Current Ratio <p>The measurement of deviation shall be with reference to last audited statement of accounts and made from the first anniversary of the First Disbursement and annually thereafter.</p>																									
20. Interest Tax, Levies & Duties	Interest tax / other levies / duties, if any, applicable as per Facility Agreement, shall be payable by the Borrower(s) over and above the Interest Rate mentioned above.																									
21. Commitment Fee	Commitment fee of 1.20% on the amount of undrawn amounts i.e. variance in actual disbursements with respect to quarterly disbursement schedule provided by the Borrower(s) at the time of documentation for the entire availability period or the amended disbursement schedule accepted by the Lenders. The Commitment Fee shall be calculated on the basis of amount undrawn during that quarter.																									



	The disbursement schedule, with the approval of the Lender's Agent, may be amended by the Borrower(s), with a thirty (30) days' prior written notice before the beginning of the respective quarter.
22. Prepayment Premium	<p>The Borrower(s) shall at any time have the option to prepay the Lenders in part or in full, the loan together with all interest, prepayment premium and other charges and monies due and payable to the Lenders upto the date of such prepayment, on payment of prepayment premium equal to 1 % of the amount prepaid.</p> <p>No pre-payment premium, however, shall be payable if the pre-payment is effected in any of the following events:</p> <ol style="list-style-type: none"> At the instance of the Lenders; From the surplus internal accruals generated by the Project with 30 days prior notice period with such prepayment being made once in financial year, From proceeds of strategic sale of assets of group entities or equity infusion. On Re-pricing of Rate of Interest if interest is found unacceptable, the Borrower(s) shall have the option to prepay the outstanding Rupee Term Loan by advising its intention to prepay within 30 days of such re-pricing advice date and prepay the Rupee Term Loan within 90 days from the re-pricing date; However, during this period, the Company shall service the Facility at the Re-priced Rate of Interest
23. Liquidated damages on defaulted payments	<p>The Borrower(s) shall pay default interest @ 1% p.a. for the period of default on the total outstanding amount</p> <ul style="list-style-type: none"> - in respect of Principal & interest or any other monies due on their respective due dates. - In case of Cross Default to other lenders <p>Arrears of default interest shall carry interest at the applicable Interest Rate till the date of payment of the defaulted amount.</p> <p>However, the total additional interest on account of liquidated damages, non-compliance of various conditions/stipulations shall not exceed 3% p.a.</p>
24. Security	<p>Security for the Facility shall be created in two stages – namely Stage - 1 & Stage - 2</p> <p><u>Stage - 1 ("Initial Security")</u></p> <p>The proposed Facility along with interest, fees, commission and other dues to the Lenders shall be secured by:-</p> <ol style="list-style-type: none"> 1) First pari - passu charge on all the present and future moveable plant and machinery including (without limitation) tower assets and optic fibre cables, if any, capital work in progress (pertaining to movable fixed assets) of Reliance Communications Ltd. (RCOM), Reliance Telecom Limited (RTL), Reliance Communications Infrastructure Limited (RCIL) & Reliance Infratel Limited (RITL); 2) First paripassu charge on all the rights, title, interest, benefit, in respect of all insurance contracts entered into in relation to the assets described in



(1) above;

3) Assignment of all telecom licenses of RCOM (UASL, NLD & ILD)

4) Negative lien on the following –

- present and future moveable fixed assets of RGBV (subject to existing encumbrance as on date of execution of Facility Agreement)
- present and future immoveable assets of the Obligor Group
- Telecom Licenses held by RTL (subject to the existing assignments of the telecom licenses for the benefit of the existing lenders of RTL)
- present & future investments of RCOM in the Obligor Group, subject to existing encumbrance as on date of execution of Facility Agreement
- cash and cash equivalents of the Obligor Group (subject to existing encumbrance as on date of execution of Facility Agreement)

The security in (1) (2) & (4) shall be created before first disbursement and (3) within 6 months from the date of first disbursement.

The above security shall be shared on a pari - passu basis with other Secured creditors of the Obligor Group.

Stage - 2 (“Additional Security”)

5) First pari - passu charge on all present & future moveable fixed assets of the Obligor Group, including, but not limited to moveable Plant and Machinery and Capital Work in Progress

6) Assignment of all telecom licenses of the RTL (UASL)

7) First pari-passu charge on present and future cash flows, receivables, other current assets, revenues, intangibles of the Obligor Group

8) First pari-passu charge on all present and future immoveable assets of the Obligor Group

9) Assignment of rights, titles, interests, benefits, claims and demands in material project contracts incl. insurance proceeds of the Obligor Group.

10) Implementation of Co-obligor structure for the Obligor Group. This shall mean joint and several guarantees from each of the members of the Obligor Group to secure the obligations of the Borrower(s) in connection with this Facility.

11) Pledge by

- a) RCOM over their shareholding in RCIL;
- b) RCOM and Reliance Infocomm Infrastructure Private Limited over their shareholding in RTL.

12) Subject to regulatory approvals permitting mortgage of spectrum, all spectrum belonging to the Obligor Group shall be mortgaged in favour of Lenders within 3 months from the date of such permission/notification.

The security in (5), (6), (7), (8) (9) ,(10) & (11) shall be created post obtention of consent of existing lenders of respective Obligor Group



	<p>entities and such other regulatory or statutory approvals, as may be required. The same shall have to be created & perfected within 6 months from the date of first disbursement of the Facility. However, in instances where despite the Obligor Group having demonstrated due effort to create/perfect security, if there is a delay on account of statutory/regulatory reasons, the same shall not be construed as an Event of Default.</p> <p>The above security shall be shared on a pari - passu basis with other Secured creditors of the Obligor Group.</p> <p>All Security to be held by Security Trustee for the benefit of Lenders in a form and manner satisfactory to State Bank of India.</p>										
<p>25. Additional Interest</p>	<p>In case the Obligor Group fails to create & perfect the Security (for both Stage - 1 & Stage - 2) within stipulated time periods, the Borrower(s) shall pay an additional interest of 1% p.a. on the entire outstanding loan amount from the end of such stipulated time period till creation & perfection of Security. However, in instances where despite the Obligor Group having demonstrated due effort to create/perfect security, there is a delay is on account of statutory/ regulatory reasons, extension in timeline, based on mutual consent between RCOM & SBI may be granted. During such extension, such additional interest may not be charged. Any further disbursements pending perfection of security shall be at the sole discretion of the Lenders.</p>										
<p>26. Stake sale/ Equity infusion</p>	<p>The Borrower undertakes to implement a stake sale/ equity infusion plan due to which a cash infusion shall be made into the Borrower as per the schedule indicated below:-</p> <table border="1" data-bbox="496 1160 1235 1310"> <thead> <tr> <th>Financial Year</th> <th>(Amount in Cr)</th> </tr> </thead> <tbody> <tr> <td>31st March 2013</td> <td>5,000</td> </tr> <tr> <td>31st March 2014</td> <td>10,400</td> </tr> <tr> <td>31st March 2015</td> <td>1,000</td> </tr> </tbody> </table> <p>Borrower shall pay an additional interest of 1% p.a. on the entire outstanding loan amount in case of any breach in compliance with the above undertaking till such time the breach is cured. Further, any breach in adherence to the above schedule shall be construed as an Event of Default.</p>	Financial Year	(Amount in Cr)	31 st March 2013	5,000	31 st March 2014	10,400	31 st March 2015	1,000		
Financial Year	(Amount in Cr)										
31 st March 2013	5,000										
31 st March 2014	10,400										
31 st March 2015	1,000										
<p>27. Debt Reduction Undertaking/ Covenant</p>	<p>The Borrower undertakes to implement a debt reduction schedule due to which the aggregate Gross Debt of RCOM Group (consolidated financials of RCOM as per Indian GAAP) shall not exceed:</p> <table border="1" data-bbox="496 1653 1241 1839"> <thead> <tr> <th>As on</th> <th>(Amount in Cr)</th> </tr> </thead> <tbody> <tr> <td>31st March 2013</td> <td>41,000</td> </tr> <tr> <td>31st March 2014</td> <td>32,500</td> </tr> <tr> <td>31st March 2015</td> <td>29,000</td> </tr> <tr> <td>And thereafter shall not exceed</td> <td>25,500</td> </tr> </tbody> </table> <p>Borrower shall pay an additional interest of 1% p.a. on the entire</p>	As on	(Amount in Cr)	31 st March 2013	41,000	31 st March 2014	32,500	31 st March 2015	29,000	And thereafter shall not exceed	25,500
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	<p>outstanding loan amount in case of any breach in compliance with the above undertaking till such time the breach is cured. Further, any breach in adherence to the above schedule shall be construed as an Event of Default.</p> <p>For the purpose of testing the above, foreign currency component of Gross Debt shall be calculated as per 1 USD = Rs. 55.</p>
28. Financing Documentation	<p>The Facility will be governed by a Facility Agreement in form and substance acceptable to both the parties. The Facility Agreement will contain usual provisions for a facility of this nature and the conditions precedent, events of default, representations and warranties, and covenants detailed in this term sheet.</p> <p>Finance Documents shall include the Facility Agreement and other documents designated as such by the Lender and the Borrower(s).</p>
29. Pre-commitment conditions	<p>The Borrower(s)</p> <ol style="list-style-type: none"> Ties-up the entire debt requirements envisaged in the Facility. Gives a declaration / undertaking to the effect that none of its directors, is a director or specified near relation of a director of a lending bank Confirms/undertakes that name of none of the directors appears in RBI's/CIBIL's Defaulters' list/ECGC Caution List undertakes that the Obligor Group are in compliance with all matters pertaining to licenses and regulations.
30. Conditions Precedent	<p>Prior to first disbursement under the Facility, the Borrower(s) shall, to the satisfaction of the Lenders, have complied with the following:-</p> <ol style="list-style-type: none"> All the financing documents pertaining to the Facility (save and except the security documents required to be executed in connection with the Stage 2 Additional Security and the telecom license assignment of RCOM) shall have been executed and the same are in full force and effect backed by a legal opinion from Lenders Legal Counsel. Confirmation from the Lenders Legal Counsel that the terms of security offered by RCOM, RCIL, RTL and RITL as part of the Stage 1 Initial Security are at par with the terms of the security provided by RCOM, RCIL, RTL and RITL over their assets for the benefit of the other lenders of RCOM. Create/perfect the security as envisaged under the Security clause within the stipulated time periods. Provide an undertaking that – <ul style="list-style-type: none"> Borrower(s) shall seek waiver from lenders of existing debt facilities for non-compliance of financial covenants for Financial Year 2012 and seek modification in financial covenants on the lines of Financial Covenants of this Facility. Consent letters from existing lenders/facility agents granting waiver for non-compliance of financial covenants for Financial Year 2012 and modification in financial covenants on the lines of Financial Covenants of this Facility to be in place within 6 months from the date of first disbursement. Additional interest of 1% p.a. shall be payable in case of any delay in obtaining waiver/modification in financial covenants from



	<p>existing lenders.</p> <ul style="list-style-type: none"> - The Borrower(s) has not agreed to more favourable terms than those offered to the "Lenders" of this "Facility" in any of its existing debt facilities. In case, it is subsequently found that more favourable terms have been agreed to by the Borrower(s), the same shall also be applicable for the Facility. Further, the Lenders are free to take any action that they deem fit to regularize the position. - Cash infusion on account of stake sale transactions i.e. Rs. 5000 Crs in FY'13, Rs. 10,400 Crs in FY'14 & Rs. 1,000 Crs in FY'15 shall not be reduced on account of tax implications, if any. If cash infusion is reduced on account of tax implication or proceeds of stake sale transactions are not available for debt reduction, the Borrower shall infuse additional cash so as to give the same financial impact. <p>(e) Submission of certified copies of constitutional documents of each of Obligors;</p> <p>(f) Submission of certified copies of appropriate board resolutions and other corporate authorizations;</p> <p>(g) Submission of certified copies of all approvals including regulatory and shareholder approvals to the extent applicable;</p> <p>(h) Agree to submit a certificate of end use of the disbursement within 30 days of such disbursement and a certificate from the Statutory Auditor within 60 days of such disbursement.</p> <p>However, any disbursement to RTL under the Facility shall be made only subsequent to creation of "Additional Security".</p>
<p>31. Affirmative Covenants</p>	<p>The Borrower(s) agrees that or shall ensure that (as applicable):-</p> <ul style="list-style-type: none"> a. Reliance Group shall maintain Management Control of the Obligor Group and its subsidiaries through the entire tenor of the Facility. Management Control shall mean the right to appoint/remove majority of directors on the Board of the Obligor Group or power to directly/indirectly cause the direction of management and policies of a company. b. All statutory clearances as applicable shall be obtained and maintained at all times during the tenor of the Facility. c. All telecom business related approvals/clearances/ licenses from Department of Telecommunication or any other statutory body shall be obtained and maintained during the tenor of the Facility. d. To create security by way of mortgage of spectrum in favour of Lenders subject to regulatory approvals. Further, in case a more favourable term is offered to any other lender to the Obligor Group, the same shall also be applicable to the Lenders of the Facility. e. In case of default in repayment of the loan / advances or in the payment of the interest thereon or any of the agreed installments of the loan on due date/s by the Borrower(s), the Bank and / or the RBI will have an unqualified right to disclose or publish the Borrower(s) name/unit and its directors/ partners / proprietors as defaulter in such manner and through such medium as the Bank or RBI in their absolute discretion may think fit. f. The Bank will have the right to share credit information as deemed



	<p>appropriate with CIBIL or any other institution as approved by RBI from time to time.</p> <p>g. The Borrower(s) shall not induct into its Board a person whose name appears in the wilful defaulters list of RBI/ CIBIL (other than as a Nominee/ Professional/ Honorary director). In case such a person is already on the Board of the borrowing company, it would take expeditious and effective steps for removal of that person from its Board.</p> <p>h. Lenders shall have the right to securitize the loan asset and in the event of such securitization, the Bank is not bound to send an individual intimation to the Borrower(s) or any other Obligor.</p> <p>i. Borrower(s) shall ensure that its assets and the assets of each other Obligor are fully insured</p> <p>j. Bank shall have the right to convert at its option the whole or part of the defaulted amount of the Loan into fully paid-up equity shares of the Borrower(s), at a mutually acceptable formula (or as per SEBI Regulation), if the Borrower(s) commits a default in payment of interest or repayment resulting into an Event of Default.</p> <p>k. It shall, at all times during the currency of the Facility, comply with the environmental, health, safety and social (EHSS) regulations/requirements.</p> <p>l. The Borrower(s) agrees to offer to the Bank, at least pro-rata business relating to remittances, bills / cheque purchase, non-fund based transactions including LCs and BGs, forex transactions and any interest rate or currency hedging business.</p> <p>m. Modify/Amend its Memorandum of Association or Articles of Association as per the requirements of the proposed Facility.</p> <p>n. Lenders shall have the right to appoint independent agencies, in consultation with the Borrower(s), for monitoring of the financials and operational performance with cost to be borne by the Borrower(s).</p>
<p>32. Negative Covenants</p>	<p>The Borrower(s) shall not without prior permission of Lenders –</p> <ol style="list-style-type: none"> 1. Formulate any scheme of amalgamation or reconstruction or change in capital structure, which shall result in dilution of stake held by RCOM in the Obligor Group and its subsidiaries. FLAG transaction as defined in the Lenders Base Case shall be a sole exception to this. 2. Undertake any new project, implement any scheme of expansion or acquire fixed assets except those indicated in the funds flow statement submitted to the Bank from time to time and approved by the Bank. 3. Enter into borrowing arrangement either secured or unsecured with any other bank, financial institution, or company or otherwise or accept deposits apart from the arrangement indicated in the funds flow statements submitted to the Bank from time to time and approved by the Bank. 4. Undertake any guarantee obligation on behalf of any other company other than as permitted by the bank and those issued for the benefit of the subsidiaries of the Borrower(s) in telecom related business to the aggregate extent of Rs. 500 cr. 5. Create any charge, lien or encumbrance over its undertaking/assets or any part thereof in favour of any financial institution, bank, company,



	<p>firm or persons other than as per the Lenders Base Case approved by Bank.</p> <p>6. Enter into any contractual obligation of a long-term nature or affecting the company financially to a significant extent.</p> <p>7. Change the practice with regard to remuneration of directors by means of ordinary remuneration or commission, scale of sitting fees, etc.</p> <p>8. Undertake any trading activity other than as approved by the lenders.</p> <p>9. Permit any transfer of management control from Reliance Group or make any drastic change in the management set-up.</p> <p>10. Invest by way of share capital, Lend or advance funds to or place deposits with any other concern (excluding subsidiaries of the Borrower(s) in telecom related business to the extent of Rs. 500 cr), other than approved as per business plan. Normal trade credit or security deposits in the normal course of business or advances to employees can, however, be extended.</p> <p>11. Repay monies brought in by the promoters/ directors/ principal shareholders/related parties of Reliance Group and their friends and relatives by way of deposits/ loans / advances/sub-debt.</p> <p>12. Declare dividends for any year out of the profits relating to that year or of the previous years if the Borrower(s) is in breach of any financial covenants or the Debt Reduction Undertaking or an Event of Default has occurred.</p> <p>13. Assign or mortgage any of the fixed assets charged to the Lenders. However the Borrower(s) shall have the right to sell, lease, transfer or otherwise dispose of its assets in any period of 365 days of an aggregate amount of Rs 125 Cr.</p>
<p>33. Information Covenants</p>	<p>The Borrower(s) shall</p> <p>a. Maintain adequate books of accounts and Furnish to the Lenders every year a copy of consolidated audited annual accounts of the RCOM as per Indian GAAP together with compliance certificates within 120 days and unaudited consolidated semi-annual financial statements within 90 days;</p> <p>b. Keep the Lenders informed of the happening of any event likely to have substantial effect on its profit and business with explanations and the remedial steps proposed to be taken.</p> <p>c. Keep the Lenders advised of any circumstances which could have a material adverse effect on the financial position of its subsidiaries/group companies/companies in which it has large investments/ Obligor Group, including any action taken by the creditor against the said companies.</p> <p>d. Notify any events of default or potential events of default, material litigation and other material matters to the Lenders.</p> <p>e. Provide yearly auditor certifications as required by the Lenders incl. that on the revaluation amounts, etc.</p>
<p>34. Undertakings</p>	<p>The Borrower(s) undertakes to:-</p> <p>a) Maintain pari-passu ranking of obligations amongst secured lenders</p> <p>b) Offer to the Lenders any favourable term offered to other lenders to the Obligor Group except pricing terms.</p> <p>c) provide right of access/site inspections for Lenders throughout the</p>



	<p>tenor of the Facility</p> <p>d) Arrange for funds for payments required to be made for the following</p> <ul style="list-style-type: none"> • Onetime fee on account of spectrum held • License/ Spectrum renewal costs • Any other payment on account of regulatory compliances which has not been considered in the Lenders Base Case.
<p>35. Financial Covenants</p>	<p>RCOM Group (consolidated financials of RCOM as per Indian GAAP) shall comply with the following financial covenants throughout the tenor of the Facility including on the date of first disbursement of the Facility:-</p> <ol style="list-style-type: none"> 1. Net Worth, shall not be less than Rs. 250,000,000,000 (Rupees Twenty Five thousand crores); 2. The ratio of Net Debt to EBITDA shall not be more than 5.82 as on 31.03.2013 and 4.00 thereafter; 3. The ratio of EBITDA to Interest Expenses shall not be less than 3.00 for FY'13 & FY'14 and 4.00 thereafter; 4. The ratio of Adjusted EBITDA to Debt Service shall not be less than 1.00 5. Asset Cover Ratio shall not be less than 1.10 <p>The above covenants shall be tested annually and semi-annually respectively, on a rolling 12-month basis according to Indian GAAP. The testing for the end of Financial year shall be made on basis of Consolidated Audited Financials of the Borrower & mid of the Financial Year on the basis of Consolidated Unaudited Financials. Testing of covenants shall be done within 120 days from the respective financial year end dates. Testing of Financial Covenants to begin from 31.03.2013. Both testing shall be accompanied by a compliance certificate from the Auditor & the Borrower. For the purpose of the covenants above the definitions of the terms used are as listed below:</p> <p>Relevant Period:</p> <p>(a) each period of 12 calendar months ending on 31 March in any year; or</p> <p>(b) each period of 12 calendar months ending on 30 September in any year;</p> <p>Net Worth</p> <p>The aggregate of paid up share capital and the amount standing to the credit of its consolidated reserves, including equity warrants issued to the extent they are paid up, however, after deducting the following:</p> <ol style="list-style-type: none"> (a) all accumulated losses; (b) all deferred expenditures; (c) all deferred tax liabilities; and (d) revaluation amounts. This shall be certified by Statutory Auditor.



Net Debt

Gross Debt as reduced by cash and cash Equivalents.

Gross Debt

Sum of all fund based facilities availed by RCOM Group as per the consolidated financials of RCOM as per Indian GAAP

EBITDA

In relation to any period, the net income from ordinary activities (for the avoidance of doubt excluding non-operating income and expense) before taking into account:

- (a) Tax;
- (b) Interest Expense;
- (c) any exceptional or extraordinary items; and
- (d) amortisation of intangible assets and depreciation of tangible assets

Interest Expense

The aggregate amount of all interest, commissions and fees in respect of moneys borrowed, discounts in respect of bills, notes or debts discounted, and that part of any amount under a financing lease or hire purchase, credit sale, conditional sale or deferred payment agreement which represents any of the foregoing but after deducting any interest income received.

Adjusted EBITDA - EBITDA for that Relevant Period

- less all Taxes payable in respect of that Relevant Period.
- less realised forex losses
- less all capital expenditure for the Relevant Period.
- add cash inflow on account of asset sale/ stake sale for the Relevant Period
- add additional loans availed during the Relevant Period. This applies only for Financial Year 2013

Debt Service

The sum of:

- (a) Interest Expense for that period; and
- (b) that portion of Gross Debt scheduled for repayment in that period;

Asset Cover ratio

The ratio of a) Net Block incl. CWIP and excl. intangible assets & revaluation amounts and b) Gross Debt excluding unsecured loans, if any

Additional interest of 1% p.a. shall be levied in case of breach in the above financial covenants. However, a cure period of 30 days shall be available to the Borrower to redress the breach before which the above additional interest shall be applicable. The additional interest thus applied shall be recovered with effect from the date of breach.



36. Events of Default	<p>The following inter-alia would be the Events of Default:</p> <ul style="list-style-type: none"> (a) failure to pay any sum when due to the Lenders (b) breach of financial covenants or Debt Reduction Undertaking; (c) breach of covenants; (d) misrepresentation; (e) cross default with other indebtedness (f) Breach of material terms (g) insolvency or initiation of insolvency proceedings with respect to the borrower; (h) cessation of business by the borrower or threat of cessation; (i) invalidity/rescission/unlawfulness of a Finance Document; (j) repudiation of the Finance Document; (k) material proceedings and other litigation including court proceedings on license related issues resulting in a Material Adverse Effect; (l) expropriation, nationalization or moratoria; (m) cessation of telecom licenses (n) Change of Management Control of the Obligor Group; other than due to the notified transactions for which Lenders approval has been obtained (o) cessation of listing of the shares of the RCOM. (p) Failure to comply with license conditions or any revocation thereof (q) The occurrence of any event or circumstance which is prejudicial to or imperils or depreciates the security given to the Lenders or security ceases to be effective <p>Besides the loan documents would also incorporate other Events of Default.</p>
37. Consequences of Event of Default	<p>The following inter alia shall be the consequences of Event of Default;</p> <ul style="list-style-type: none"> a. Acceleration of debt repayment /cancellation of Facility. b. Conversion of debt into equity at a mutually acceptable formula or as per extant SEBI Regulations whichever applicable. c. Appointment of Nominee Directors by the Lenders. d. Enforcement of security
38. Cancellation Clause	<p>The Lenders have a right to unconditionally fully/partially, without notice, cancel the facility –</p> <ul style="list-style-type: none"> ➤ In case the limits/parts of the limits are not utilized by the Borrower(s), and/or ➤ In case of deterioration in the loan accounts in any manner whatsoever, and/or ➤ In case of non-compliance of terms and conditions of sanction
39. Material Adverse Effect	<p>Material Adverse Effect will be defined as any event or circumstance which has a material adverse effect on:</p> <ul style="list-style-type: none"> (a) the business operations, assets or financial condition of RCOM Group and its subsidiaries (taken as a whole); or (b) the ability of RCOM Group to perform the payment obligations and/or comply with the financial covenants contained in the Financing Documentation; or (c) the validity or legality or the enforceability of or any rights or remedies of the lenders under the Financing Documentation.
40. Change of	<p>For the purpose of this clause "control" means the power to appoint</p>



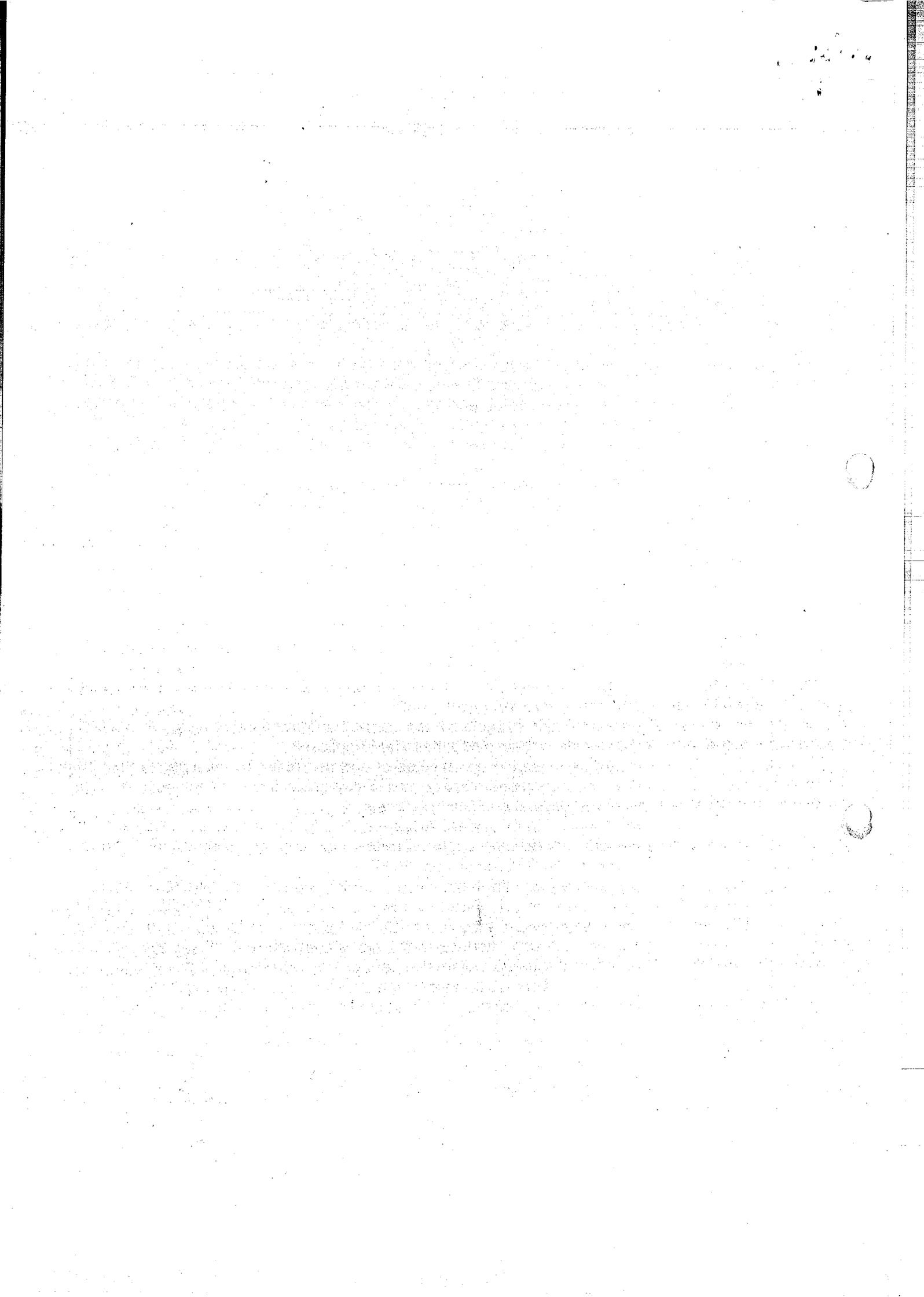
Control	and/or remove all or a majority of the members of the board of directors (excluding independent directors) and otherwise directly or indirectly to control or have the power to control the affairs and policies of the Borrower(s).
41. Transferability	Lender will have the right to freely transfer or assign or novate to one or more persons all or a portion of its rights and obligations under the Facility Documentation without the consent of the Borrower(s). However, Lenders shall inform the Borrower(s) of any such assignment/novation/transfer.
42. Governing Law and Jurisdiction	The Facility will be governed by the laws of India and will provide for submission by the Borrower(s) to the non-exclusive jurisdiction of the courts of Mumbai.
43. Documentation	In addition to the terms and conditions contained in this Term Sheet, the final documentation will contain other customary clauses such as Financial covenants, Representation & Warranties from the Borrower(s), Conditions Precedent to the effectiveness of the loan and Condition Precedent to each disbursement, Affirmative Covenants by Borrower(s), Negative Covenants, Additional Covenants, Information Covenants, Events of Defaults by the Borrower(s) and the Consequences of the Event of Default, RBI disclosure norms, as applicable etc.



Interim disbursement

1	Borrower	Reliance Communications Ltd. (RCOM)
2	Facility	Interim disbursement within the proposed Long Term Rupee Loan of Rs 1,500 Cr to RCOM
3	Purpose	For repayment of existing short term loans on their maturity.
4	Amount	Rs. 300 Cr (Rupees Three hundred Crore)
5	Pre-payment	Prepayment without pre-payment penalty permitted
6	Interest Rate	3.75% above Base Rate, present effective rate 13.50% p.a. with monthly rests.
7	Security	- First pari - passu charge on all the present and future moveable plant and machinery including (without limitation) tower assets and optic fibre cables, if any, capital work in progress (pertaining to movable fixed assets) of Reliance Communications Ltd. (RCOM), Reliance Telecom Limited (RTL), Reliance Communications Infrastructure Limited (RCIL) & Reliance Infratel Limited (RITL); - First pari passu charge on all the rights, title, interest, benefit, in respect of all insurance contracts entered into in relation to the assets above.
8	Loan documents	Loan documents drafted by Lenders Legal Counsel
9	Repayment	From disbursement of Long Term Rupee Loan of Rs 1,500 Cr in case of repayment within 6 months of interim disbursement. Borrower shall arrange to repay from its own sources in case the Long Term Rupee Loan is not disbursed within 6 months of interim disbursement.
10	Condition Precedent to interim disbursement	(a) Submission of certified copies of constitutional documents of Borrower; (b) Submission of certified copies of appropriate board resolutions and other corporate authorizations; (c) Submission of certified copies of all approvals including regulatory and shareholder approvals to the extent applicable; (d) Agree to submit a certificate of end use of the disbursement within 30 days of such disbursement and a certificate from the Statutory Auditor within 60 days of such disbursement; (e) Submission of Undertaking from RCOM that it shall seek waiver from lenders of existing debt facilities for non-compliance of financial covenants for Financial Year 2012.
11	Other conditions	(a) Security as stipulated to be completed before interim disbursement. (b) If Long Term Rupee Loan is not disbursed for what so over reason and interim disbursement is not repaid within a period of six months from the date of first disbursement, additional interest of 1% p.a. will be levied. If the interim disbursement is not repaid within 12 months from the date of first disbursement, the Bank will review the facility and initiate suitable steps as it may deem fit to regularize the position.





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227, Nariman Bhavan,
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Mumbai - 400 021



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Email: mh.5037mumnp@syndicatebank.co.in

Ref No: 2684/NPT/RCOM/2014

Date: 30.12.2014

M/s Reliance Communications Limited
Reliance Centre,
19, Waichand Hirachand Marg,
Ballard Estate, Mumbai - 400 001

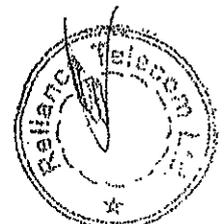
Dear Sir,

Sub: Your request for approval of New Business Plan

With reference to your request, we have pleasure to inform you that sanctioning Authority has approved the Revised Business Plan of M/s Reliance Communications Limited (Consolidated), and to permit the branch to release our share of Rs.500.00 crores (Rs.460.00 crores to Reliance Communications Limited and Rs.40.00 crores to Reliance Telecom Limited) towards part financing in the revised rupee loan requirement of Rs.6750 Crore in the consortium led by SBI, based on the revised term sheet, for a door to door tenor of 5 years and 3 months at SBRR + 2.50% i.e. 12.50% p.a. at present (Mapped with our Base Rate + 2.25% p.a.), after closure of existing Short Term Loan / Interim Facility of Rs.500.00 crores (Rs.460.00 crores to Reliance Communications Limited and Rs.40.00 crores to Reliance Telecom Limited) sanctioned to the company vide SL No.414/2918/2013 dated 05.03.2013, under consortium banking arrangement led by SBI.

Terms and Conditions for Term Loan of Rs.500.00 crores (in line with the consortium):

1. Reliance Group:	"Reliance Group" means Mr .Anil Dhirubhai Ambani ("ADA") and his family in a personal capacity and family trusts (In respect of the shares held by such family members or family trusts, only those shares deemed controlled by Mr. Anil Dhirubhai Ambani will be included for the purposes of this definition) or the companies where ADA has at least a 26% stake and the companies that are also controlled directly or indirectly by ADA (together "Reliance Group").
2. Borrower(s) :	Borrower 1 - Reliance Communications Ltd. (RCOM) Borrower 2 - Reliance Telecom Limited (RTL)
3. Obligor Group	Reliance Communications Ltd. (RCOM), Reliance Telecom Limited (RTL), Reliance Communications Infrastructure Limited (RCIL), Reliance Infratel Limited (RITL) & Reliance Globalcom BV (RGBV). Each one of the above entity would be individually referred to as an Obligor & together would be referred to as the "Obligor Group". RCOM shall act as the "Obligor's Agent".
4. RCOM Group	Reliance Communications Ltd. (RCOM) along with all its subsidiaries
5. Lenders:	Banks/Financial Institutions, collectively the "Lenders", who are participating in funding the project by way of the Facility. State Bank of India shall act as the Facility Agent.
6. Facility:	A Rupee Term Loan of Rs.6,750 Crore under a consortium arrangement to the Borrower(s) earmarked as under - Rs. 6,015 Cr to Borrower 1 (RCOM) & - Rs.735 Cr to Borrower 2 (RTL) All terms & conditions mentioned herein shall apply to both term loans of the Facility.



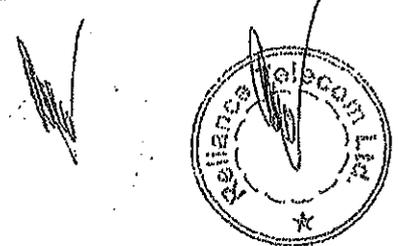
7. Purpose of the Facility:	<p>For meeting ongoing -</p> <ol style="list-style-type: none"> 1. Capital expenditure 2. Operational expenditure 3. Repayment of existing liabilities, other than any related party/ shareholder loans <p>The term loan shall be released only after closure of the existing Short term loan of Rs.500.00 crores. The release shall be made on next working day after the day on which short term loan is repaid by the company.</p>																									
8. Syndicate Bank Facility	<p>A Rupee Term Loan of Rs.500.00 Crores Borrower 1 - Reliance Communications Ltd. (RCOM) - Rs.460 crore Borrower 2 - Reliance Telecom Limited (RTL) - Rs.40 crore</p>																									
9. Syndicator/ Arranger	<p>Sole Arranger: SBI Capital Markets Ltd. (SBICAPS) shall be the sole arranger for the Facility</p>																									
10. Signing Date:	<p>The date on which the loan documentation for the Facility (the "Facility Agreement") is signed by the parties thereto.</p>																									
11. Lenders Base Case	<p>The business plan and financial projections as accepted by the Lenders at the time of sanction.</p>																									
12. Validity Period of Facility	<ul style="list-style-type: none"> - The commercial terms shall be valid for a period upto one month from the date of sanction before which Company shall convey their acceptance. - The other sanction terms shall be valid up to a period of three months from the date of sanction before which Facility Agreement shall be executed. 																									
13. Availability Period:	<p>For RCOM and RTL: Until 30th June 2015 Any undrawn amount of the Facility at the end of the Availability Period will be automatically cancelled and will not be available for drawing.</p>																									
14. Moratorium	<p>Upto 30th September 2016</p>																									
15. Repayment	<ul style="list-style-type: none"> - Principal Repayment in 14 structured quarterly installments post Moratorium. For both term loans i.e. Rs. 6,015 Cr(Our Share Rs.460 Crore) to RCOM and Rs.735 Cr(our Share Rs.40 Crore) to RTL. <table border="1" data-bbox="518 1209 1308 1377"> <thead> <tr> <th></th> <th>- Q1</th> <th>- Q2</th> <th>- Q3</th> <th>- Q4</th> </tr> </thead> <tbody> <tr> <td>- FY 2017</td> <td>-</td> <td>-</td> <td>- 8%</td> <td>- 8%</td> </tr> <tr> <td>- FY 2018</td> <td>- 8%</td> <td>- 8%</td> <td>- 8%</td> <td>- 8%</td> </tr> <tr> <td>- FY 2019</td> <td>- 1%</td> <td>- 1%</td> <td>- 1%</td> <td>- 1%</td> </tr> <tr> <td>- FY 2020</td> <td>- 12%</td> <td>- 12%</td> <td>- 12%</td> <td>- 12%</td> </tr> </tbody> </table> <ul style="list-style-type: none"> - The repayment due dates shall be 31st December, 31st March, 30th June and 30th September in each year. 		- Q1	- Q2	- Q3	- Q4	- FY 2017	-	-	- 8%	- 8%	- FY 2018	- 8%	- 8%	- 8%	- 8%	- FY 2019	- 1%	- 1%	- 1%	- 1%	- FY 2020	- 12%	- 12%	- 12%	- 12%
	- Q1	- Q2	- Q3	- Q4																						
- FY 2017	-	-	- 8%	- 8%																						
- FY 2018	- 8%	- 8%	- 8%	- 8%																						
- FY 2019	- 1%	- 1%	- 1%	- 1%																						
- FY 2020	- 12%	- 12%	- 12%	- 12%																						
16. Door to Door Tenor	<ul style="list-style-type: none"> - 5 years and 3 months including a moratorium of 1 year 9 months. 																									
17. Interest Rate	<ul style="list-style-type: none"> - Floating rate of interest equivalent to SBI Base Rate (SBBR) plus a "Spread" of 2.50% present effective 12.50% p.a. with monthly rests(linked to our rate is BR+2.25% including tenor premium) - The interest payable shall be subject to the changes in interest rate policy, etc. made by the Reserve Bank of India/any other agency empowered for the purpose from time to time. However, Interest Rate cannot be lower than the base rate of any participating lender in the Facility. 																									
18. Trigger for Re-Pricing of Rate of Interest	<p>Any adverse deviation from the estimated/ projected level in the Lenders Base Case by more than 20%, in respect of any two of the following financial parameters, arrived at from financial results, will entitle the Bank to re-price the loan.</p> <ul style="list-style-type: none"> - Interest Coverage Ratio - Return on Capital Employed - TOL/TNW 																									



	<ul style="list-style-type: none"> - Gross DSCR; However, the same shall not be below 1 at any point of time during the tenor of the Facility. - Current Ratio <p>The measurement of deviation shall be with reference to last audited statement of accounts and made from the first anniversary of the First Disbursement and annually thereafter.</p>
19. Interest Tax, Levies & Duties	Interest tax / other levies / duties, if any, applicable as per Facility Agreement, shall be payable by the Borrower(s) over and above the Interest Rate mentioned above.
20. Commitment Fee	<p>Commitment fee of 1.20% on the amount of undrawn amounts i.e. variance in actual disbursements with respect to quarterly disbursement schedule provided by the Borrower(s) at the time of documentation for the entire availability period or the amended disbursement schedule accepted by the Lenders. The Commitment Fee shall be calculated on the basis of amount undrawn during that quarter.</p> <p>The disbursement schedule, with the approval of the Lender's Agent, may be amended by the Borrower(s), with a thirty (30) days' prior written notice before the beginning of the respective quarter.</p>
21. Prepayment Premium	<p>The Borrower(s) shall at any time have the option to prepay the Lenders in part or in full, the loan together with all interest, prepayment premium and other charges and monies due and payable to the Lenders upto the date of such prepayment, on payment of prepayment premium equal to 1 % of the amount prepaid.</p> <p>No pre-payment premium, however, shall be payable if the prepayment is effected in any of the following events:</p> <ul style="list-style-type: none"> • At the instance of the Lenders; • From the surplus internal accruals generated by the Project with 30 days prior notice period with such prepayment being made once in financial year, • From proceeds of strategic sale of assets of group entities or equity infusion or securitization of receivables under the Tower Sharing agreement with other telecom operators. • On Re-pricing of Rate of Interest if interest is found unacceptable, the Borrower(s) shall have the option to prepay the outstanding Rupee Term Loan by advising its intention to prepay within 30 days of such re-pricing advice date and prepay the Rupee Term Loan within 90 days from the re-pricing date; However, during this period, the Company shall service the Facility at the Re-priced Rate of Interest
22. Liquidated damages on defaulted payments	<p>The Borrower(s) shall pay default interest @ 1% p.a. for the period of default on the total outstanding amount</p> <ul style="list-style-type: none"> • in respect of Principal & interest or any other monies due on their respective due dates. • In case of Cross Default to other lenders <p>Arrears of default interest shall carry interest at the applicable Interest Rate till the date of payment of the defaulted amount. However, the total additional interest on account of liquidated damages, non-compliance of various conditions/stipulations shall not exceed 3% p.a.</p>



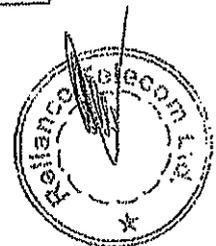
23. Security	<p>Security for the Facility shall be created in two stages -- namely Stage - 1 & Stage - 2</p> <p>Stage - 1 ("Initial Security")</p> <p>The proposed Facility along with interest, fees, commission and other dues to the Lenders shall be secured by:-</p> <ol style="list-style-type: none">1. First pari - passu charge on all the present and future moveable plant and machinery including (without limitation) tower assets and optic fibre cables, if any, capital work in progress (pertaining to movable fixed assets) of Reliance Communications Ltd. (RCOM), Reliance Telecom Limited (RTL), Reliance Communications Infrastructure Limited (RCIL) & Reliance Infratel Limited (RITL);2. First pari passu charge on all the rights, title, interest, benefit, in respect of all insurance contracts entered into in relation to the assets described in (1) above;3. Assignment of all telecom licenses of RCOM (UASL, NLD & ILD)4) Negative lien on the following --<ol style="list-style-type: none">4. present and future moveable fixed assets of RGBV (subject to existing encumbrance as on date of execution of Facility Agreement)5. present and future immoveable assets of the Obligor Group6. Telecom Licenses held by RTL (subject to the existing assignments of the telecom licenses for the benefit of the existing lenders of RTL)7. present & future investments of RCOM in the Obligor Group, subject to existing encumbrance as on date of execution of Facility Agreement8. cash and cash equivalents of the Obligor Group (subject to existing encumbrance as on date of execution of Facility Agreement) <p>The security in (1) (2) & (4) shall be created before first disbursement and (3) within 6 months from the date of first disbursement.</p> <p>The above security shall be shared on a pari - passu basis with other Secured creditors of the Obligor Group.</p> <p>Stage - 2 ("Additional Security")</p> <ol style="list-style-type: none">5) First pari - passu charge on all present & future moveable fixed assets of the Obligor Group, including, but not limited to moveable Plant and Machinery and Capital Work in Progress6) Assignment of all telecom licenses of the RTL (UASL)7) First pari-passu charge on present and future cash flows, receivables, other current assets, revenues, intangibles of the Obligor Group8) First pari-passu charge on all present and future immoveable assets of the Obligor Group9) Assignment of rights, titles, interests, benefits, claims and demands in material project contracts incl. insurance proceeds of the Obligor



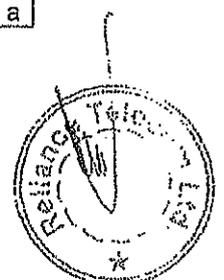
	<p>Group.</p> <p>10) Implementation of Co-obligor structure for the Obligor Group. This shall mean joint and several guarantees from each of the members of the Obligor Group to secure the obligations of the Borrower(s) in connection with this Facility.</p> <p>11) Pledge by</p> <ul style="list-style-type: none"> • RCOM over their shareholding in RCIL; • RCOM and Reliance Infocomm Infrastructure Private Limited over their shareholding in RTL. <p>12) Subject to regulatory approvals permitting mortgage of spectrum, all spectrum belonging to the Obligor Group shall be mortgaged in favour of Lenders within 3 months from the date of such permission/notification.</p> <p>The security in (5), (6), (7), (8) (9) ,(10) & (11) shall be created post obtention of consent of existing lenders of respective Obligor Group entities and such other regulatory or statutory approvals, as may be required. The same shall have to be created & perfected within 6 months from the date of first disbursement of the Facility. However, in instances where despite the Obligor Group having demonstrated due effort to create/perfect security, if there is a delay on account of statutory/regulatory reasons, the same shall not be construed as an Event of Default.</p> <p>The above security shall be shared on a pari - passu basis with other Secured creditors of the Obligor Group.</p> <p>All Security to be held by Security Trustee for the benefit of Lenders in a form and manner satisfactory to State Bank of India.</p>						
<p>24. Additional Interest</p>	<p>In case the Obligor Group fails to create & perfect the Security (for both Stage - 1 & Stage - 2) within stipulated time periods, the Borrower(s) shall pay an additional interest of 1% p.a. on the entire outstanding loan amount from the end of such stipulated time period till creation & perfection of Security. However, in instances where despite the Obligor Group having demonstrated due effort to create/perfect security, there is a delay is on account of statutory/regulatory reasons, extension in timeline, based on mutual consent between RCOM & SBI may be granted. During such extension, such additional interest may not be charged. Any further disbursements pending perfection of security shall be at the sole discretion of the Lenders.</p>						
<p>25. Stake sale/ Equity infusion</p>	<p>The Borrower undertakes to implement a stake sale/ equity infusion plan due to which a cash infusion shall be made into the Borrower as per the schedule indicated below:-</p> <table border="1" data-bbox="494 1500 1197 1601"> <thead> <tr> <th>Financial Year</th> <th>(Amount in Cr)</th> </tr> </thead> <tbody> <tr> <td>31st March 2015</td> <td>12,208</td> </tr> <tr> <td>31st March 2016</td> <td>4,200</td> </tr> </tbody> </table> <p>Borrower shall pay an additional interest of 1% p.a. on the entire outstanding loan amount in case of any breach in compliance with the above undertaking till such time the breach is cured. Further on any breach in adherence to the above schedule, Lenders shall have a right to call an Event of Default.</p>	Financial Year	(Amount in Cr)	31st March 2015	12,208	31st March 2016	4,200
Financial Year	(Amount in Cr)						
31st March 2015	12,208						
31st March 2016	4,200						
<p>26. Debt Reduction Undertaking/ Covenant</p>	<p>The Borrower undertakes to implement a debt reduction schedule due to which the aggregate Gross Debt of RCOM Group (consolidated financials of RCOM as per Indian GAAP) shall not exceed:</p> <table border="1" data-bbox="494 1825 1197 1859"> <tr> <td>As on</td> <td>(Amount in Cr)</td> </tr> </table>	As on	(Amount in Cr)				
As on	(Amount in Cr)						



	<table border="1"> <tr> <td>31st March 2015</td> <td>32,500</td> </tr> <tr> <td>31st March 2016</td> <td>29,000</td> </tr> <tr> <td>31st March 2017 and thereafter shall not exceed</td> <td>25,600</td> </tr> </table> <p>Borrower shall pay an additional interest of 1% p.a. on the entire outstanding loan amount in case of any breach in compliance with the above undertaking till such time the breach is cured. Further on any breach in adherence to the above schedule, Lenders shall have a right to call an Event of Default.</p> <p>(Foreign currency of Gross USD Debt calculated @ Rs. 61)</p>	31st March 2015	32,500	31st March 2016	29,000	31st March 2017 and thereafter shall not exceed	25,600
31st March 2015	32,500						
31st March 2016	29,000						
31st March 2017 and thereafter shall not exceed	25,600						
27. Financing Documentation:	<p>The Facility will be governed by a Facility Agreement in form and substance acceptable to both the parties. The Facility Agreement will contain usual provisions for a facility of this nature and the conditions precedent, events of default, representations and warranties, and covenants detailed in this term sheet.</p> <p>Finance Documents shall include the Facility Agreement and other documents designated as such by the Lender and the Borrower(s).</p>						
28. Pre-commitment conditions	<p>The Borrower(s)</p> <p>a. Ties-up the entire debt requirements envisaged in the Facility. b. Gives a declaration / undertaking to the effect that none of its directors, is a director or specified near relation of a director of a lending bank c. Confirms/undertakes that name of none of the directors appears in RBI's/CIBIL's Defaulters' list/ECGC Caution List d. undertakes that the Obligor Group are in compliance with all matters pertaining to licenses and regulations.</p>						
29. Conditions Precedent:	<p>Prior to first disbursement under the Facility, the Borrower(s) shall, to the satisfaction of the Lenders, have complied with the following:-</p> <p>(a) All the financing documents pertaining to the Facility (save and except the security documents required to be executed in connection with the Stage 2 Additional Security and the telecom license assignment of RCOM) shall have been executed and the same are in full force and effect backed by a legal opinion from Lenders Legal Counsel. (b) Confirmation from the Lenders Legal Counsel that the terms of security offered by RCOM, RCIL, RTL and RITL as part of the Stage 1 Initial Security are at par with the terms of the security provided by RCOM, RCIL, RTL and RITL over their assets for the benefit of the other lenders of RCOM..</p> <p>(c) Create/perfect the security as envisaged under the Security clause within the stipulated time periods.</p> <p>(d) Provide an undertaking that –</p> <ul style="list-style-type: none"> - Consent letters from existing lenders/facility agents granting waiver for non-compliance of financial covenants for Financial Year 2014 and modification in financial covenants on the lines of Financial Covenants of this Facility - The Borrower(s) has not agreed to more favourable terms than 						



	<p>those offered to the "Lenders" of this "Facility" in any of its existing debt facilities. In case, it is subsequently found that more favourable terms have been agreed to by the Borrower(s), the same shall also be applicable for the Facility. Further, the Lenders are free to take any action that they deem fit to regularize the position.</p> <ul style="list-style-type: none"> - Cash infusion on account of stake sale transactions i.e. Rs. 6,100 Crs in FY'15 (over and above Rs. 6,108 Cr infused by way of QIP proceeds and preferential allotment to promoters) and Rs. 4,200 Crs in FY'16 shall not be reduced on account of tax implications, if any. If cash infusion is reduced on account of tax implication or proceeds of stake sale transactions are not available for debt reduction, the Borrower shall infuse additional cash so as to give the same financial impact. - All approvals including regulatory and shareholder approvals to the extent applicable are in place. <p>(e) Submission of certified copies of constitutional documents of each of Obligors except RGBV which will be submitted within 3 months from the date of disbursement;</p> <p>(f) Submission of certified copies of appropriate board resolutions and other corporate authorizations;</p> <p>(g) Agree to submit a certificate of end use of the disbursement within 30 days of such disbursement and a certificate from the Statutory Auditor within 60 days of such disbursement.</p> <p>(h) Search and status report shall be submitted</p> <p>(i) Company shall arrange for visit at their DAKC office</p> <p>Any disbursement to RTL under the facility shall be made only after creation of "Initial Security"</p>
<p>30. Affirmative Covenants</p>	<p>The Borrower(s) agrees that or shall ensure that (as applicable):-</p> <ul style="list-style-type: none"> a. directly/indirectly cause the direction of management and policies of a company. The sole exception shall be Global Cloud exchange Limited transaction as envisaged in the Lenders Base Case. b. All statutory clearances as applicable shall be obtained and maintained at all times during the tenor of the Facility. c. All telecom business related approvals/clearances/ licenses from Department of Telecommunication or any other statutory body shall be obtained and maintained during the tenor of the Facility. d. To create security by way of mortgage of spectrum in favour of Lenders subject to regulatory approvals. Further, in case a more favourable term is offered to any other lender to the Obligor Group (except RGBV), the same shall also be applicable to the Lenders of the Facility. e. In case of default in repayment of the loan / advances or in the payment of the interest thereon or any of the agreed installments of the loan on due dates by the Borrower(s), the Bank and / or the RBI will have an unqualified right to disclose or publish the Borrower(s) name/unit and its directors/ partners / proprietors as defaulter in such manner and through such medium as the Bank or RBI in their absolute discretion may think fit. f. The Bank will have the right to share credit information as deemed appropriate with CIBIL or any other institution as approved by RBI from time to time. g. The Borrower(s) shall not induct into its Board a person whose name appears in the wilful defaulters list of RBI/ CIBIL (other than as a



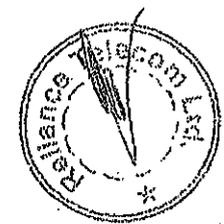
	<p>Nominee/ Professional/ Honorary director). In case such a person is already on the Board of the borrowing company, it would take expeditious and effective steps for removal of that person from its Board.</p> <p>h. Lenders shall have the right to securitize the loan asset and in the event of such securitization, the Bank is not bound to send an individual intimation to the Borrower(s) or any other Obligor.</p> <p>i. Borrower(s) shall ensure that all insurable assets and the insurable assets of each other Obligor are fully insured</p> <p>j. Bank shall have the right to convert at its option the whole or part of the defaulted amount of the Loan into fully paid-up equity shares of the Borrower(s), at a mutually acceptable formula (or as per SEBI Regulation), if the Borrower(s) commits a default in payment of interest or repayment resulting into an Event of Default.</p> <p>k. It shall, at all times during the currency of the Facility, comply with the environmental, health, safety and social (EHSS) regulations/requirements.</p> <p>l. The Borrower(s) agrees to offer to the Bank, at least pro-rata business relating to remittances, bills / cheque purchase, non-fund based transactions including LCs and BGs, forex transactions and any interest rate or currency hedging business.</p> <p>m. Modify/Amend its Memorandum of Association or Articles of Association as per the requirements of the proposed Facility.</p> <p>n. Lenders shall have the right to appoint independent agencies, in consultation with the Borrower(s), for monitoring of the financials and operational performance with cost to be borne by the Borrower(s).</p>
31. Negative Covenants	<p>The Borrower(s) shall not without prior permission of Lenders –</p> <ol style="list-style-type: none">1. Formulate any scheme of amalgamation or reconstruction or change in capital structure, which shall result in dilution of stake held by RCOM in the Obligor Group and its subsidiaries. Global Cloud Xchange Limited transaction as defined in the Lenders Base Case shall be a sole exception to this.2. Undertake any new project, implement any scheme of expansion or acquire fixed assets except those indicated in the funds flow statement submitted to the Bank from time to time and approved by the Bank.3. Enter into borrowing arrangement either secured or unsecured with any other bank, financial institution, or company or otherwise or accept deposits apart from the arrangement indicated in the funds flow statements submitted to the Bank from time to time and approved by the Bank. However, refinancing may be permitted provided Debt Reduction Undertaking/Covenant being complied with.4. Undertake any guarantee obligation on behalf of any other company other than as permitted by the bank and those issued for the benefit of the subsidiaries of the Borrower(s) in telecom related business to the aggregate extent of Rs. 500 cr.5. Create any charge, lien or encumbrance over its undertaking/assets or any part thereof in favour of any financial institution, bank, company, firm or persons other than as per the Lenders Base Case approved by Bank. Charge creation on refinanced debt may be permitted provided Debt Reduction Undertaking/Covenant being complied with.6. Enter into any contractual obligation of a long-term nature or affecting the company financially to a significant extent.



	<p>7. Change the practice with regard to remuneration of directors by means of ordinary remuneration or commission, scale of sitting fees, etc.</p> <p>8. Undertake any trading activity other than as approved by the lenders.</p> <p>9. Permit any transfer of management control from Reliance Group or make any drastic change in the management set-up.</p> <p>10. Invest by way of share capital, Lend or advance funds to or place deposits with any other concern (excluding subsidiaries of the Borrower(s) in telecom related business to the extent of ` 500 cr), other than approved as per business plan. Normal trade credit or security deposits in the normal course of business or advances to employees can, however, be extended.</p> <p>11. Repay monies brought in by the promoters/ directors/ principal shareholders/related parties of Reliance Group and their friends and relatives by way of deposits/ loans / advances/sub-debt.</p> <p>12. Declare dividends for any year out of the profits relating to that year or of the previous years if the Borrower(s) is in breach of any financial covenants or the Debt Reduction Undertaking or an Event of Default has occurred.</p> <p>13. Assign or mortgage any of the fixed assets charged to the Lenders. However the Borrower(s) shall have the right to sell, lease, transfer or otherwise dispose of its assets in any period of 365 days of an aggregate amount of Rs.125 Cr.</p>
<p>32. Information Covenants</p>	<p>The Borrower(s) shall</p> <p>a) Maintain adequate books of accounts and Furnish to the Lenders every year a copy of consolidated audited annual accounts of the RCOM as per Indian GAAP together with compliance certificates within 120 days and unaudited consolidated semi-annual financial statements within 90 days;</p> <p>b) Keep the Lenders informed of the happening of any event likely to have substantial effect on its profit and business with explanations and the remedial steps proposed to be taken;</p> <p>c) Keep the Lenders advised of any circumstances which could have a material adverse effect on the financial position of its subsidiaries/group companies/companies in which it has large investments/Obligor Group, including any action taken by the creditor against the said companies.</p> <p>d) Notify any events of default or potential events of default, material litigation and other material matters to the Lenders.</p> <p>e) Provide yearly auditor certifications as required by the Lenders incl. that on the revaluation amounts, etc.</p>
<p>33. Undertakings</p>	<p>The Borrower(s) undertakes to:-</p> <p>a) Maintain pari-passu ranking of obligations amongst secured lenders</p> <p>b) Offer to the Lenders any favourable term offered to other lenders to the Obligor Group (except RGBV) except pricing terms.</p> <p>c) provide right of access/site inspections for Lenders throughout the tenor of the Facility</p> <p>d) Arrange for funds for payments required to be made for the following -</p> <ul style="list-style-type: none"> • Onetime fee on account of spectrum held • License/ Spectrum renewal costs • Any other payment on account of regulatory compliances which has not been considered in the Lenders Base Case.



<p>34. Financial Covenants</p>	<p>RCOM Group (consolidated financials of RCOM as per Indian GAAP) shall comply with the following financial covenants throughout the tenor of the Facility including on the date of first disbursement of the Facility:-</p> <ol style="list-style-type: none">1. Net Worth, shall not be less than ₹25000.00 Crore. (Rupees Twenty Five thousand crores) for FY 2015 and thereafter;2. The ratio of Net Debt to EBITDA shall not be more than 5.00 as on 31.03.2015 and 4.00 as on 31.03.2016 and thereafter;3. The ratio of EBITDA to Interest Expenses shall not be less than 3.00 for FY'15 and 4.00 for FY 16 and thereafter;4. The ratio of Adjusted EBITDA to Debt Service (Cash DSCR) shall not be less than 1.005. Asset Cover Ratio shall not be less than 1.10 <p>The above covenants shall be tested annually and semi-annually respectively, on a rolling 12-month basis according to Indian GAAP. The testing for the end of Financial year shall be made on basis of Consolidated Audited Financials of the Borrower & mid of the Financial Year on the basis of Consolidated Unaudited Financials. Testing of covenants shall be done within 120 days from the respective financial year end dates. Testing of Financial Covenants to begin from 31.03.2015. Both testing shall be accompanied by a compliance certificate from the Auditor & the Borrower. For the purpose of the covenants above the definitions of the terms used are as listed below:</p> <p>Relevant Period:</p> <ol style="list-style-type: none">(a) each period of 12 calendar months ending on 31 March in any year; or(b) each period of 12 calendar months ending on 30 September in any year; <p>Net Worth</p> <p>The aggregate of paid up share capital and the amount standing to the credit of its consolidated reserves, including equity warrants issued to the extent they are paid up, however, after deducting the following:</p> <ol style="list-style-type: none">(a) all accumulated losses;(b) all deferred expenditures;(c) all deferred tax liabilities; and(d) revaluation amounts. This shall be certified by Statutory Auditor. <p>Net Debt</p> <p>Gross Debt as reduced by cash and cash Equivalents.</p> <p>Gross Debt</p> <p>Sum of all fund based facilities availed by RCOM Group as per the consolidated financials of RCOM as per Indian GAAP</p> <p>EBITDA</p> <p>In relation to any period, the net income from ordinary activities (for the avoidance of doubt excluding non-operating income and expense) before taking into account:</p> <ol style="list-style-type: none">(a) Tax;
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	<p>(b) Interest Expense; (c) any exceptional or extraordinary items; and (d) amortisation of intangible assets and depreciation of tangible assets</p> <p>Interest Expense The aggregate amount of all interest, commissions and fees in respect of moneys borrowed, discounts in respect of bills, notes or debts discounted, and that part of any amount under a financing lease or hire purchase, credit sale, conditional sale or deferred payment agreement which represents any of the foregoing but after deducting any interest income received.</p> <p>Adjusted EBITDA - EBITDA for that Relevant Period</p> <ul style="list-style-type: none"> • less all Taxes payable in respect of that Relevant Period. • less realised forex losses • less all capital expenditure for the Relevant Period. • add cash inflow on account of asset sale/ stake sale for the Relevant Period • add additional loans availed during the Relevant Period. This applies only for Financial Year 2015 <p>Debt Service The sum of: (a) Interest Expense for that period; and (b) that portion of Gross Debt scheduled for repayment in that period;</p> <p>Asset Cover ratio The ratio of a) Net Block incl. CWIP and excl. intangible assets & revaluation amounts and b) Gross Debt excluding unsecured loans, if any</p> <p>Additional interest of 1% p.a. shall be levied in case of breach in the above financial covenants. However, a cure period of 30 days shall be available to the Borrower to redress the breach before which the above additional interest shall be applicable. The additional interest thus applied shall be recovered with effect from the date of breach.</p>
<p>35. Events of Default:</p>	<p>The Lenders shall have a right to call an Event of Default on occurrence of the following events;</p> <ul style="list-style-type: none"> (a) failure to pay any sum when due to the Lenders (b) breach of financial covenants or Debt Reduction Undertaking; (c) breach of covenants; (d) misrepresentation; (e) cross default with other indebtedness (f) Breach of material terms (g) insolvency or initiation of insolvency proceedings with respect to the borrower; (h) cessation of business by the borrower or threat of cessation; (i) invalidity/rescission/unlawfulness of a Finance Document; (j) repudiation of the Finance Document; (k) material proceedings and other litigation including court proceedings on license related issues resulting in a Material Adverse Effect; (l) expropriation, nationalization or moratoria;



		<p>(m) cessation of telecom licenses (n) Change of Management Control of the Obligor Group; other than due to the notified transactions for which Lenders approval has been obtained (o) cessation of listing of the shares of the RCOM. (p) Failure to comply with license conditions or any revocation thereof (q) The occurrence of any event or circumstance which is prejudicial to or imperils or depreciates the security given to the Lenders or security ceases to be effective</p> <p>Besides the loan documents would also incorporate other Events of Default.</p>
36. Consequences of Event of Default	of	<p>The following inter alia shall be the consequences of Event of Default;</p> <p>a. Acceleration of debt repayment /cancellation of Facility. b. Conversion of debt into equity at a mutually acceptable formula or as per extant SEBI Regulations whichever applicable. c. Appointment of Nominee Directors by the Lenders. d. Enforcement of security</p>
37. Cancellation Clause		<p>The Lenders have a right to unconditionally fully/partially, without notice, cancel the facility –</p> <ul style="list-style-type: none"> • In case the limits/parts of the limits are not utilized by the Borrower(s), and/or • In case of deterioration in the loan accounts in any manner whatsoever, and/or • In case of non-compliance of terms and conditions of sanction
38. Material Adverse Effect:	Adverse	<p>Material Adverse Effect will be defined as any event or circumstance which has a material adverse effect on:</p> <p>(a) the business operations, assets or financial condition of RCOM Group and its subsidiaries (taken as a whole); or (b) the ability of RCOM Group to perform the payment obligations and/or comply with the financial covenants contained in the Financing Documentation; or (c) the validity or legality or the enforceability of or any rights or remedies of the lenders under the Financing Documentation.</p>
39. Change of Control:		<p>For the purpose of this clause "control" means the power to appoint and/or remove all or a majority of the members of the board of directors (excluding independent directors) and otherwise directly or indirectly to control or have the power to control the affairs and policies of the Borrower(s).</p>
40. Transferability:		<p>Lender will have the right to freely transfer or assign or novate to one or more persons all or a portion of its rights and obligations under the Facility Documentation without the consent of the Borrower(s). However, Lenders shall inform the Borrower(s) of any such assignment/novation/transfer.</p>
41. Governing Law and Jurisdiction		<p>The Facility will be governed by the laws of India and will provide for submission by the Borrower(s) to the non-exclusive jurisdiction of the courts of Mumbai.</p>
42. Documentation		<p>In addition to the terms and conditions contained in this Term Sheet, the final documentation will contain other customary clauses such as Financial covenants, Representation & Warranties from the Borrower(s), Conditions Precedent to the effectiveness of the loan and Condition Precedent to each disbursement, Affirmative Covenants by Borrower(s), Negative Covenants, Additional Covenants, Information Covenants, Events of Defaults by the Borrower(s) and the Consequences of the Event of Default, RBI disclosure norms, as applicable etc.</p>



Processing Charges:

Waived. However, if any banks stipulate any processing charges in this exercise same shall be applicable to our bank also.

Other conditions:

1. Company/Guarantors shall give acknowledgment for having accepted the sanction terms including creation of securities in favour of bank, execution of documents, affixing of common seal of the company & all costs (as per sanction) payable along with appropriate board resolution.
2. Company to submit latest liabilities position with other banks/lenders.
3. Inspection of charged securities shall be conducted periodically as decided by the consortium.
4. Facility shall be released after execution of documents as decided by the consortium.
5. Company shall submit the copy of the revised business plan approved by the lead bank and ensure that same is as per the draft copy already circulated by the lead bank.

Yours faithfully,

FOR SYNDICATE BANK

(T. PRASAD)

ASST. GENERAL MANAGER

For Reliance Communications Limited

Authorised Signatory

Reliance Telecom Ltd

Authorised Signatories

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100

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सम्मान आपके विश्वास का



UCO BANK

Honours Your Trust

FCB/MUM/ADV/2069 /2013-14

Dated: 18.12.2013

M/s Reliance Communication Ltd.
Reliance Centre 19,
Walchand Hirachand Marg,
Ballard Estate,
Mumbai-400001

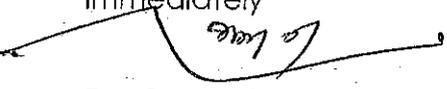
Sub: Reliance Communications Ltd Term Loan of Rs. 740 crores-Overdue interest in your Term Loan account

We refer to sanction TL of Rs.800.00 crs (Rs.740.00 Crs to Reliance Communication Ltd. & Rs.60.00 Crs to Reliance Telecom Limited) and communicated vide FCB/MUMBAI/ADV/3026/2012-13 dated 2.1.2013 & FCB/MUM/ADV/3519/2012-13 dated 1.3.2013

As per terms & condition of sanction, we are charging penal interest 1% w.e.f. 1.4.2013 (for non infusion of capital) and 2% w.e.f. 6.7.2013 (1% for non creation of security and 1% non infusion of capital) over and above the stipulated rate (SBI base rate+2.50%)

But the company is not paying the penal interest as per sanction terms agreed and account is showing overdues by Rs.8,10,35,490.00

In view of above, you are advised to pay overdues interest of Rs.8,10,35,490.00 immediately


Dy. General Manager

CC: 1.Circle Office
2.Corporate Credit Department, HO Kolkata

यूको बैंक, फ्लैगशीप कॉर्पोरेट शाखा, प्रथम मंजिल, माफतलाल सेंटर, नरीमन प्वाइंट, मुंबई-400021

UCO Bank, Flagship Corporate Branch, 1st Floor, Mafatlal Centre, Nariman Point, Mumbai-400021

फोन/Phone:022-40549191 फैक्स/Fax: 022-40549122 ई-मेल/E-mail: mumfcc@ucobank.co.in



FCB/MUM/ADV/3519...../2012-13

Dated: 01-03-2013

M/s Reliance Communication Ltd.
Reliance Centre 19
Walchand Hirachand Marg
Ballard Estate
Mumbai-400001

Dear Sir,

Sub: M/s Modification in term of sanctions: M/s Reliance Communication Limited and its subsidiaries M/s Reliance Telecom Limited

We refer to your letter dated 7.1.2013 requesting modification in term of MCB sanction dated 26.12.2012 of Term Loan aggregating Rs.800.00 Crs with regard to disbursement of the facilities .

We are pleased to inform you that competent authority of our bank has approved the followings:

1. Approval of modification in existing terms and conditions vide sanction advice no.FCB/MUM/ADV/3026/2012-13 dated 02.01.2013 as per below:

Existing terms & condition (A)	Modification requested (B)	Modification Approved
<p>As per the existing terms of sanction, disbursement of new term loan should commence after -</p> <ul style="list-style-type: none"> • Full tie up of the assessed total term loan requirement of Rs. 6500 crores (our bank's share Rs. 800 crores). • Repayment of the existing STL of Rs. 800 crores from our bank on due dates or before disbursement of the newly sanctioned TL of Rs. 800 crores. • Creation of security (ranking pari passu with the other TL lenders) in respect of the following: <ol style="list-style-type: none"> 1) Charge on all the present and future moveable plant and machinery including (without limitation) tower assets and optic fibre cables, if any, capital work in progress (pertaining to movable fixed assets) of Reliance Communications Ltd. (RCOM), Reliance Telecom Limited (RTL), Reliance Communications Infrastructure Limited (RCIL) & Reliance Infratel Limited (RITL); 2) Charge on all the rights, title, 	<p>The company has requested that they are in urgent need of money and for this it has requested for disbursement of TL Rs. 740 crores sanctioned to RCOM</p> <ul style="list-style-type: none"> • Disbursement to be allowed pending full tie up and creation of security. • Disbursement of the TL in tranches to be effected on or before the repayment date of the existing STLs in such a way that at any point of time, the exposure of our bank on RCOM shall not exceed Rs. 800 crores. <p>Branch has recommended for the above request of the company.</p>	<p>Approved for creation of security on the assets/rights etc mentioned in column (B) within 4 months from the date of first disbursement.</p> <p>The approval is subject to - the company providing an undertaking that Creation and perfection of security on the assets/rights etc mentioned in column (A) will be completed within 4 months from the date of first disbursement, failing which they will pay penal interest @ 1.00% p.a. for the</p>

<p>interest, benefit, in respect of all insurance contracts entered into in relation to the assets described in (1) above;</p> <p>3) Negative lien on</p> <p>a) present and future moveable fixed assets of RGBV (subject to existing encumbrance as on date of execution of Facility Agreement)</p> <p>b) present and future immoveable assets of the Obligor Group</p> <p>c) Telecom Licenses held by RTL (subject to the existing assignments of the telecom licenses for the benefit of the existing lenders of RTL)</p> <p>d) present & future investments of RCOM in the Obligor Group, subject to existing encumbrance as on date of execution of Facility Agreement</p> <p>e) cash and cash equivalents of the Obligor Group (subject to existing encumbrance as on date of execution of Facility Agreement)</p>		<p>period of default on this count.</p> <p>All other terms and conditions to remain unchanged.</p>
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2. Approval for final reset of ROI for existing STLs at existing level

a) For Existing STL-1 of Rs.300.00 Crs :Final Reset of ROI for the reset period from 02.12.2012 to its due date for repayment, i.e. 02.03.2013 at existing level of Base Rate + 2.25%, i.e.12.45% p.a. at present.

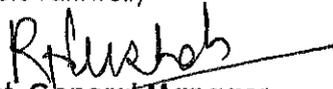
b) STL of Rs.500.00 Crs : Final Reset of ROI for the reset period from 31.12.2012 to its due date for repayment, i.e. 31.03.2013 at existing level of Base Rate + 2.25%, i.e.12.45% p.a. at present.

Please pay modification charges of Rs.56028/- only. All other terms and conditions to remain unchanged

This sanction advice is being forwarded to you in duplicate of which, the original copy is meant for the company and other copy is to be returned to the bank duly signed by the authorized officials of the company as a token of acknowledgement and confirmation of unconditional acceptance of all terms and conditions stipulated therein.

Assuring our Best services

Yours faithfully


Assf. General Manager

यूको बँक, फ्लॅगशीप कोरपोरेट शाखा, प्रथम मंजिल, मफतलाल सेंटर, नरीमन प्वाइंट, मुंबई-400021

UCO Bank, Flagship Corporate Branch, 1st Floor, Mafatlal Centre, Nariman Point, Mumbai-400021

फोन/Phone:022-40549191 फॅक्स/Fax: 022-40549122 ई-मेल/E-mail: bo.narimanpt@ucobank.co.in



Union Bank

of India

(A Government of India Undertaking)

INDUSTRIAL FINANCE BRANCH

Union Bank Bhavan,

239, Vidhan Bhavan Marg, Nariman Point,
Mumbai 400 021

Telephone : 2289 2156, 2289 2022,

2287 10 55, Fax: 2285 50 37

E-Mail : unionifb@bol.net.in

(भारत सरकार का उपक्रम)

औद्योगिक वित्त शाखा

यूनियन बैंक भवन,

239, विधान भवन मार्ग, नरीमन पॉईंट, मुंबई - 400 021

टेलिफोन - 2289 2156, 2289 2022,

2287 10 55, फॅक्स : 2285 50 37

ई-मेल : unionifb@bol.net.in

IFB: MUM:ADV: SKG: 1962 :16-17

27th January, 2017

M/s Reliance Communications Ltd.,
H Block, 1st Floor,
Dhirubhai Ambani Knowledge City,
Navi Mumbai - 400710
Maharashtra.

Dear Sir,

Sub: Sanction of Fresh Short Term Loan of Rs. 500.00 crores

With reference to your request, we are pleased to inform you that our competent authority has approved your following requests:

- Sanction of Fresh Short Term Loan of Rs. 500.00 crores for a period of one year at ROI of 1 year MCLR + 2.15% i.e., 10.80% p.a. at present.
- 30 days timeline for security creation/perfection for the proposed STL.
- Opinion from Bank's Law Department to be obtained about mortgageability/ hypothecation charges over fixed assets of associate concerns.

Terms and conditions:

Name of the borrower	M/s Reliance Communications Ltd
Facility	Short Term Loan
Facility Amount	Rs. 500.00 crores
Purpose	Repayment of its existing liabilities for meeting temporary cash flow mismatch of the Company
Interest Rate	1 yr MCLR + 2.15% i.e. 10.80% p.a. presently
Management fees	1.20% p.a to be charged on monthly basis on the outstanding balance.
Processing charges	0.25% of the loan amount + S.T
Security	First pari passu charge by way of hypothecation over the following, of the Security Providers i.e. Reliance Communications Limited



	<p>Reliance Communications Infrastructure Limited (RCIL) , Reliance Telecom Limited (RTL) and Reliance Infratel Limited (RITL):</p> <p>(a) all the present and future movable plant and machinery, including (without limitation), the tower assets and the optic fibre cables and capital work in progress; and</p> <p>(b) all the rights, title, interest, claims, demands, benefit of each of the Security Providers in each of the insurance contracts entered into by the Security Providers with respect to the assets specified in Clause (a) above;</p> <p>First pari passu charge will be created through Axis Trustee Services Limited (Security Trustee) by way of Deed of Accession and Deed of Hypothecation to the Hypothecation Security Trustee Agreement.</p> <p>Asset cover as of 30.09.2016 is 1.9 times. Asset cover should not fall below 1.25 times at any point of time.</p> <p>Security shall be created/ perfected within 30 days from the date of first disbursement.</p>
<p>Facility tenor & Repayment</p>	<p>In bullet installment at the end of 12 months or sale proceeds received from the sale of tower assets, whichever is earlier and a suitable stamped undertaking to this effect from the company be obtained.</p>

Other terms and conditions:

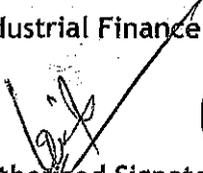
- Documents as applicable for STLs to be obtained and CPA to be completed before disbursement of limits.
- Upfront processing charges for STL to be recovered as stipulated.
- ROC charges to be registered for the proposed STL.
- Overdues in group accounts to be adjusted.
- Security for the proposed limit to be created/ perfected within the stipulated time of 30 days.
- Post Dated Cheque to be submitted for repayment of STL, must be drawn on other Bank.

Kindly acknowledge on the duplicate of this letter for having accepted the terms and conditions.

Thanking you,

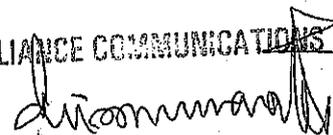
Yours faithfully,

For Union Bank of India
Industrial Finance Branch


Authorised Signatory



For RELIANCE COMMUNICATIONS LTD.



Authorised Signatory



Union Bank

of India

(A Government of India Undertaking)

INDUSTRIAL FINANCE BRANCH

Union Bank Bhavan,

239, Vidhan Bhavan Marg, Nariman Point,
Mumbai 400 021

Telephone : 2289 2156, 2289 2022,
2287 10 55, Fax: 2285 50 37

E-Mail : unionib@bol.net.in

(भारत सरकार का उपक्रम)

औद्योगिक वित्त शाखा

यूनियन बैंक भवन,

239, विधान भवन मार्ग, नरीमन पॉइंट, मुंबई - 400 021

टेलिफोन - 2289 2156, 2289 2022,

2287 10 55, फॅक्स : 2285 50 37

ई-मेल : unionib@bol.net.in

IFB: MUM:ADV: SKG: 1964 :16-17

27th January, 2017

M/s Reliance Communications Ltd.,
H Block, 1st Floor,
Dhirubhai Ambani Knowledge City,
Navi Mumbai - 400710
Maharashtra.

Dear Sir,

Sub: Review of Term Loan at the outstanding level of Rs. 276.00 crores

With reference to your request, we are pleased to convey review of the facilities sanctioned to the Company for a period of one year from 24.01.2017 till 23.01.2018, on the following terms and conditions:

Nature of Limit	Amount		Margin	Int./ Comm.	Security
	Existing	Proposed			
TERM LOAN/DPGL					
Term Loan (RCOM)	253.00	253.00	75.57%	SBI BR + 2.50% p.a. i.e.	##
Term Loan (RTL)	23.00	23.00		11.80% p.a. presently (Our bank BR+ 2.25% p.a.)	
TOTAL	276.00	276.00			

Security:-

Stage - 1 ("Initial Security" already created):

- i. First pari - passu charge on all the present and future moveable plant and machinery including (without limitation) tower assets and optic fibre cables, if any, capital work in progress (pertaining to movable fixed assets) of Reliance Communications Ltd. (RCOM), Reliance Telecom Limited (RTL), Reliance Communications Infrastructure Limited (RCIL) & Reliance Infratel Limited (RITL);



- ii. First paripassu charge on all the rights, title, interest, benefit, in respect of all insurance contracts entered into in relation to the assets described in (1) above;
- iii. Negative lien on the following -
 - present and future moveable fixed assets of Reliance GlobalcomBV (subject to existing encumbrance as on date of execution of Facility Agreement)
 - present and future immoveable assets of the Obligor Group
 - Telecom Licenses held by RTL (subject to the existing assignments of the telecom licenses for the benefit of the existing lenders of RTL)
 - present & future investments of RCOM in the Obligor Group (subject to existing encumbrance as on date of execution of Facility Agreement)
 - cash and cash equivalents of the Obligor Group (subject to existing encumbrance as on date of execution of Facility Agreement)

Stage - 1 ("Initial Security" yet to be created):

Assignment of all telecom licenses of RCOM (UASL, NLD & ILD)
The above security is to be shared on a pari - passu basis with other Secured creditors of the Obligor Group.

Stage - 2 ("Additional Security" which is created)

Pledge by

- a) RCOM over their shareholding in RCIL;
- b) RCOM and Reliance Infocomm Infrastructure Private Limited over their shareholding in RTL.

Stage - 2 ("Additional Security" which is yet to be created)

- i. First pari - passu charge on all present & future moveable fixed assets of the Obligor Group, including, but not limited to moveable Plant and Machinery and Capital Work in Progress
- ii. Assignment of all telecom licenses of the RTL (UASL)
- iii. First pari-passu charge on present and future cash flows, receivables, other current assets, revenues, intangibles of the Obligor Group
- iv. First pari-passu charge on all present and future immoveable assets of the Obligor Group
- v. Assignment of rights, titles, interests, benefits, claims and demands in material project contracts incl. insurance proceeds of the Obligor Group.
- vi. Implementation of Co-obligor structure for the Obligor Group. This shall mean joint and several guarantees from each of the members of the Obligor Group to secure the obligations of the Borrower(s) in connection with this Facility.
- vii. Pledge of Reliance Infratel Limited
- viii. Subject to regulatory approvals permitting mortgage of spectrum, all spectrum belonging to the Obligor Group shall be mortgaged in favour of Lenders within 3 months from the date of such permission/notification.

The security in (i) to (viii) shall be created post obtention of consent of existing lenders of respective Obligor Group entities and such other regulatory or statutory approvals, as may be required. The same shall have to be created & perfected within 6 months from the date of first disbursement of the Facility. However, in instances where despite the Obligor Group having demonstrated due effort to create/perfect security, if there is a delay on account of statutory/regulatory reasons, the same shall not be construed as an Event of Default.



The above security shall be shared on a pari - passu basis with other Secured creditors of the Obligor Group.

PERSONAL GUARANTEE: NIL

CORPORATE GUARANTEE: NIL

Other approvals:

1. Continuation of existing concessional ROI on term loan at SBI BR + 2.50% p.a i.e 11.80% p.a presently (Our Bank BR + 2.25% p.a)
2. Extension of time period up to 31st March, 2017 for balance security creation and perfection and waiver of penal interest till such extended period, subject to similar such approvals by consortium members.

Terms and conditions:

- Applicable processing charges of Rs. 93,103/- for the review of the term loan to be paid by the Company.
- Term Loan is to be repaid as per the existing repayment schedule as under:

Period ending	Q1	Q2	Q3	Q4
FY 2017	-	-	8%	8%
FY 2018	8%	8%	8%	8%
FY 2019	1%	1%	1%	1%
FY 2020	12%	12%	12%	12%

The repayment due dates of TL instalments are 31st December, 31st March, 30th June and 30th September in each year.

- Overdues in the group accounts to be paid.
- All other existing terms and conditions to continue.

Kindly acknowledge on the duplicate of this letter for having accepted the terms and conditions.

Thanking you,

Yours faithfully,

For Union Bank of India
Industrial Finance Branch


Authorised Signatory



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