



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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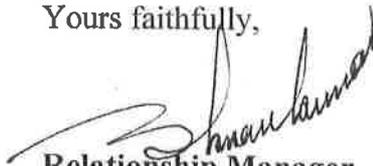


CAG-Mumbai

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
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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.

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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,

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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.

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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