

1. Sovereign Guarantee for Rs.15000 crore
2. Rs.8500 crore to BSNL and Rs.6500 to MTNL.
3. BSNL and MTNL has to pay 1% per annum to Government as Guarantee Fee. This is apart from the interest payable to the Lender.
4. If Guarantee fee is not paid on due date, double the guarantee fee ( i.e., 2%) has to paid for the period of default.
5. Guarantee is only for the Principal and Interest.
6. Guarantee non transferrable. In case of ownership of the entity is transferred from Government of India, the guarantee will cease to exist.
7. DoT will review proper utilization of guaranteed funds and ensure that there is no risk of default
8. In case of default by BSNL or MTNL, the lending agency has to revoke the Guarantee within 60 days of default. If not so revoked, the guarantee will cease to exist.
9. On periodical repayment that ought to be made by BSNL & MTNL, the Guarantee shall reduce to that equivalent extent.