

# PRICING TERM SHEET

## STRICTLY CONFIDENTIAL — DO NOT FORWARD

**This offering is available only to investors who are either (i) QIBs (as defined below) in reliance on Rule 144A ("Rule 144A") under the United States Securities Act of 1933 (the "Securities Act") or (ii) outside the United States purchasing in offshore transactions in reliance on Regulation S under the Securities Act ("Regulation S").**

**IMPORTANT: You must read the following before continuing.** The following disclaimer applies to the attached pricing term sheet (the "Pricing Term Sheet") to the preliminary offering circular dated July 26, 2016 and the supplement thereto dated July 28, 2016, and you are therefore advised to read this disclaimer carefully before reading, accessing or making any other use of the Pricing Term Sheet. In accessing the Pricing Term Sheet, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

**Confirmation of Your Representation:** You have accessed the Pricing Term Sheet on the basis that you have confirmed your representation to Barclays Bank PLC, DBS Bank Ltd. and Standard Chartered Bank (together, the "Joint Global Coordinators" or the "Global Coordinators") and Barclays Bank PLC, DBS Bank Ltd., Standard Chartered Bank, Emirates NBD PJSC, MUFG Securities EMEA plc, Nomura International (Hong Kong) Limited, SBICAP (Singapore) Limited and Société Générale (together, the "Joint Bookrunners and Joint Lead Managers" or the "Joint Lead Managers") and Axis Bank Limited Singapore Branch (the "Manager") that (i)(A) you are outside the United States and to the extent you purchase the securities described in the Pricing Term Sheet, you will be doing so pursuant to Regulation S OR (B) you are acting on behalf of, or you are, a qualified institutional buyer ("QIB"), as defined in Rule 144A, and (ii) you consent to delivery of the Pricing Term Sheet by electronic transmission.

**Restrictions:** The Pricing Term Sheet is being furnished in connection with an offering exempt from registration under the Securities Act solely for the purpose of enabling a prospective investor to consider the purchase of the securities described herein. If you have gained access to this transmission contrary to any of the restrictions herein, you are not authorised and will not be able to purchase any of the securities described in the Pricing Term Sheet.

**Nothing in this electronic transmission constitutes an offer of securities for sale or solicitation in any jurisdiction where it is unlawful to do so. The securities have not been, and will not be, registered under the Securities Act, or the securities laws of any state of the United States or other jurisdiction and the securities may not be offered, sold, resold, transferred or delivered, directly or indirectly, within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or local securities laws.**

Except with respect to eligible investors in jurisdictions where such offer is permitted by law, nothing in this electronic transmission constitutes an offer or an invitation by or on behalf of the issuer of the securities, the Global Coordinators, the Joint Lead Managers or the Manager to subscribe for or purchase any of the securities described therein and access has been limited so that it shall not constitute a "general advertisement" or "solicitation" (as those terms are used in Regulation D under the Securities Act) or "directed selling efforts" (within the meaning of Regulation S) in the United States. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Global Coordinators, the Joint Lead Managers or the Manager or any affiliate of the Global Coordinators, the Joint Lead Managers or the Manager is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Global Coordinators, the Joint Lead Managers or the Manager or their affiliates on behalf of the issuer in such jurisdiction.

You are reminded that the Pricing Term Sheet has been delivered to you on the basis that you are a person into whose possession the Pricing Term Sheet may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver the Pricing Term Sheet to any other person.

**Actions That You May Not Take:** You should not reply by e-mail to this announcement, and you may not purchase any securities by doing so. Any reply e-mail communications, including those you generate by using the "Reply" function on your e-mail software, will be ignored or rejected.

You are not authorised to and you may not forward or deliver the Pricing Term Sheet, electronically or otherwise, to any other person or reproduce the Pricing Term Sheet in any manner whatsoever. Any forwarding, distribution or reproduction of the Pricing Term Sheet, in whole or in part, is unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions.

You are responsible for protecting against viruses and other items of a destructive nature. Your use of this e-mail is at your own risk, and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

The Pricing Term Sheet has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the issuer of the securities, the Global Coordinators, the Joint Lead Managers or the Manager or any person who controls any of them or any of their respective affiliates and their respective directors, officers, employees, representatives and agents accepts any liability or responsibility whatsoever in respect of any difference between the Pricing Term Sheet distributed to you in electronic format and the hard copy version available to you on request from the Global Coordinators, the Joint Lead Managers or the Manager.

## ADANI TRANSMISSION LIMITED

### PRICING TERM SHEET

The Issuer has prepared a preliminary offering circular dated July 26, 2016 and a supplement thereto dated July 28, 2016 relating to the offering of the Notes (together, the "Preliminary Offering Circular") to which this information relates. This pricing term sheet (the "Pricing Term Sheet") is qualified in its entirety by reference to the Preliminary Offering Circular. The information in this Pricing Term Sheet supplements the Preliminary Offering Circular and supersedes the information therein to the extent there are any inconsistencies. Before you invest in the Notes, you should read the Preliminary Offering Circular for more information concerning the Issuer and the Notes. Terms not defined herein shall have the meanings ascribed to them in the Preliminary Offering Circular.

The information contained herein does not constitute an offer to sell, or a solicitation of an offer to buy, any Notes by any person in any jurisdiction in which it is unlawful for such person to make such an offering or solicitation. This Pricing Term Sheet is not and should not be construed as an offer to sell, or a solicitation of an offer to buy, any Notes whether by way of private placement or to the public in India.

The Notes have not been, and will not be, registered under the U.S. Securities Act of 1933 (the "Securities Act") or any state or other securities laws, and are being offered and sold within the United States only to "qualified institutional buyers" ("QIBs") in reliance on Rule 144A under the Securities Act and outside the United States in reliance on Regulation S under the Securities Act. Prospective purchasers are hereby notified that a seller of any Note within the United States may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. There will be no public offer of the Notes in the United States.

The distribution of this Pricing Term Sheet in certain jurisdictions may be restricted by law and therefore persons into whose possession this Pricing Term Sheet comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions could result in a violation of the laws of such jurisdiction. In addition, this Pricing Term Sheet may only be distributed in the United States to persons reasonably believed to be QIBs.

Issuer:	Adani Transmission Limited
Issue Rating (Expected):	BBB- (Fitch), Baa3 (Moody's) and BBB- (S&P)
Type:	Fixed Rate Notes
Market/Distribution:	Rule 144A and Regulation S
Currency:	U.S. Dollars
Issue Size:	U.S.\$500,000,000
Estimated Net Proceeds:	U.S.\$488,900,000
Denominations:	U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof
Calculation Amount	U.S.\$1,000
Trade Date:	July 28, 2016
Expected Settlement Date:	August 3, 2016 (T+4)
	Under Rule 15(c)6-1 of the U.S. Exchange Act 1934, trades in the secondary market generally are required to be settled in three business days unless the parties to such trades expressly agree otherwise. Accordingly, purchasers who wish to trade the Notes on the date of pricing will be required, by virtue of the fact that the Notes will initially settle four business days following the date of pricing of the Notes, to specify an alternative settlement cycle at the time of such trade to

	prevent a failed settlement. Purchasers who wish to trade the Notes on the date of pricing should consult their own advisors.
Maturity Date:	August 3, 2026
Issue Price:	99.081 per cent.
Interest Rate:	4.0 per cent. per annum (payable semi-annually in arrear)
Interest Payment Dates:	February 3 and August 3 of each year, commencing on February 3, 2017
Interest Amount	U.S.\$20
Benchmark Yield:	1.513 per cent.
Re-offer Yield:	4.113 per cent.
Re-offer UST Spread:	UST + 260 basis points
Day Count Fraction:	30/360
Use of Proceeds:	The net proceeds of the issue of the Notes (after deduction of fees, commission and expenses) are estimated to be approximately U.S.\$488.9 million. Subject to compliance with applicable laws and regulations and as permitted by the RBI, our Company will use the net proceeds (i) to repay external indebtedness of ATIL and/or MEGPTCL and (ii) to repay certain indebtedness of the Initial Obligors which is utilised in relation to the projects of ATIL and/or MEGPTCL and for general corporate and working capital purposes in relation to the projects of ATIL and/or MEGPTCL.
Listing:	The Issuer has received approval in-principle for listing and quotation of the Notes on the official list of the SGX-ST.
Governing Law:	English law
CUSIP:	00652XAA6 (Rule 144A)
ISIN:	US00652XAA63 (Rule 144A) XS1391575161 (Regulation S)
Common Code:	139432886 (Rule 144A) 139157516 (Regulation S)
Form of the Notes:	Registered Global Certificates
Joint Global Coordinators:	Barclays Bank PLC DBS Bank Ltd. Standard Chartered Bank
Joint Bookrunners and Joint Lead Managers:	Barclays Bank PLC DBS Bank Ltd. Standard Chartered Bank Emirates NBD PJSC MUFG Securities EMEA plc Nomura International (Hong Kong) Limited SBICAP (Singapore) Limited Société Générale
Manager	Axis Bank Limited Singapore Branch

Stabilising Manager	Standard Chartered Bank	
Principal amount of Notes to be subscribed	Joint Bookrunners and Joint Lead Managers	Principal Amount of Notes (U.S.\$)
	Barclays Bank PLC	62,500,000
	DBS Bank Ltd.	62,500,000
	Standard Chartered Bank	62,500,000
	Emirates NBD PJSC	62,500,000
	MUFG Securities EMEA plc	62,500,000
	Nomura International (Hong Kong) Limited	62,500,000
	SBICAP (Singapore) Limited	62,500,000
	Société Générale	62,500,000
	Total	500,000,000

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The Preliminary Offering Circular is hereby amended as follows:

The section entitled “Capitalization” on page 60 of the Preliminary Offering Circular is hereby deleted in its entirety and replaced by the following:

### **“CAPITALIZATION**

The following table sets forth our Company’s capitalization and total debt, on a consolidated basis, as of March 31, 2016 and as adjusted to give effect to: (1) the issuance of Rs.10,800 million of the May 2016 Non-Convertible Debentures in May 2016, Rs.15,000 million of the June 2016 Non-Convertible Debentures in June 2016, the incurrence of a Rs.1,000 short term loan in May 2016, a Rs.2,000 million bank loan in April 2016 and the expected issuance of Rs.5,000 million of July 2016 Notes, which we expect to issue and receive the proceeds from prior to the closing of this offering and the repayment of certain indebtedness with a portion of the proceeds thereof (as described below); and (2) the issuance of the Notes and the expected use of a portion of the proceeds of the Notes to repay Rs.32,783.5 million of indebtedness. The expected repayment of certain indebtedness as set forth in the table below reflects our Company’s expectation as of the date of this Offering Circular. However, our Company’s actual repayment of Long-term Borrowings and Short-term Borrowings may differ. This table should be read in conjunction with “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and “*Use of Proceeds*” and the financial statements included in this Offering Circular.

	<b>As of March 31, 2016</b>	<b>As adjusted for transactions subsequent to March 31, 2016<sup>(1)</sup></b>	<b>As further adjusted for this offering</b>
		<i>(in Rs. millions)</i>	
<b>Shareholders’ funds</b>			
Equity Share capital	10,998.1	10,998.1	10,998.1
Reserves and surplus	15,710.7	15,710.7	15,710.7
<b>Total shareholders’ funds</b>	26,708.8	26,708.8	26,708.8
<b>Total Debt</b>			
Long-term Borrowings <sup>(2)</sup>	57,662.7	68,886.7	44,376.7
Notes offered hereby <sup>(3)</sup>	—	—	33,527.5
Short-term Borrowings	28,877.3	25,379.1	17,105.6
<b>Total Debt<sup>(4)</sup></b>	86,540.0	94,265.8	95,009.8
<b>Total Capitalization<sup>(5)</sup></b>	113,248.8	120,974.6	121,718.6

**Notes:**

- (1) Includes the Rs.2,000 million loan from Aditya Birla Finance Limited, the May 2016 Non-Convertible Debentures, the June 2016 Non-Convertible Debentures, the Rs.1,000 million short term loan from HDFC Bank Limited and the expected issuance of the July 2016 Notes.
- (2) Includes current maturities of long-term borrowings.
- (3) Translated from U.S. dollars into Rupees at an exchange rate of U.S.\$1.00 = Rs.67.0550 (RBI as at July 28, 2016).
- (4) We will use the proceeds of the July 2016 Notes to repay existing indebtedness, to fund an interest service reserve and for general corporate and working capital purposes. The foregoing table does not reflect any such repayment of existing indebtedness.
- (5) Total capitalization is the sum of total shareholders’ funds and total debt.

Since March 31, 2016, the following events have occurred:

In April 2016, we obtained a loan of Rs.2,000 million from Aditya Birla Finance Limited. The proceeds of such loan from Aditya Birla Finance Limited were used to repay existing indebtedness. In May 2016, we issued the May 2016 Non-Convertible Debentures and in June 2016, we also

issued the June 2016 Non-Convertible Debentures. The proceeds of the Rs.10,000 Million June 2016 Non-Convertible Debentures were used to repay existing indebtedness. The proceeds of the Rs.5,000 Million June 2016 Non-Convertible Debentures and the May 2016 Non-Convertible Debentures were used to repay existing indebtedness, create an interest service reserve and for general corporate purposes. In May 2016, ATIL raised a short term loan of Rs.1,000 million from HDFC Bank Limited, having a tenor of 180 days the proceeds of which were used for working capital purposes. ATIL also signed a term sheet providing for cash credit/working capital demand loans of Rs.1,000 million from HDFC Bank Limited, which will be secured upon finalization of the related legal documentation. This facility remains undrawn as at the date hereof. In July 2016, we signed a purchase agreement to issue the July 2016 Notes. The proceeds will be used to repay existing indebtedness, to fund an interest service reserve, and for general corporate and working capital purposes. We expect to issue the July 2016 Notes, and receive the proceeds, prior to the closing of this offering.

Except as disclosed above, there has been no material change to our capitalization since March 31, 2016.”

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#### **Investor Representation**

**By accepting delivery of this Pricing Term Sheet in connection with the Preliminary Offering Circular, you shall be deemed to have represented, agreed and acknowledged to the Issuer, the Global Coordinators, the Joint Lead Managers and the Manager that you and any customer you represent are either (a) a QIB within the meaning of Rule 144A under the Securities Act or (b) outside the United States and you are purchasing the Notes in offshore transactions in reliance on Regulation S under the Securities Act.**

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***Notes: A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.***

***Any approval-in-principle and admission of the Notes to the official list of the SGX-ST is not to be taken as an indication of the merits of the Offering, the Issuer or the Notes.***