



India's first private grid connected MW Solar plant

India's first distributed rooftop solar project over one megawatt

Pan India portfolio of solar assets in 18 States

## Fourth Quarter & Full Year Ended March 31, 2017

### Earnings Presentation

June 19, 2017

# Disclaimer

## Forward-Looking Statements

This information contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995, including statements regarding our future financial and operating guidance, operational and financial results such as estimates of nominal contracted payments remaining and portfolio run rate, and the assumptions related to the calculation of the foregoing metrics. The risks and uncertainties that could cause our results to differ materially from those expressed or implied by such forward-looking statements include: the availability of additional financing on acceptable terms; changes in the commercial and retail prices of traditional utility generated electricity; changes in tariffs at which long term PPAs are entered into; changes in policies and regulations including net metering and interconnection limits or caps; the availability of rebates, tax credits and other incentives; the availability of solar panels and other raw materials; our limited operating history, particularly as a new public company; our ability to attract and retain our relationships with third parties, including our solar partners; our ability to meet the covenants in debt facilities; meteorological conditions and such other risks identified in the registration statements and reports that we have file with the U.S. Securities and Exchange Commission, or SEC, from time to time. All forward-looking statements in this press release are based on information available to us as of the date hereof, and we assume no obligation to update these forward-looking statements.

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## Agenda

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Company and Project Update

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Industry Update

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Full year and Fiscal Fourth Quarter 2017 Results

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Initiatives to Enhance Shareholder Value

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FY 2018 Guidance

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# Affordable solar power for generations

To be the lowest-cost power producer in the world

Entrepreneurship | Excellence | Honesty | Socially Responsible



## POWERING UTILITIES

- Developed India's first private utility scale solar project in 2009
- 35 operational utility scale projects
- Integrated project development, EPC, financing, O&M services



## POWERING COMMERCIAL

- First Distributed solar rooftop project operational in India
- Portfolio of 1,000+ rooftops across the country
- Solar tariffs in most states are already at grid parity

## COMMUNITY ENGAGEMENT

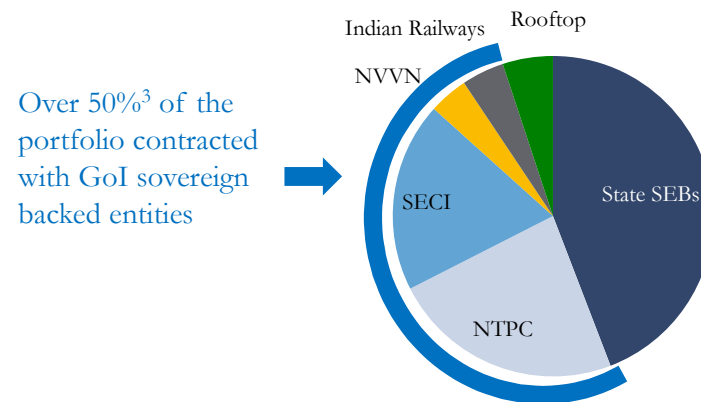
- We hire from local Communities
- Lease land that has few alternative uses
- Provide a stream of discretionary cash flow without displacing alternative business



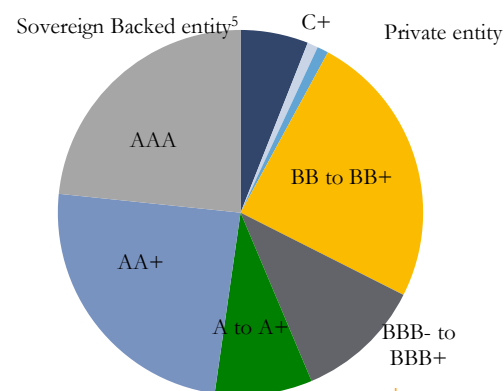
## Diversified Portfolio; 25 Year PPAs with High Quality Sovereign Backed Entities

- ☀ Total portfolio of 1,069MWs
  - 771 MW (AC) operational,<sup>(1)</sup> 298 MW under construction & committed
  - 35 operational utility projects, 5 under construction or committed utility projects
- ☀ Majority of our portfolio consists of strong credit sovereign off-takers
- ☀ Average contract is 25 years at fixed prices
- ☀ Because of careful selection of counterparties, there have not been any curtailments on any of our plants. No challenges to our PPA rates
- ☀ Secured financing for all projects ahead of schedule with US\$610mn.<sup>(2)</sup> financing. Received \$10.5<sup>(2)</sup> million loan for Azure Roof Power from SBI-World Bank at 8.3%, one of the lowest interest rates availed by a solar power developer in the Indian solar sector to date

### Well diversified offtaker mix



### Substantial offtake to highest rated offtakers<sup>4</sup>



1. 651 MWs at 31 March 2017, 2. Exchange rate- INR64.85 to US\$1 (New York closing rate of March 31, 2017) 3.Includes DMRC (one of the offtakers in rooftop) 4. Domestic credit rating. For Torrent, Bihar, Karnataka (Hubli Electricity), Uttar Pradesh SEB, Integrated annual rating by Ministry of Power is used 5. Includes- Indian railways, GEDCOL, Delhi Jal board

## Strong execution during 4Q17



### 130MW<sup>(2)</sup> | KARNATAKA 3

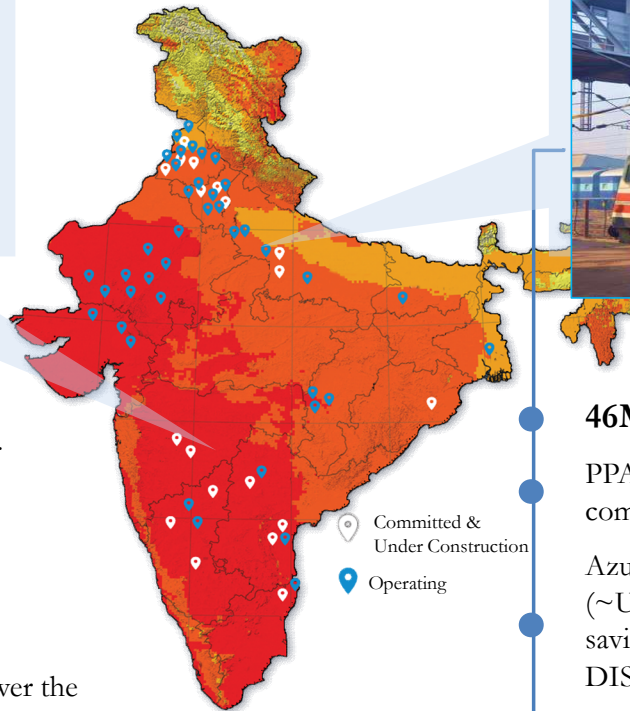
Largest solar project in the state of Karnataka.

25 Year PPA with Chamundeshwari Electricity Supply Corp. Limited, Hubli Electricity Supply Company Limited and Gulbarga Electricity Supply Company Limited at a tariff of INR 6.51 (~ USD 10.0 cents)<sup>(1)</sup> per kWh

### 7MW<sup>(2)</sup> | MAHARASHTRA

Azure Power becomes the first private solar company to power the Defence Ministry under the National Solar Mission

25 year PPA with Ministry of Defence establishments at a blended tariff of INR 5.38<sup>(3)</sup> (~USD 8.3 cents)<sup>(1)</sup> per kWh.



### 46MW<sup>(2)</sup> | Indian Railways

PPA allotted to Azure Power is the largest to any company by Indian Railways

Azure's levelized tariff for the project of INR 6.19<sup>(4)</sup> (~US\$ 0.095)<sup>(1)</sup> per kWh should result in significant savings for Indian Railways compared to its current DISCOM electricity tariff

Spread across 11 states and ~1,500 roofs

1) Exchange rate- INR64.85 to US\$1 (New York closing rate of March 31, 2017), 2) Capacity as defined by PPA contract 3) Tariff includes INR 1.73 (US\$ 0.02) million VGF by SECI. 4) Tariff includes INR 934 (US\$ 14.4) million capital incentive.

# The Solar Advantage; Lowest Cost, Most Reliable Resource with Greatest Potential

Azure Power's solar plants had 99.5% availability in FY17

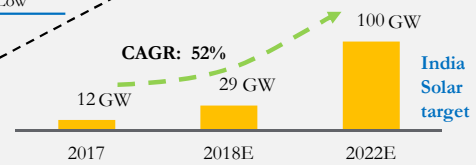
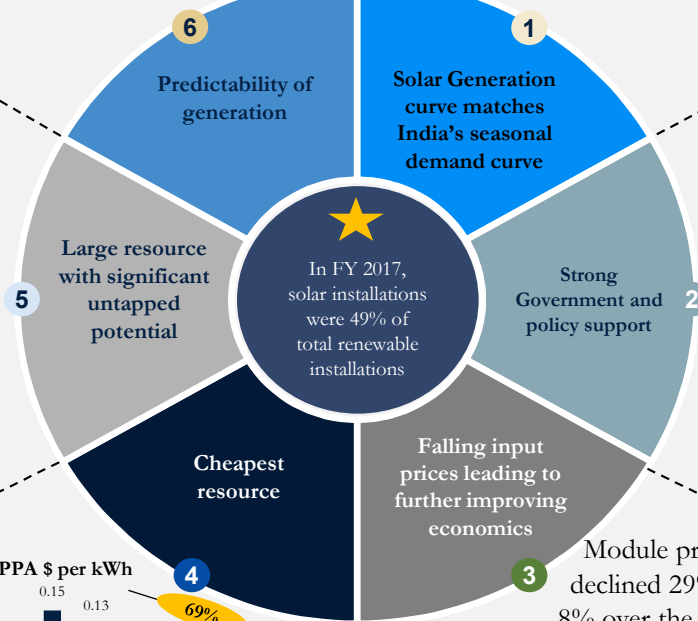
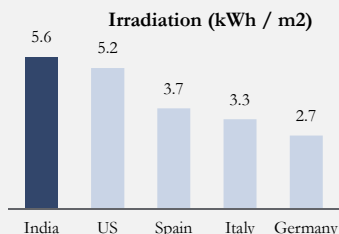
- Solar more reliable & predictable: high availability
- Coal/gas can have interruptions in availability on account of fuel shortages
- Oil generation is uneconomical
- Wind/hydro generation driven by monsoon pattern

- Generation in seasons when peak demand is higher
- India's summer peak demand higher when solar power generation higher

Seasonal Energy Curve	Summer	Monsoon
India-Demand	Peak	Low
Solar-Generation	Peak	Low

Solar delivers power close to demand; Avoids expensive transmission

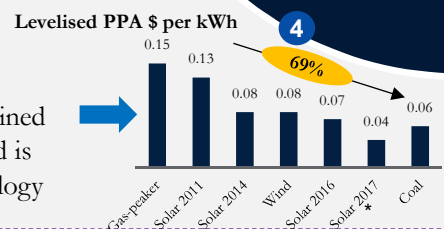
- Ecofriendly source with low carbon footprint
- Significant untapped potential of 750 GW of solar
- Highest level of irradiation in the world (kWh / m2)



- Government 100 GW solar target by 2022 supported by Renewable Purchase Law
- India ratified Paris climate change agreement and committed to 40% renewables by 2030 up from 15%
- Auction strategy for solar since inception has increased reliability and serviceability
- Solar projects exempt from environmental clearances/various regulatory approvals

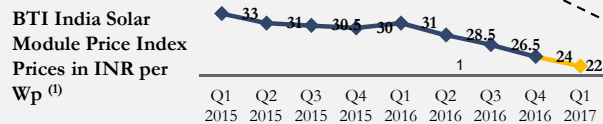
At least 13.7GW of planned coal-fired plants in India were cancelled in May.

Solar PPA prices have declined 69% in past five years and is cheaper than other technology



Module prices have declined 29% yoy and 8% over the last quarter

Project debt costs have declined ~200 bps since 2011



1) Bridge to India.





# Industry News and Company Impact

## Industry News

INR appreciation vs USD strongest in seven years <sup>(1)</sup>  
 India Foreign Direct Investment up +11% YoY.<sup>(2)</sup>  
 India requires 134GW of new capacity.<sup>(3)</sup>  
 ~237 million people without access to electricity.<sup>(4)</sup>

GST on solar panels is set at 5%.<sup>(5)</sup> GST rates on other solar components under evaluation.

In Feb '17, WTO ruled against India's Domestic Content Requirement (DCR).<sup>(6)</sup> Govt. of India cancelled private procurement with DCR requirements for compliance.

Indian Solar Manufacturer's Association has sought anti-dumping duty on solar products from China, Malaysia and Taiwan. <sup>(7)</sup>

Accounting standard ASC 740 updated for recognition of current and deferred income taxes resulting from an intra-entity transfer of asset. <sup>(8)</sup>

## Strong Economic Backdrop

## GST

## WTO

## Anti Dumping

## Income tax expense

## Impact on Company

59% YoY increase in revenues and a 69% YoY increase in kWh generation during FY17.  
 3.3GW of bids in process across the sector.  
 20 GW to be auctioned by 2018<sup>(9)</sup>

We expect limited impact on Azure Power. Pass through clause in under construction contracts. Future auctions to reflect GST impact.

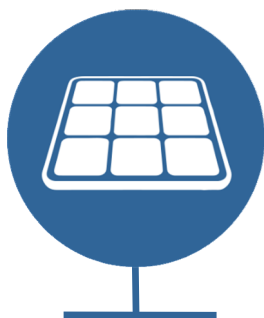
SECI did not sign a 50 MW contract (AP 4) with Azure Power on account of WTO's ruling on DCR.

None at this time. Anti-dumping duty was previously sought in 2014 but was not implemented by the Finance Ministry, Govt. of India.

With early adoption, our tax expense is expected to be lower as it will result in recognition of deferred tax assets on intra-entity transfer of assets which is likely to be higher than the prepaid taxes we could have recognize earlier.

1) FactSet, 2% appreciation from FY16 to FY17 ended March 31. 2) Dept of Industrial Policy & Promotion, Govt of India, 3) World Energy Outlook 2015, India target capacity of 436GW by 2020, 4) MNRE, 5) Bridge to India, 6) WTO, 7) PV Tech, 8) FASB, 9) Market update by Mercom.

## FY 2017: Effective Strategy & Strong Execution Drives 94% YoY Increase in Operating, High Quality MW



651MW cumulative Operating  
**94% increase<sup>(1)</sup>**



1,069MW cumulative Operating & Committed  
**31% increase<sup>(1)</sup>**



US\$64.5mn Revenue  
**59% increase<sup>(1)</sup>**



617.5mn kWh Generation  
**69% increase<sup>(1)</sup>**



US\$0.76mn Project Cost/MW  
**17% reduction<sup>(1)</sup>**



US\$169.7mn Portfolio Revenue Run Rate<sup>(2)</sup>  
**18% increase<sup>(1)</sup>**

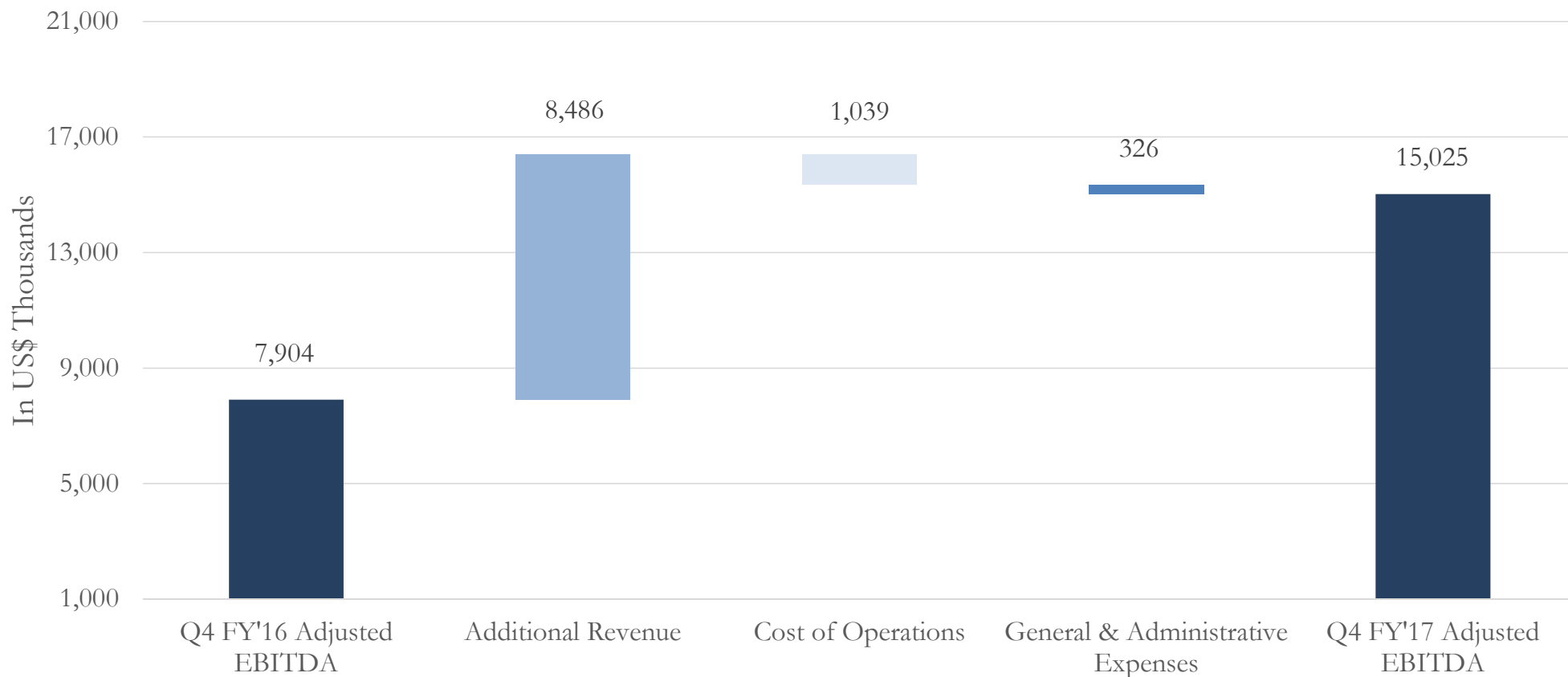
1. Increase/Reduction is over corresponding quarter of previous year

2. Portfolio run-rate equals annualized payments from customers extrapolated based on the operating & committed capacity as of March 31, 2017. Comparison is to March 31, 2016.

Exchange rate- INR64.85 to US\$1 (New York closing rate of March 31, 2017)

## 4Q'2017: Adjusted EBITDA\* Margin Expansion Driven by Cost Management

90% growth in Adjusted EBITDA in Q4 FY'17 vs Q4 FY'16



Exchange rate- INR64.85 to US\$1 (New York closing rate of March 31, 2017) | \* For a reconciliation of Non GAAP measures to comparable GAAP measures, refer to the Appendix

## A Growing Balance Sheet with a Strong Liquidity Position

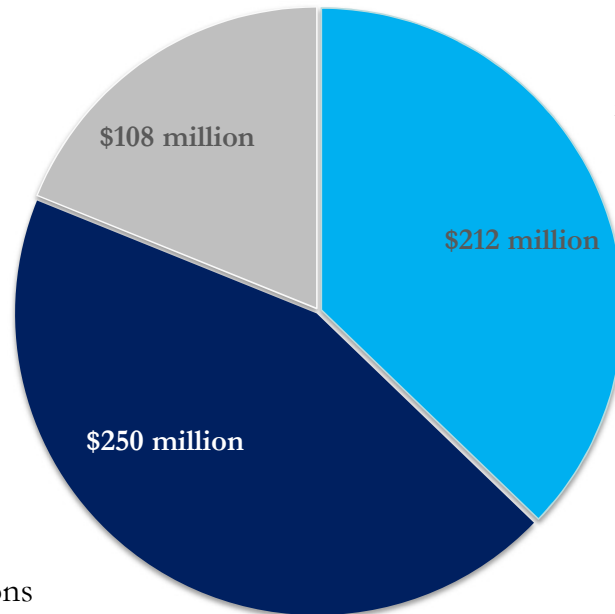
	March 31, 2016 (in thousands)	March 31, 2017 (in thousands)	
	INR	INR	US\$
<b>Cash, Cash Equivalents and Current Investments</b>	3,090,386	8,757,467	135,042
<b>Property, Plant &amp; Equipment, Net</b>	24,381,429	40,942,608	631,343
<b>Total Debt*</b>	20,487,951	35,157,808	542,140

\* Total Debt excludes Compulsorily Convertible Debentures of INR 3,600.7 million on March 31, 2016. It also excludes Ancillary Cost of Borrowing of INR 909.3 million (US\$ 14.0 million) as on March 31, 2017 and INR 438.2 million as on March 31, 2016

Exchange rate- INR64.85 to US\$1 (New York closing rate of March 31, 2017)

# US\$570 Million of Liquidity as on March 31, 2017

Working Capital  
Facilities



Cash (incl.  
restricted)

## CDPQ ROFO

Right of first offer to provide minority equity financing to fund the development or acquisition of new power projects of our subsidiaries



The Company has secured financing for all committed and under construction projects

Exchange rate- INR64.85 to US\$1 (New York closing rate of March 31, 2017)

## Key FY 2018 Initiatives to Enhance Shareholder Value

We utilize four main levers to improve returns and enable sustained growth

### **Effective Bidding**

Experienced market participant with track record of winning bids above the lowest clearing bid

### **Project Cost Reductions**

Value engineering, design and procurement expertise complemented by strong supplier relationships

### **Capital Cost Reductions**

Long-standing, global relationships and strategic partnerships buoyed by falling Indian interest rates

### **Plant Yield Improvements**

In-house operational capabilities maximize project yield and performance through proprietary system monitoring and adjustments

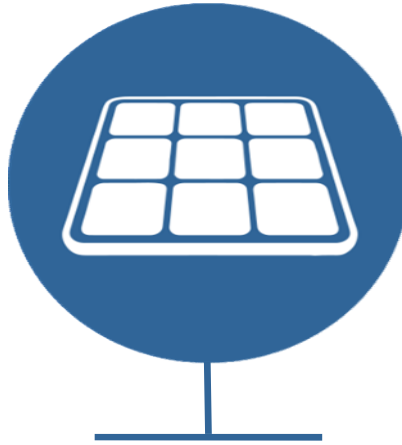
## 2018 Key Initiatives

Scale up rooftop and distributed generation provides diversification and higher returns

Value engineering for balance of plant cost reduction and capacity optimization

Focus on refinancing and select strategic project investments

Step function improvement in O&M techniques: higher throughput, reduction in manpower and water consumption



US\$ 118-125 million of Revenue for FY18  
1,000-1,200 MWs Operating by March 31, 2018

Exchange rate- INR64.85 to US\$1 (New York closing rate of March 31, 2017)

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# Appendix



## Use of Non-GAAP Financial Measures

Adjusted EBITDA is a non-GAAP financial measure. The Company presents Adjusted EBITDA as a supplemental measure of its performance. This measurement is not recognized in accordance with GAAP and should not be viewed as an alternative to GAAP measures of performance. The presentation of Adjusted EBITDA should not be construed as an inference that the Company's future results will be unaffected by unusual or non-recurring items.

The Company defines Adjusted EBITDA as net loss (income) plus (a) income tax expense, (b) interest expense, net, (c) depreciation and amortization, and (d) loss (income) on foreign currency exchange. The Company believes Adjusted EBITDA is useful to investors in evaluating our operating performance because:

- Securities analysts and other interested parties use such calculations as a measure of financial performance and debt service capabilities; and
- it is used by our management for internal reporting and planning purposes, including aspects of its consolidated operating budget and capital expenditures.

Adjusted EBITDA has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of the Company's results as reported under GAAP. Some of these limitations include:

- it does not reflect its cash expenditures or future requirements for capital expenditures or contractual commitments or foreign exchange gain/loss;
- it does not reflect changes in, or cash requirements for, working capital;
- it does not reflect significant interest expense or the cash requirements necessary to service interest or principal payments on its outstanding debt;
- it does not reflect payments made or future requirements for income taxes; and
- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced or paid in the future and Adjusted EBITDA does not reflect cash requirements for such replacements or payments.
- investors are encouraged to evaluate each adjustment and the reasons the Company considers it appropriate for supplemental analysis. For more information, please see the table captioned "Reconciliations of Non-GAAP Measures to Comparable GAAP Measures" in this presentation.

## Full Year and Q4 FY'17 Results

	Year Ended March 31, (in thousands)			Three Months Ended March 31, (in thousands)			% Change Q4FY'17 vs Q4FY'16
	2016 INR	2017 INR	2017 US\$	2016 INR	2017 INR	2017 US\$	
<b>Revenue</b>	2,626,148	4,182,985	64,502	767,237	1,317,577	20,317	72%
<b>Cost of Operations</b>	190,648	375,787	5,795	63,340	130,741	2,016	106%
<b>General &amp; Administrative Expenses</b>	672,841	797,161	12,292	191,313	212,446	3,276	11%
<b>Non-GAAP Adjusted EBITDA *</b>	1,762,659	3,010,037	46,415	512,584	974,390	15,025	90%


Exchange rate- INR64.85 to US\$1 (New York closing rate of March 31, 2017) | \* For a reconciliation of Non-GAAP measures to comparable GAAP measures, refer to the Appendix

## Reconciliation of Non GAAP Measures to Comparable GAAP measures

	Year Ended March 31, (in thousands)			Three Months Ended March 31, (in thousands)		
	2016 INR	2017 INR	2017 US\$	2016 INR	2017 INR	2017 US\$
<b>Net loss</b>	(1,654,840)	(1,191,569)	(18,374)	(593,440)	(306,728)	(4,730)
<b>Income tax expense/ (benefit)</b>	327,745	892,333	13,760	238,318	645,187	9,949
<b>Interest expense</b>	2,058,836	2,371,836	36,574	669,547	631,150	9,732
<b>Depreciation and amortization</b>	687,781	1,046,565	16,138	192,134	313,999	4,842
<b>Loss/ (Gain) on foreign currency exchange</b>	343,137	(109,128)	(1,683)	6,025	(309,218)	(4,768)
<b>Adjusted EBITDA</b>	1,762,659	3,010,037	46,415	512,584	974,390	15,025

Exchange rate- INR64.85 to US\$1 (New York closing rate of March 31, 2017)

## Nominal Contracted Payments & Portfolio Run-Rate

 Nominal Contracted Payments are the sum of estimated payments for the life of signed PPAs. Values are not discounted.

	As of March 31,		
	2016	2017	
	INR	INR	US\$
Nominal contracted payments (in thousands) .....	207,576,237	255,474,775	3,939,472
Total estimated energy output (kilowatt hours in millions).....	34,671	44,677	

 Portfolio Run-Rate is the estimated annualized revenue if all capacity (both operating and committed) were operating.

	As of March 31,		
	2016	2017	
	INR	INR	US\$
Portfolio Revenue run-rate (in thousands) .....	9,289,641	11,005,761	169,711
Estimated annual energy output (kilowatt hours in millions).....	1,514	1,921	

Exchange rate- INR64.85 to US\$1 (New York closing rate of March 31, 2017)

## Project List- Operational (Utility)

Project Names	Commercial Operation Date <sup>(1)</sup>	Capacity (MW) <sup>(2)</sup>	Tariff (INR/kWh)	Off taker	Duration of PPA in Years
Punjab 1	Q4 2009	2	17.91	NTPC Vidyut Vyapar Nigam Limited	25
Punjab 2.1	Q3 2014	15	7.67	Punjab State Power Corporation Limited	25
Punjab 2.2	Q4 2014	15	7.97	Punjab State Power Corporation Limited	25
Punjab 2.3	Q4 2014	4	8.28	Punjab State Power Corporation Limited	25
Karnataka 1	Q1 2015	10	7.47	Bangalore Electricity Supply Company Limited	25
Uttar Pradesh 1	Q1 2015	10	8.99	Uttar Pradesh Power Corporation Limited	12
Gujarat 1.1	Q2 2011	5	15.00 <sup>(4)</sup>	Gujarat UrjaVikas Nigam Limited	25
Gujarat 1.2	Q4 2011	5	15.00 <sup>(4)</sup>	Gujarat UrjaVikas Nigam Limited	25
Rajasthan 1	Q4 2011	5	11.94	NTPC Vidyut Vyapar Nigam Limited	25
Rajasthan 2.1	Q1 2013	20	8.21	NTPC Vidyut Vyapar Nigam Limited	25
Rajasthan 2.2	Q1 2013	15	8.21	NTPC Vidyut Vyapar Nigam Limited	25
Rajasthan 3.1	Q2 2015	20	5.45 <sup>(3)</sup>	Solar Energy Corporation of India	25
Rajasthan 3.2	Q2 2015	40	5.45 <sup>(3)</sup>	Solar Energy Corporation of India	25
Rajasthan 3.3	Q2 2015	40	5.45 <sup>(3)</sup>	Solar Energy Corporation of India	25
Chhattisgarh 1.1	Q2 2015	10	6.44	Chhattisgarh State Power Distribution Company Ltd	25
Chhattisgarh 1.2	Q2 2015	10	6.45	Chhattisgarh State Power Distribution Company Ltd	25
Chhattisgarh 1.3	Q3 2015	10	6.46	Chhattisgarh State Power Distribution Company Ltd	25
Rajasthan 4	Q4 2015	5	5.45 <sup>(3)</sup>	Solar Energy Corporation of India	25
Delhi 1.1	Q4 2015	1	5.43 <sup>(3)</sup>	Solar Energy Corporation of India	25
Karnataka 2	Q1 2016	10	6.66	Bangalore Electricity Supply Company Limited	25
Andhra Pradesh 1 <sup>(5)</sup>	Q1 2016	50	5.89 <sup>(4)</sup>	Southern Power Distribution Com of AP Ltd	25
Punjab 3.1	Q1 2016	24	7.19	Punjab State Power Corporation Limited	25
Punjab 3.2	Q1 2016	4	7.33	Punjab State Power Corporation Limited	25
Bihar	Q3 2016	10	8.39	North & South Bihar Power Distribution Company Ltd	25

1) Refers to the applicable quarter of the calendar year. There can be no assurance that our projects under construction and our committed projects will be completed on time or at all. Refer to company prospectus under Risk Factors,

2) Capacity as defined by the PPA contract. 3) Projects are supported by viability gap funding, or VGF, in addition to the tariff 4) Current tariff, subject to escalation/change, as per PPA.

5) Hanwha Q CELLS Korea holds a non-controlling interest against its investment of INR 216.9 million.

## Project List- Operational and Under Construction (Utility)

Project Names	Commercial Operation Date <sup>(1)</sup>	Capacity (MW) <sup>(2)</sup>	Tariff (INR/kWh)	Off taker	Duration of PPA in Years
<b>Operational</b>					
Punjab 4.1 <sup>(4)</sup>	Q4 2016	50	5.62	Punjab State Power Corporation Limited	25
Punjab 4.2 <sup>(4)</sup>	Q4 2016	50	5.63	Punjab State Power Corporation Limited	25
Punjab 4.3 <sup>(4)</sup>	Q4 2016	50	5.64	Punjab State Power Corporation Limited	25
Karnataka 3.1	Q1 2017	50	6.51	Chamundeshwari Electricity Supply Corporation Ltd	25
Karnataka 3.2	Q1 2017	40	6.51	Hubli Electricity Supply Company Limited	25
Karnataka 3.3	Q1 2017	40	6.51	Gulbarga Electricity Supply Company Limited	25
Maharashtra 1.1	Q1 2017	2	5.50 <sup>(3)</sup>	Ordinance Factory, Bhandara	25
Maharashtra 1.2	Q1 2017	5	5.31	Ordinance Factory, Ambajhari	25
Andhra Pradesh 2	Q2 2017	100	5.12	NTPC Limited	25
Uttar Pradesh 2 <sup>(4)</sup>	Q2 2017	20	4.78	NTPC Limited	25
<b>Total Capacity</b>		<b>747</b>			
<b>Under Construction</b>					
Delhi 1.2	Q2 2017	2	5.43 <sup>(3)</sup>	Solar Energy Corporation of India	25
Uttar Pradesh 2 <sup>(4)</sup>	Q2 2017	30	4.78	NTPC Limited	25
Uttar Pradesh 3	Q4 2017	40	4.43 <sup>(3)</sup>	Solar Energy Corporation of India	25
Telangana 1	Q3 2017	100	4.67	NTPC Limited	25
Andhra Pradesh 3	Q4 2017	50	4.43 <sup>(3)</sup>	Solar Energy Corporation of India	25
<b>Total Capacity</b>		<b>222</b>			

1) Refers to the applicable quarter of the calendar year. There can be no assurance that our projects under construction and our committed projects will be completed on time or at all. Refer to company prospectus under Risk Factors. 2) Capacity as defined by the PPA contract. 3) Projects are supported by viability gap funding, or VGF, in addition to the tariff, 4) Hanwha Energy Corporation Singapore Pte. Ltd. holds a non-controlling interest.

## Project List- Commercial Rooftops

Project Names	Commercial Operation Date <sup>(1)</sup>	Capacity (MW) <sup>(2)</sup>	Off taker	Duration of PPA in Years
<b>Operational</b>				
Gujarat Rooftop	2013	2.500	Torrent Power Limited	25
DLF (total)	2013-2016	1.898	DLF Limited	25
Uttar Pradesh Rooftop 1	Q1 2015	0.555	Indosolar Limited	25
Delhi Rooftop 1	Q2 2015	0.056	Delhi Gymkhana Club Limited	25
Delhi Rooftop 2	Q2 2015	0.178	Taj Sats Air Catering Limited	20
Punjab Rooftop 1	Q3 2015	1.000	JCBL Ltd.	25
Punjab Rooftop 2	Q2 2016	10.000	Punjab State Power Corporation Limited	25
Delhi Rooftop 3	Q2 2016	0.918 <sup>(3)</sup>	Indraprathsa Power Generation Co. Ltd.	25
Delhi Rooftop 4	Q1 2017	6.005 <sup>(3)</sup>	Delhi Metro Rail Corporation	25
Oberoi (total)	Q3 2016	0.839	Orbit Resorts/EIH Limited	15
<b>Total Capacity</b>		<b>23.949</b>		
<b>Under Construction</b>				
Delhi Rooftop 4	Q3 2017	7.996 <sup>(4)</sup>	Delhi Metro Rail Corporation	25
Odisha Rooftop 1	Q2 2017	4.000 <sup>(3)</sup>	Green Energy Development Corporation Ltd.	25
<b>Total Capacity</b>		<b>11.996</b>		
<b>Committed</b>				
Tamil Nadu Rooftop 1		1.200	Pennar Industries Limited	25
Oberoi 2	Q4 2017	0.764	Orbit Resorts/EIH Limited	15
Punjab Rooftop 3	Q1 2018	0.476	Desh Bhagat University	25
Delhi Rooftop 5	Q2 2018	16.000 <sup>(3)</sup>	Delhi Jal Board	25
Indian Railways Rooftop <sup>(6)</sup>	Q4 2017	46.00 <sup>(5)</sup>	Indian Railways	25
<b>Total Capacity</b>		<b>64.440</b>		

1) Refers to the applicable quarter of the calendar year. There can be no assurance that our projects under construction and our committed projects will be completed on time or at all. Refer to company prospectus under Risk Factors 2) Capacity as defined by the PPA contract. 3) Projects are supported by subsidy in addition to the tariff. 4) The levelized tariff for this project INR 6.41 per kWh. 5) Projects are supported by capital incentive in addition to tariff. 6) Out of 46 MW awarded; PPAs signed for 23MW

## Debt Schedule

Name of Project	Outstanding Principal Amount (In thousands)		Type of Interest	Currency	Maturity Date <sup>(1)</sup>
	INR	US\$ <sup>(3)</sup>			
Punjab 1	202,671	3,125	Fixed	US\$	2024
Punjab 2	1,696,500	26,160	Floating	INR	2030
Gujarat 1	1,122,926	17,316	Fixed	US\$	2025
Gujarat rooftop	114,417	1,764	Floating	INR	2028
Rajasthan 1	783,162	12,077	Fixed	US\$	2028
Rajasthan 2	3,339,329	51,493	Fixed	US\$	2031
Uttar Pradesh 1	495,550	7,641	Floating	INR	2026
Rooftop Projects(2)	217,064	3,347	Floating	INR	2028
Karnataka 1	543,114	8,375	Floating	INR	2030
Rajasthan 3.1	902,132	13,911	Floating	INR	2028
Rajasthan 3.2	1,712,099	26,401	Floating	INR	2030
Rajasthan 3.3	1,845,640	28,460	Floating	INR	2028
Punjab 3.1 and 3.2	1,544,800	23,821	Floating	INR	2030
Rajasthan 4	236,252	3,643	Floating	INR	2028
Chhattisgarh 1.1,1.2 & 1.3	1,505,260	23,211	Floating	INR	2029
Bihar 1	448,350	6,914	Floating	INR	2031
Karnataka 2	538,100	8,298	Floating	INR	2031
Andhra Pradesh 1	2,562,300	39,511	Floating	INR	2034
Punjab Rooftop 2	375,000	5,783	Floating	INR	2026
Karnataka 3.2	1,293,472	19,946	Floating	INR	2031
Karnataka 3.3	1,315,371	20,283	Floating	INR	2031
Punjab 4	5,981,800	92,241	Floating	INR	2034
Delhi Rooftop 4	261,400	4,031	Floating	INR	2031
Maharashtra 1.1 & 1.2	356,250	5,493	Floating	INR	2032
Uttar Pradesh 2	825,000	12,722	Floating	INR	2034
Telangana 1	1,000,000	15,420	Floating	INR	2036
Andhra Pradesh 2	2,300,000	35,466	Floating	INR	2036
Andhra Pradesh 2 (Bridge Loan)	2,500,000	38,551	Floating	INR	2018
Oberoi Rooftop	49,077	757	Floating	INR	2030
<b>Total</b>	<b>36,067,036<sup>(4)</sup></b>	<b>556,161</b>			

1) These loans are repayable on a quarterly or semi-annual basis. For repayment by period of the above-mentioned loans, refer to contractual obligation and commercial commitments. 2) Rooftop Projects includes DLF (total), Uttar Pradesh Rooftop 1, Delhi Rooftop 1, Delhi Rooftop 2 and Delhi Rooftop 3. Exchange rate- INR64.85 to US\$1 (New York closing rate of March 31, 2017), 4) Includes ancillary cost of borrowing of INR 909.3 million (US\$14.0 million), presented in the financials on net basis.



## Glossary of Select Terms

**Accelerated Depreciation** – Accelerated depreciation can be elected at the project level, such that projects that reach COD in the first half of the year can expense 100% of eligible project costs in year 1, and otherwise can expense 50% of project costs in year 1 and the remainder thereafter. After March 31, 2017, projects that reach COD in the first half of the year will be eligible to expense 60% of project costs in year 1

**Balance of System (BOS)** – The non-module costs of a solar system

**Committed Projects** – Solar power plants that are allotted, have signed PPAs, or under-construction but not commissioned

**Jawaharlal Nehru National Solar Mission (NSM)** – India’s only national mission, which was launched in 2010 to support solar growth to bridge India’s energy gap

**Levelized Cost of Energy (LCOE)** – A cost metric used to compare energy alternatives, which incorporates both upfront and ongoing costs and measures the full cost burden on a per unit basis

**Ministry of New and Renewable Energy (MNRE)** – A Government of India ministry whose broad aim is to develop and deploy new and renewable energy to supplement India’s energy requirements

**National Operating Control Center (NOCC)** – Azure Power’s centralized operations monitoring center that allows real-time project performance monitoring and rapid response

**Power Purchase Agreement or “PPA”** shall mean the Power Purchase Agreement signed between Off-taker and the Company for procurement of Contracted Capacity of Solar Power

**Renewable Purchase Obligations (RPO)** – Requirements specified by State Electricity Regulatory Commissions, or SERCs, as mandated by the National Tariff Policy 2006 obligating distribution companies to procure solar energy by offering preferential tariffs

**Section 80-IA Tax Holiday** – A tax holiday available for ten consecutive years out of fifteen years beginning from the year Azure Power generates power

**Solar Auction Process** – A reverse bidding process, in which participating developers bid for solar projects by quoting their required tariffs per kilowatt hour, or their required VGF in order to deliver certain tariffs. Projects are allocated to the bidders starting from the lowest bidder, until the total auctioned capacity is reached

**Viability Gap Funding (VGF)** – A capital expenditure subsidy available under certain NSM auctions that is awarded based on a reverse bidding process to incentivize solar energy at market tariff rates



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