

Earnings Call

14th February 2017

Q3 FY 17

India's first private grid connected solar plant over one megawatt

India's first distributed rooftop solar project over one megawatt

Pan India portfolio of solar assets in 15 States

Largest owner and operator of National Solar Mission projects



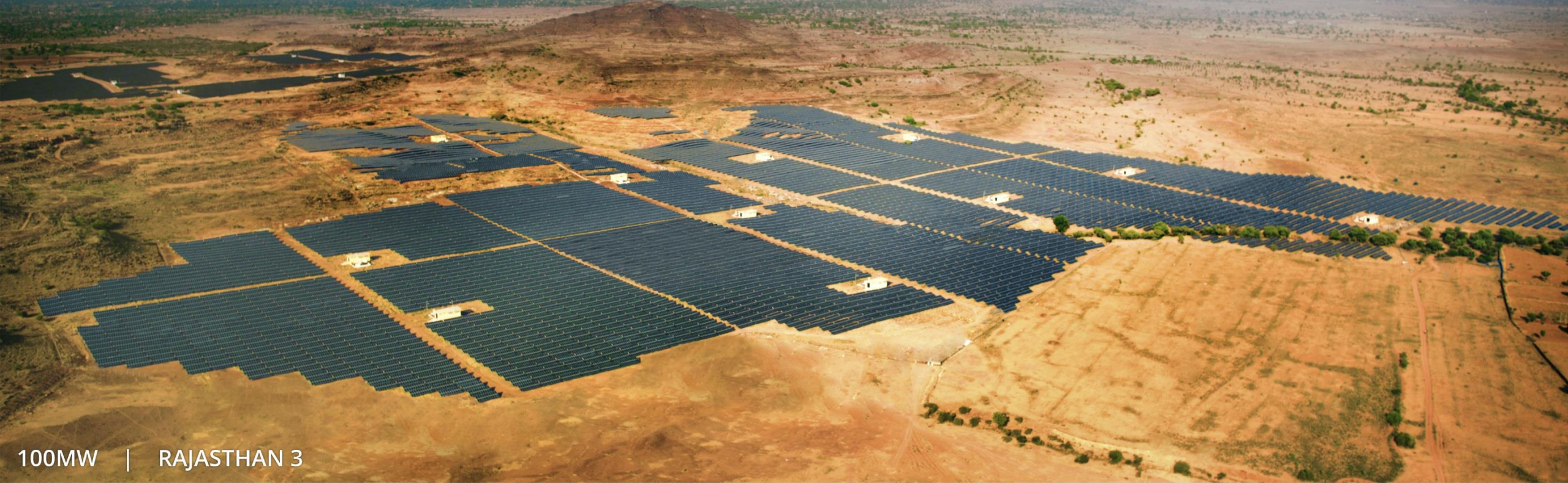
Disclaimer

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.

Affordable Solar Power for Generations

Our mission is to be the lowest cost power producer in the world



100MW | RAJASTHAN 3

Excellence



Honesty



Socially Responsible



Entrepreneurship



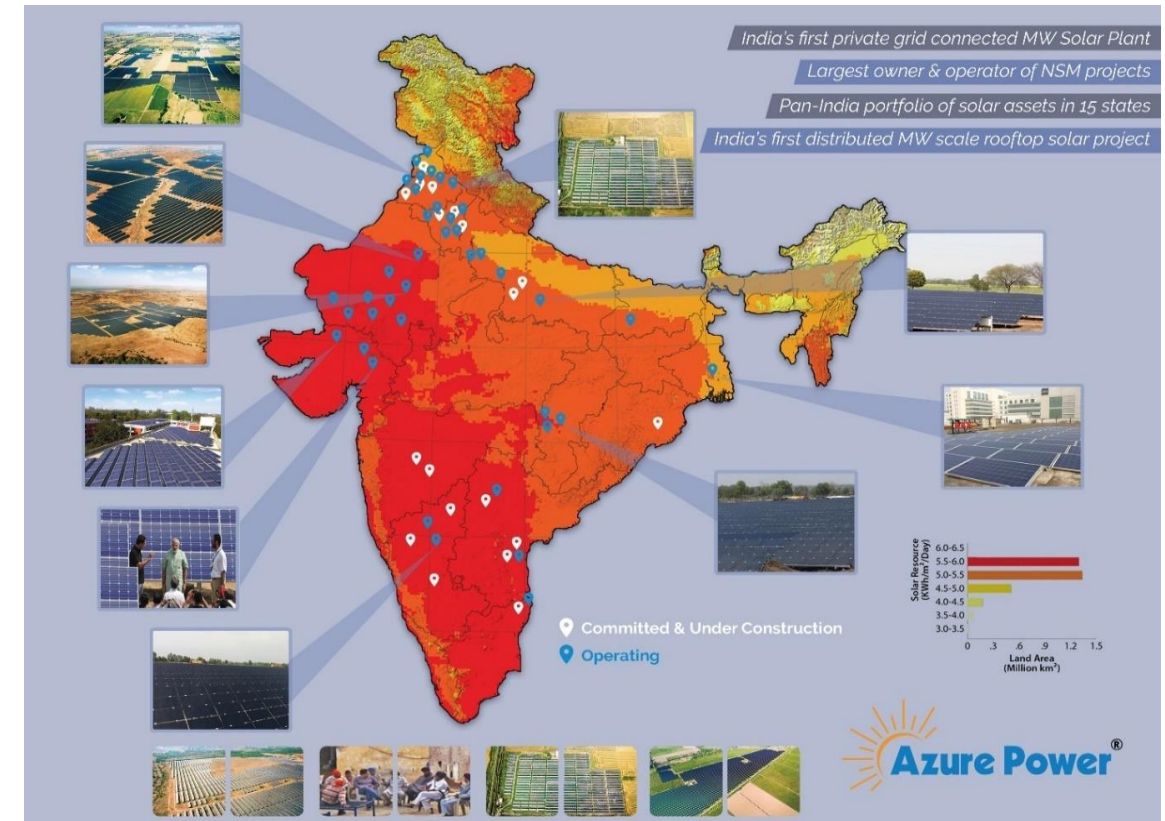
1,071 MW Diversified Portfolio; Majority of Contracts with Sovereign Entities

- ☀️ Total portfolio of 1,071MW
 - 512 MW (AC) operational , 559 MW under construction & committed
 - 27 operational utility projects, 12 under construction or committed utility projects and 700+ rooftops operating or under implementation
- ☀️ Won 50 MW 25 year PPA with SECI in December 2016
 - Tariff of INR 4.43 (US \$0.065)⁽³⁾/kWh supported by INR 635 (US \$9.35)⁽³⁾ million of viability gap funding (VGF)
 - Contract price including VGF is ~18% higher than the lowest bid in 2016
 - COD 13 months after signing

☀️ Majority of our portfolio consists of strong credit sovereign off-takers

Off-takers	Total MW	Credit Rating
NTPC or NTPC Vidyut Vyapar Nigam Ltd ⁽¹⁾	292	AAA
Solar Energy Corporation of India (SECI) ⁽²⁾	255	AA+
Punjab State Power Corporation Ltd (PSPCL) ⁽²⁾	222	B+

- ☀️ Because of careful selection of counterparties, there have not been any curtailments on any of our plants
- ☀️ Average contract is 25 years at fixed prices
- ☀️ Secured financing for all CY17 projects ahead of schedule with US\$610mn financing



1. Source: CRISIL 2. Source: ICRA 3. Exchange rate- INR67.92 to US\$1 (New York closing rate of December 31, 2016)

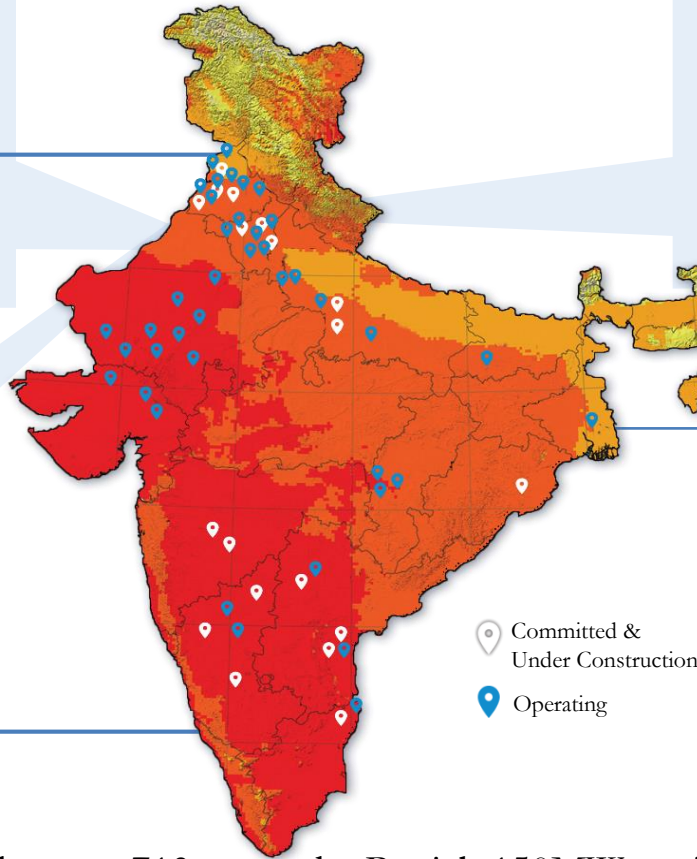
Started 2017 with Early Commissioning of Our Largest Plant to Date, Below Budget



150MW⁽²⁾ | PUNJAB 4

Largest solar project in the state of Punjab,
25 Year PPA with Punjab State Power Corporation
Ltd at INR 5.63 (US\$0.083)⁽¹⁾ per kWh

Project commissioned ahead of the contracted
schedule date and below budget



Apart from electrifying the vicinity, the
project will create an estimated 1,000 jobs

By leasing project land, the company is
creating discretionary long term cash flows
for the local community

Spread across 713 acres, the Punjab 150MW project is the largest solar power project in north India

Total solar portfolio of 225 MW in Punjab makes Azure Power the largest owner and operator of solar power plants in the state



1) Exchange rate- INR67.92 to US\$1 (New York closing rate of December 31, 2016), 2) Capacity as defined by PPA contract

POWERING UTILITIES

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



POWERING COMMERCIAL

- First distributed solar rooftop project operational in India
- Portfolio of 700+ 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 businesses



Azure Power's Integrated Platform Drives Competitive Advantage

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

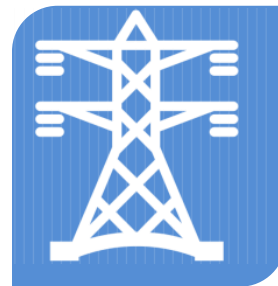
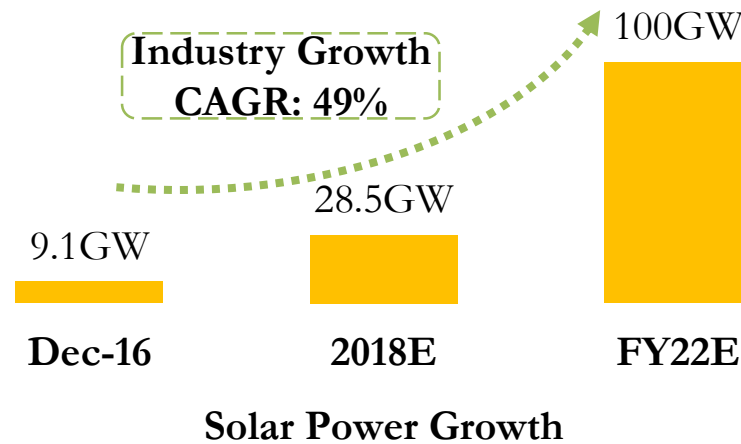
Supportive Regulation, Robust Demand, Abundant Solar Resource and Falling Cost Driving Solar Growth

Supportive Regulation

- Government solar target of 100GW by 2022 supported by Renewable Purchase Law⁽¹⁾
- India ratified Paris climate change agreement and committed to 40% renewables by 2030 up from 15% (Dec 2016)⁽²⁾

Robust Demand

- Economic backdrop supportive and inflation is falling. USD/INR FX depreciation was 2% from 2015 to 2016, the lowest in seven years⁽⁷⁾
- Persistent power deficit of ~5%. India requires 134GW of new capacity⁽⁶⁾
- Estimated 304 million people without access to electricity



High Growth Market

- 4.2GW of bids in process across the sector
- 20 GW of new projects to be auctioned by 2018⁽³⁾
- In the last 3 quarters, solar installations outpaced all other renewables⁽⁴⁾

Solar is Attractive vs Other Sources

- India has among the highest insolation rates of leading global solar markets
- 35% price reduction in solar panels in the last 12 months
- Project debt costs have declined ~200 bps since 2011. Further interest rate reduction of 25 bps by Reserve Bank of India in Oct'2016⁽⁵⁾

Commercial and Industrial Rooftop Solar Provides Growth Upside

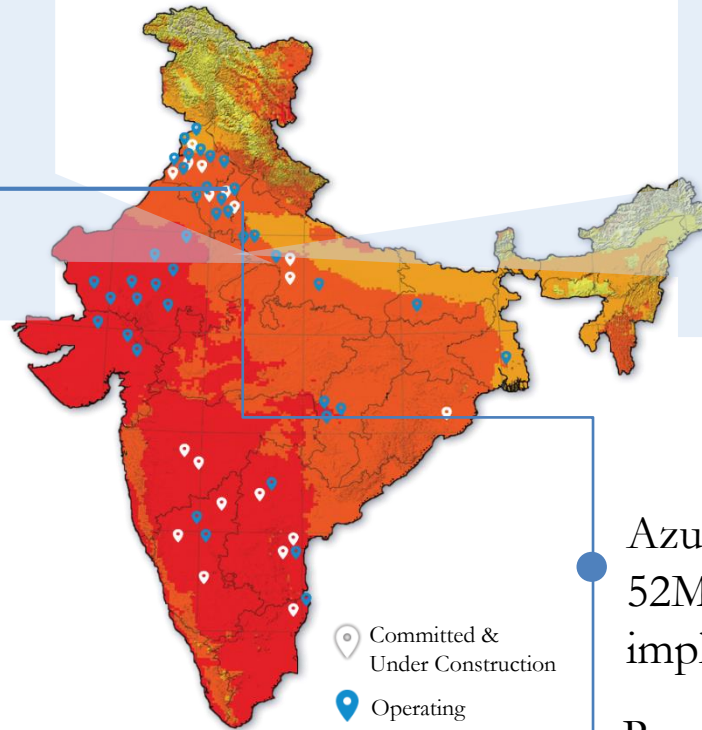


14MW⁽⁵⁾ | DMRC | DELHI Rooftop 4

14MW PPA allotted to Azure Power is one of the largest to any company by DMRC

Azure's tariff for the project INR 5.55⁽¹⁾ (US\$ 0.082)⁽²⁾ per kWh should result in significant savings for DMRC compared to its current DISCOM electricity tariff

Phase I (4.2MW across 8 roofs) commissioned ahead of schedule



Rooftop Potential
CAGR: 95% (3)

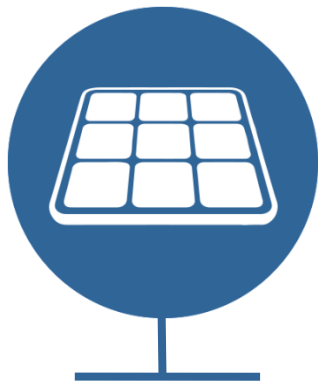


Azure Power has total rooftop capacity of 52MW across 11 states with 700+ roofs under implementation

Recently tied up a rooftop financing facility of US \$20 million at 4.79%⁽⁴⁾ for 15 years with Overseas Private Investment Corporation

1) Tariff excludes INR 167.4 million (US\$2.5 million) of subsidy, 2) Exchange rate- INR67.92 to US\$1 (New York closing rate of December 31, 2016), 3) Bridge to India, "India Solar Rooftop Map 2016", 4) Floating Interest Rate ; 4.79% - Rate as of 31st December 2016, 5) Capacity as defined by the PPA contract

Effective Strategy & Strong Execution Drives 106% YoY Increase in Operating, High Quality MW during Q3 FY'17



523MW DC (512MW AC) Operating
106% increase⁽¹⁾



1,071MW Operating & Committed
33% increase⁽¹⁾



US\$14mn Revenue
46% increase⁽¹⁾



416.9mn kWh Generation
64% increase⁽²⁾



US\$0.65mn Project Cost/MW
27% reduction⁽²⁾



US\$163mn Portfolio Revenue Run Rate⁽³⁾
20% increase

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

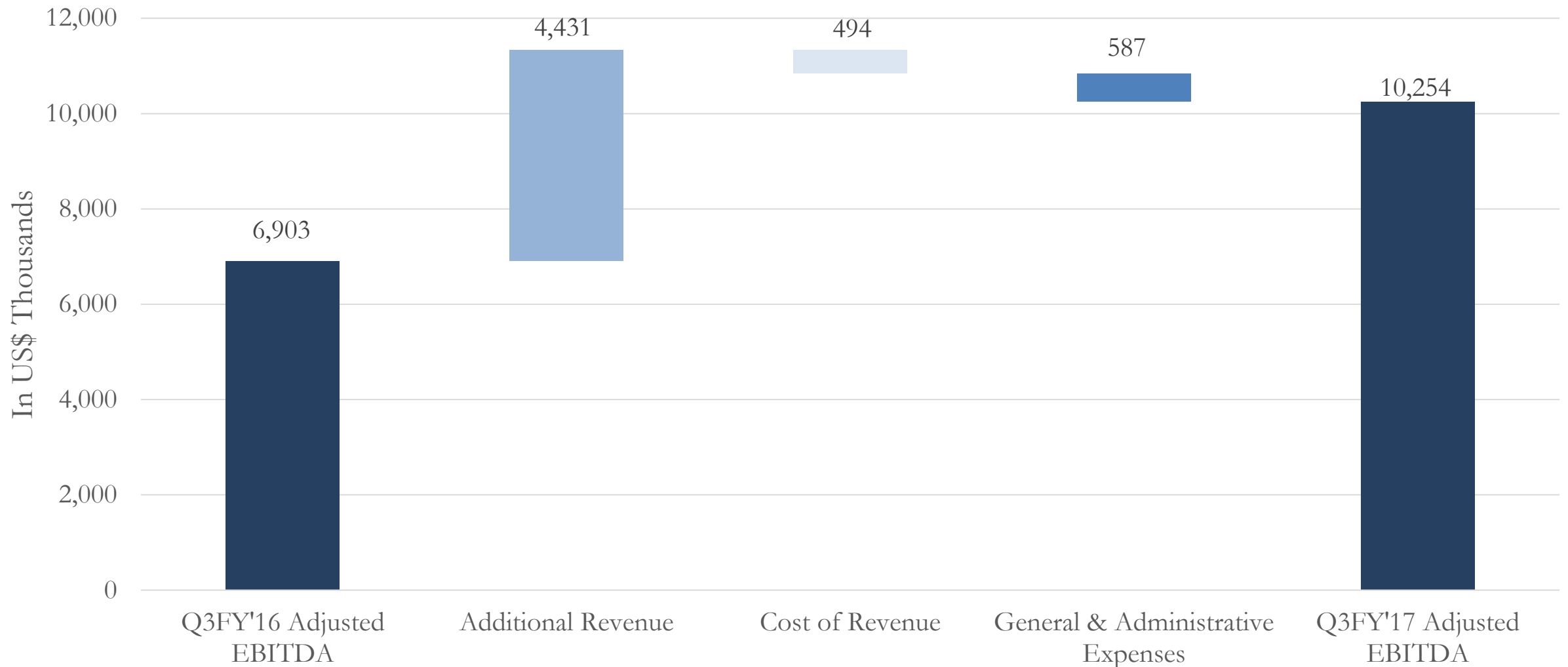
2. Increase/Reduction is over corresponding nine months of previous year

3. Portfolio run-rate equals annualized payments from customers extrapolated based on the operating & committed capacity as of December 31, 2016. Comparison is to December 31, 2015.

Exchange rate- INR67.92 to US\$1 (New York closing rate of December 31, 2016)

Adjusted EBITDA* Margin Expansion Driven by Cost Management

49% growth in Adjusted EBITDA in Q3FY'17 vs Q3FY'16



Exchange rate- INR67.92 to US\$1 (New York closing rate of December 31, 2016) | * For a reconciliation of Non GAAP measures to comparable GAAP measures, refer to the Appendix

A Growing Balance Sheet with a Strong Liquidity Position

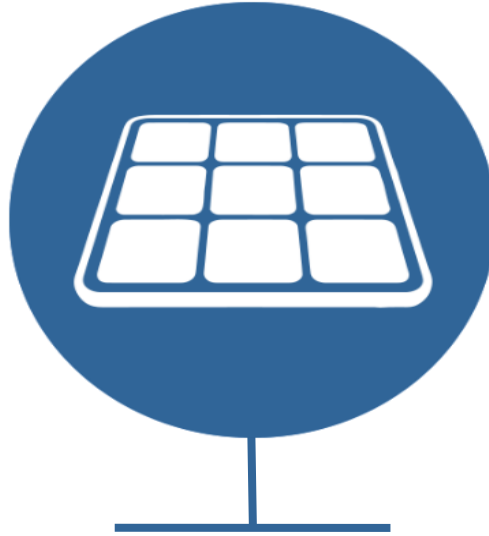
	March 31, 2016 (in thousands)	December 31, 2016 (in thousands)	
	INR	INR	US\$
Cash, Cash Equivalents and Current Investments	3,090,386	8,420,170	123,972
Property, Plant & Equipment, Net	24,381,429	37,243,499	548,344
Total Debt*	20,487,951	28,617,994	421,348

* 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 724.1 million (US\$ 10.7 million) as on December 31, 2016 and INR 438.2 million as on March 31, 2016

Exchange rate- INR67.92 to US\$1 (New York closing rate of December 31, 2016)

Ready Access to Capital

- ☀️ **A** The Company raised equity of INR9,261.8 million (US\$136.4 million) during the quarter ending December 31, 2016 from its initial public offering and concurrent private placement
- ☀️ **A** The Company has drawn INR5,315.2 million (US\$78.2 million) of project debt during the quarter and has undrawn project debt commitments of INR8,876.4 million (US\$130.7 million) as of the end of the quarter
- ☀️ **A** The Company has secured financing for all committed and under construction projects for calendar year 2017



US\$64-68 million Revenue* for FY17
950-1,050 MW Operating by December 31, 2017 (Q3 FY18)

*Assumes 67.92 INR/US\$ Exchange rate.

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.

Reconciliation of Non GAAP Measures to Comparable GAAP measures


	Nine Months Ended December 31 (in thousands)			Three Months Ended December 31 (in thousands)		
	2015 INR	2016 INR	2016 US\$	2015 INR	2016 INR	2016 US\$
Net loss	(1,061,400)	(884,841)	(13,028)	(372,861)	(514,297)	(7,573)
Income tax expense/ (benefit)	89,427	247,146	3,639	134,739	334,614	4,927
Interest expense	1,389,289	1,740,686	25,628	466,881	490,298	7,219
Depreciation and amortization	495,647	732,566	10,786	180,391	250,265	3,685
Loss/ (Gain) on foreign currency exchange	337,112	200,090	2,946	59,699	135,558	1,996
Adjusted EBITDA	1,250,075	2,035,647	29,971	468,849	696,438	10,254

Exchange rate- INR67.92 to US\$1 (New York closing rate of December 31, 2016)

Nominal Contracted Payments & Portfolio Run-Rate

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

	As of December 31,		
	2015	2016	
	INR	INR	US\$
Nominal contracted payments (in thousands)	206,588,831	256,312,193	3,773,737
Total estimated energy output (kilowatt hours in millions).....	34,514	44,745	

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

	As of December 31,		
	2015	2016	
	INR	INR	US\$
Portfolio Revenue run-rate (in thousands)	9,208,299	11,049,222	162,680
Estimated annual energy output (kilowatt hours in millions).....	1,542	1,932	

Exchange rate- INR67.92 to US\$1 (New York closing rate of December 31, 2016)

Project List- Operational (Utility)

Project Names	Commercial Operation Date ⁽¹⁾	Capacity (MW) ⁽²⁾	Tariff (INR/kWh)	Off taker	Duration of PPA in Years
Punjab 1	Q4 2009	2	17.91	NTPC Vidyut Vyapar Nigam Limited	25
Gujarat 1.1	Q2 2011	5	15.00 ⁽⁴⁾	Gujarat UrjaVikas Nigam Limited	25
Gujarat 1.2	Q4 2011	5	15.00 ⁽⁴⁾	Gujarat Urja Vikas 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
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
Rajasthan 3.1	Q2 2015	20	5.45 ⁽³⁾	Solar Energy Corporation of India	25
Rajasthan 3.2	Q2 2015	40	5.45 ⁽³⁾	Solar Energy Corporation of India	25
Rajasthan 3.3	Q2 2015	40	5.45 ⁽³⁾	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 ⁽³⁾	Solar Energy Corporation of India	25
Delhi 1.1	Q4 2015	1	5.43	Solar Energy Corporation of India	25
Karnataka 2	Q1 2016	10	6.66	Bangalore Electricity Supply Company Limited	25
Andhra Pradesh 1	Q1 2016	50	5.89 ⁽⁴⁾	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, as per PPA

Project List- Operational, Under Construction & Committed (Utility)

Project Names	Commercial Operation Date ⁽¹⁾	Capacity (MW) ⁽⁴⁾	Tariff (INR/kWh)	Off taker	Duration of PPA in Years
Operational					
Punjab 4.1	Q4 2016	50	5.62	Punjab State Power Corporation Limited	25
Punjab 4.2	Q4 2016	50	5.63	Punjab State Power Corporation Limited	25
Punjab 4.3	Q4 2016	50	5.64	Punjab State Power Corporation Limited	25
Total Capacity		490			
Under Construction					
Karnataka 3.1	Q1 2017	50	6.51	Chamundeshwari Electricity Supply Company 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
Delhi 1.2	Q1 2017	2	5.45	Solar Energy Corporation of India	25
Andhra Pradesh 2	Q2 2017	100	5.12	NTPC Limited	25
Maharashtra 1.1	Q1 2017	2	5.50 ⁽²⁾	Ordnance Factory, Bhandara	25
Maharashtra 1.2	Q1 2017	5	5.31	Ordnance Factory, Ambajhari	25
Uttar Pradesh 3	Q4 2017	40	4.43 ⁽²⁾	Solar Energy Corporation of India	25
Total Capacity		279			
Committed					
Uttar Pradesh 2	Q2 2017	50	4.78	NTPC Limited	25
Telangana 1	Q3 2017	100	4.67	NTPC Limited	25
Andhra Pradesh 3	Q4 2017	50	4.43 ⁽²⁾	Solar Energy Corporation of India	25
Andhra Pradesh 4 ⁽³⁾	Q1 2018	50	4.43 ⁽²⁾	Solar Energy Corporation of India	25
Total Capacity		250			

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) Projects are supported by viability gap funding, or VGF, in addition to the tariff

3) Project has been won but PPA has not yet been signed

4) Capacity as defined by the PPA contract

Project List- Commercial Rooftops

Project Names	Commercial Operation Date ⁽¹⁾	Capacity (MW) ⁽⁴⁾	Off taker	Duration of PPA in Years
Operational				
Gujarat Rooftop	2013	2.500	Torrent Power Limited	25
DLF (total)	2013-2016	1.898 ⁽²⁾	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	0.721 ⁽³⁾	Indraprathsa Power Generation Co. Ltd.	25
Delhi Rooftop 4	Q4 2016	4.200	Delhi Metro Rail Corporation	25
Oberoi (total)	Q3 2016	0.839	Orbit Resorts/EIH Limited	15
Total Capacity		21.947		
Under Construction				
Delhi Rooftop 3	Q1 2017	0.279 ⁽³⁾	Indraprathsa Power Generation Co. Ltd.	25
Delhi Rooftop 4	Q3 2017	9.800 ⁽³⁾	Delhi Metro Rail Corporation	25
Odisha Rooftop 1	Q2 2017	4.000 ⁽³⁾	Green Energy Development Corporation Ltd.	25
Total Capacity		14.079		
Committed				
Delhi Rooftop 5	Q2 2018	16.000 ⁽³⁾	Delhi Jal Board	25
Total Capacity		16.000		

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) PPAs for 2.246MW signed, 1.90MW of the project has commenced operations.

3) Projects are supported by subsidy in addition to the tariff.

4) Capacity as defined by the PPA contract.

Debt Schedule

Name of Project	Outstanding Principal Amount (In thousands)		Type of Interest	Currency	Maturity Date ⁽¹⁾
	INR	US\$			
Punjab 1	218,499	3,217	Fixed	US\$	2024
Punjab 2	1,711,000	25,191	Floating	INR	2030
Gujarat 1	1,215,729	17,900	Fixed	US\$	2025
Gujarat rooftop	118,010	1,738	Floating	INR	2028
Rajasthan 1	835,274	12,298	Fixed	US\$	2028
Rajasthan 2	3,608,047	53,122	Fixed	US\$	2031
Uttar Pradesh 1	503,800	7,418	Floating	INR	2026
DLF rooftop ⁽²⁾	281,006	4,137	Floating	INR	2028
Karnataka 1	549,549	8,091	Floating	INR	2030
Rajasthan 3.1	913,598	13,451	Floating	INR	2028
Rajasthan 3.2	1,869,479	27,525	Floating	INR	2030
Rajasthan 3.3	1,722,851	25,366	Floating	INR	2028
Punjab 3.1 and 3.2	1,563,200	23,015	Floating	INR	2030
Rajasthan 4	250,000	3,681	Floating	INR	2028
Chhattisgarh 1.1,1.2 & 1.3	1,520,149	22,381	Floating	INR	2029
Bihar 1	455,700	6,709	Floating	INR	2031
Karnataka 2	484,290	7,130	Floating	INR	2031
Andhra Pradesh 1	2,562,300	37,725	Floating	INR	2033
Punjab Rooftop 2	375,000	5,521	Floating	INR	2016
Punjab 4	5,619,700	82,740	Floating	INR	2032
Delhi Rooftop 4	261,400	3,849	Floating	INR	2032
Maharashtra 1	356,250	5,245	Floating	INR	2029
Karnataka 3	2,296,100	33,806	Floating	INR	2031
Oberoi	51,152	753	Floating	INR	2030
Total	29,342,083	432,009			

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