



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

Corporate Presentation

September 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.

Topics

Executive Summary

Market Overview: Solar to Fill the Energy Gap

Azure Power: Market Leading Solar Company

Appendix

Executive Summary



Affordable solar power for generations
To be the lowest-cost power producer in the world

Entrepreneurship

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Excellence

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Honesty

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Socially Responsible



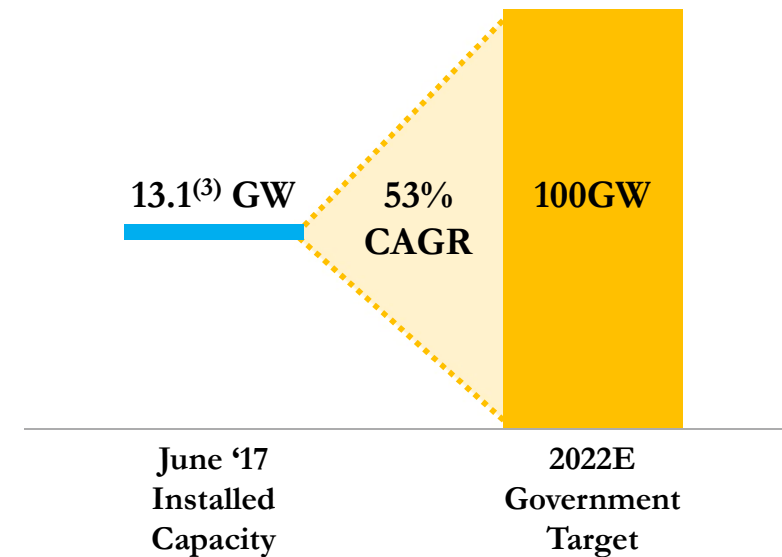
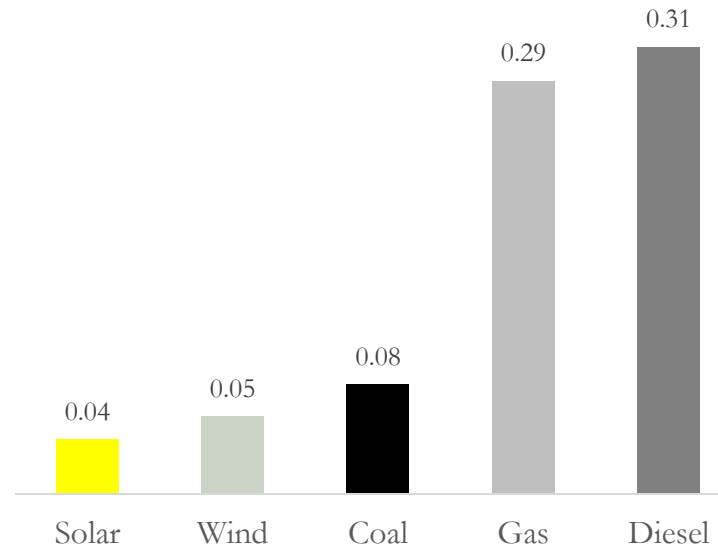
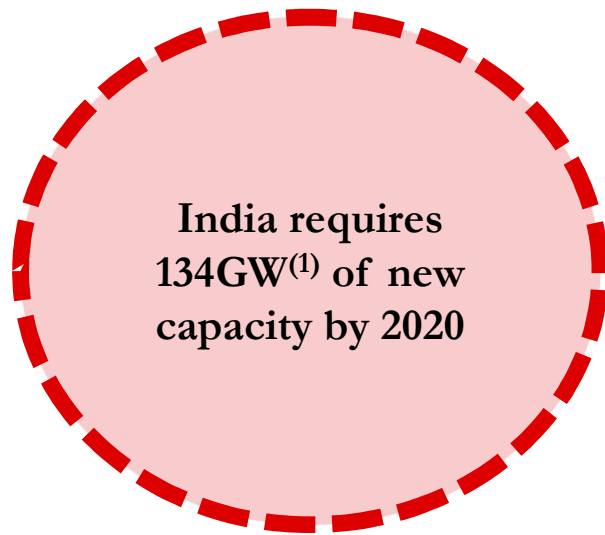
High Growth Indian Solar Market

Solar Power is positioned to grow rapidly as a leading solution to India's structural power deficit

Fast growing Indian economy has outstripped its power supply

Solar is the most affordable source of power⁽²⁾ (\$/kWh)

Solar power is a key part of the solution



- Real GDP growth averaged 7.6% over last decade (through FY 16)
- Estimated 237 million people without access to electricity

- Imported coal sets the price of power

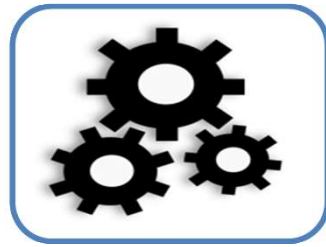
- India's average solar irradiation amongst the highest in the world
- Transparent and structured solar auction

Source: IEA World Energy Outlook 2014 and 2015, Indian Ministry of Power, Reserve Bank of India, Central Electricity Authority, Government of India, Ministry of New and Renewable Resources.

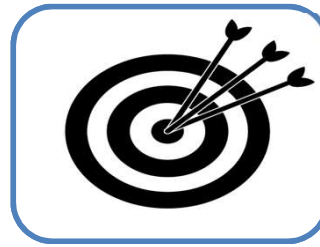
1. World Energy Outlook 2015, India target capacity of 436GW by 2020. | MNRE, 2) Solar : Press release | Wind: press release | Coal: Press release | Diesel and gas prices based on the average of the range as per Lazard Levelized Cost of Energy Analysis, November 2015. in US\$ per kWh | Exchange rate- INR64.62 to US\$1 (New York closing rate of June 30, 2017), 3) MNRE

Azure Power: A Unique Opportunity

Azure represents a unique opportunity to invest in a leading solar power company in India with a track record of execution and high growth



**Integrated
Business Model**



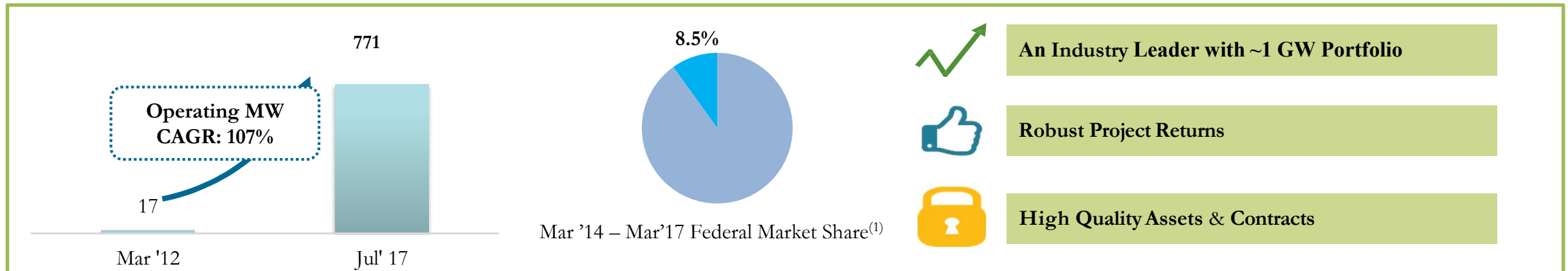
**Strong
Track Record**



**Ability
To Win**



A Market Leading Business Today

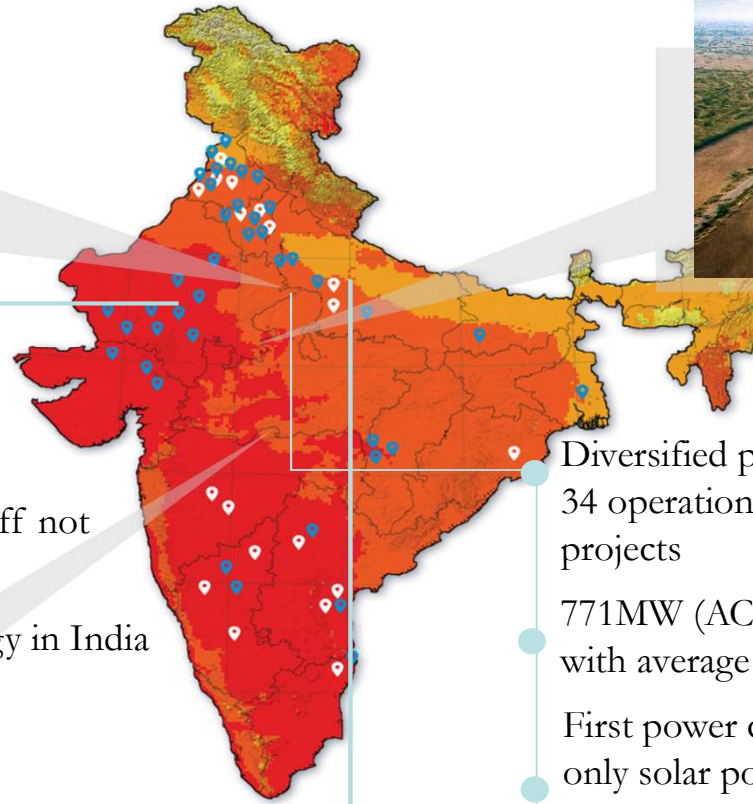


✓ **Founded in 2008 and developed India's first utility scale solar project in 2009**

Note: All capacities are in MW.

1. Market share % calculated as Azure Incremental Federal Capacity Won / Industry Capacity Tendered for Federal Tenders.

Company At A Glance



- Developed India's first utility scale solar project in 2009

- Long term, fixed price PPAs typically 25 years; tariff not subject to variable commodity prices

- Solar power is the most affordable source of energy in India

- MW growth of 107% CAGR from March 2012

- Diversified portfolio of 1,069 MW committed & operating in 18 States. 34 operational utility projects, 5 under construction or committed utility projects

- 771MW (AC) operational, 298MW committed & under construction with average tariff 88% higher than lowest bid in the market⁽¹⁾

- First power company out of India to list on US stock exchange. The only solar power generation company globally to have done an IPO in 2016.

- Issued India's first solar green bond. US\$500 mn with 5.5% coupon. BB- debt rating by Fitch was highest for renewable energy company in India

- Majority of portfolio with sovereign level, highly rated Gov. of India agencies like National Thermal Power Corporation Ltd (NTPC) & Solar Energy Corporation of India Ltd (SECI)

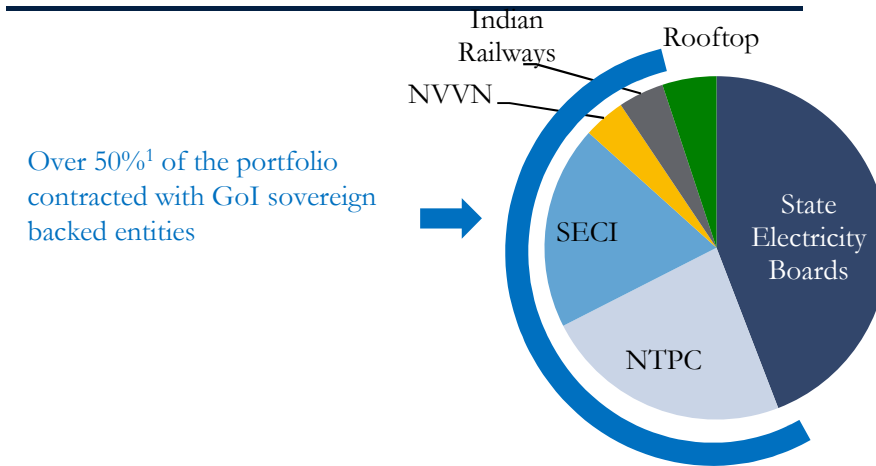


1. Azure Power's ground mount committed and under constructed weighted average tariff is INR 4.59 (\$0.07) per kWh versus INR 2.44 (US \$0.04) per kWh for Bhadla Solar Park PPA signed in May 2017. Exchange rate- INR64.62 to US\$1 (New York closing rate of June 30, 2017)

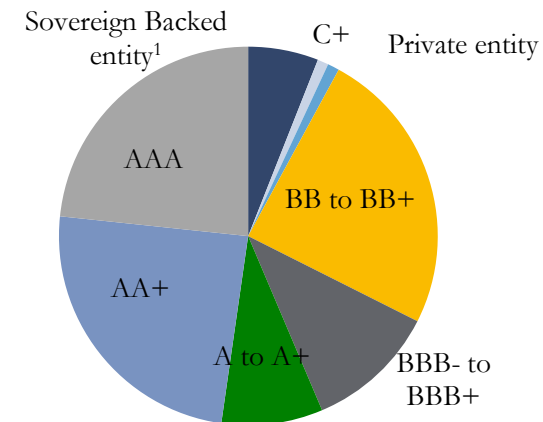
Diversified Portfolio; 25 Year PPAs with High Quality Sovereign Backed Entities

- ☀️ Majority of our portfolio consists of strong credit sovereign off-takers
- ☀️ Because of careful selection of counterparties, there have not been any curtailments on any of our plants. No challenges to our PPA rates or supplier contracts
- ☀️ Secured financing for all projects ahead of schedule.
- ☀️ Placed \$500 million India's first solar green bond at 5.50% in August 2017

Well diversified offtaker mix



Substantial % of contracts to highest rated offtakers



1. Includes DMRC (one of the offtakers in rooftop)

Issued India's First Solar Green Bond

Coupon Rate: 5.50%, one of the lowest interest rates to date for an Indian solar company








Azure Power®
US\$500 mn
Green Bond



Ready access to low cost capital: The company has a diversified capital base and access to international fixed income investors






Bond Highlights

-  621 MWs included in the Bond offering
-  US\$500mn Bond is non amortizing, Maturity in 2022
-  Significant reduction in interest rates from 10.75-12.00% to 5.50% (~9.4% including hedging cost)
-  Use of proceeds primarily for repayment of existing debt, incurrence of capex for under construction projects and future growth
-  Improved liquidity from upfront cash release as well as from access to cash restricted in the projects

High Debt Rating

Ba3 by Moody's and BB- by Fitch, the highest rating for a renewable energy company from India by Fitch



-  Superior long term PPAs with fixed tariffs supported by geographic diversification
-  Diversification of offtakers include majority highly-rated sovereign-owned entities
-  Experienced management team
-  Strong governance
-  Long term committed shareholders

POWERING UTILITIES

- India's First Private Utility Scale Solar Power Plant
- 34 Operational Utility Solar Power Plant
- Presence Across 18 States



POWERING COMMERCIAL

- India's First Private Grid Connected Solar Rooftop Power Plant
- Rooftop portfolio of 100MW+ across 14 states
- Covers More Than 1,000 Roofs

COMMUNITY ENGAGEMENT

- We Hire From Local Communities
- Lease Land With Few Alternative Uses
- Provide a Stream of Discretionary Cash Flow Without Displacing Alternative Businesses



Market Overview: Solar to Fill the Energy Gap

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

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

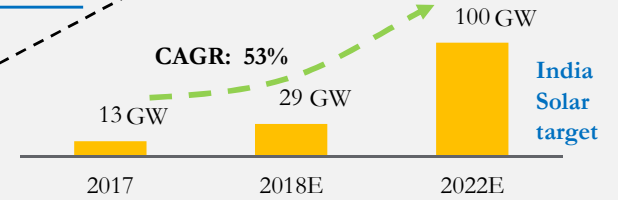
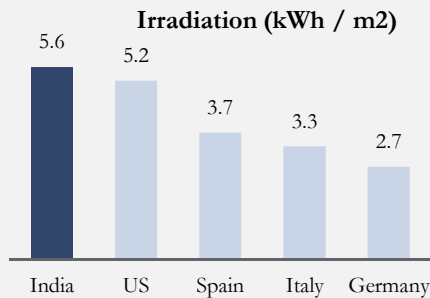
- Solar more reliable & predictable: high availability
- Coal/gas can have interruptions in availability on account of fuel shortages
- Oil generation is uneconomical
- Wind/hydro generation driven by monsoon pattern

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

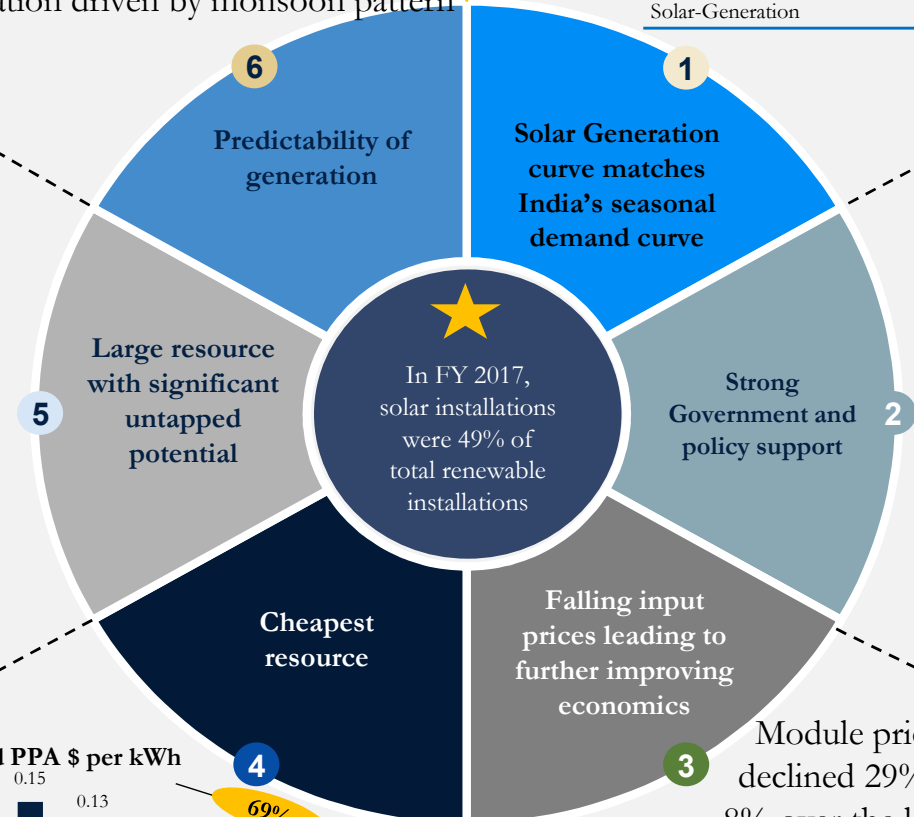
Seasonal Energy Curve	Summer	Monsoon
India-Demand	Peak	Low
Solar-Generation	Peak	Low

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)

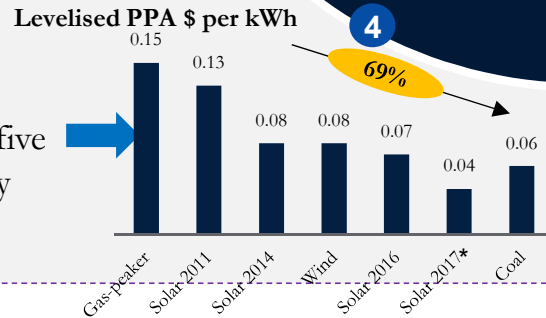


- Government 100 GW solar target by 2022 supported by Renewable Purchase Law
- India ratified Paris climate change agreement and committed to 40% renewables by 2030 up from 15%
- Auction strategy for solar since inception has increased reliability and serviceability
- Solar projects exempt from environmental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



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

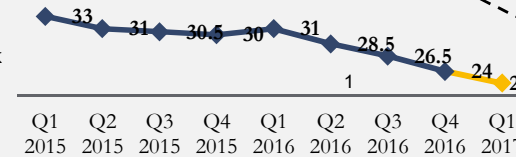
Solar PPA prices have declined 69% in past five years and is cheaper than other technology



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

Project debt costs have declined ~200 bps since 2011

BTI India Solar Module Price Index Prices in INR per Wp (1)

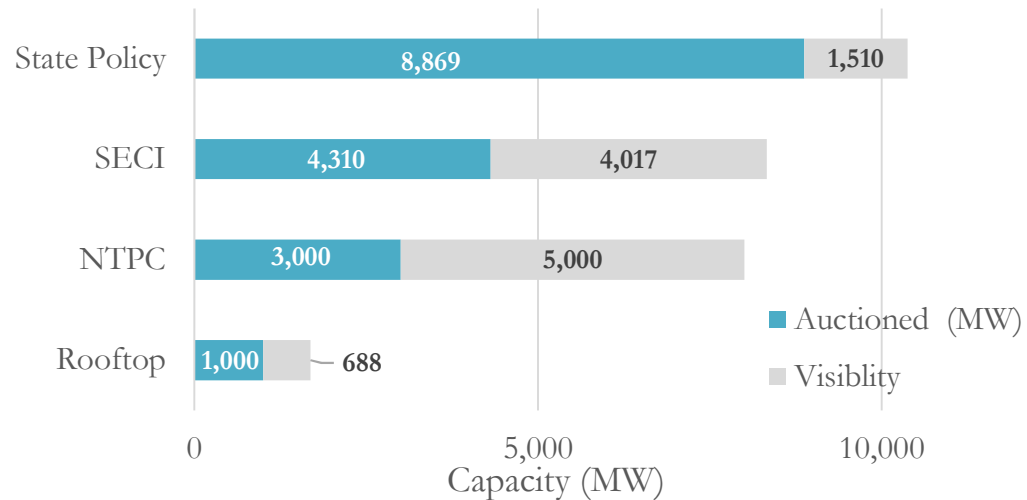


1) Bridge to India.



Federal Government's Capacity Addition Plan

Visibility of Solar Tenders Through June 2017⁽¹⁾



Near-term Growth Visibility

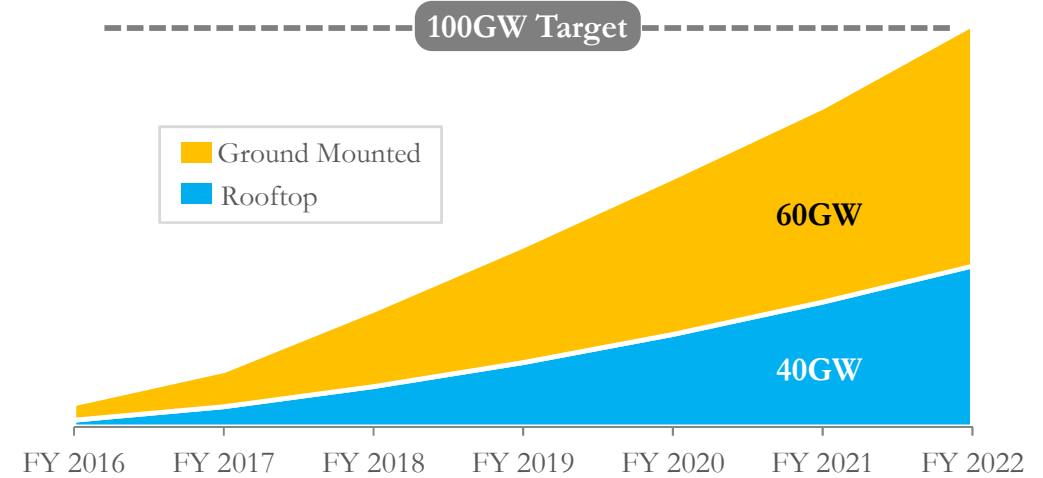
According to NSM Phase II, the following additional solar capacity has been planned in batches from FY2015 to FY2019:

- NTPC:
 - Tranche I : 3GW | Tranche II : 5GW
- SECI
 - Batch I : 0.75GW | Batch III : 2GW | Batch IV : 5GW

SECI is handling the implementation of a scheme to construct and develop at least 50 solar parks with 40,000 MW in 21 states.

¹⁾ MNRE,, Bridge to India and Mercom reports

India's 100GW Solar Capacity Addition Roadmap



By Capacity Type

Type of Capacity	Capacity (MW)
NTPC	10,000
SECI	5,000
Large Private Sector IPPs	5,000
State Policies	20,000
Ongoing Programs Incl. Past Additions	10,000
Decentralized capacity for unemployed	10,000
Total Proposed Ground Mounted Solar	60,000
Total Proposed Rooftop Solar	40,000
Total Capacity	100,000

Azure Power: Market Leading Solar Company

Local Expert with Global Reach

Azure wins by combining local development expertise with an ability to globally source capital and technology

Local Development Expertise

- Key relationships throughout federal and state governments supported by:
 - Existing presence in 18 states as of July 31, 2017
 - Policy initiative advocacy and instrumental role in design of transparent auction process that supports multiple winners at differentiated price points
- Technology and design flexibility supports customized local solutions
- Strong community partnerships create long-term relationships that improve project development time-to-completion

Global Reach

- Track record of raising capital across the capital structure through long-standing, global relationships
 - International Development Finance: IFC, PROPARCO, KfW DEG, US EXIM Bank, OPIC
 - Venture Capital: Foundation Capital, Helion Venture Partners
 - Domestic Project Finance: Central Bank of India, State Bank of India, Indian Renewable Energy Development Agency, and IIFCL
- Azure projects benefit from optimized balance of system (“BOS”) as well as partnerships with top-tier technology providers such as First Solar
 - Strategic agreement with First Solar
 - Strategic relationship with Hanwha including minority investments

This combination has helped Azure to become a leading Indian solar IPP

High Quality Assets & Declining Costs

Achieved a 85% BOS cost decline since inception due to value engineering, design and procurement efforts

Partnerships with World Class Technology Partners

Strong supplier relationships



> \$500mn in supplier purchases



Integrated Approach Resulting in Decreasing Costs

Fully Integrated In-House Capabilities

Track record reduces risk while increasing project returns



Key Stages of Project Development & Operation

- Strategic Bidding**
 - Track all auctions in the market
 - Expert development team with effective bidding strategy in solar power auctions
 - Bid the most effective tariff
- Effective Permitting and Land Acquisition**
 - Obtain relevant land permits, interconnections, etc.
 - Technical diligence, stakeholder consultation, etc.
- Efficient Financial Strategy**
 - Projects financed with ~75% long-term debt
 - Internally-generated cash flows are reinvested
- Expert Design, Delivery and Installation**
 - Dedicated EPC team with proven ability to improve project design and lower costs
 - Leverage scale to procure components
 - Detailed project plans and progress tracking
- Diligent Monitoring and Maintenance**
 - Real-time monitoring with NOCC
 - Optimize power output in existing projects through diligent monitoring and maintenance
 - Maintenance daily, weekly, monthly and annually

Case Study: Punjab 150MW

- PPA signed Feb. 2016
- 150MW project sites spread across 7 different locations.
- Allotted 12 months to COD
- Obtained all permits on time
- Project financed within 6 months from PPA signing
- Finished design plans 1.5 month after permitting
- Procured all parts 3 months later from top-tier suppliers
- Just-in-time delivery and parallel construction resulting in completion within 150 days

PPA to COD in 11 Months

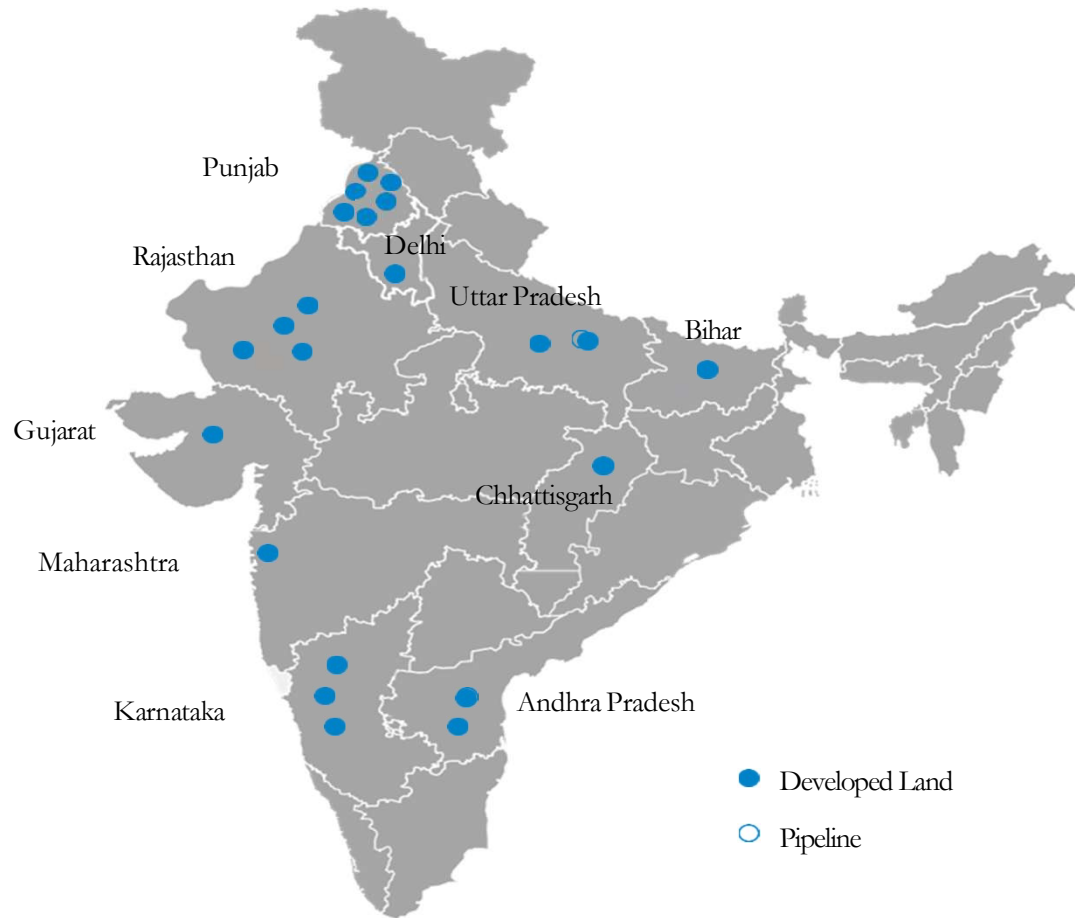
Azure has consistently commissioned projects before the COD date



Track Record of Land Procurement & Transmission

Azure's track record of securing land while establishing local relationships facilitates continued portfolio growth

Significant Pan India Presence



Note: Leasehold land is typically leased for 30 to 35 years.








1. Land figures as of August, 2017.

Development Highlights

- **Land and Transmission development:** Developed a significant amount of freehold, leasehold and right to use land as well as transmission Pan India for a portfolio over 1 GW
- **Community partnership:** Azure leases land with few alternative uses and leverages local resources by hiring from communities
 - Provides local communities with a discretionary stream of cash flows without displacing alternative businesses
 - Long-term relationships improve project development time-to-completion



Experienced Leadership

Name and Designation	Biography
 <p>Inderpreet Singh Wadhwa <i>Founder, Chairman and CEO</i> <i>Director</i></p>	<ul style="list-style-type: none"> Renewable energy enthusiast that has over 20 years experience building large scale infrastructure projects, patenting application products, building profitable operations, and raising venture/project finance Founded Azure Power after a successful stint in Silicon Valley, with the goal of having a positive social impact in rural India
 <p>H.S. Wadhwa <i>COO</i> <i>Director</i></p>	<ul style="list-style-type: none"> Focuses on project development and internal operations of the company 40+ years of experience as ex-Chief Managing Director of India's largest public insurance organization Served on several boards including General Insurance Corporation of India, India International Insurance Private Limited, Loss Prevention Association of India Limited
 <p>Robert (Bob) Kelly <i>Director</i></p>	<ul style="list-style-type: none"> Served as CFO of SolarCity Corporation in California, U.S. and served as CFO of Calera Corporation and as an independent consultant providing financial advice to retail energy providers and power developers Serves as a member of the Board of Solar Mosaic and Solix Biosystems
 <p>Sanjeev Aggarwal <i>Director</i></p>	<ul style="list-style-type: none"> Co-Founder of Helion Venture Partners and IBM Daksh Business Process Services, where he was CEO until June 2006 Served as a Director of ShopClues, Clues Network, Today's Healthcare India, Amba Investment Services, Mindworks Global Media Services, Global Talent Track and 9.9 Mediaworx
 <p>Barney Rush <i>Director</i></p>	<ul style="list-style-type: none"> Served on the board of ISO-New England, the electric grid and wholesale market operator for six U.S. states Served as the CEO of H2Gen Innovations, Inc., a venture capital backed start-up which developed and manufactured skid-mounted hydrogen generators Served as Group CEO of Mirant Europe and Chairman of the Supervisory Board of Bewag serving utility in Berlin, Germany
 <p>Arno Harris <i>Director</i></p>	<ul style="list-style-type: none"> Former Founder and CEO of Recurrent Energy and Prevalent Power Played a key role in starting various companies including RedEnvelope, WineShopper.com and Novo Media Group, Inc. Serves as a board member of Advanced Energy Economy Institute, board member emeritus and former board chair of the Solar Energy Industry Association
 <p>Cyril Cabanes <i>Director</i></p>	<ul style="list-style-type: none"> Vice President - Head of Infrastructure Transactions, Asia-Pacific at Caisse de dépôt et placement du Québec (CDPQ) Former Director at Deutsche Bank - Responsible for acquisitions, capital raising and product development for Asia-Pacific 19 years of experience across all facets of infrastructure transactions including acquisitions, financing and fundraising

Appendix

Glossary of Select Terms

Accelerated Depreciation – After March 31, 2017, accelerated depreciation can be elected at the project level, such that projects that reach COD in the first half of the year can expense 60% of eligible project costs in year 1, and otherwise can expense 30% of project costs in year 1 and the remainder thereafter.

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

For recent financial results and portfolio overview, please refer to
<http://investors.azurepower.com/>

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