

**~7 GW\* Pan India Portfolio of Solar Assets**

**India's First Private Grid Connected MW Solar Plant**

**India's lowest cost Solar Green Bond**

**First Quarter Fiscal 2022**

**Ended June 30, 2021**

**Earnings Presentation**

**August 31, 2021**

\*~7 GWs include 4 GWs for which LOA has been received but PPA has not been signed.



# 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 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; impact of the COVID-19 pandemic and lockdowns in India and globally; supply disruptions; power curtailments by Indian state electricity authorities and such other risks identified in the registration statements and reports that we have filed with the U.S. Securities and Exchange Commission, or SEC, from time to time. In the presentation, portfolio represents the aggregate megawatts capacity of solar power plants pursuant to PPAs, signed or allotted or where we have been cleared as one of the winning bidders or won a reverse auction but has yet to receive a letter of allotment. There is no assurance that we will be able to sign a PPA even though we have a letter of award. All forward-looking statements in this presentation are based on information available to us as of the date hereof, and we assume no obligation to update these forward-looking statements.

This presentation also contains non-GAAP financial measures. We have provided a reconciliation of such non-GAAP financial measures to the most directly comparable measures prepared in accordance with U.S. GAAP in the Appendix to this presentation.



Q1 FY 2022  
Key Developments

# Key Highlights of Recent Developments

Second Largest Solar  
Portfolio in India<sup>(1)</sup>  
**6,955 MW**

Operational<sup>(2)</sup>  
**2,102 MW AC**  
**(2,672 MW DC)**

Under Construction<sup>(2)</sup>  
**853 MW AC**

Awarded<sup>(3)</sup>  
**4,000 MW**

- **ESG Highlights:**

- 99% eligible employees vaccinated
- ESG score improved to “Low Risk” category by Sustainalytics; AA rating by MSCI
- UN Global Compact signatory

- **Positive steps on 4GW with SECI signing PSAs for 800 MW with DISCOMs**

- **OMERS acquired stake from IFC/IFC GIF underlining Azure’s platform strength**

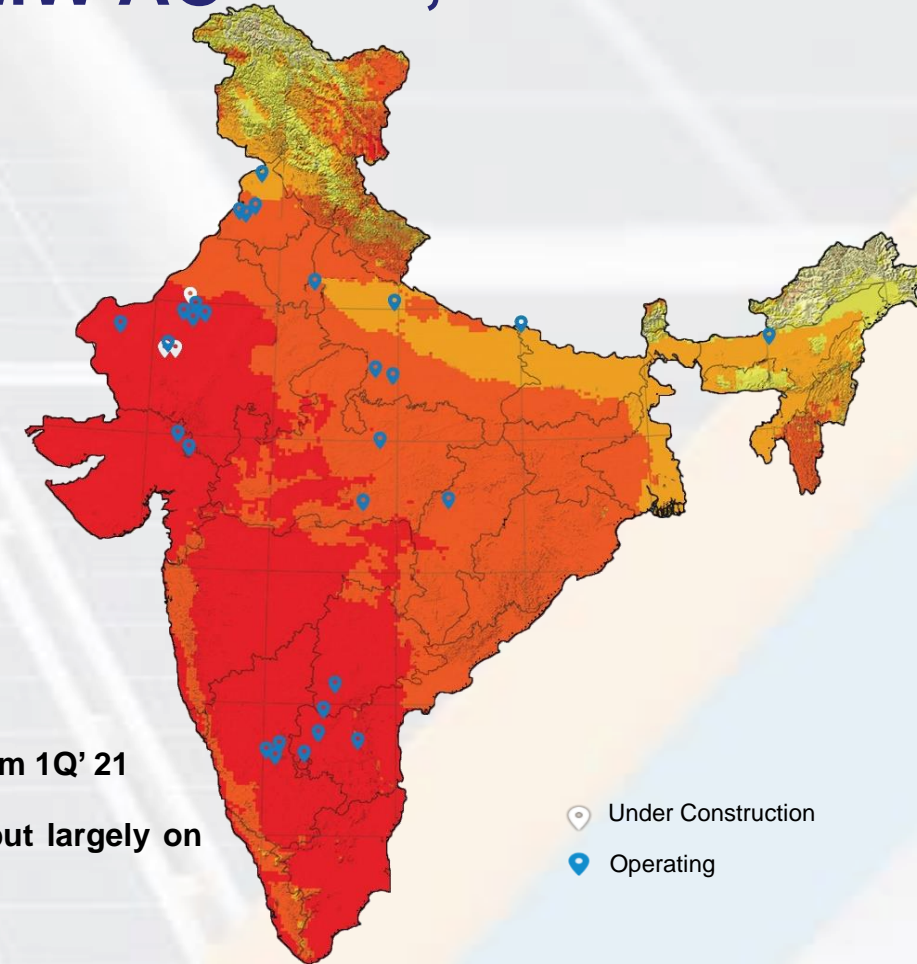
- **Expanded addressable market through participation in Wind/Hybrid auctions**

- **Operational Highlights:**

- ▲ **EBIDTA from Operating Assets<sup>(4)</sup> was \$53.2 Mn for 1Q’ 22; 11% higher from 1Q’ 21**

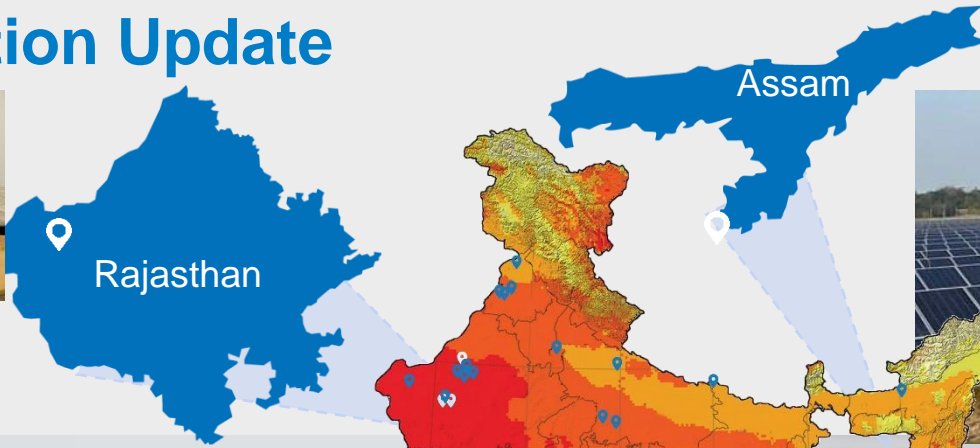
- ▲ **Cash Flow to Equity (CFe) from Operating Assets<sup>(4)</sup> was \$24.8 million for 1Q’ 22, up 12% from 1Q’ 21**

- ▲ **Commissioned 112.5 MW AC since last quarter, delay due to second wave disruptions but largely on track with guidance for the fiscal**



1) Based on portfolio size: Mercom, 2) includes 50 MW commissioned in Rajasthan 6 project in July’21 and excludes 153 MW of Rooftop portfolio for which we have entered into an agreement to sell in April 2021. 3) LOA received but PPA not yet signed. PPA will follow after power is contracted by SECI with DISCOMs under a power sale agreement (PSA) and there is no assurance that we will be able to sign a PPA even though we have a letter of award. We expect a tariff markdown from the price discovered in the auction. Capital costs, interest rates and foreign exchange rates have improved since Azure Power won the 4 GW auction. Once the final tariff is determined, our forecast will be updated. 4) For a reconciliation of EBITDA and CFe from Operating Assets, refer to the Appendix. Our CFe has no debt amortization for the Restricted Group entities, however, as we may look to refinance these assets there may be change in the debt amortization for these assets. Exchange rate INR 74.33 to US\$1 (New York closing rate of June 30, 2021).

# Projects Under Construction Update



	Rajasthan 6 600 MW	Rajasthan 8 300 MW	Rajasthan 9 300 MW
Revised PPA COD	400MW - Done 200 MW – Q3	Q3 <sup>(1)</sup>	Q4 <sup>(1)</sup>
Financing	100%	100%	Document Signed <sup>(3)</sup>
Land	100%	100%	80% <sup>(4)</sup>
Transmission	100%	100%	100%

Assam - 90 MW
37.5 MW - Done 27.5 MW - Q3 / 25 MW - Q4 <sup>(2)</sup>
Completed
100%
~95%

1) Extension in SCD applied for in line with MNRE order dated 12.05.2021 providing extension in project SCD due to Covid second wave which pushed many State Governments to impose lockdown | Quarters refer to FY2022. This extension is over and above the earlier granted extension of 5 months 2) Extension applied for 3) Considering increase in project cost on account of change in technology etc-sanction of additional debt is in process 4) Additional land procurement is under process basis some changes in technology being deployed

# ESG Highlights



ESG score improved from  
“Medium Risk” to “Low Risk”

MSCI  
ESG RATINGS



## Q1 Highlights

### Environment

- Azure became signatory to UN Global Compact.
- World environment day celebrated with plantation of 1500+ tree saplings
- Avoided around 1 million tons of CO2 in current Quarter, 10.5 million ton equivalents since inception.
- Projects registered under Verified Carbon Standard (VCS) and Gold Standard (GS) program under the UNFCCC Clean Development Mechanism.
- Proposal for plantation of 15,000 trees in our SECI 600 Site approved. Plantation will be undertaken this year.

### Social

- 28 Stakeholder consultation undertaken across different sites
- Cohort system was formalized to act as support group for employees and their families during second wave of COVID Pandemic.
- 2 vaccination drives organized for employees and families. 99% of eligible employees vaccinated.
- 15 Oxygen cylinder and 5 Oxygen concentrators reserved for use of employees.
- 30 BIPAP Machines, 21 Oxygen concentrators, 160 Oximeters and 375 PPE Kits donated to health care facilities pan India (Rajasthan, UP, Karnataka)

### Governance

- All projects comply with World Bank Equator Principles
- Comply with SEC, NYSE, SGX governance standards
- Gender diverse Board with majority of Directors independent.
- 40 internal SHES audits reported no significant noncompliance
- Sustainability charter under finalization, to be rolled out in Q2

# Industry and Regulatory Update

- **India achieves 100GW of installed Renewable Energy capacity** in August 2021, making India the 4<sup>th</sup> largest globally. Additionally, 50 GW is under installation and 27 GW is under tendering.
- **Prime Minister, at his Independence Day address, announced Government of India's vision of self reliance in energy by 2047**, i.e., 100 years of Indian independence, and also reiterated 450 GW renewable energy capacity mission by 2030, which will play crucial role in energy independence for India. At present India is world's 3<sup>rd</sup> biggest oil importer and imports ~85% of its hydrocarbon requirements.
- **Solar and Wind Capacity auction**, 33 new tenders aggregating to a total capacity of 8.05 GW were issued across the solar and wind segment and auction of 3,050 MW of tenders was completed since April 2021.
- **Government of India announced reform-based result-linked power distribution sector scheme** through an outlay of US\$ 40 billion with an estimated gross budgetary support of US\$ 13 billion. The scheme aims to reduce pan India AT&C losses to 12-15% and ACS-ARR gap to zero by 2024-25. The duration of the scheme is 5 years (FY 22 to FY 26).
- **Investments galore in Indian Renewable** as per IEEFA, with investments reaching US\$ 6.6 billion during April-July 2021. Global investors like Scatec, Engie, Actis, ORIX, Thailand's GPSC, Norfund, OMERS have acquired stakes Indian renewable energy assets during this period. Green bonds are also playing a huge role in the increase in renewable energy investments in India, with Azure Power raising lowest coupon Solar Green Bond from India till date in August 2021.

- **MNRE grants additional 2.5 months blanket SCD extension to under-construction projects**, owing to disruption due to the 2nd wave of COVID-19. This is over and above the earlier granted extension of 5 months on account of Covid disruption.
- **SC order to make all Transmission lines underground in GIB areas**. With respect to Hon'ble Supreme Court's order to make all existing and upcoming transmission lines underground in GIB areas, Ministry of New & Renewable Energy is working with multiple stakeholders and is planning to file an application for exclusion of potential area in the order. Azure has a total of 875 MW projects, entirely in the potential area, which includes 275 MW operational and 600 MW under construction. Any cost incurred on account of this order will be pass through for these projects.
- **APTEL orders compensation for solar curtailment**: In a landmark judgement, the Appellate Tribunal for Electricity (APTEL) has directed Tamil Nadu State Load Despatch Centre (TNSLDC) and The Tamil Nadu Generation and Distribution Corporation (TANGEDCO) to compensate developers at 75% of PPA tariff per kWh on solar curtailment. APTEL issued the order as it found curtailment instructions were issued to developers for reasons other than grid security during the period. APTEL issued these directions to all the State Electricity Regulatory Commissions, DISCOMs and State Load Despatch Centres which will help developers to get compensation if curtailment is done without any grid security reason.



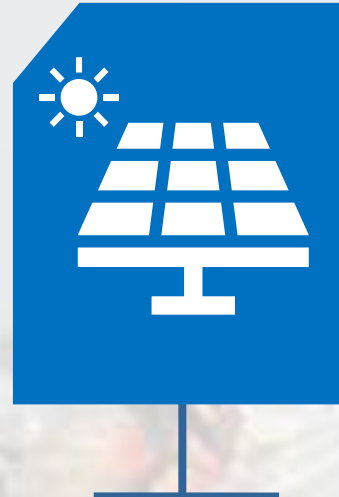
# Q1 FY 2022 Overview



# Q1'22 Key Performance Metrics



**2,052 MW\* Operating**  
**23% increase<sup>(1)</sup>**



**6,955 MW\* Operating,  
Contracted &  
Awarded<sup>(2)</sup>**



**US\$ 0.52m Project  
Cost/MW (DC)<sup>(3)</sup>**



**US\$ 57.3m Q1 Revenue<sup>(4)</sup>**  
**13% increase**

- 387 MW (560 MW DC) commissioned since June 2020\*
- 62.5 MW (63.8 MW DC) commissioned in Q1 FY22\*

- 2,052 MW Operating
- 903 MW under construction
- 4 GW LOA received, PPA awaited

- AC cost per MW US\$ 0.53m for Q1 FY22
- AC cost per MW US\$ 0.59m for FY 21
- DC cost per MW US\$ 0.39m for FY 21

- US\$ 50.6m for Q1 FY 21#

% increase/reduction over figures from June 2020 (for \$ numbers, the change has been computed over their INR values) | #Exchange rate INR 74.33 to US\$1 (New York closing rate of June 30, 2021)

1. Operating capacity excludes 153 MW of Rooftop portfolio for which we have entered into an agreement to sell in Q1 FY2022. Accordingly for the prior comparable period we have excluded 144 MW from the capacity reported (1,808 MW) as at June 30, 2020 | \* Excludes the RT portfolio
2. Operating, Contracted and Awarded capacity excludes 160 MW of Rooftop portfolio as on June 30, 2021, as well as from prior comparable period, we have entered into an agreement to sell. We have included the 4 GW for which we have received the LOA, however, the PPA has not yet been signed.
3. Cost per MW are reported Year to date (YTD). The Cost per MW is higher due to higher input cost and low DC installed capacity.
4. Excluding revenue relating to Rooftop companies for Q1 FY22 US\$ 2.4 million (June 30, 2020 US\$2.4 million).

# Review of Q1 FY'22 Results

(in million)	Reported 1Q FY'21 INR	Adjusted 1Q FY'21 INR	Reported 1Q FY'22 INR	Reported 1Q FY'22 US\$	Adjustments* US\$	1Q FY'22 After Adjustments US\$	% Change adjusted Q1 FY'22 vs adjusted Q1 FY'21	Comments
Revenue	3,940	3,940	4,440	59.7	-	59.7	13%	Primarily driven by projects commissioned since Q1 FY21 ~US\$ 6.7m.
Cost of Operations	263	313	345	4.6	-	4.6	10%	Cost of operations increased primarily due to projects commissioned since Q1 FY 21. Adjustment of ~US\$0.7m in Q1 FY21 is on account of lower cost of operations due to outbreak of Covid-19.
General & Administrative Expenses	373	311	427	5.7	1.3	4.4	5%	G&A after adjustment is in line with increase in revenue. Adjustment is of SAR provision.
<b>Non-GAAP Adjusted EBITDA*</b>	<b>3,304</b>	<b>3,316</b>	<b>3,668</b>	<b>49.4</b>	<b>1.3</b>	<b>50.7</b>	<b>14%</b>	<b>A 14% YoY increase after adjustments</b>
Depreciation and Amortization	755	755	819	11.0	-	11.0	8%	Primarily due to projects commissioned since Q1 FY21
Interest Expense, net (including other expenses)	2,169	1,905	2,251	30.3	-	30.3	18%	~US\$ 5m on borrowings related to projects commissioned since Q1 FY'21, partially offset by higher interest income of ~US\$ 1.3m. Adjustment in Q1 FY21 is for one time charges related to refinancing of a loan incurred.
Loss on Foreign Currency Exchange, net	17	17	19	0.3	-	0.3	12%	Limited FX exposure after refinancing earlier in year
Impairment Loss	-	-	26	0.3	0.3	-	n/a	Impairment loss recognised on Rooftop assets part of the disposal group
Income tax expense/(benefit)	317	317	(144)	(1.9)	-	(1.9)	(145%)	On account of movement in the carrying amount of certain assets and liabilities and their tax base
<b>Net profit after tax</b>	<b>46</b>	<b>322</b>	<b>697</b>	<b>9.4</b>	<b>1.6</b>	<b>11.0</b>	<b>154%</b>	<b>1Q'FY22 adjusted net profit of US\$ 11.0 million</b>

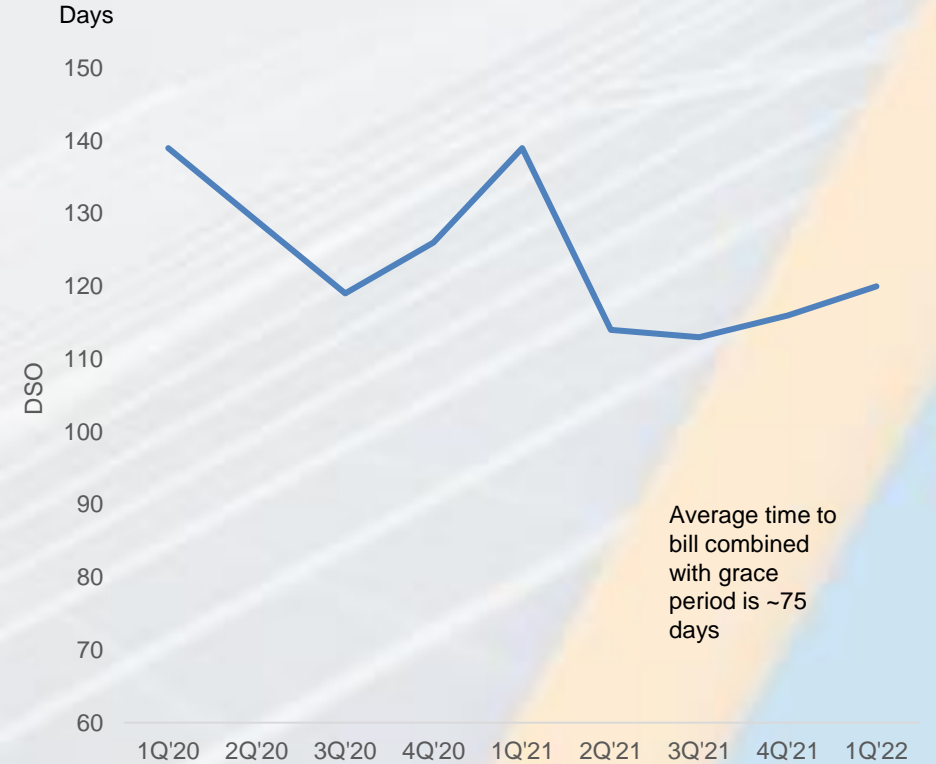
Exchange rate INR 74.33 to US\$1 (New York closing rate of June 30, 2021) | \*For a reconciliation of Non-GAAP measures to comparable GAAP measures, refer to the Appendix. Refer to earnings press release for further information. Adjustments are charges or additional items that are non-recurring, recurring but expected to be materially higher or lower going forward or we expect recovery of in the future.

# Improved Overhead and DSO

## G&A Excluding Stock Compensation & Management Transition



## Accounts Receivable DSO

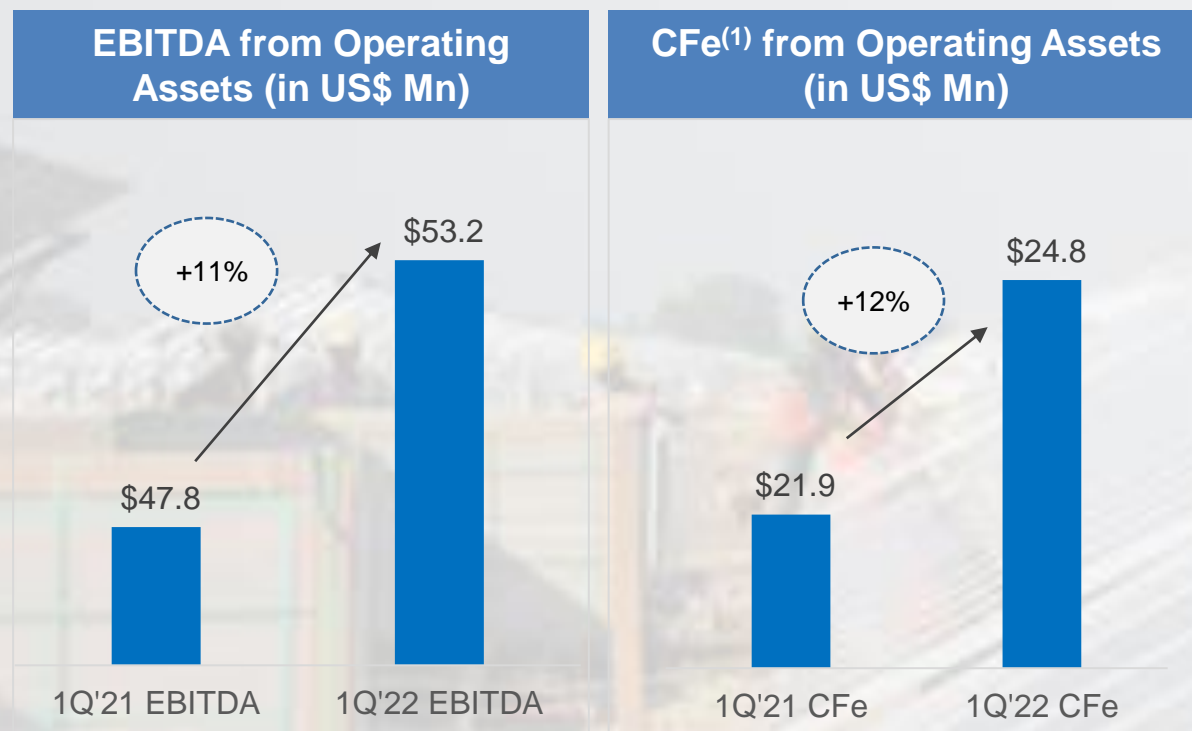


\*As of June 30, 2021, 1,875,000 SARs were outstanding of which 1,682,500 SARs cannot be exercised until 2024 on which the Company will not incur any cash payments until that time

Exchange rate- INR 74.33 to US\$1 (New York closing rate of June 30, 2021 | 1) Compares 1Q'21 vs 1Q'22

# Operating Assets Review: EBITDA, CFe, & Leverage

## 12% growth in CFe from Operating Assets YoY<sup>(1)</sup>



**Positive Drivers:**  
**Revenues: +\$6.7 million**

	As at March. 31, 2021 (in INR million)	As at June 30, 2021	
		(in INR million)	(in US\$ million)
Net Debt for Operating Assets	82,650	88,731	1,193.7
LTM EBITDA for Operating Assets	13,146	13,546	182.2
<b>Net Debt/LTM EBITDA for Operating Assets (x)</b>	<b>6.3x</b>	<b>6.6x</b>	

Exchange rate- INR 74.33 to US\$1 (New York closing rate of June 30, 2021) | For a reconciliation of EBITDA and CFe from Operating Assets, refer to the Appendix

(1) Our CFe has no debt amortization for the Restricted Group entities, however, as we may look to refinance these assets there may be change in the debt amortization for these assets.

# A Growing Balance Sheet

	As at March 31, 2021 (in million)	As at June 30, 2021 (in million)	
	INR	INR	US\$ <sup>(3)</sup>
Cash, Cash Equivalents and Current Investments <sup>(1)</sup>	11,107	6,736	90.6
Property, Plant & Equipment, Net	108,847	115,023	1,547.5
Net Debt <sup>(2)</sup>	86,928	99,900	1,344.0
Hedging Asset (net)	5,488	7,867	105.8

- 1) Does not include Current and Non-Current Restricted cash of INR 10,800 million (US\$ 145.3 million) as on June 30, 2021 and of INR 5,051 million (US\$ 68.0 million) for the year ended March 31, 2021.
- 2) Net debt is presented after net of hedging derivative value and cash and cash equivalents. The hedging asset (net) is directly related to hedging foreign debt from variances in foreign exchange changes and is included in Other Assets on the Balance Sheet. The hedging asset (net) was US\$ 105.8 million for quarter ended June 30, 2021 and US\$ 73.8 million for the year ended March 31, 2021 respectively.
- 3) Exchange rate- INR 74.33 to US\$1 (New York closing rate of June 30, 2021).

# Q2'22 and FY'22 Guidance

## Q2'22 Guidance

**Q2 FY'22 Revenue: INR  
3,600 – 3,800 million<sup>(1)</sup>  
Q2 FY'22 PLF: 20.5% - 21.5%**



## FY'22 Guidance

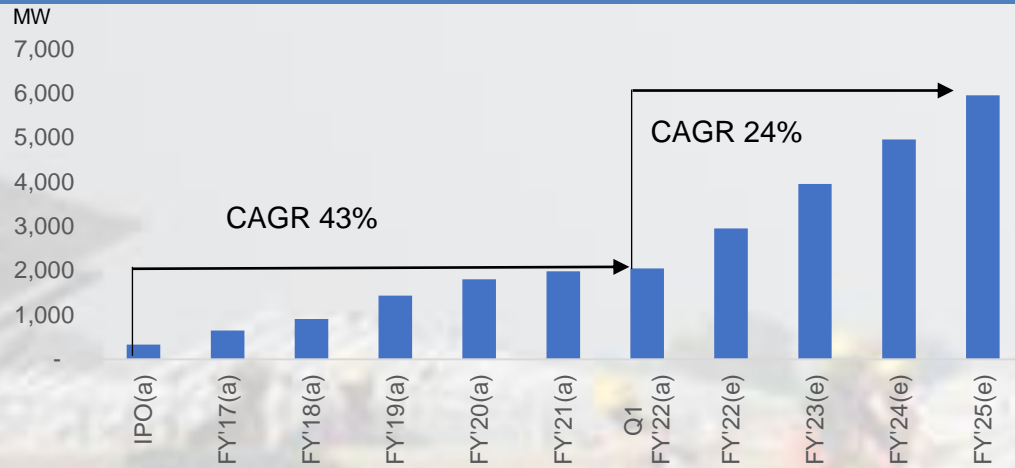
**2,750 – 2,955<sup>(1)</sup> MW  
Operating by March 31,  
2022**

**INR 17,900 – 18,900  
million<sup>(1)</sup>  
of Revenue for FY'22**

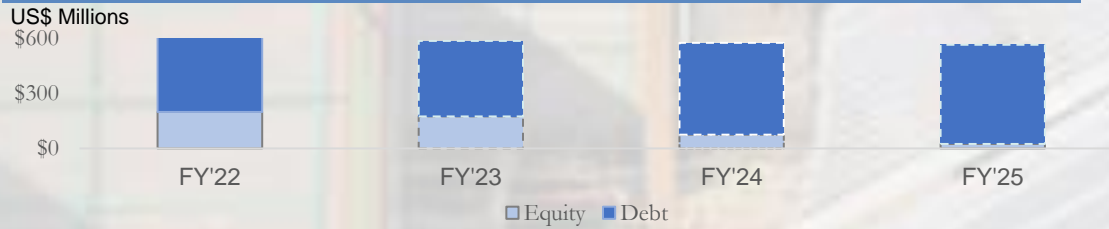
1) Q2 FY'22 revenue guidance is US\$ 49.0 - \$51.7 mn and FY'22 revenue guidance is US\$ 241 - \$254mn at the June 30, 2021 exchange rate- INR 74.33 to US\$1. Excludes our rooftop portfolio for which we have entered into an agreement to sell in the current quarter.

# Long Term Outlook

## MW Operational Guidance

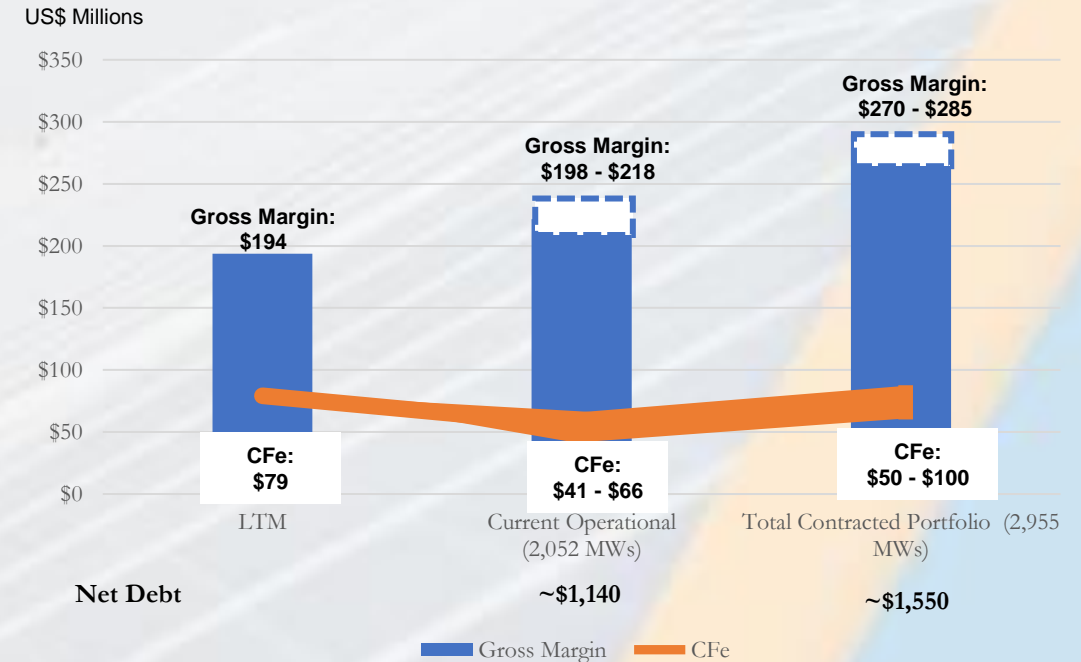


## Capex Forecast<sup>(1)</sup>



(US\$ millions)	FY'22	FY'23	FY'24	FY'25
Cap Ex	\$450 - \$550	\$500 - \$650	\$500 - \$650	\$500 - \$650

## Gross Margin<sup>(2,4)</sup>, Cash Flow to Equity for Operating Assets<sup>(3,4)</sup> and Debt Forecast



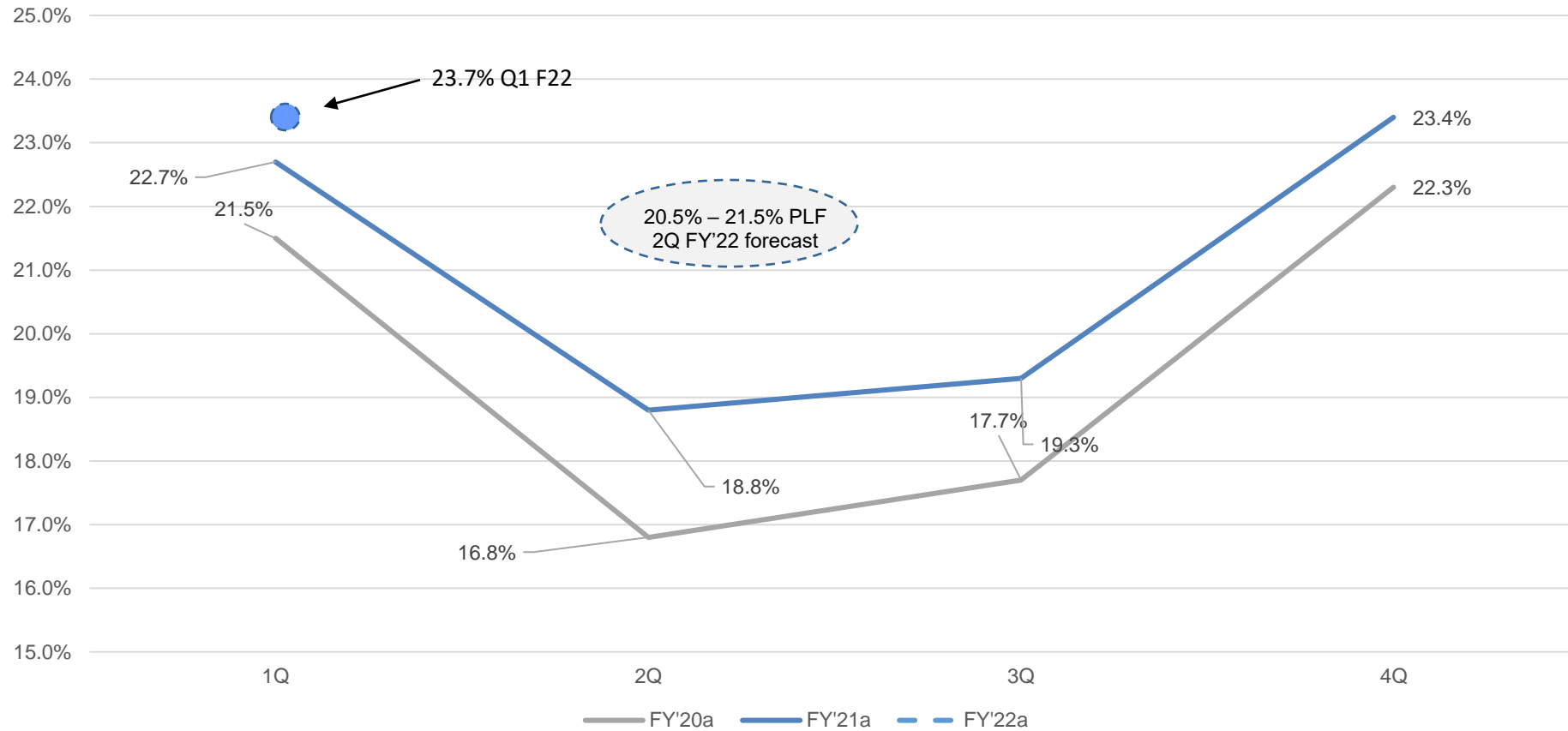
Exchange rate- INR 74.33 to US\$1 (New York closing rate of June 30, 2021) (1) The forecast for FY23 onwards assumes capex for 4GW awarded capacity which is subject to PPA's being signed on a timely basis with SECI and does not factor impacts from events such as COVID/supply challenges etc (2) Revenue less cost of operations equals Gross Margin. Corporate G&A as overhead is covered during construction in cap ex. (3) CFe (cash flow to equity) for Operating Assets is profit before tax (the most comparable GAAP metric), adjusted for net cash provided for used/in operating activities, other than changes in operating assets and liabilities, income and deferred taxes and amortization of hedging costs; less: cash paid for income taxes, debt amortization and maintenance capital expenditure. Our CFe has no debt amortization for the Restricted Group entities, however, as we may look to refinance these assets there may be change in the debt amortization for these assets. 4) Outlook range is generation from P90 to P50 and normalized debt amortization ranging from 20 to 25 years. LTM actual debt amortization was \$8.2 million due to the majority of debt in non amortizing Green Bonds.



Appendix

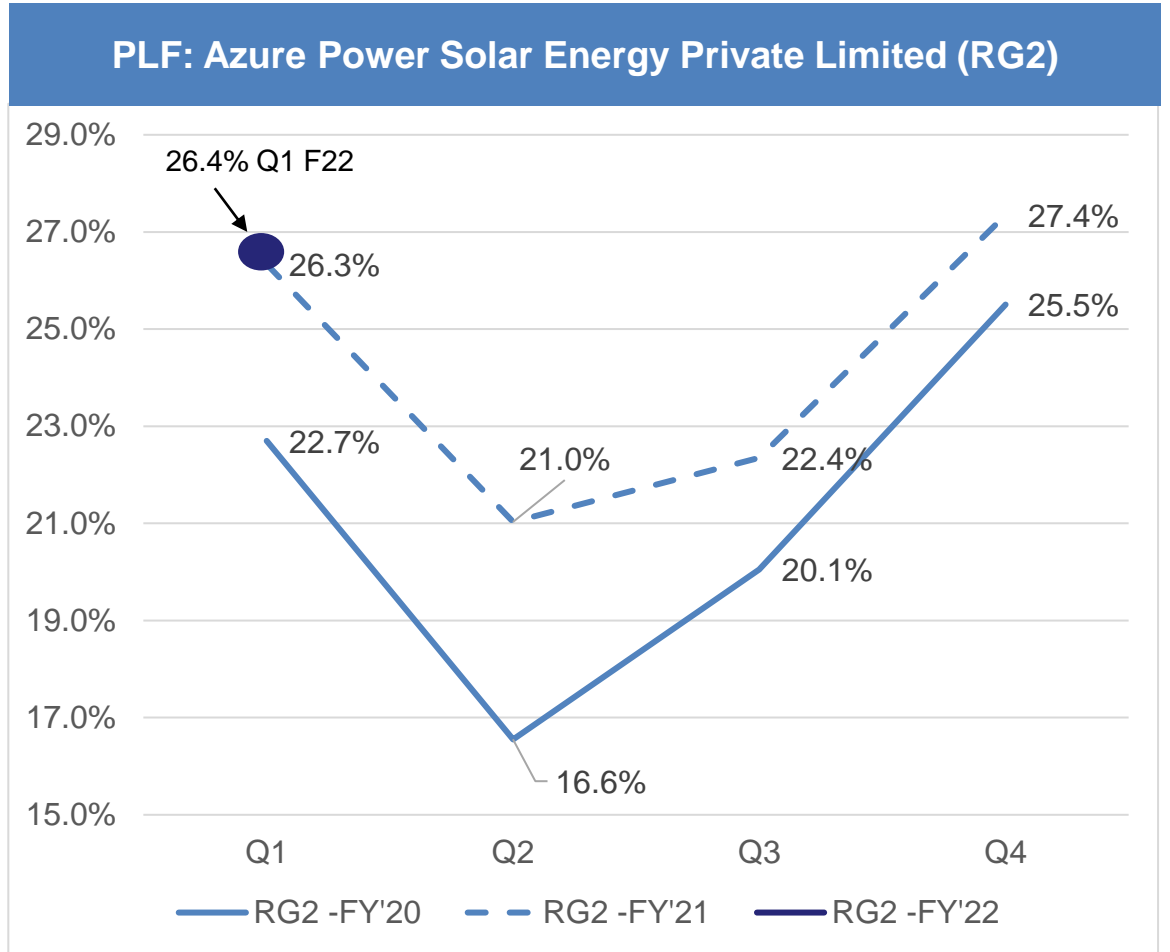
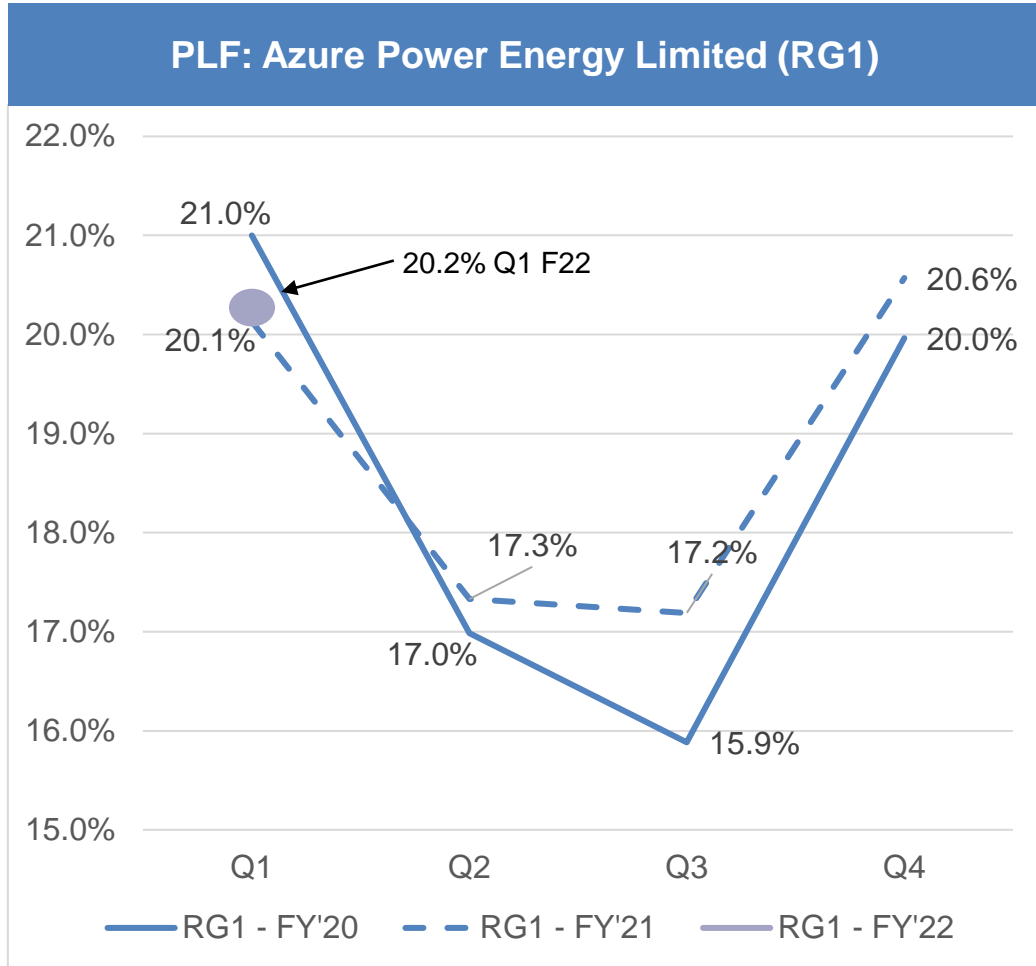


# Historical Plant Load Factor (PLF); Annual, Quarterly



Annual PLF	
FY'21	20.9%
FY'20	19.5%
FY'19	18.6%
FY'18	18.2%

# Historical Plant Load Factor (PLF); Green Bonds Performance



# DSO by Counterparty

Amounts in US\$ million

Customer Name	Capacity (MW)	Net Receivables	On time/ Within grace period <sup>(1)</sup>	Past due up to one year	Past due more than 365 days	DSO days <sup>(2)</sup>
SECI , NTPC, NVVN	1,039	15.8	15.8	-	-	63
Andhra Pradesh	50	12.7	1.2	5.6	5.9	646
Karnataka	250	22.3	5.5	9.9	6.9	261
Chhattisgarh	30	1.2	0.9	0.3	-	116
Other States	683	15.4	12.1	3.3	-	80
	<b>2,052</b>	<b>67.4</b>	<b>35.5</b>	<b>19.1</b>	<b>12.8</b>	<b>120</b>

(1) Includes revenue generated but yet to be billed of US\$18.2 mn.

(2) DSO is computed on an INR basis

Exchange rate- INR 74.33 to US\$1 (New York closing rate of June 30, 2021). Figures may not add up due to rounding.

# Use of Non-GAAP Financial Measures: EBITDA

Adjusted EBITDA is a non-GAAP financial measure. We present Adjusted EBITDA as a supplemental measure of its performance. This measurement is not recognized in accordance with USGAAP GAAP and should not be viewed as an alternative to USGAAP 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.

We define Adjusted EBITDA as net loss (income) plus (a) income tax expense, (b) interest expense, net, (c) depreciation and amortization, (d) loss (income) on foreign currency exchange, (e) Other expenses/ (income) and (f) Impairment loss. We believe 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 USGAAP 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 we consider 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

	Quarter Ended June 30, (in million)		
	2020 INR	2021 INR	2021 US\$
<b>Net Profit</b>	46	697	9.6
<b>Income tax expense/ (income)</b>	317	(144)	(1.9)
<b>Interest expense, net</b>	2,163	2,249	30.2
<b>Other expense</b>	6	2	-
<b>Depreciation and amortization</b>	755	819	11.0
<b>Impairment loss</b>	-	26	0.3
<b>Loss on foreign currency exchange</b>	17	19	0.2
<b>Adjusted EBITDA</b>	<b>3,304</b>	<b>3,668</b>	<b>49.4</b>

*Exchange rate- INR 74.33 to US\$1 (New York closing rate of June 30, 2021).*

# Use of Non-GAAP Financial Measures: Cash Flow to Equity (CFe)

Cash Flow to Equity is a Non-GAAP financial measure. We present CFe as a supplemental measure of our performance. This measurement is not recognized in accordance with U.S. GAAP and should not be viewed as an alternative to U.S. GAAP measures of performance. The presentation of CFe should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. We believe GAAP metrics such as net income (loss) and cash from operating activities do not provide with the same level of visibility into the performance and prospects of our operating business as a result of the long term capital-intensive nature of our businesses, non-cash depreciation and amortization, cash used for debt servicing as well as investments and costs related to the growth of our business. Our business owns high-value, long-lived assets capable of generating substantial Cash Flow to Equity over time. We define CFe as profit before tax (the most comparable GAAP metric), adjusted for net cash provided for used/in operating activities, other than changes in operating assets and liabilities, income and deferred taxes and amortization of hedging costs; less: cash paid for income taxes, debt amortization and maintenance capital expenditure. We believe that changes in operating assets and liabilities is cyclical for cash flow generation of our assets, due to our high growth environment. Furthermore, to reflect the actual cash outflows for income tax, we deduct income and deferred taxes computed under US GAAP and presented in our consolidated financial statements and instead include the actual cash tax outflow during the period, are considered as part of interest expense. We believe that external consumers of our financial statements, including investors and research analysts, use Cash Flow to Equity both to assess Azure Power's performance and as an indicator of its success in generating an attractive risk-adjusted total return, assess the value of the business and the platform. In addition, we use CFe internally to forecast long term financing needs and to determine equity returns on our projects.

We have disclosed CFe for our operational assets on a consolidated basis, which is not the Cash from Operations of the Company on a consolidated basis. We believe CFe supplements GAAP results to provide a more complete understanding of the financial and operating performance of our businesses than would not otherwise be achieved using GAAP results alone. Cash Flow to Equity should be used as a supplemental measure and not in lieu of our financial results reported under GAAP. We have also bifurcated the CFe into Operational Assets and Others, as defined below, so that users of this financial statement are able to understand the Cash generation from our operational assets. We define our Operational Assets, as the Projects which had commenced operations on or before the year ended June 30, 2020, the operational assets represent the MW operating as of that date. We define Others as the project SPV's which are under construction, or under development - as provided on page 55 of Form 20F, Corporate which includes our three Mauritius entities, the other than projects covered under operational assets, as well as, a company incorporated in USA and other remaining entities under the group.

# Cash Flow to Equity (CFe)

(US \$ million)	For the quarter ended June 30, 2020			For the quarter ended June 30, 2021		
	Operating	Others	Total	Operating	Others	Total
Sale of power	53.0	-	53.0	59.7	-	59.7
Cost of operations	3.5	-	3.5	4.6	-	4.6
General and administrative	1.7	3.3	5.0	1.9	3.8	5.7
<b>Adjusted EBITDA</b>	<b>47.8</b>	<b>(3.3)</b>	<b>44.5</b>	<b>53.2</b>	<b>(3.8)</b>	<b>49.4</b>
Impairment loss	-	-	-	0.3	-	0.3
Depreciation and amortization	10.1	0.1	10.2	10.9	0.1	11.0
<b>Operating income/ (loss)</b>	<b>37.7</b>	<b>(3.4)</b>	<b>34.3</b>	<b>42.0</b>	<b>(3.9)</b>	<b>38.1</b>
Interest expense, net	26.7	2.4	29.1	26.7	3.4	30.1
Other expense/ Income	-	0.1	0.1	-	-	-
Loss/(gain) on foreign currency exchange, net	0.3	(0.1)	0.2	0.2	-	0.2
<b>Profit/(loss) before Income Tax</b>	<b>10.7</b>	<b>(5.7)</b>	<b>4.9</b>	<b>15.1</b>	<b>(7.3)</b>	<b>7.8</b>
Add: Depreciation and amortization	10.1	0.1	10.2	10.9	0.1	11.0
Add: Impairment loss	-	-	-	0.3	-	0.3
Add: Foreign exchange loss, net	0.3	(0.1)	0.2	0.2	0.1	0.3
Add: Ancillary cost of borrowing	0.8	0.8	1.6	0.8	0.5	1.3
Add: Other items from the Statement of Cash Flows <sup>(1)</sup>	3.4	1.0	4.4	0.3	1.6	1.9
Less: Cash paid for income taxes	(0.8)	(0.4)	(1.2)	(0.4)	(2.2)	(2.6)
Less: Debt Amortization <sup>(2)</sup>	(2.6)	-	(2.6)	(2.4)	-	(2.4)
Less: Maintenance Capital expenditure <sup>(3)</sup>	0.0	-	-	-	-	-
<b>Cfe</b>	<b>21.9</b>	<b>(4.3)</b>	<b>17.5<sup>(4)</sup></b>	<b>24.8</b>	<b>(7.2)</b>	<b>17.6<sup>(4)</sup></b>

All amounts for the quarter 2021 and 2020 have been translated at an exchange rate- INR 74.33 to US\$1 (New York closing rate of June 30, 2021).

## Cash Flow to Equity (CFe) – Contd.

- (1) *Items from the Statement of Cash Flows. Other items include: loss on disposal of property plant and equipment of US\$ 0.1 million and Nil, share based compensation of US\$ 0.9 million and US\$ 1.5 million, realized gain on investment of Nil and Nil, non-cash rent expense of US\$ 0.1 million and US\$ 0.1 million, allowance for doubtful debts of US\$ 0.2 million and Nil, loan repayment charges of US\$ 3.1 million and Nil, employee benefits of Nil and US\$ 0.2 million and ARO accretion of US\$ 0.1 million and US\$ 0.2 million for the quarter ended June 30, 2020 and June 30, 2021 respectively.*
- (2) *Repayments of term and other loans during the quarter ended June 30, 2021, was US\$ 21.0 million (refer to the Statement of Cash Flows) which includes US\$ 18.6 million related to refinancing of loans, extinguishment, repayment of debt and payments for hedge and have been excluded to determine debt amortization of US\$ 2.4 million. Repayments of term and other loans during the quarter ended June 30, 2020, was US\$ 75.0 million (refer to the Statement of Cash Flows) which includes US\$ 72.5 million related to refinancing of loans, extinguishment, repayment of debt and payments for hedge and has been excluded to determine debt amortization of US\$ 2.5 million. Further, the amount for current quarter does not includes repayment of Borrowings amounting to US\$ 4.0 million relating to Capital expenditure relating to re-powering of certain existing projects. The Repayment term of these loan was 3 years.*
- (3) *Classification of Maintenance Capital Expenditures and Growth Capital Expenditures All our capital expenditures are considered Growth Capital Expenditures. In broad terms, we expense all expenditures in the current period that would primarily maintain our businesses at current levels of operations, capability, profitability or cash flow in operations and maintenance and therefore there are no Maintenance Capital Expenditures. Growth capital expenditures primarily provide new or enhanced levels of operations, capability, profitability or cash flows.*
- (4) *Reconciliation of total Cfe to cash from operations:*

(US\$ million)	For the quarter ended June 30, 2020	For the quarter ended June 30, 2021
<b>Cfe</b>	17.5	17.6
<i>Items included in GAAP Cash Flow from Operating Activities but not considered in Cfe</i>		
Change in Current assets and liabilities as per statement of cash flow	(30.1)	(15.3)
Current income taxes	(4.7)	(0.8)
Prepaid lease payments	(0.6)	(0.1)
Amortization of hedging costs	6.6	6.4
<i>Items included in Cfe but not considered in GAAP Cash Flow from Operating Activities</i>		
Debt amortization as per Cfe	2.6	2.4
Cash taxes paid as per Cfe	1.2	2.6
<b>Cash from Operating Activities</b>	<b>(7.5)</b>	<b>12.8</b>

All amounts for the years 2021 and 2020 have been translated at exchange rate- INR 74.33 to US\$1 (New York closing rate of June 30, 2021).  
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# Projects Commissioned - Utility

As on June 30, 2021

Project Names	Commercial Operation Date <sup>(1)</sup>	PPA Capacity (MW)	DC Capacity (MW)	Tariff (INR/kWh)	Off taker	Duration of PPA in Years
<b>Operational – Utility</b>						
Punjab 1 <sup>(3)</sup>	Q4 2009	2	2	17.91	NTPC Vidyut Vyapar Nigam Limited	25
Punjab 2.1 <sup>(3)</sup>	Q3 2014	15	15	7.67	Punjab State Power Corporation Limited	25
Punjab 2.2 <sup>(3)</sup>	Q4 2014	15	15	7.97	Punjab State Power Corporation Limited	25
Punjab 2.3 <sup>(3)</sup>	Q4 2014	4	4	8.28	Punjab State Power Corporation Limited	25
Karnataka 1 <sup>(3)</sup>	Q1 2015	10	10	7.47	Bangalore Electricity Supply Company Limited	25
Uttar Pradesh 1 <sup>(3)</sup>	Q1 2015	10	12	8.99	Uttar Pradesh Power Corporation Limited	12
Gujarat 1.1 <sup>(3)</sup>	Q2 2011	5	5	15.00 <sup>(4)</sup>	Gujarat Urja Vikas Nigam Limited	25
Gujarat 1.2 <sup>(3)</sup>	Q4 2011	5	5	15.00 <sup>(4)</sup>	Gujarat Urja Vikas Nigam Limited	25
Rajasthan 1	Q4 2011	5	5	11.94	NTPC Vidyut Vyapar Nigam Limited	25
Rajasthan 2.1	Q1 2013	20	23	8.21	NTPC Vidyut Vyapar Nigam Limited	25
Rajasthan 2.2	Q1 2013	15	18	8.21	NTPC Vidyut Vyapar Nigam Limited	25
Rajasthan 3.1 <sup>(3)</sup>	Q2 2015	20	22	5.45 <sup>(2)</sup>	Solar Energy Corporation of India	25
Rajasthan 3.2 <sup>(3)</sup>	Q2 2015	40	43	5.45 <sup>(2)</sup>	Solar Energy Corporation of India	25
Rajasthan 3.3 <sup>(3)</sup>	Q2 2015	40	41	5.45 <sup>(2)</sup>	Solar Energy Corporation of India	25
Chhattisgarh 1.1	Q2 2015	10	10	6.44	Chhattisgarh State Power Distribution Company Ltd	25
Chhattisgarh 1.2	Q2 2015	10	10	6.45	Chhattisgarh State Power Distribution Company Ltd	25
Chhattisgarh 1.3	Q3 2015	10	10	6.46	Chhattisgarh State Power Distribution Company Ltd	25
Rajasthan 4 <sup>(3)</sup>	Q4 2015	5	6	5.45 <sup>(2)</sup>	Solar Energy Corporation of India	25
Delhi 1.1	Q4 2015	2	2	5.43 <sup>(2)</sup>	Solar Energy Corporation of India	25
Karnataka 2	Q1 2016	10	12	6.66	Bangalore Electricity Supply Company Limited	25
Andhra Pradesh 1 <sup>(3)</sup>	Q1 2016	50	54	6.63 <sup>(4)</sup>	Southern Power Distribution Com of AP Ltd	25
Punjab 3.1 <sup>(3)</sup>	Q1 2016	24	25	7.19	Punjab State Power Corporation Limited	25
Punjab 3.2 <sup>(3)</sup>	Q1 2016	4	4	7.33	Punjab State Power Corporation Limited	25

*(1) Refers to the applicable quarter of the calendar year. There can be no assurance that our projects under construction and our awarded /contracted projects will be completed on time or at all., (2) Projects are supported by viability gap funding in addition to the tariff, (3) Projects under Restricted Group, (4) Current tariff, subject to escalation/change, as per PPA*

# Projects Commissioned– Utility and C&I

As on June 30, 2021

Project Names	Commercial Operation Date <sup>(1)</sup>	PPA Capacity (MW)	DC Capacity (MW)	Tariff (INR/kWh)	Off taker	Duration of PPA in Years
<b>Operational – Utility</b>						
Bihar 1 <sup>(3)</sup>	Q3 2016	10	11	8.39	North & South Bihar Power Distribution Company Ltd	25
Punjab 4.1 <sup>(3)</sup>	Q4 2016	50	52	5.62	Punjab State Power Corporation Limited	25
Punjab 4.2 <sup>(3)</sup>	Q4 2016	50	52	5.63	Punjab State Power Corporation Limited	25
Punjab 4.3 <sup>(3)</sup>	Q4 2016	50	52	5.64	Punjab State Power Corporation Limited	25
Karnataka 3.1 <sup>(3)</sup>	Q1 2017	50	54	6.51	Chamundeshwari Electricity Supply Company	25
Karnataka 3.2 <sup>(3)</sup>	Q1 2017	40	42	6.51	Hubli Electricity Supply Company Limited	25
Karnataka 3.3 <sup>(3)</sup>	Q1 2017	40	42	6.51	Gulbarga Electricity Supply Company Limited	25
Maharashtra 1.1 <sup>(3)</sup>	Q1 2017	2	2	5.50 <sup>(2)</sup>	Ordnance Factory, Bhandara	25
Maharashtra 1.2 <sup>(3)</sup>	Q1 2017	5	6	5.31	Ordnance Factory, Ambajhari	25
Andhra Pradesh 2	Q2 2017	100	130	5.12	NTPC Limited	25
Uttar Pradesh 2	Q2 - Q3 2017	50	59	4.78	NTPC Limited	25
Telangana 1 <sup>(3)</sup>	Q1 2018	100	128	4.67	NTPC Limited	25
Uttar Pradesh 3 <sup>(3)</sup>	Q2 2018	40	51	4.43 <sup>(2)</sup>	Solar Energy Corporation of India	25
Andhra Pradesh 3 <sup>(3)</sup>	Q2 2018	50	59	4.43 <sup>(2)</sup>	Solar Energy Corporation of India	25
Gujarat 2 <sup>(3)</sup>	Q4 2018	260	363	2.67	Gujarat Urja Vikas Nigam Limited	25
Karnataka 4.1 <sup>(3)</sup>	Q1 2019	50	75	2.93	Bangalore Electricity Supply Company	25
Karnataka 4.2 <sup>(3)</sup>	Q1 2019	50	75	2.93	Hubli Electricity Supply Company Limited	25
Rajasthan 5	Q2-Q3 2019	200	262	2.48	Solar Energy Corporation of India	25
Maharashtra 3 <sup>(3)</sup>	Q3 2019	130	195	2.72	Maharashtra State Electricity Distribution Company Limited	25
Assam 1	Q3 2020	37	49	3.34	Assam Power Distribution Company	25
Rajasthan 6	Q4 2020-Q1 2021	350	500	2.53	Solar Energy Corporation of India	25
Others <sup>(4)</sup>	Q1 2018 – Q4 2019	7	10	3.36 <sup>(5)</sup>		
<b>Total Operational Capacity – Utility</b>		<b>2,052</b>	<b>2,622</b>			

1) Refers to the applicable quarter of the calendar year in which commercial operations commenced or are scheduled to commence based on AC capacity. There can be no assurance that our projects under construction and our Contracted projects will be completed on time or at all (2) Projects are supported by viability gap funding, in addition to the tariff, 3) Projects under Restricted Group, 4) Others include projects with Hindustan Aeronautics Limited (HAL), Decathlon and other offtakers, 5) Levelized tariff; includes capital incentive.

# Under Construction Projects –Utility and C&I

As on June 30, 2021

Project Names	Expected Commercial Operation Date <sup>(1)</sup>	PPA Capacity (MW)	Tariff (INR/kWh)	Off taker	Duration of PPA in Years
<b>Under Construction</b>					
Assam 1#(3)	Q1 2022	53	3.34	Assam Power Distribution Company	25
Rajasthan 6#	Q4 2021	250	2.53	Solar Energy Corporation of India	25
Rajasthan 8#	Q4 2021	300	2.58	Solar Energy Corporation of India	25
Rajasthan 9#	Q1 2022	300	2.54	Solar Energy Corporation of India	25
<b>Total Under Construction- Utility</b>		<b>903</b>			
<b>Total Operating and Under Construction Portfolio</b>		<b>2,955</b>			
<b>Awarded</b>					
2 GW Project 1		2,000 <sup>(2)</sup>		Solar Energy Corporation of India	25
2 GW Project 2		2,000 <sup>(2)</sup>		Solar Energy Corporation of India	25
<b>Total Awarded Capacity- Utility</b>		<b>4,000</b>			
<b>Total Portfolio</b>		<b>6,955</b>			

<sup>(1)</sup> Refers to the applicable quarter of the calendar year. There can be no assurance that our projects under construction and our awarded projects will be completed on time or at all.

<sup>(2)</sup> Company has been awarded LOA for 4GW solar projects under SECI manufacturing linked tender and has not signed a PPA.

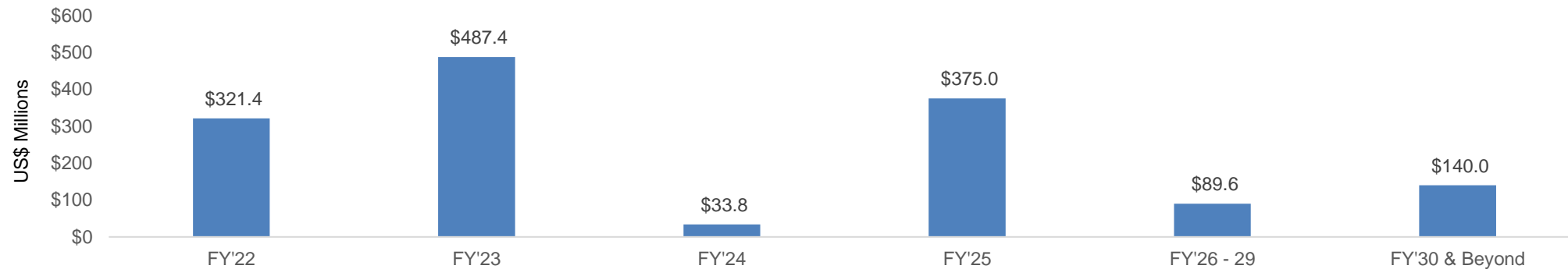
<sup>(3)</sup> 12.5 MW commissioned in May 2021 and In Rajasthan 6 – 50 MW is commissioned in June 2021

# Due to the COVID-19 pandemic, there is uncertainty around the timing of construction of projects and this is our best estimate of completion.

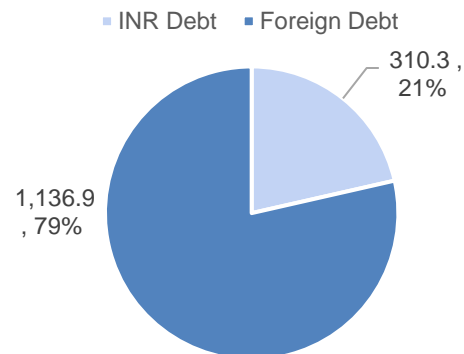
# Debt Overview

As of June 30, 2021

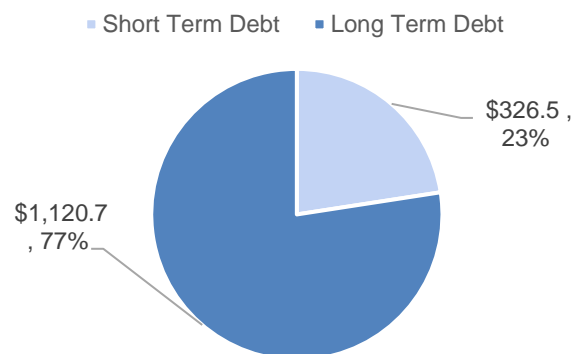
## Maturity Profile (1,2,3)



## Debt Split by Currency



## LT vs ST Debt Split



Consolidated Debt (2, 3, 4)	\$ 1,447.2
Average Interest Rate	8.9%
Balance average debt maturity for LT debt	5.0 years

- 1) This represents the last repayment period. 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) Exchange rate- INR 74.33 to US\$1 (New York buying rate of June 30, 2021). 3) The Company carries the hedging asset of US\$ 93.3 million as of June 30, 2021 against foreign currency loans/borrowings to be settled over loan tenure. 4) Project level debt of INR 1,963 million (US\$ 26.4 million) pertaining to rooftop entities under sale have been classified under Liabilities directly associated with assets classified as held for sale and not considered under consolidated debt.

# Project Debt Schedule

As of June 30, 2021

Name of Project	Outstanding Principal Amount (In millions)		Type of Interest	Currency	Maturity Date <sup>(1)</sup>	Commissioned/ Under construction
	INR	US\$ <sup>(2)</sup>				
Rajasthan 6	16,139	217.1	Floating	INR/US\$	2021-2040	Partly commissioned
Andhra Pradesh 1	2,508	33.7	Fixed	INR	2022	Commissioned
Bihar 1	439	5.9	Fixed	INR	2022	Commissioned
Gujarat 1	928	12.5	Fixed	INR	2022	Commissioned
Karnataka 1	498	6.7	Fixed	INR	2022	Commissioned
Karnataka 3.1	1,330	17.9	Fixed	INR	2022	Commissioned
Karnataka 3.2	1,364	18.4	Fixed	INR	2022	Commissioned
Karnataka 3.3	6,482	87.2	Fixed	INR	2022	Commissioned
Punjab 1	174	2.3	Fixed	INR	2022	Commissioned
Punjab 2	1,699	22.9	Fixed	INR	2022	Commissioned
Punjab 4	5,810	78.2	Fixed	INR	2022	Commissioned
Rajasthan 3.1	867	11.7	Fixed	INR	2022	Commissioned
Rajasthan 3.2	1,700	22.9	Fixed	INR	2022	Commissioned
Rajasthan 3.3	1,775	23.9	Fixed	INR	2022	Commissioned
Rajasthan 4	236	3.2	Fixed	INR	2022	Commissioned
Telangana 1	4,610	62.0	Fixed	INR	2022	Commissioned
Uttar Pradesh 1	453	6.1	Fixed	INR	2022	Commissioned
Gujarat 2	9,188	123.6	Fixed	INR	2024	Commissioned
Maharashtra 3	5,238	70.5	Fixed	INR	2024	Commissioned
Karnataka 4	3,934	52.9	Fixed	INR	2024	Commissioned
Maharashtra 1.1 & 1.2	325	4.4	Fixed	INR	2024	Commissioned
Uttar Pradesh 3	1,778	23.9	Fixed	INR	2024	Commissioned
Andhra Pradesh 3	2,179	29.3	Fixed	INR	2024	Commissioned

1) This represents the last repayment period. 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) Exchange rate- INR 74.33 to US\$1 (New York buying rate of June 30, 2021).

# Project Debt Schedule

As of June 30, 2021

Name of Project	Outstanding Principal Amount (In millions)		Type of Interest	Currency	Maturity Date <sup>(1)</sup>	Commissioned/ Under construction
	INR	US\$ <sup>(5)</sup>				
Punjab 3.1 and 3.2	1,219	16.4	Fixed	INR	2024	Commissioned
Chhattisgarh 1.1,1.2 & 1.3	1,192	16.0	Floating	INR	2029	Commissioned
Rajasthan 1	435	5.9	Fixed	INR	2031	Commissioned
Rajasthan 2	2,396	32.2	Fixed	INR	2033	Commissioned
Karnataka 2	390	5.2	Floating	INR	2034	Commissioned
Andhra Pradesh 2	5,074	68.3	Floating	INR	2036	Commissioned
Uttar Pradesh 2	2,092	28.1	Floating	INR	2037	Commissioned
Rajasthan 5	5,904	79.4	Mixed	INR	2038	Commissioned
Assam 1	1,999	26.9	Floating	INR	2039	Partly commissioned
Rooftop Projects <sup>(4), (5)</sup>	3,404	45.8	Mixed	INR/US\$	2022-31	Multiple projects
<b>Total</b>	<b>93,757 <sup>(2)(3)</sup></b>	<b>1,261.4</b>				

1) This represents the last repayment period. 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) This amount is presented in the financials as net of ancillary cost of borrowing of INR 1,101 million (US\$ 14.8 million). 3) Non-project level debt of INR 16,043 million (US\$ 215.8 million) is excluded from the above table. Further foreign exchange fluctuation of INR 7,769 million (US\$ 104.5 million) is in respect of project debt against which the company has taken hedge. 4) Project level debt of INR 1,963 million (US\$ 26.4 million) pertaining to rooftop entities under sale have been classified under Liabilities directly associated with assets classified as held for sale. 5) Rooftop Projects includes, Delhi Rooftop 4, Gujrat rooftop, Punjab Rooftop 2, Railway 1, DJB, DMRC and SECI. 6) Exchange rate- INR 74.33 to US\$1 (New York buying rate of June 30, 2021).

# 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 fiscal 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 fiscal year will be eligible to expense 60% of project costs in fiscal year 1

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

**Basic Custom Duty (BCD)** - a proposed tax on imported modules from most countries outside India. The final tax rate and periods have yet to be established.

**Awarded Projects** – Solar power plants that pursuant to customer won in an auction but for which a contract has not been entered

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

**Cash Flow to Equity (CFE)** – profit before tax (the most comparable GAAP metric), adjusted for net cash provided for used/in operating activities, other than changes in operating assets and liabilities, income and deferred taxes and amortization of hedging costs; less: cash paid for income taxes, debt amortization and maintenance capital expenditure. LTM are actuals and projections assume normalized debt amortization over 20 years.

**Day Sales Outstanding (DSO)**- Days Sales Outstanding (DSO) =  $\frac{\text{Outstanding amount} * \text{Period}}{\text{Total Sales for the period}}$  DSO represents the average no of days taken to recognize the revenue against sale of power

**Gross Margin** - Revenue less cost of operations

**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

**Power Purchase Agreement (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 (SERCs) as mandated by the National Tariff Policy 2006 obligating distribution companies to procure solar energy by offering preferential tariffs.

**Safe Guard Duty (SGD)** – a tax on imported modules from most countries outside India which is 14.9% from July 30, 2020 – January 2021 and 14.5% from January 2021 to June 2021.



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