



7 GW+ Pan India portfolio of solar assets

India's first private grid connected MW solar plant

Issued India's first solar Green Bond

# Fiscal First Quarter 2021 Ended June 30, 2020

## Earnings Presentation

August 14, 2020

# 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.

# Key Highlights of Recent Developments

**7,115 MW Portfolio:**  
**1,809 MWs Operational,**  
**1,306 MWs Under Construction,**  
**4,000 MWs Committed<sup>(2)</sup>**

## Key Developments

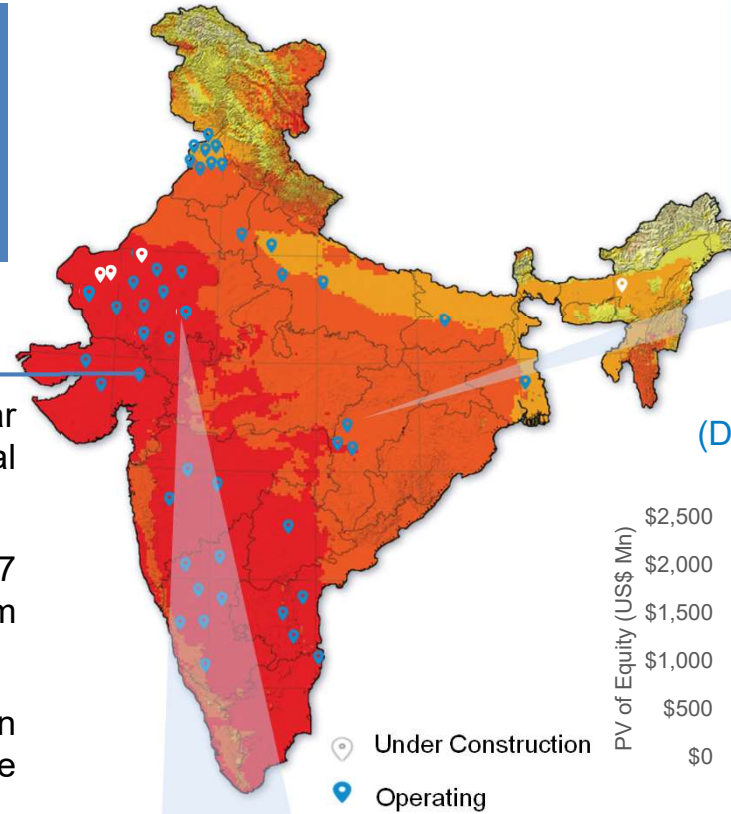
Sustainability – Awarded Most Sustainable Company in the Solar Energy Industry by World Finance Magazine. Rated top 10 global renewable energy company by Sustainalytics.

Cash Flow to Equity (CFe) from Operating Assets<sup>(1)</sup> was \$21.7 million for 1Q FY'21, up 45% from 1Q FY'20; Reiterate long term guidance of CFe growth to \$170 - \$210 million.

Increasing PV of Equity by ~\$100mn (~\$2/share) for 50bp reduction in interest rate expectations; Net debt for 7.1GWs expected to be \$100 mn lower than previous guidance

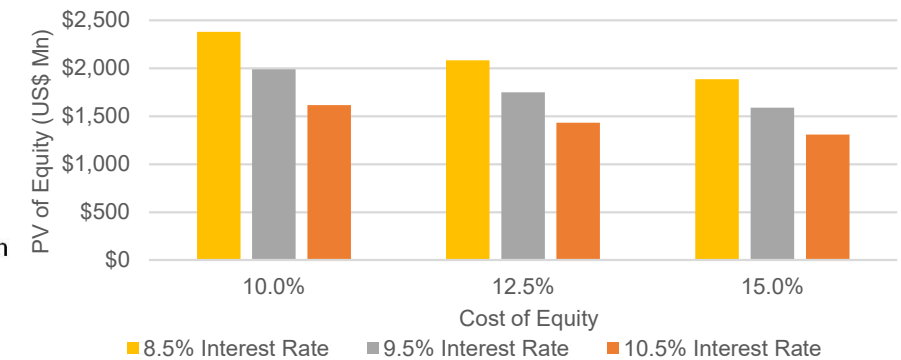
Received LOA for 2 GW greenshoe as part of 4GW win in Dec 2020. Estimated PV of Equity for total 4 GWs is ~\$800 - \$1bn<sup>(2)</sup>. Likely extended timeline to sign PPA. ISTS waiver on 4GWs provides significant pricing advantage after June 2023. SECI is engaging with states to sell power on a blended average.

New non-executive, independent Board member, Ms. Supriya Sen.



## Present Value of Equity<sup>(2)</sup>

(Does not consider value for growth beyond current portfolio or cost reductions)



Expect to achieve 9.0 – 10.0% lending cost in future

Current market cap is ~\$1 bn

1) CFe is a Non-GAAP metric, please refer to the reconciliation of this non-GAAP metric in the Appendix. 2) Includes 4,000 MWs which LOA has been received but PPA has not been signed and for which there is a ~\$450 mn of equity raise need; The PPA will follow only after the power is contracted with DISCOMs under a power sale agreement (PSA). There is no assurance that we will be able to sign a PPA even though we have a letter of award.

# Commitment to Create Shareholder Value

- ☀️ Focused on value creation; all projects must **earn a return above our cost of capital** and we will **pursue the lowest cost of capital**
- ☀️ Focused only on best counterparties with the strongest track records of payment (i.e. NTPC, SECI)
- ☀️ Will not win projects for just growth's sake; Participated in but did not win any capacity in recent record low tariff auction (INR 2.36/kWh)
- ☀️ Opportunities to enhance returns in select sites for new projects through expansion and leveraging common infrastructure (i.e. avoid transmission, road build costs, construction & operating and maintenance synergies)

## Current Construction Costs Provides Upside to 4GWs and Strong Returns for New Projects Even at Lower Tariffs

	December 2019	Aug 2020	Change <sup>(2)</sup>
<b>Average Tariff</b>	INR 2.65 - 2.74/kWh	INR 2.36 - 2.43/kWh	-11%
<b>Module Costs</b>	19¢ - 21¢/w	17¢ - 19¢/w	-10%
<b>Total project costs<sup>(1)</sup></b>	58¢ - 62¢/w	52¢ - 55¢/w	-11%
<b>Interest Rates</b>	9.5 - 10.0%	9.0 - 9.5%	-50 bp

1) PPA (or AC) cost per Watt operating excluding Safe Guard Duty and Basic Custom Duty as this is a pass through, 2) Midpoint.

# Projects Under Construction Update



## Rajasthan 6 - 600 MWs

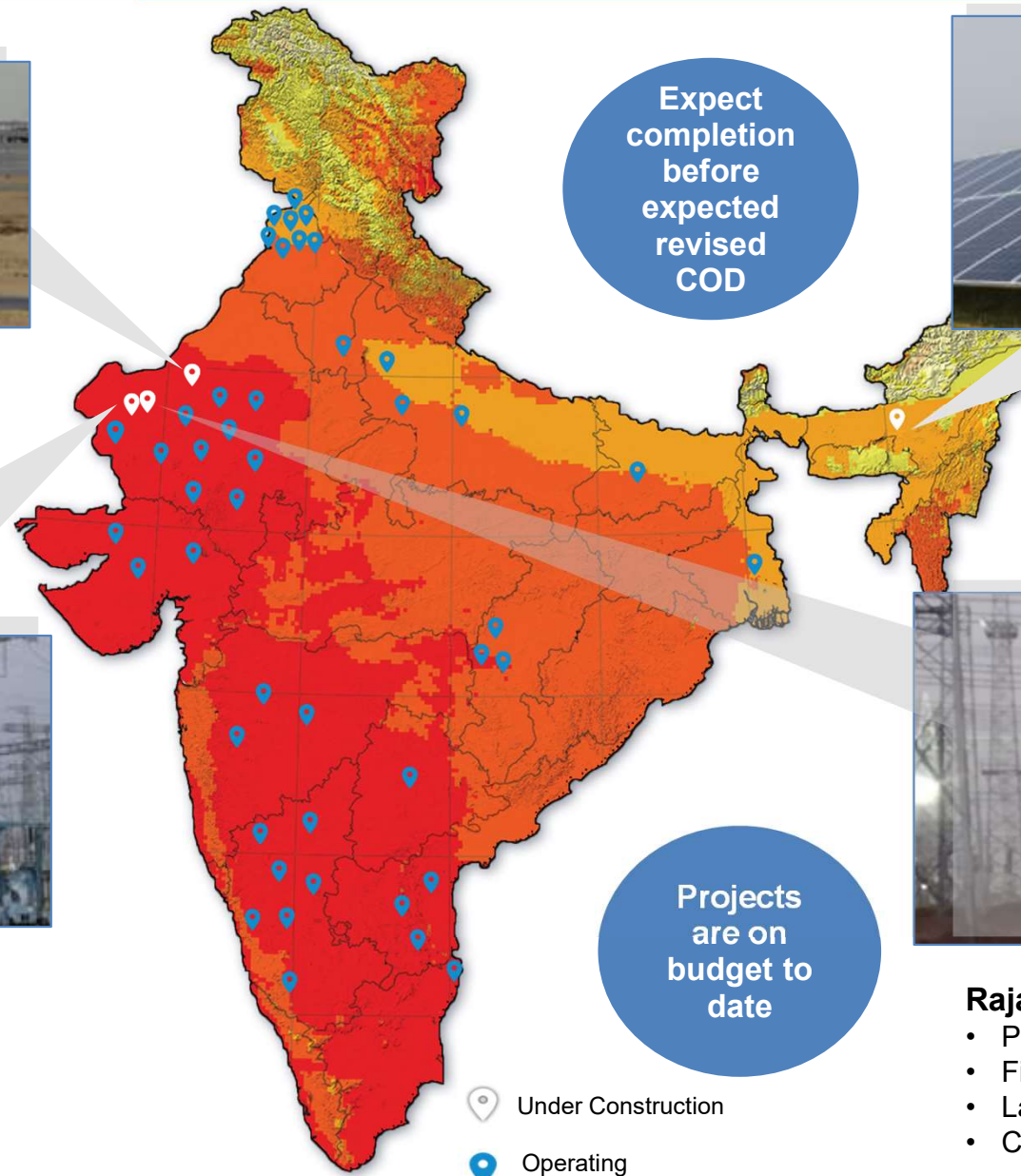
- PPA COD: Q1 CY'21
- Financing: Completed
- Land: 100%
- Construction: transmission; fencing, roads levelling/grading under way



## Rajasthan 8 - 300 MWs

- PPA COD: Q2 CY'21
- Financing: near complete
- Land: 100%
- Construction: work on transmission has begun

1) 25 MWs on hold; 2) Extension of COD applied for.



## Assam - 90 MWs (1)

- COD<sup>(2)</sup>: Q3 – Q4 CY'20
- Financing: Completed
- Land: Most of land is in place for 65 MWs
- Construction: Transmission over half complete; monsoon has slowed work on install



## Rajasthan 9 - 300 MWs





- PPA COD: Q3 CY'21
- Financing: Sanction letter received
- Land: ~75%
- Construction: in planning stage

Under Construction




Operating

# Industry and Regulatory Update

## Industry Update

-  Continued strong growth opportunities remain despite COVID-19. During the quarter, 5.9 GWs of tenders were released and 4.63 GWs of capacity was auctioned. Tariffs for SECI vanilla solar auctions fell from INR 2.50 – 2.55/kWh to INR 2.36 – 2.43/kWh reflecting lower construction costs.
-  The Ministry of Power has given an additional 2 month (total is ~5 months) extension for COVID to scheduled COD for renewable energy and transmission projects.
-  Extension of ISTS waiver for six months to June 2023. Manufacturing linked bids were given a special mention that reconfirmed that they would not incur any ISTS charges or losses on transmission of electricity.
-  The Central Government will infuse ~\$12bn through Power Finance Corp (PFC) and Rural Electrification Corp (REC) to pay for outstanding DISCOM bills. The payments to suppliers will come directly through PFC and REC.

## Regulatory Update

-  Safe Guard Duties (SGD) were extended for another year and apply to imports of modules from China, Thailand and Vietnam. A 14.9% duty will be imposed for six months (from July 30, 2020 – January 29, 2021) and the duty will fall to 14.5% in the following six months. The previous duty structure was initiated at 25% in July 2018 for the first year, 20% for the next six months, and then 15% until July 2020. All of our projects are protected under Change in Law Provisions.
-  Basic Custom Duty (BCD) – The current expectation is that a 10% BCD will be imposed, which will be in addition to the SGD, although there has not been a final order. We expect recovery of Safe Guard Duty and BCD as our PPAs are protected from changes in law.
-  The MNRE and MoP have implemented changes to streamline recovery of SGD and potentially BCD if implemented. In addition, a standard formula is being applied in PPAs to reduce ambiguity and reduce recovery time.

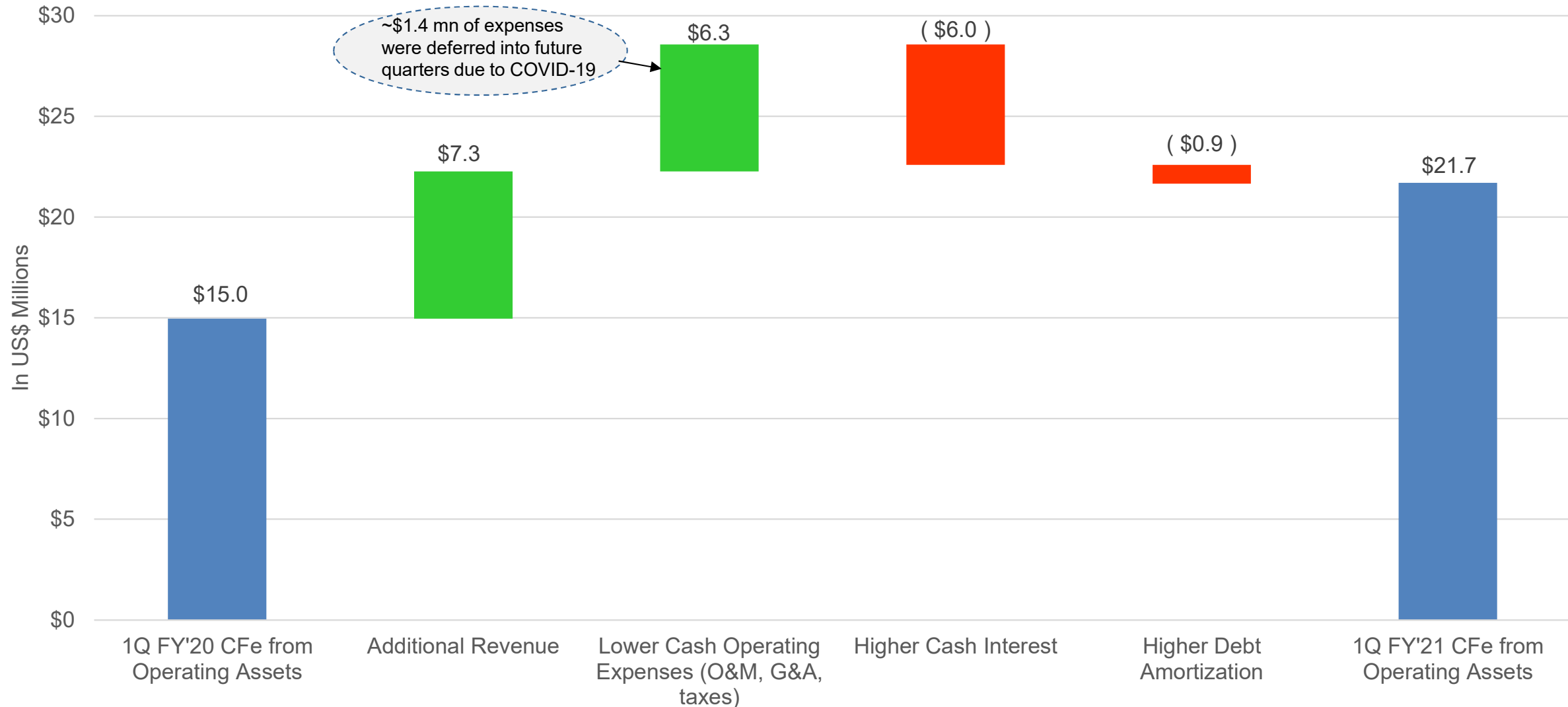
# Review of Q1 FY'21 Results

(in million)	Reported 1Q FY'20 INR	Reported 1Q FY'21 INR	Reported 1Q FY'21 US\$	Adjustments* US\$	1Q FY'21 After Adjustments US\$	% Change Adjusted Q1FY'21 vs Q1FY'20	Comments
Revenue	3,389	3,940	52.2	-	52.2	16%	21% increase in operational DC MWs. Additional revenue of \$1 million from recovery of SGD/ GST.
Cost of Operations	297	263	3.5	(0.7)	4.2	7%	O&M cost /MW-qtr was ~\$1,900 reflecting productivity improvement. Adjustment of \$0.7mn for deferment of expenses due to impact of COVID-19.
General & Administrative Expenses	544	379	5.0	(0.7)	5.7	(21)%	Lower primarily due to the absence of management transition expenses of \$ 1.2 million incurred in last year. Adjustment of \$0.7mn for lower legal and professional expenses, travel expenses etc due to less activity during COVID-19
<b>Non-GAAP Adjusted EBITDA*</b>	<b>2,548</b>	<b>3,298</b>	<b>43.7</b>	<b>(1.4)</b>	<b>42.3</b>	<b>26%</b>	<b>A 26% YoY increase after adjustments</b>
Depreciation and Amortization	623	755	10.0	-	10.0	21%	Operational DC Mw increased by 16% YoY, or 234 MWs; including full quarter of depreciation for plants commissioned during 4Q FY'20
Interest Expense, net (including other income)	1,560	2,163	28.7	3.5	25.2	22%	Increase in operational MWs and lower interest income. Excludes \$3.5 million of one-time refinancing charges
Loss on Foreign Currency Exchange, net	50	17	0.2	-	0.2	(66)%	Lower exchange loss on account of lower volatility in INR versus the U.S. dollar compared to the same quarter in the prior year and refinancing of foreign loans.
Income tax expense	144	317	4.2	-	4.2	120%	Higher taxable income and tax withholding related to our solar green bonds
<b>Net Profit after tax</b>	<b>171</b>	<b>46</b>	<b>0.6</b>	<b>2.1</b>	<b>2.7</b>	<b>19%</b>	<b>1Q'21 adjusted net income of US\$ 2.7 million</b>

Exchange rate INR 75.53 to US\$1 (New York closing rate of June 30, 2020) | \*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 higher or lower going forward or we expect recovery of in the future.

# Cash Flow to Equity (CFe) for Operating Assets: 1Q FY'21 vs 1Q FY'20

45% growth in CFe from Operating Assets YoY



Exchange rate- INR 75.53 to US\$1 (New York closing rate of June 30, 2020) | For a reconciliation of CFe from Operating Assets, refer to the Appendix



# Balance Sheet

	As at March 31, 2020 (in million)	As at June 30, 2020 (in million)	
	INR	INR	US\$##
<b>Cash, Cash Equivalents and Current Investments*</b>	<b>9,792</b>	<b>7,971</b>	<b>105.5</b>
<b>Property, Plant &amp; Equipment, Net</b>	<b>95,993</b>	<b>98,759</b>	<b>1,307.8</b>
<b>Net Debt<sup>(1)</sup></b>	<b>73,780</b>	<b>76,249</b>	<b>1,009.5</b>
<b>Hedging Asset</b>	<b>6,292</b>	<b>7,435</b>	<b>98.4</b>

\*Does not include Current and Non-Current Restricted cash of INR 5,377 million (US\$ 71.2 million) as on June 30, 2020.

(1) Includes hedging asset. The hedging asset is the gains related to the hedges put in place for the Green Bonds maturing in 2022 and 2024. Changes in value is directly proportionate to the devaluation of INR versus the US\$.

## Exchange rate- INR 75.53 to US\$1 (New York closing rate of June 30, 2020).

# DSO by Counterparty

Amounts in US\$ million

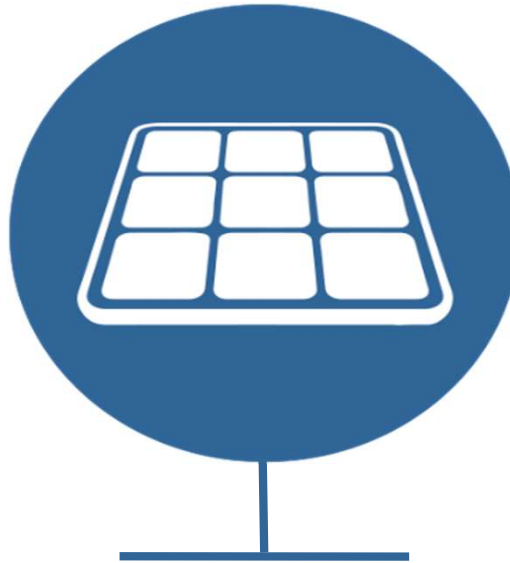
Customer Name	Project Name	Capacity (MWs)	Net Receivables	On time/ Within grace period <sup>(1)</sup>	Past due up to one year	Past due more than 365 days	DSO days <sup>(1)</sup>
SECI , NTPC, NVVN		689	13.5	13.4	0.1	—	68
Southern Power Distribution Com of AP Ltd <sup>(1)</sup>	AP-1	50	9.8	1.2	5.3	3.3	522
Hubli Electricity Supply Company Ltd	K-3	40	5.6	1.0	4.3	0.3	363
Gulbarga Electricity Supply Company	K-4	40	5.4	1.0	2.6	1.7	339
Chamundeshwari Electricity Supply Co	K-5	50	7.4	1.3	2.4	3.6	364
Other States		799	21.7	16.2	5.5	-	108
Rooftop		141	4.4	2.2	2.3	-	221
		<b>1,809</b>	<b>67.9</b>	<b>36.5</b>	<b>22.5</b>	<b>8.9</b>	<b>139</b>

(1) Includes revenue generated but yet to be billed of \$16.5 mn. DSO is computed on an INR basis.

Exchange rate- INR 75.53 to US\$1 (New York closing rate of June 30, 2020). Figures may not add up due to rounding.

# Reiterating FY'21 Guidance

2,650 – 2,950 MWs  
Operating by March 31,  
2021



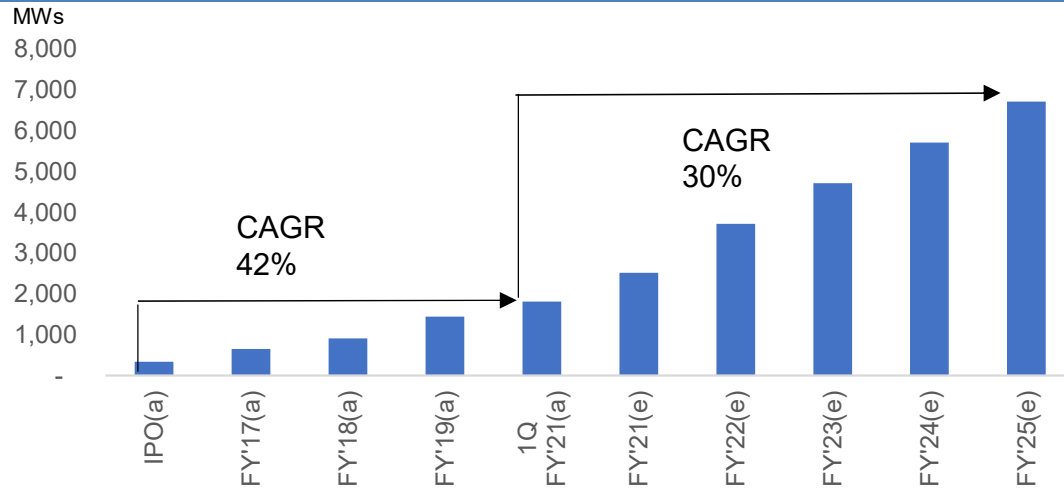
INR 15,800 – 16,600 million<sup>(1)</sup>  
of Revenue for FY'21

2Q FY'21 Revenue: INR 3,200 – 3,400 million  
Q2 FY'21 PLF 18%- 19%

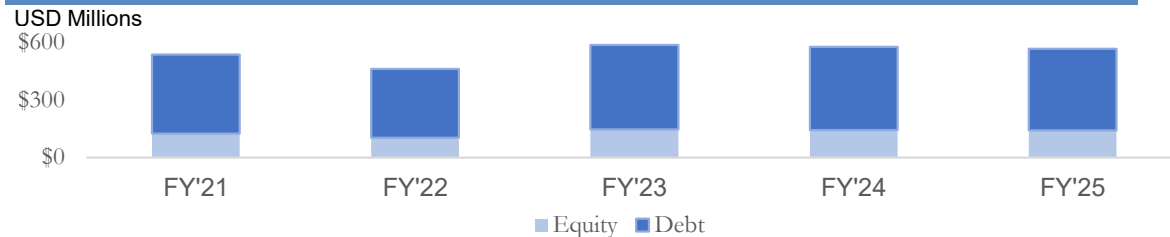
1) US\$ 209- 220 Mn (at June 30, 2020 exchange rate- INR75.53 to US\$1); ~90% of the expected revenue is from projects already commissioned and operating and have not been materially impacted due to COVID-19. Our remaining revenue is subject to when plants under construction are completed and completion timelines are currently more difficult to forecast due to disruptions related to COVID-19.

# Historical and Future Strong Growth

## MWs Operational Guidance

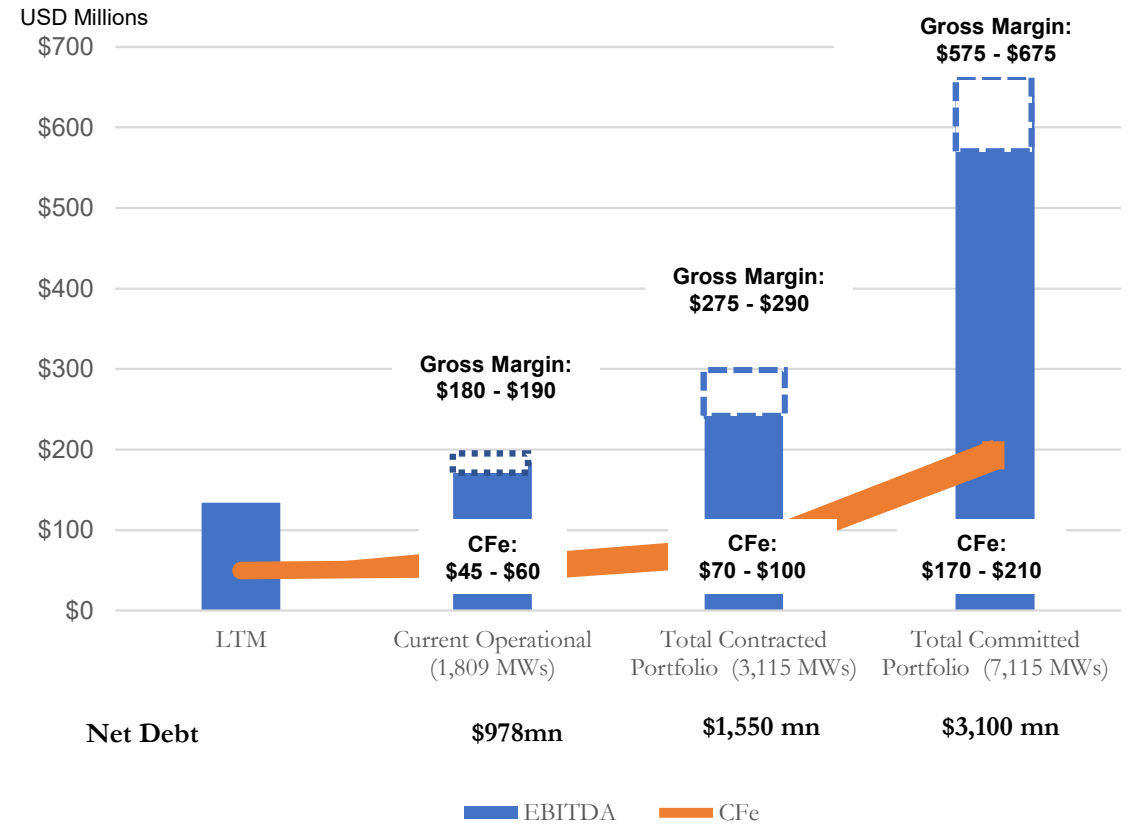


## Capex Forecast<sup>(1)</sup>



(US\$ millions)	FY'21	FY'22	FY'23	FY'24	FY'25
<b>Cap Ex</b>	1Q'21: \$25 9M'21: \$475 - \$575	\$400 - \$525	\$500 - \$650	\$500 - \$650	\$500 - \$650

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

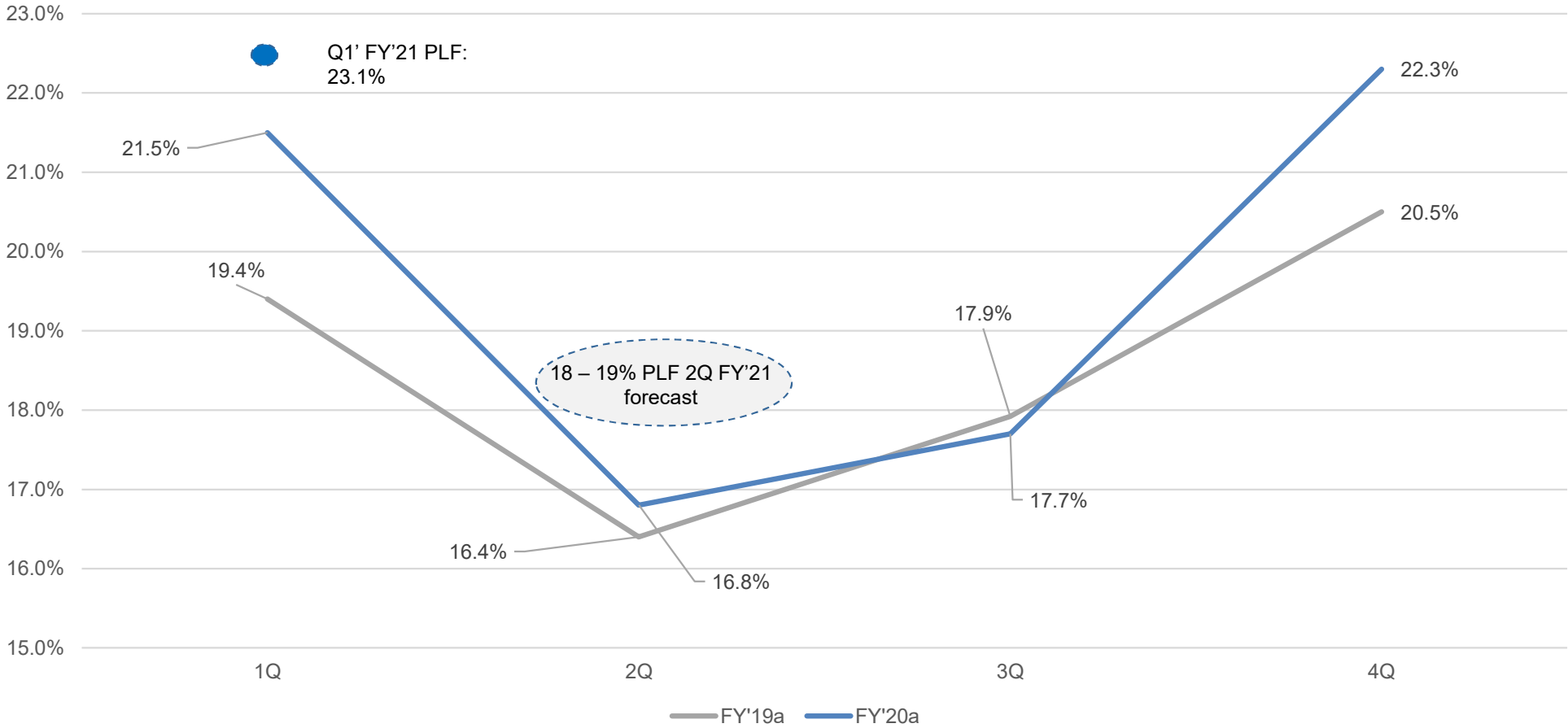


Exchange rate- INR 75.53 to US\$1 (New York closing rate of June 30, 2020) (1) Midpoint of guidance, (2) Revenue less cost of operations equals Gross Margin. Corporate G&A as overhead is covered during construction in cap ex. (3) CFe (cash flow to equity) for Operating Assets is profit before tax (the 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. LTM actual debt amortization was \$8.2 million but projections assume normalized debt amortization over 20 years.

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# Appendix

# Historical Plant Load Factor (PLF); Annual, Quarterly and 2Q FY'21 Forecast



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



# 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, and (d) loss (income) on foreign currency exchange. 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)		
	2019 INR	2020 INR	2020 US\$
<b>Net profit</b>	171	46	0.6
<b>Income tax expense</b>	144	317	4.2
<b>Interest expense, net</b>	1,560	2,163	28.7
<b>Depreciation and amortization</b>	623	755	10.0
<b>Loss on foreign currency exchange</b>	50	17	0.2
<b>Adjusted EBITDA</b>	<b>2,548</b>	<b>3,298</b>	<b>43.7</b>

Exchange rate- INR 75.53 to US\$1 (New York closing rate of June 30, 2020).



# 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 \$ millions)	For the quarter ended June 30, 2019			For the quarter ended June 30, 2020		
	Operating	Others	Total	Operating	Others	Total
Sale of power	44.9	0.0	44.9	52.2	-	52.2
Cost of operations	3.9	0.0	3.9	3.5	-	3.5
General and administrative	4.5	2.7	7.2	1.6	3.4	5.0
Depreciation and amortization	8.1	0.1	8.2	9.9	0.1	10.0
<b>Operating income</b>	<b>28.4</b>	<b>(2.8)</b>	<b>25.6</b>	<b>37.2</b>	<b>(3.5)</b>	<b>33.7</b>
Interest expense, net	19.5	1.2	20.7	25.4	3.3	28.7
Loss/(gain) on foreign currency exchange, net	0.7	(0.1)	0.6	0.3	-	0.3
<b>Profit before Income Tax</b>	<b>8.2</b>	<b>(3.9)</b>	<b>4.3</b>	<b>11.5</b>	<b>(6.8)</b>	<b>4.7</b>
Add: Depreciation	8.1	0.1	8.2	9.9	0.1	10.0
Add: Foreign exchange loss, net	0.7	(0.1)	0.6	0.3	-	0.3
Add: Ancillary cost of borrowing	-	0.9	0.9	-	1.6	1.6
Add: Other items from the Statement of Cash Flows <sup>(1)</sup>	0.8	0.2	1.0	3.3	1.0	4.3
Less: Cash paid for income taxes	(1.2)	(0.8)	(2.0)	(0.8)	(0.4)	(1.2)
Less: Debt Amortization <sup>(2)</sup>	(1.6)	-	(1.6)	(2.5)	-	(2.5)
Less: Maintenance Capital expenditure <sup>(3)</sup>	-	-	-	-	-	-
<b>CFe</b>	<b>15.0<sup>(4)</sup></b>	<b>(3.6)</b>	<b>11.4<sup>(4)</sup></b>	<b>21.7</b>	<b>(4.5)</b>	<b>17.2</b>

All amounts for the years 2020 and 2019 have been translated at an exchange rate- INR 75.53 to US\$1 (New York closing rate of June 30, 2020).

## 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\$ Nil and US\$ 0.1 million, share based compensation of US\$ 0.2 million and US\$ 0.9 million, realized gain on investment of US\$ Nil million and US\$ Nil, non-cash rent expense of US\$ -0.1 million and US\$ -0.1 million, allowance for doubtful debts of US\$ 0.5 million and US\$ 0.2 million, loan repayment charges of US\$ Nil and US\$ 3.1 million and ARO accretion of US\$ 0.1 million and US\$ 0.1 million for the period ended June 30, 2019 and June 30, 2020 respectively.
- (2) *Repayments of term and other loans during the period ended June 30, 2020, was US\$ 73.8 million (refer to the Statement of Cash Flows) which includes US\$ 71.3 million related to refinancing of loans or early repayment of debt before maturity and have been excluded to determine debt amortization of US\$ 2.5 million. Repayments of term and other loans during the period ended June 30, 2019, was US\$ 3.3 million (refer to the Statement of Cash Flows) which includes US\$ 1.7 million related to refinancing of loans or early repayment of debt before maturity and has been excluded to determine debt amortization of US\$ 1.5 million.*
- (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\$ millions)	For the quarter ended June 30, 2019	For the quarter ended June 30, 2020
<b>CFe</b>	<b>11.4</b>	<b>17.2</b>
<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	(20.0)	(29.6)
Current income taxes	(2.2)	(4.6)
Prepaid lease payments	(2.3)	(0.7)
Amortization of hedging costs	3.4	6.5
<i>Items included in CFe but not considered in GAAP Cash Flow from Operating Activities</i>		
Debt amortization as per CFe	1.6	2.5
Cash taxes paid as per CFe	2.0	1.2
<b>Cash from Operating Activities</b>	<b>(6.1)</b>	<b>(7.5)</b>

All amounts for the years 2020 and 2019 have been translated at exchange rate- INR 75.53 to US\$1 (New York closing rate of June 30, 2020).

# Projects Commissioned - Utility

As on June 30, 2020

Project Names	Commercial Operation Date <sup>(1)</sup>	PPA Capacity (MW)	DC Capacity (MW)	Tariff (INR/kWh)	Off taker	Duration of PPA in Years	Credit Ratings
<b>Operational - Utility</b>							
Punjab 1 <sup>(3)</sup>	Q4 2009	2	2	17.91	NTPC Vidyut Vyapar Nigam Limited	25	AAA
Punjab 2.1 <sup>(3)</sup>	Q3 2014	15	15	7.67	Punjab State Power Corporation Limited	25	A
Punjab 2.2 <sup>(3)</sup>	Q4 2014	15	15	7.97	Punjab State Power Corporation Limited	25	A
Punjab 2.3 <sup>(3)</sup>	Q4 2014	4	4	8.28	Punjab State Power Corporation Limited	25	A
Karnataka 1 <sup>(3)</sup>	Q1 2015	10	10	7.47	Bangalore Electricity Supply Company Limited	25	A+
Uttar Pradesh 1 <sup>(3)</sup>	Q1 2015	10	12	8.99	Uttar Pradesh Power Corporation Limited	12	A+
Gujarat 1.1 <sup>(3)</sup>	Q2 2011	5	5	15.00 <sup>(4)</sup>	Gujarat UrjaVikas Nigam Limited	25	AA-
Gujarat 1.2 <sup>(3)</sup>	Q4 2011	5	5	15.00 <sup>(4)</sup>	Gujarat Urja Vikas Nigam Limited	25	AA-
Rajasthan 1	Q4 2011	5	5	11.94	NTPC Vidyut Vyapar Nigam Limited	25	AAA
Rajasthan 2.1	Q1 2013	20	21	8.21	NTPC Vidyut Vyapar Nigam Limited	25	AAA
Rajasthan 2.2	Q1 2013	15	17	8.21	NTPC Vidyut Vyapar Nigam Limited	25	AAA
Rajasthan 3.1 <sup>(3)</sup>	Q2 2015	20	22	5.45 <sup>(2)</sup>	Solar Energy Corporation of India	25	AA+
Rajasthan 3.2 <sup>(3)</sup>	Q2 2015	40	44	5.45 <sup>(2)</sup>	Solar Energy Corporation of India	25	AA+
Rajasthan 3.3 <sup>(3)</sup>	Q2 2015	40	41	5.45 <sup>(2)</sup>	Solar Energy Corporation of India	25	AA+
Chhattisgarh 1.1	Q2 2015	10	10	6.44	Chhattisgarh State Power Distribution Company Ltd	25	A
Chhattisgarh 1.2	Q2 2015	10	10	6.45	Chhattisgarh State Power Distribution Company Ltd	25	A
Chhattisgarh 1.3	Q3 2015	10	10	6.46	Chhattisgarh State Power Distribution Company Ltd	25	A
Rajasthan 4 <sup>(3)</sup>	Q4 2015	5	6	5.45 <sup>(2)</sup>	Solar Energy Corporation of India	25	AA+
Delhi 1.1	Q4 2015	2	2	5.43 <sup>(2)</sup>	Solar Energy Corporation of India	25	AA+
Karnataka 2	Q1 2016	10	12	6.66	Bangalore Electricity Supply Company Limited	25	A+
Andhra Pradesh 1 <sup>(3)</sup>	Q1 2016	50	54	6.63 <sup>(4)</sup>	Southern Power Distribution Com of AP Ltd	25	BB-
Punjab 3.1 <sup>(3)</sup>	Q1 2016	24	25	7.19	Punjab State Power Corporation Limited	25	A
Punjab 3.2 <sup>(3)</sup>	Q1 2016	4	4	7.33	Punjab State Power Corporation Limited	25	A

(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., (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, 2020

Project Names	Commercial Operation Date(1)	PPA Capacity (MW)	DC Capacity (MW)	Tariff (INR/kWh)	Off taker	Duration of PPA in Years	Credit Ratings
<b>Operational – Utility</b>							
Bihar 1 <sup>(3)</sup>	Q3 2016	10	11	8.39	North & South Bihar Power Distribution Company Ltd	25	B+
Punjab 4.1 <sup>(3)</sup>	Q4 2016	50	52	5.62	Punjab State Power Corporation Limited	25	A
Punjab 4.2 <sup>(3)</sup>	Q4 2016	50	52	5.63	Punjab State Power Corporation Limited	25	A
Punjab 4.3 <sup>(3)</sup>	Q4 2016	50	52	5.64	Punjab State Power Corporation Limited	25	A
Karnataka 3.1 <sup>(3)</sup>	Q1 2017	50	54	6.51	Chamundeshwari Electricity Supply Company	25	A
Karnataka 3.2 <sup>(3)</sup>	Q1 2017	40	42	6.51	Hubli Electricity Supply Company Limited	25	BB
Karnataka 3.3 <sup>(3)</sup>	Q1 2017	40	42	6.51	Gulbarga Electricity Supply Company Limited	25	A
Maharashtra 1.1 <sup>(3)</sup>	Q1 2017	2	2	5.50 <sup>(2)</sup>	Ordnance Factory, Bhandara	25	AA+
Maharashtra 1.2 <sup>(3)</sup>	Q1 2017	5	6	5.31	Ordnance Factory, Ambajhari	25	AA+
Andhra Pradesh 2	Q2 2017	100	130	5.12	NTPC Limited	25	AAA
Uttar Pradesh 2	Q2 - Q3 2017	50	59	4.78	NTPC Limited	25	AAA
Telangana 1 <sup>(3)</sup>	Q1 2018	100	128	4.67	NTPC Limited	25	AAA
Uttar Pradesh 3 <sup>(3)</sup>	Q2 2018	40	49	4.43 <sup>(2)</sup>	Solar Energy Corporation of India	25	AA+
Andhra Pradesh 3 <sup>(3)</sup>	Q2 2018	50	59	4.43 <sup>(2)</sup>	Solar Energy Corporation of India	25	AA+
Gujarat 2 <sup>(3)</sup>	Q4 2018	260	360	2.67	Gujarat Urja Vikas Nigam Limited	25	AA-
Karnataka 4.1 <sup>(3)</sup>	Q1 2019	50	75	2.93	Bangalore Electricity Supply Company	25	A+
Karnataka 4.2 <sup>(3)</sup>	Q1 2019	50	75	2.93	Hubli Electricity Supply Company Limited	25	BB
Rajasthan 5	Q2-Q3 2019	200	265	2.48	Solar Energy Corporation of India	25	AA+
Maharashtra 3 <sup>(3)</sup>	Q3 2019	130	195	2.72	Maharashtra State Electricity Distribution Company Limited	25	BBB+
<b>Total Operational Capacity – Utility</b>		<b>1,658</b>	<b>2,059</b>				
<b>Total Operational Capacity – C&amp;I<sup>(4,5)</sup></b>	2013 – Q2 2020	<b>151</b>	<b>151</b>	<b>5.52<sup>(3)</sup></b>	Various	<b>25</b>	
<b>Total Operational</b>		<b>1,809</b>	<b>2,210</b>				

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

(2) Projects are supported by viability gap funding, in addition to the tariff, 3) Projects under Restricted Group

# Under Construction Projects –Utility and C&I

As on June 30, 2020

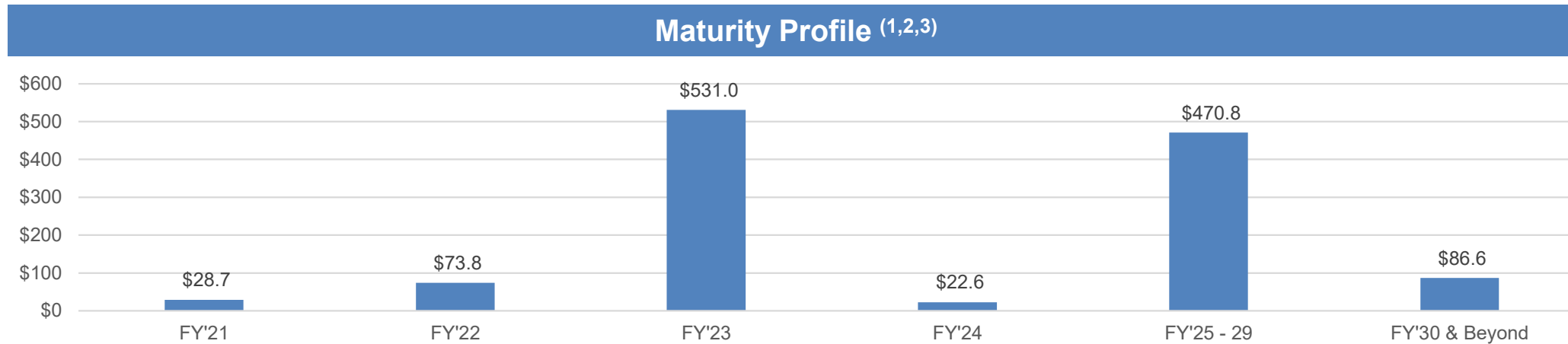
Project Names	Expected Commercial Operation Date(1)	PPA Capacity (MW)	Tariff (INR/kWh)	Off taker	Duration of PPA in Years	Credit Ratings
<b>Under Construction</b>						
Assam 1	Q3 - Q4 2020	90	3.34	Assam Power Distribution Company	25	B+
Rajasthan 6	Q1 2021	600	2.53	Solar Energy Corporation of India	25	AA+
Rajasthan 8	Q2 2021	300	2.58	Solar Energy Corporation of India	25	AA+
Rajasthan 9	Q3 2021	300	2.54	Solar Energy Corporation of India	25	AA+
<b>Total Under Construction- Utility</b>		<b>1,290</b>				
<b>Total Under Construction- Rooftop</b>	<b>Q2 2020 – Q4 2020</b>	<b>16</b>	<b>4.83</b>	<b>Various</b>	<b>25</b>	
<b>Total Capacity Under Construction</b>		<b>1,306</b>				
<b>Total Portfolio</b>		<b>3,115</b>				
<b>Committed</b>						
2 GW Project 1		2,000 <sup>(2)</sup>	2.92	Solar Energy Corporation of India	25	AA+
2 GW Project 2		2,000 <sup>(2)</sup>	2.92	Solar Energy Corporation of India	25	AA+
<b>Total Committed Capacity- Utility</b>		<b>4,000</b>				
<b>Total Portfolio</b>		<b>7,115</b>				

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

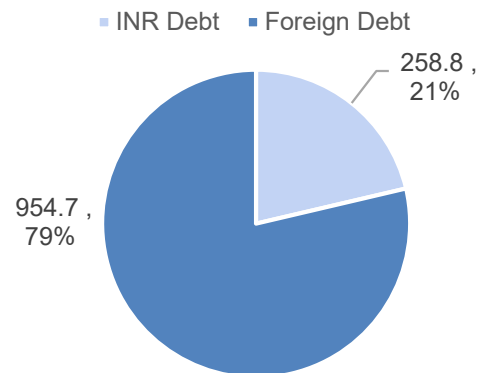
(2) Company has been awarded LOA for 4GW solar projects under SECI manufacturing linked tender and has not signed a PPA.

# Debt Overview

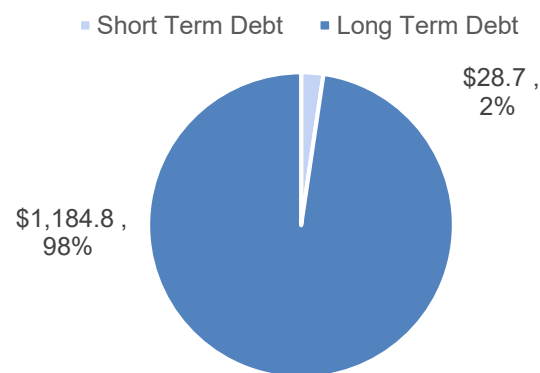
As of June 30, 2020



### Debt Split by Currency



### LT vs ST Debt Split



Consolidated Debt (2,3)	\$ 1,213.5
Average Interest Rate	9.9%
Balance average debt maturity for LT debt	5.2 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 75.53 to US\$1 (New York buying rate of June 30, 2020). 3) The Company carries the hedging asset of US\$ 98.4 million as at June 30, 2020 against foreign currency loans/borrowings to be settled over loan tenure.

# Project Debt Schedule

As of June 30, 2020

Name of Project	Outstanding Principal Amount (In millions)		Type of Interest	Currency	Maturity Date <sup>(1)</sup>
	INR	US\$ <sup>(2)</sup>			
Andhra Pradesh 1	2,508	33.2	Fixed	INR	2022
Bihar 1	439	5.8	Fixed	INR	2022
Gujarat 1	928	12.3	Fixed	INR	2022
Karnataka 1	528	7.0	Fixed	INR	2022
Karnataka 3.1	1,383	18.3	Fixed	INR	2022
Karnataka 3.2	1,430	18.9	Fixed	INR	2022
Karnataka 3.3	6,546	86.7	Fixed	INR	2022
Punjab 1	174	2.3	Fixed	INR	2022
Punjab 2	1,699	22.5	Fixed	INR	2022
Punjab 4	5,810	76.9	Fixed	INR	2022
Rajasthan 3.1	867	11.5	Fixed	INR	2022
Rajasthan 3.2	1,700	22.5	Fixed	INR	2022
Rajasthan 3.3	1,805	23.9	Fixed	INR	2022
Rajasthan 4	236	3.1	Fixed	INR	2022
Telangana 1	4,610	61.0	Fixed	INR	2022
Uttar Pradesh 1	514	6.8	Fixed	INR	2022
Gujarat 2	9,188	121.6	Fixed	INR	2024
Maharashtra 3	5,238	69.3	Fixed	INR	2024
Karnataka 4	3,934	52.1	Fixed	INR	2024
Maharashtra 1.1 & 1.2	325	4.3	Fixed	INR	2024
Uttar Pradesh 3	1,778	23.5	Fixed	INR	2024
Andhra Pradesh 3	2,179	28.8	Fixed	INR	2024

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 75.53 to US\$1 (New York buying rate of June 30, 2020).



# Project Debt Schedule

As of June 30, 2020

Name of Project	Outstanding Principal Amount (In millions)		Type of Interest	Currency	Maturity Date <sup>(1)</sup>
	INR	US\$ <sup>(5)</sup>			
Punjab 3.1 and 3.2	1,219	16.1	Fixed	INR	2024
Chhattisgarh 1.1, 1.2 & 1.3	1,276	16.9	Floating	INR	2029
Rajasthan 1	467	6.2	Fixed	INR	2031
Rajasthan 2	2,529	33.5	Fixed	INR	2033
Karnataka 2	422	5.6	Floating	INR	2032
Andhra Pradesh 2	5,286	70.0	Floating	INR	2036
Uttar Pradesh 2	2,091	27.7	Floating	INR	2037
Rajasthan 5	5,751	76.1	Mixed	INR	2038
Assam	1,250	16.5	Floating	INR	2039
Rooftop Projects <sup>(4)</sup>	3,411	45.2	Mixed	INR/US\$	2022-2031
<b>Total</b>	<b>77,521 <sup>(2)(3)</sup></b>	<b>1,026.1</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 1,133 million (US\$ 15.0 million). 3) Non-project level debt of INR 6,496 million (US\$ 86.0 million) is excluded from the above table. Further foreign exchange fluctuation of INR 8,773 million (US\$ 116.2 million) is in respect of project debt against which the company has taken hedge. 4) Rooftop Projects includes, Delhi Rooftop 4, Gujrat rooftop, Punjab Rooftop 2, Railway 1, DJB, DMRC and SECI. 5) Exchange rate- INR 75.53 to US\$1 (New York buying rate of June 30, 2020).

# 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.

**Committed Projects** – Solar power plants that pursuant to customer PPAs signed, allotted or won in an auction but not commissioned and operational as of the reporting date.

**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)**-  $Days\ Sales\ Outstanding\ (DSO) = \frac{Outstanding\ amount * Period}{Total\ Sales\ for\ the\ period}$  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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