

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 Third Quarter 2021 Ended

December 31, 2020

Earnings Presentation

February 11, 2020

*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.



Q3 FY 2021
Key Developments

Key Highlights of Recent Developments



Second Largest Solar Portfolio in India ⁽¹⁾
7,115 MWs

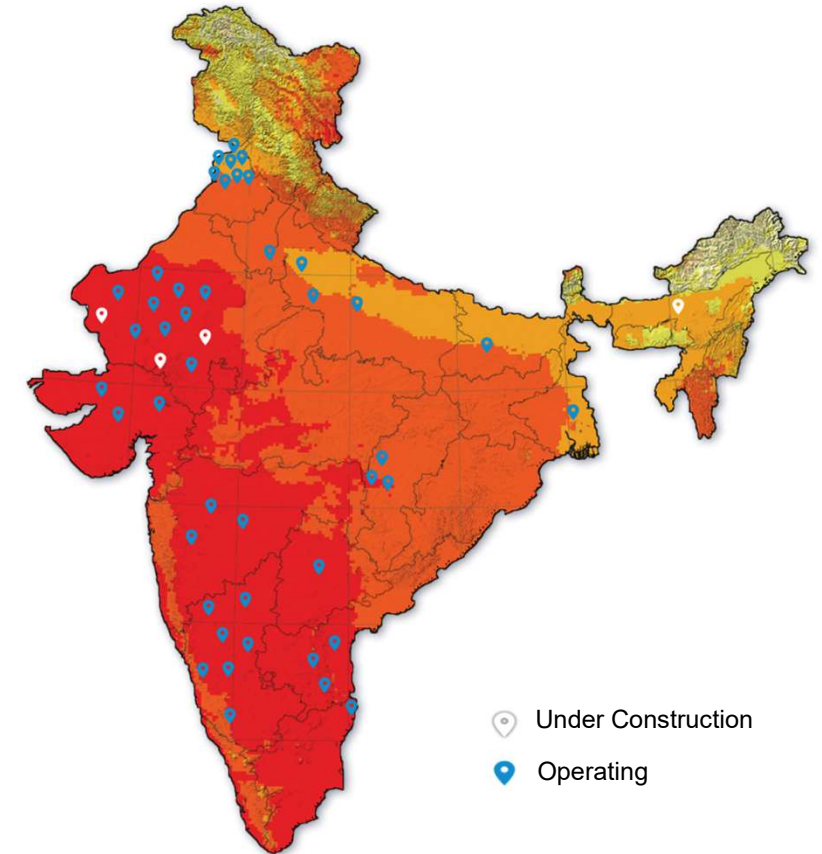
Operational ⁽²⁾
2,138 MWs AC
(2,657 MWs DC)

Under Construction ⁽²⁾
977 MWs AC

Committed ⁽³⁾
4,000 MWs

Key Developments

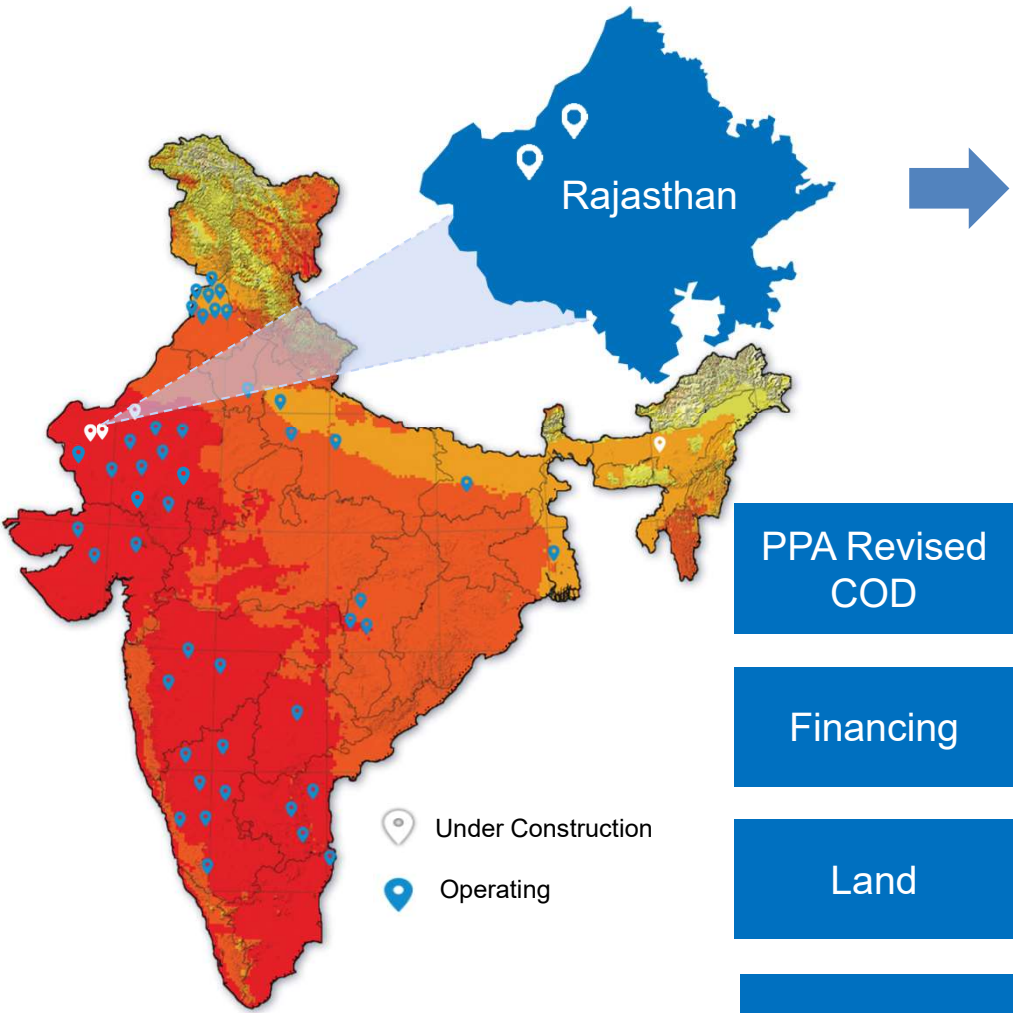
- **ESG Highlights:**
 - Received AA ESG rating from MSCI, top quartile of industry
 - Obtained ISO 45001 certificate validating Azure's commitment to occupational health and safety
- **Operational Highlights:**
 - EBIDTA from Operating Assets⁽⁴⁾ was \$42.4 Mn; 26% higher YoY
 - G&A expenses after adjustment fell 17% YoY
 - Cash Flow to Equity (CFe) from Operating Assets⁽⁴⁾ was \$16.8 million for 3Q' 21, up 142% from 3Q' 20
 - DSO improved in 3Q' 21 to 113 days from 119 days in 3Q' 20
 - Commissioned 304 MWs AC (422 MWs DC) since 2Q' FY21, a 17% increase in AC MWs.
- Update on 4GW PPAs⁽³⁾ – Progress is being made towards signing first tranche



📍 Under Construction
📍 Operating

1) Based on portfolio size: Mercom, 2) As of Feb 10, 2021. There were 1,987 MWs AC operational and 1,128 MWs under construction as of Dec 31, 2020. 3) Committed includes 4,000 MWs for which a LOA has been received but PPA has not been signed. The PPA will follow only after the power is contracted 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 a year ago. We will continue our discussions with SECI towards signing PPAs and 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. Exchange rate INR 73.01 to US\$1 (New York closing rate of December 31, 2020).

Projects Under Construction Update



Rajasthan 6 - 600 MWs

300 MWs Completed,
300 MWs COD expected by May⁽¹⁾

PPA Revised
COD

Financing

100%

Land

100%

Transmission

100%



Rajasthan 8 - 300 MWs

Q3 CY'21⁽¹⁾

Financing documents to
be signed shortly

100%

Will be completed in Feb' 21

1) Extension of COD applied for.



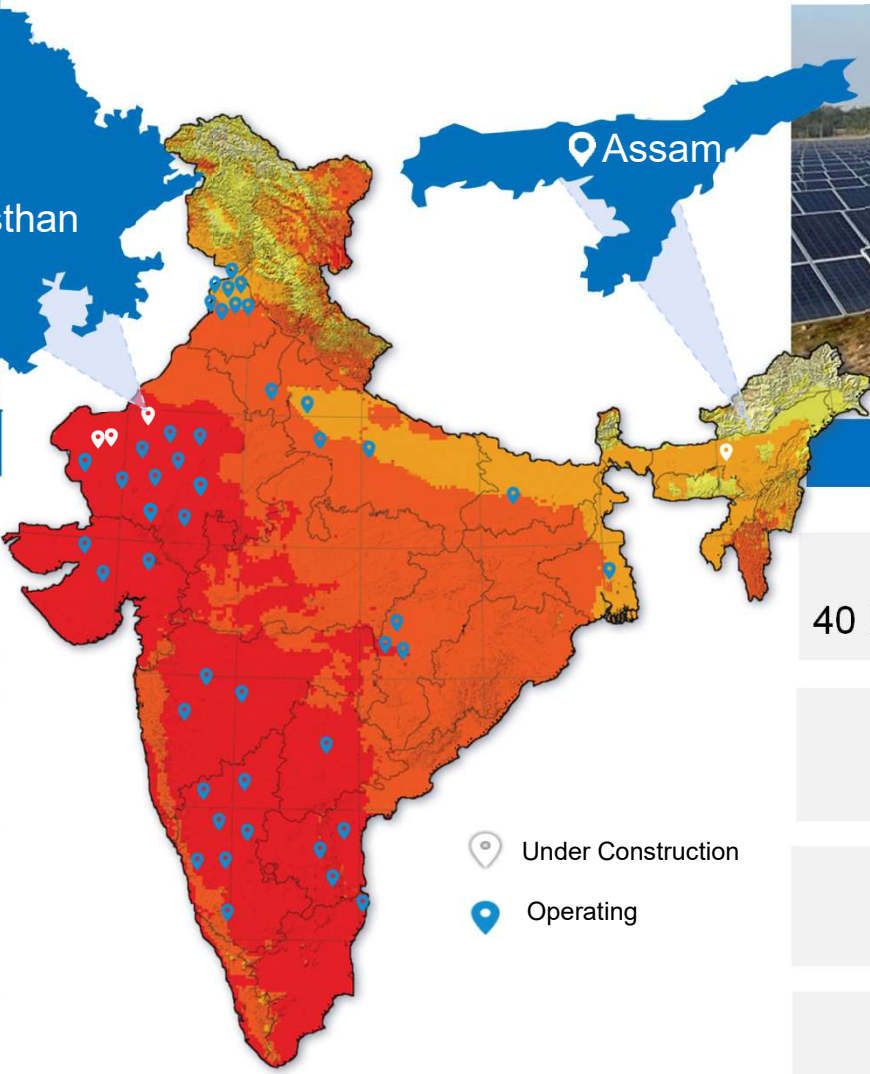
Projects Under Construction Update



Rajasthan 9 - 300 MWs



Assam - 90 MWs



Revised PPA COD

Q4 CY'21⁽¹⁾

Financing

Financing documents to be signed shortly

Land

100%

Transmission

Will be completed in Feb' 21

25 MWs Commissioned; 40 MWs in 2Q and 25 MWs 3Q' CY21⁽¹⁾

Completed

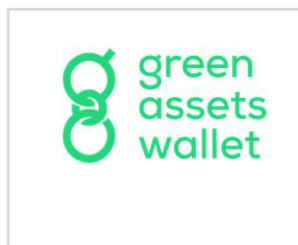
~95%

~80%

1) Extension of COD applied for.



ESG Highlights



FY'21 Highlights

Environment

- 358 tons of damaged solar modules have been recycled or properly disposed of at a authorized hazardous waste facility
- Received MSCI AA rating for ESG (top quartile for industry)
- Avoided 2.4 million tons of CO2 year to date ⁽¹⁾, 8.9 million ton equivalents since inception
- Water consumption per MWH reduced by 20% year to date compared to calendar 2019 and 64% since calendar year 2018. Over 180 million liters of water saved compared to 2018 usage rate. On track to become water neutral by 2023
- Installed 84 ground water recharge structures across 15 sites which allows rain water to recharge local aquifers

Social

- ISO 45001 certification that our Occupational Health and Safety System is in line with international standards obtained.
- Our Corporate Social Responsibility assistance benefited more than 175,000 people this year
 - Distributed 137,000 masks and food to 32,000 people during the pandemic in FY'21
 - Built 15 clean water facilities in FY'21 (till date) providing 3,167 people with clean drinking water. Since inception, 133 water filtration plants have been built providing about 100,000 people with clean drinking water.
 - 1 rooftop solar project for a school
 - Skill development training offered to over 1,065 individuals in local villages in FY21 (Since inception, 3,355 beneficiaries have been provided training)
- 129 structured meetings for stakeholder engagement held with communities near our projects

Governance

- Enhanced Health and Safety Policy implemented in FY'20
- All projects comply with World Bank Equator Principles
- Comply with SEC, NYSE, SGX governance standards
- 22% of Board is female. Majority of Directors on Board are independent.
- 310 internal and 1 external SHES audits in FY'21 reported no significant noncompliance
- Introduced ESG Policy, Policy for Diversity and Inclusion, Policy for Human Rights, Equal Employment Opportunity Policy

(1) Through March 31, 2020 till Jan 2021,

Industry and Regulatory Update

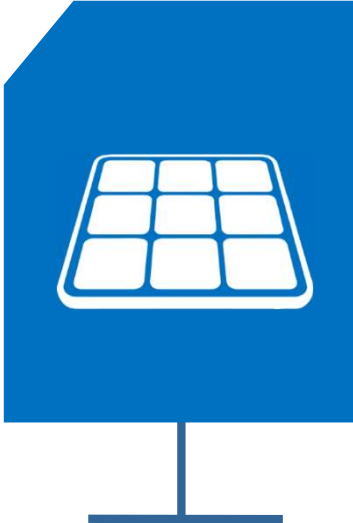
- **14 GWs of new tenders released and only ~10 GWs allocated in FY'21 so far, significantly below the level in FY'20.** Recent drop in tariffs and concerns about COVID has delayed signing of PPAs for about 19 GWs of auctions already undertaken.
- **Azure's access to low cost capital and established platform can enable significant further growth with projects that have returns well above our cost of capital.** Increased competition in recent auctions likely temporary and was driven by the lack of auctions during COVID. We believe that competition in future auctions could moderate with normal levels of auction activity. The maximum solar capacity developed in a year has been ~10 GWs, well below Govt of India's target of 25 – 30GWs of new capacity annually through 2030.
- **Significant supply constraints for modules and glass from China.** Azure's large development pipeline and supplier relationships are providing a local advantage.
- **An additional 20 GW of transmission from Rajasthan is being planned** as part of Solar Energy Zone Ph-III scheme with a target to commission the new transmission system prior to June 2023.

- **Favorable policy/ regulatory changes.** Clarity that recovery will occur under change in law for Basic Custom Duty (BCD) imposition. Restrictions related to the Approved List of Modules and Manufactures (ALMM) will only apply to bids that close 30 days after ALMM is notified. ALMM could create a short term module supply disruption as foreign module manufactures may have to be accredited. No Azure project is impacted by ALMM and BCD.
- **Increased focus on developing new ultra-mega solar parks.** A new 30 GW solar park in Gujarat is being planned and a 7.5 GW solar park in Leh & Kargil is expected to be retendered. Solar park options could absorb foreign capital due to lower development risks reducing competition for non solar park projects that Azure has a competitive advantage in.
- **Budget proposals to improve DISCOMs and introduce customer choice for supply.** The central government is allocating ~\$40bn over five years to upgrade DISCOM infrastructure and technology to make them more efficient and improve DISCOMs financial health. Supply competition is also being introduced to allow greater customer choice, including low cost renewable energy.



Q3 FY 2021 Overview

Q3'21 Key Performance Metrics



1,987 MW Operating
10% increase

- 183 MW (277 MW DC) commissioned since December 2019
- 153 MW (236 MW DC) commissioned in Q3



7,115 MW Operating & Committed
34% increase⁽¹⁾

- 1,128 MWs are under construction
- 4,000 MWs are committed ⁽¹⁾



US\$ 0.39mn Project Cost/MW (DC)
10% decrease^(2,3)

- DC cost per MW US\$ 0.45mn YTD FY'20
- AC cost per MW US\$ 0.58mn YTD FY'21
- AC cost per MW US\$ 0.61mn YTD FY'20



US\$ 48.2mn Q3 FY'21 Revenue
16% increase

- US\$ 41.7 million for Q3 FY'20
- US\$ 150.2 million for YTD FY'21

1. Committed includes 4,000 MWs for which a LOA has been received but PPA has not been signed.
 2. % increase/reduction over figures from December 2019 (for \$ numbers, the change has been computed over their INR values)
 3. Cost per MW are reported year to date (YTD) and includes 25 MWs completed in Assam which has higher logistic and construction costs and is also reflected in a higher PPA tariff; excludes SGD impact which is a pass through expense of INR 1.3 million (\$0.02 million) for 9 months'FY21 AC and DC, INR 2.4 million for 9 Months'FY20 DC and INR 3.6 million for 9 months'FY20 AC.



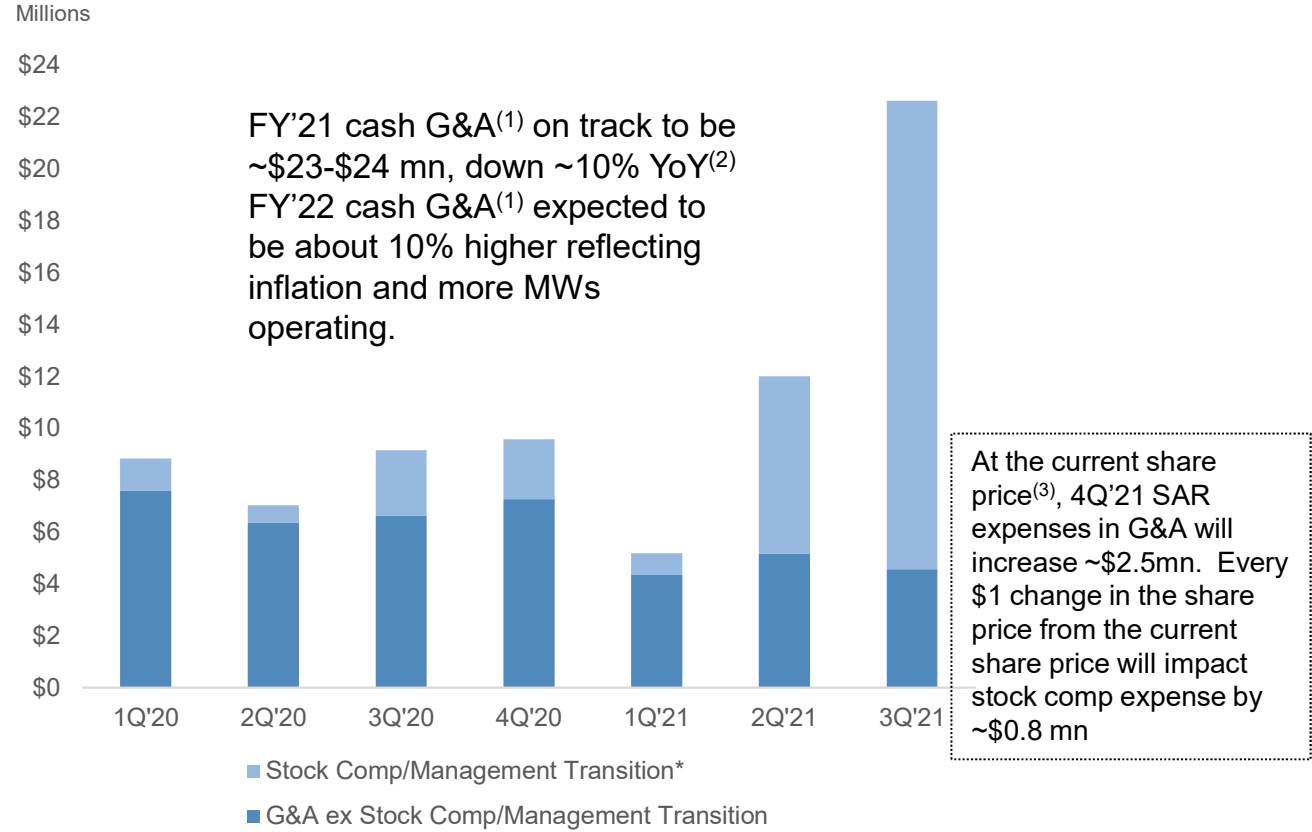
Review of Q3 FY'21 Results

(in million)	Reported 3Q FY'20 INR	Adjusted 3Q FY'20 INR	Reported 3Q FY'21 INR	Reported 3Q FY'21 US\$	Adjustments* US\$	3Q FY'21 After Adjustments US\$	% Change adjusted Q3 FY'21 vs adjusted Q3 FY'20	Comments
Revenue	3,047	3,047	3,521	48.2	-	48.2	16%	13% increase in operational DC MWs. Insolation lower by ~5% against long term average ⁽¹⁾
Cost of Operations	267	267	306	4.2	-	4.2	15%	Increase in line with revenues
General & Administrative Expenses	669	396	1,652	22.7	(18.1)	4.6	(15)%	G&A expenses, excluding stock compensation, management transition and interest on SGD charges, fell 15% despite 13% increase in operational MWs.
Non-GAAP Adjusted EBITDA*	2,111	2,384	1,563	21.3	18.1	39.4	21%	A 21% YoY increase after adjustments
Depreciation and Amortization	716	716	796	10.9	-	10.9	11%	13% increase in operational DC MWs
Interest Expense, net (including other income)	2,457	1,948	2,005	27.4	-	27.4	3%	3Q'20 excludes charges of INR 385 mn of charges related to issuance of a Green Bond and INR 124 million to extinguishment of a debt facility
Loss on Foreign Currency Exchange, net	60	60	-	-	-	-	n/a	Limited FX exposure after refinancing earlier in year
Income tax expense/(benefit)	236	236	(150)	(2.1)	5.8	3.8	17%	Company recognized an US\$ 5.8 million deferred tax benefit during the quarter related to higher SARs expenses
Net loss after tax	(1,358)	(576)	(1,088)	(14.9)		(2.7)		3Q'FY21 adjusted net loss of US\$ 2.7 million

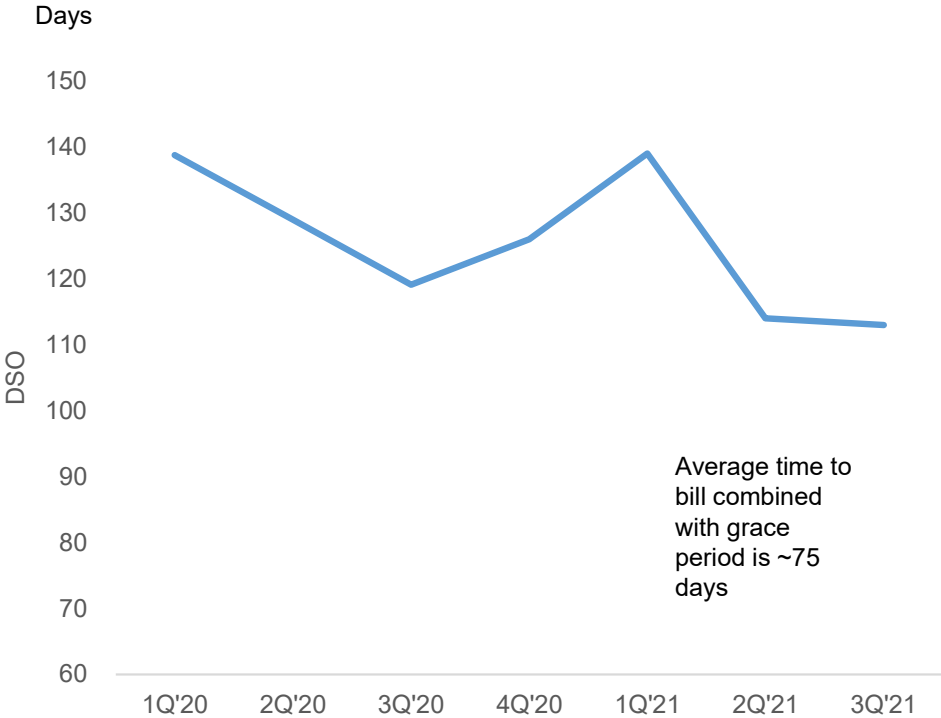
(1)Based on NASA data (website : <https://power.larc.nasa.gov/data-access-viewer/>); Exchange rate INR 73.01 to US\$1 (New York closing rate of December 31, 2020) | *For a reconciliation of Non-GAAP measures to comparable GAAP measures, refer to the Appendix. Refer to earnings press release for further information. Adjustments are charges or additional items that are non recurring, recurring but expected to be 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



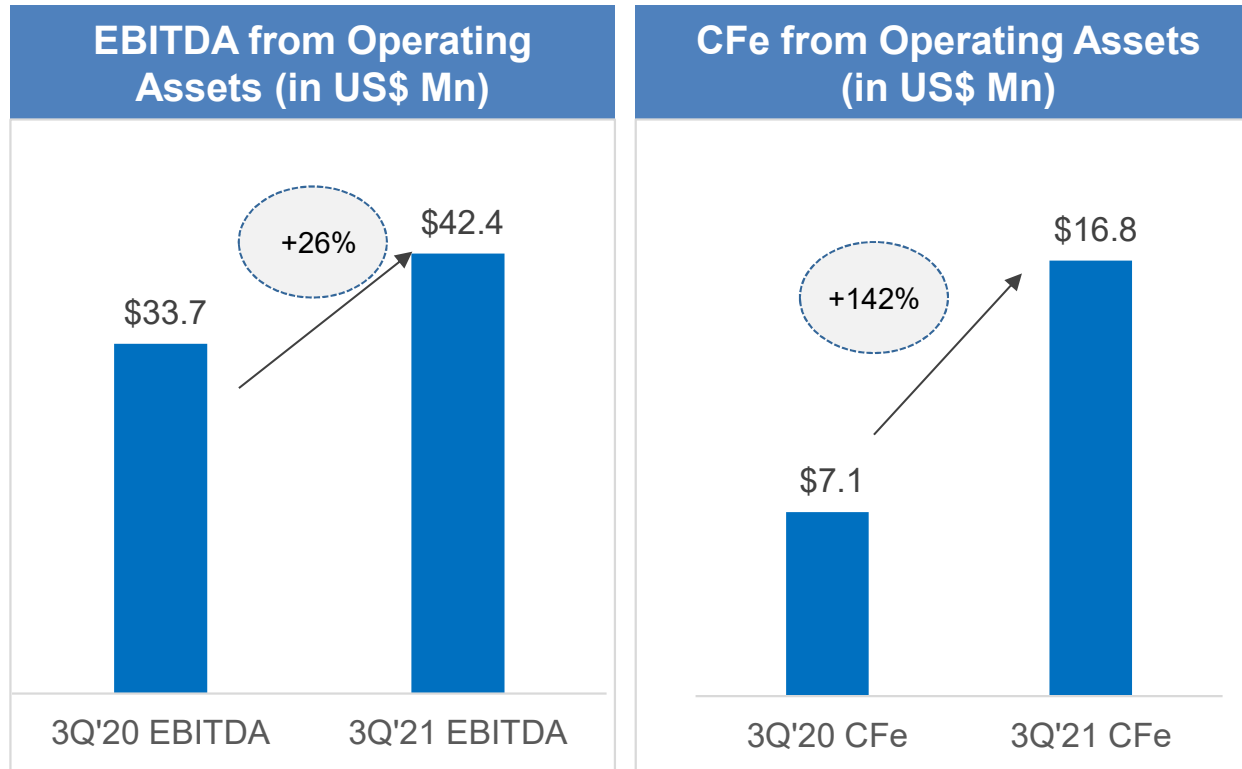
*As of December 31, 2020, 1,795,000 SARs were outstanding of which 1,642,500 SARs cannot be exercised until 2024 on which the Company will not incur any cash payments until that time

Exchange rate- INR 73.01 to US\$1 (New York closing rate of December 31, 2020) | 1) Excludes stock compensation, management transition expenses and non cash charges, 2) Compares FY'20 and FY'21, 3) \$37.76 at close on Feb 10, 2021.



Operating Assets Review: EBITDA, CFe, & Leverage

142% growth in CFe from Operating Assets YoY



Positive Drivers:

- Revenues: +\$6.5 million
- Lower cash G&A: +\$2.8 million
- Lower cash interest expense: +\$2.4 million

Partly offset by:

- Increased O&M: -\$0.5 million
- Higher debt amort and taxes: -\$1.5 mn

	As at March. 31, 2020 (in INR million)	As at December 31, 2020	
		(in INR million)	(in USD million)
Net Debt for Operating Assets	70,455	75,227	1,030
LTM EBITDA for Operating Assets	10,670	12,603	172
Net Debt/LTM EBITDA for Operating Assets (x)	6.6 x	6.0 x	

Exchange rate- INR 73.01 to US\$1 (New York closing rate of December 31, 2020) | For a reconciliation of EBITDA and CFe from Operating Assets, refer to the Appendix

Balance Sheet Highlights

	As at March 31, 2020 (in million)	As at December 31, 2020 (in million)	
	INR	INR	US\$ ⁽³⁾
Cash, Cash Equivalents and Current Investments ⁽¹⁾	9,792	8,915	122.1
Property, Plant & Equipment, Net	95,993	109,460	1,499.3
Net Debt ⁽²⁾	73,806	83,770	1,147.4
Hedging Asset (net)	6,266	5,213	71.4

1) Does not include Current and Non-Current Restricted cash of INR 4,917 million (US\$ 67.3 million) as on December 31, 2020 and of INR 5,725 million for the year ended March 31, 2020. 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. 3) Exchange rate- INR 73.01 to US\$1 (New York closing rate of December 31, 2020).

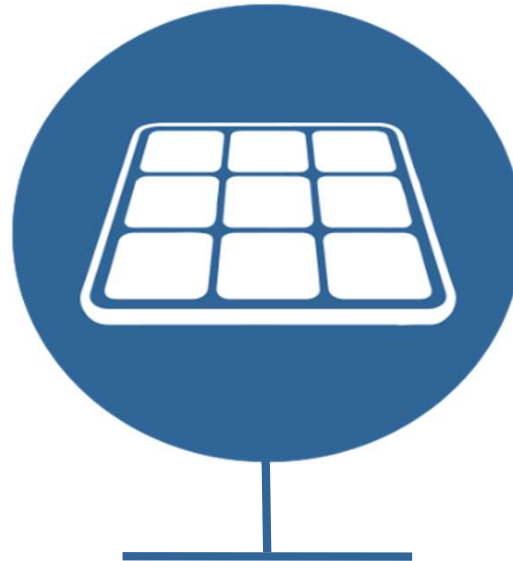
FY'21 and Initial FY'22 Guidance

FY'21 Guidance

No change to Guidance

Expect to be at the lower end
of Operating MW and
Revenue Guidance

4Q FY'21 Revenue: INR 4,335 – 4,435 million ⁽¹⁾
Q4 FY'21 PLF 22.0%- 23.0%



FY'22 Guidance

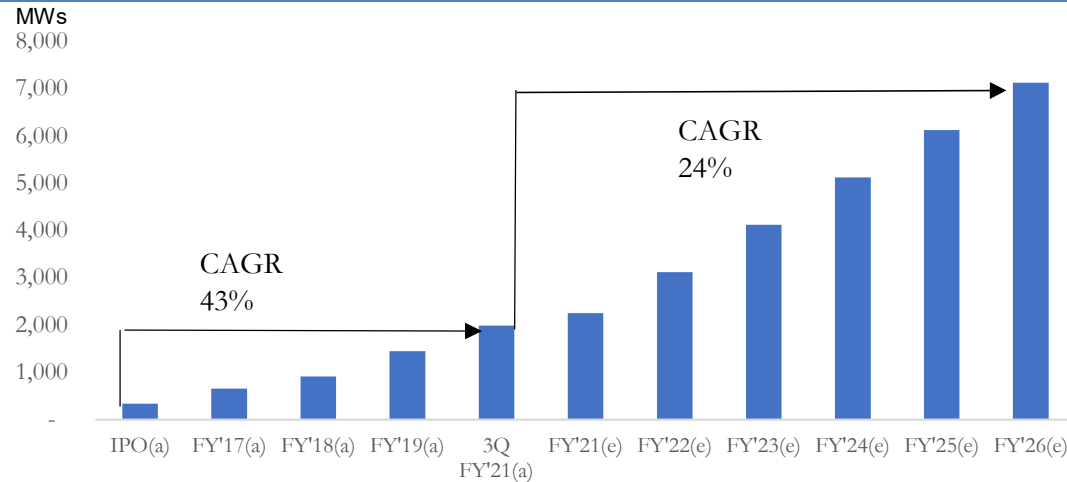
2,900 – 3,115 MWs
Operating by March 31,
2022

INR 17,900 – 18,900 million⁽¹⁾
of Revenue for FY'22

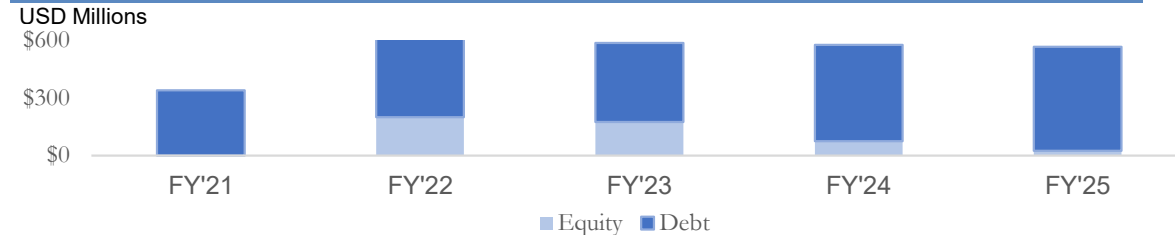
1) Q4 FY'21 revenue guidance is US\$ 59 - \$61 mn and FY'22 revenue guidance is US\$ 245 - \$259 mn at the December 31, 2020 exchange rate- INR73.01 to US\$1.

Long Term Outlook

MWs Operational Guidance

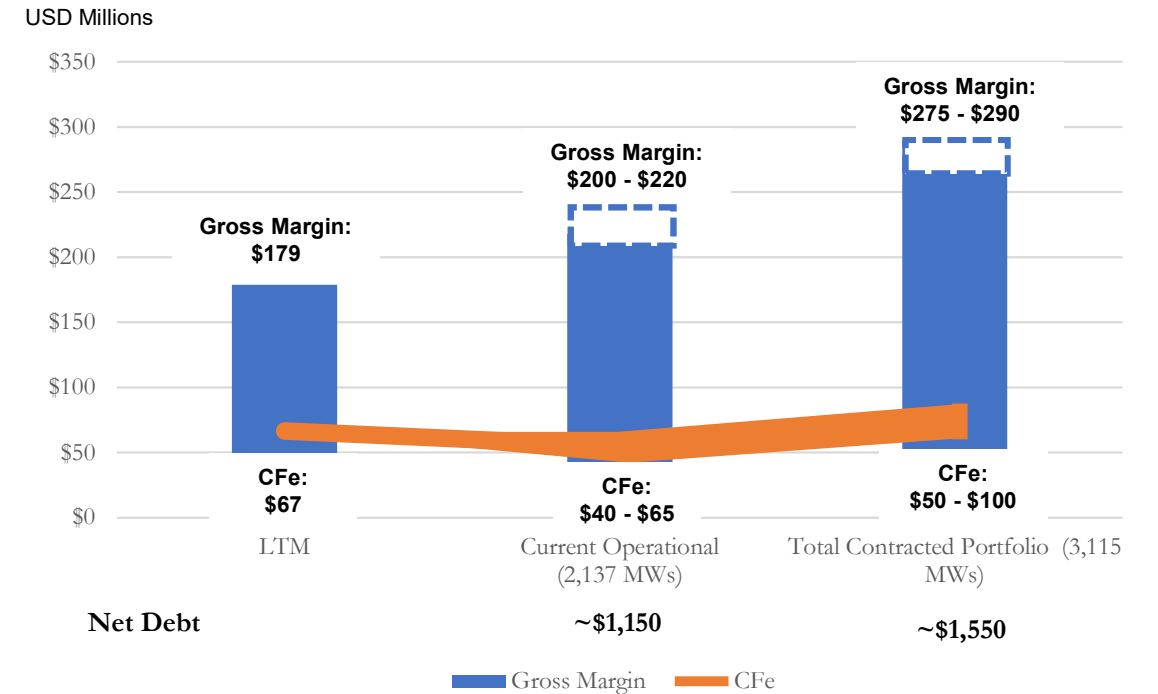


Capex Forecast⁽¹⁾



(US\$ millions)	FY'21	FY'22	FY'23	FY'24	FY'25
Cap Ex	9M'21: \$176.8 4Q'21: \$50 - \$75	\$450 - \$550	\$500 - \$650	\$500 - \$650	\$500 - \$650

Gross Margin^(2,4), Cash Flow to Equity for Operating Assets^(3,4) and Debt Forecast

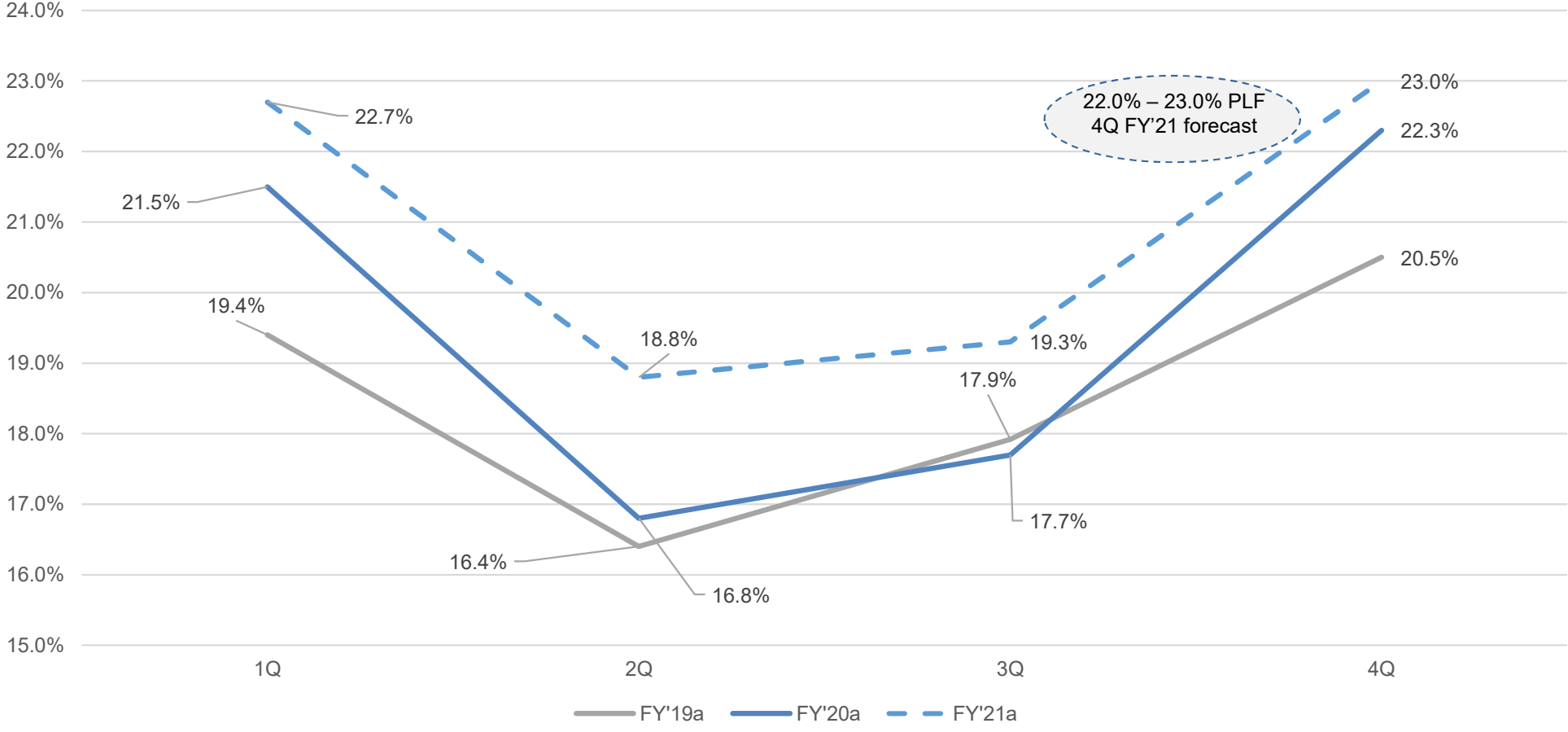


Exchange rate- INR 73.01 to US\$1 (New York closing rate of December 31, 2020) (1) Midpoint of guidance, (2) Revenue less cost of operations equals Gross Margin. Corporate G&A as overhead is covered during construction in cap ex. (3) CFe (cash flow to equity) for Operating Assets is profit before tax (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. 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 and 4Q FY'21 Forecast

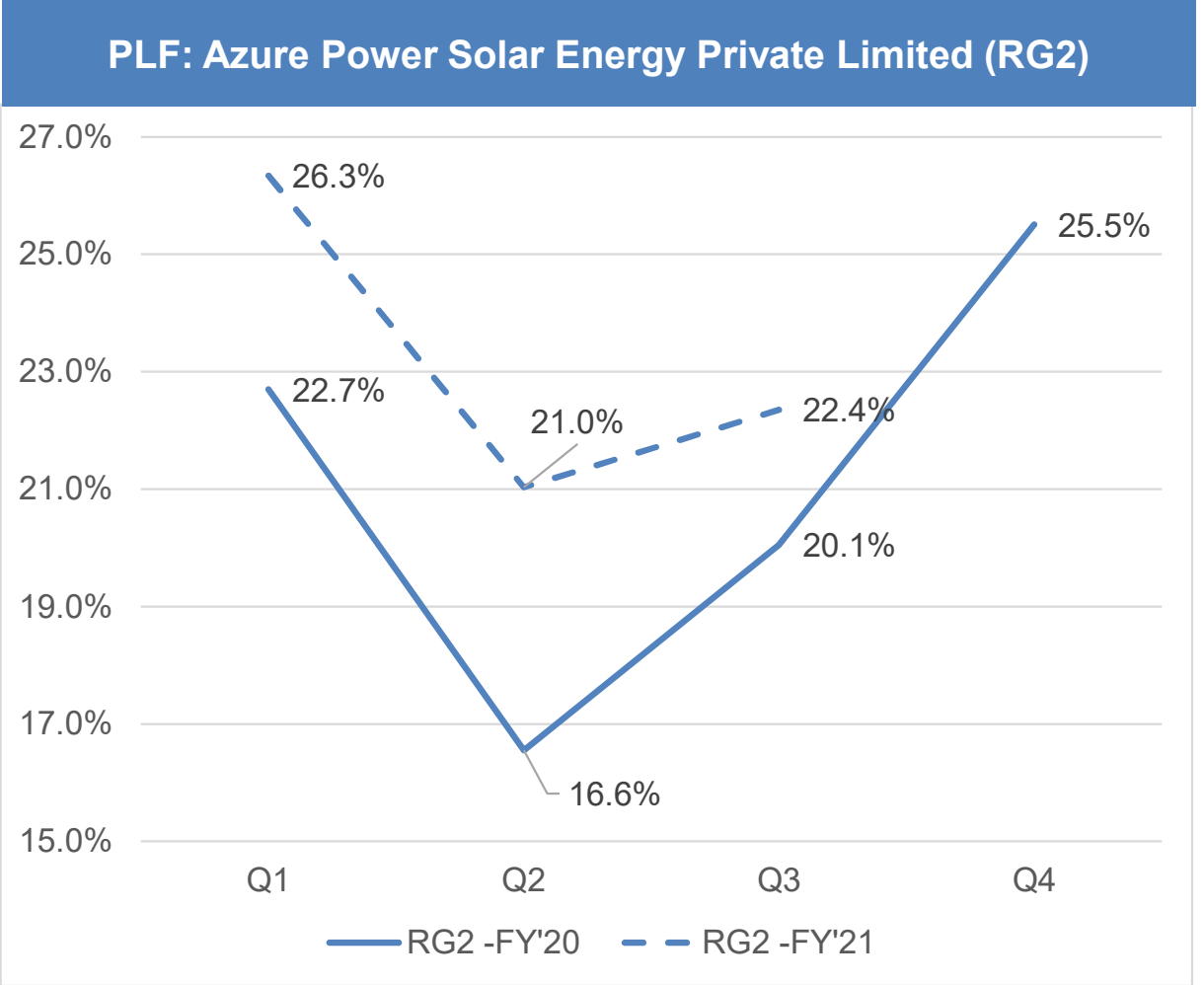
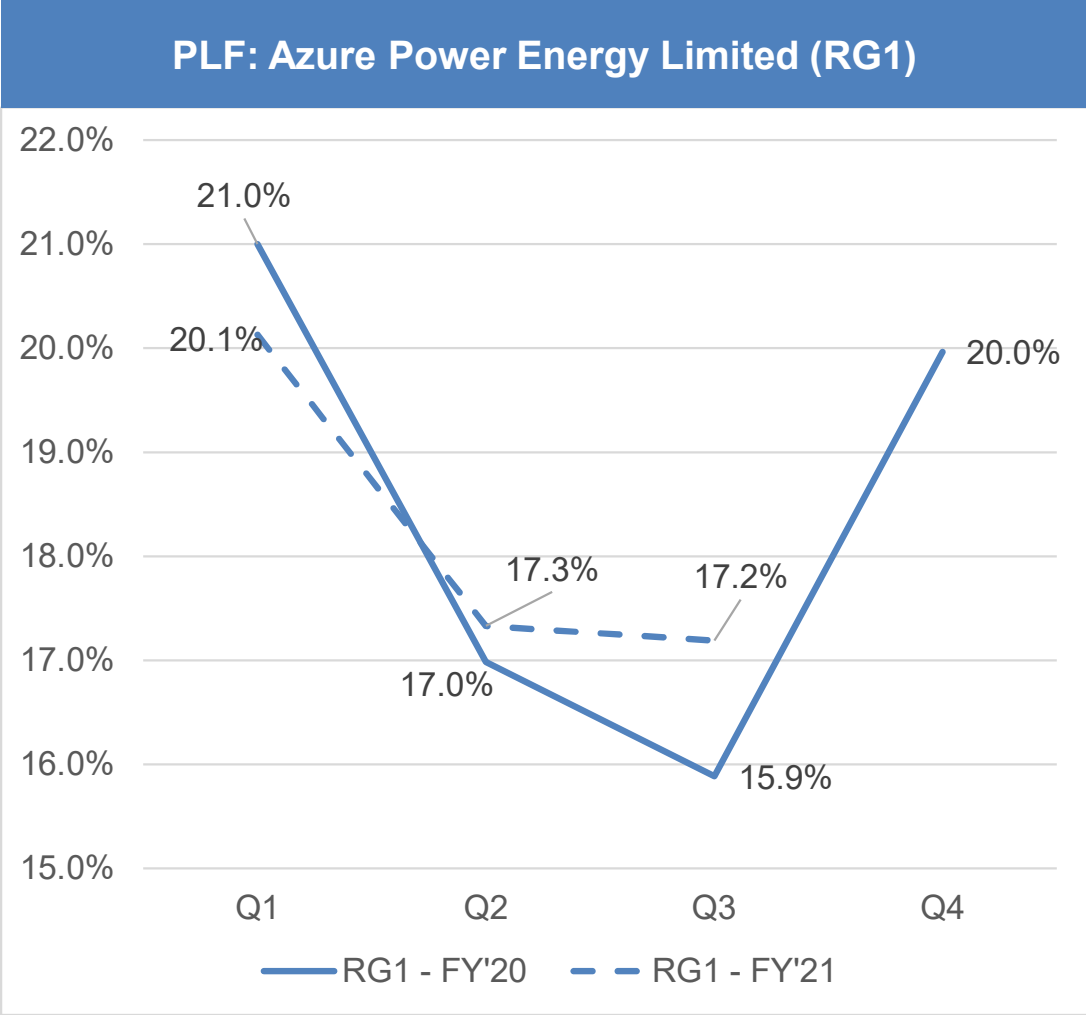


Annual PLF	
FY'20	19.5%
FY'19	18.6%
FY'18	18.2%

Note – Q1/Q2 PLF have been adjusted for 17.3 million additional units, for which billing was done in Q2 but the generation pertained to Q1.



Historical Plant Load Factor (PLF); Green Bonds Performance



DSO by Counterparty

Amounts in US\$ million

Customer Name	Project Name	Capacity (MWs)	Net Receivables	On time/ Within grace period ⁽¹⁾	Past due up to one year	Past due more than 365 days	DSO days ⁽²⁾
SECI , NTPC, NVVN		839	13.2	12.9	0.3	–	59
Southern Power Distribution Com of AP Ltd	AP-1	50	12.4	1.1	6.1	5.2	619
Hubli Electricity Supply Company Ltd	K-3	40	4.0	1.0	2.7	0.3	249
Gulbarga Electricity Supply Company	K-4	40	2.2	0.5	–	2.0	136
Chamundeshwari Electricity Supply Co	K-5	50	8.7	1.3	2.5	6.2	416
Other States		814	16.9	13.4	3.5	0.7	73
Rooftop		154	4.7	1.6	3.1	1.6	208
		1,987	62.1	31.8	18.2	16.0	113

(1) Includes revenue generated but yet to be billed of \$16.6 mn.

(2) DSO is computed on an INR basis

Exchange rate- INR 73.01 to US\$1 (New York closing rate of December 31, 2020). 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, 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 December 31, (in million)			Nine Month Ended December 31, (in million)		
	2019 INR	2020 INR	2020 US\$	2019 INR	2020 INR	2020 US\$
Net loss	(1,358)	(1,088)	(14.9)	(1,943)	(1,410)	(19.3)
Income tax expense/ (benefit)	236	(150)	(2.1)	407	70	1.0
Interest expense, net	2,481	1,996	27.3	5,968	6,182	84.8
Other expense/ (income)	(24)	9	0.1	(23)	18	0.2
Depreciation and amortization	716	796	10.9	2,010	2,324	31.8
Loss (Gain) on foreign currency exchange	60	-	-	325	4	0.0
Adjusted EBITDA	2,111	1,563	21.3	6,744	7,188	98.5

Exchange rate- INR 73.01 to US\$1 (New York closing rate of December 31, 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 \$ million)	For the quarter ended December 31, 2019			For the quarter ended December 31, 2020		
	Operating	Others	Total	Operating	Others	Total
Sale of power	41.7	-	41.7	48.2	-	48.2
Cost of operations	3.7	-	3.7	4.2	-	4.2
General and administrative	4.3	4.9	9.2	1.6	21.1	22.7
Adjusted EBITDA	33.7	(4.9)	28.8	42.4	(21.1)	21.3
Depreciation and amortization	9.7	0.2	9.9	10.8	0.1	10.9
Operating income/ (loss)	24.0	(5.1)	18.9	31.6	(21.2)	10.4
Interest expense, net	32.4	1.6	34.0	24.3	3.0	27.3
Other expense/ Income	(0.1)	(0.3)	(0.4)	0.1	-	0.1
Loss on foreign currency exchange, net	0.6	0.3	0.9	-	-	-
Profit/(loss) before Income Tax	(8.9)	(6.7)	(15.6)	7.2	(24.2)	(17.0)
Add: Depreciation	9.7	0.2	9.9	10.8	0.1	10.9
Add: Foreign exchange loss, net	0.6	0.3	0.9	-	-	-
Add: Ancillary cost of borrowing	3.8	0.3	4.1	0.7	0.3	1.0
Add: Other items from the Statement of Cash Flows ⁽¹⁾	4.5	0.8	5.3	1.9	18.6	20.5
Less: Cash paid for income taxes	(1.6)	(0.9)	(2.5)	(1.8)	(0.6)	(2.4)
Less: Debt Amortization ⁽²⁾	(1.0)	-	(1.0)	(2.0)	-	(2.0)
Less: Maintenance Capital expenditure ⁽³⁾	-	-	-	-	-	-
CFe	7.1⁽⁴⁾	(6.0)	1.1⁽⁴⁾	16.8	(5.8)	11.0

All amounts for the quarter ending December 31, 2020 and 2019 have been translated at an exchange rate- INR 73.01 to US\$1 (New York closing rate of December 31, 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\$ 0.2 million and US\$ 0.1 million, share based compensation of US\$ 1.4 million and US\$ 18.2 million, realized gain on investment of USD\$ 0.4 million and Nil, non-cash rent expense of US\$ 0.7 million and US\$ 1.4 million, allowance for doubtful debts of US\$ 0.5 million and US\$ 0.2 million, loan repayment charges of US\$ 3.0 million and US\$ 0.3 million, employee benefits of US\$ 0.2 million and US\$ 0.1 million and ARO accretion of US\$ 0.2 million and US\$ 0.2 million for the period ended December 31, 2019 and December 31, 2020 respectively.
- (2) Repayments of term and other loans during the quarter ended December 31, 2020, was US\$ 21.1 million (refer to the Statement of Cash Flows) which includes US\$ 19.1 million related to refinancing of loans or early repayment of debt before maturity and have been excluded to determine debt amortization of US\$ 2.0 million. Repayments of term and other loans during the quarter ended December 31, 2019, was US\$ 266.0 million (refer to the Statement of Cash Flows) which includes US\$ 265.0 million related to refinancing of loans or early repayment of debt before maturity and has been excluded to determine debt amortization of US\$ 1.0 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\$ million)	For the quarter ended December 31, 2019	For the quarter ended December 31, 2020
CFe	1.1	11.0
<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	1.7	(10.4)
Current income taxes	(0.6)	(4.6)
Prepaid lease payments	(0.7)	(1.1)
Amortization of hedging costs	5.6	6.6
<i>Items included in CFe but not considered in GAAP Cash Flow from Operating Activities</i>		
Debt amortization as per CFe	1.0	2.0
Cash taxes paid as per CFe	2.5	2.4
Cash from Operating Activities	10.6	5.9

All amounts for the periods ending December 31, 2020 and 2019 have been translated at exchange rate- INR 73.01 to US\$1 (New York closing rate of December 31, 2020).

Cash Flow to Equity (CFe)

(US \$ million)	Nine Months ended December 31, 2019			Nine Months ended December 31, 2020		
	Operating	Others	Total	Operating	Others	Total
Sale of power	127.1	-	127.1	150.2	-	150.2
Cost of operations	11.2	-	11.2	12.0	-	12.0
General and administrative	10.3	13.3	23.6	6.1	33.6	39.7
Adjusted EBITDA	105.6	(13.3)	92.3	132.1	(33.6)	98.5
Depreciation and amortization	27.1	0.4	27.5	31.4	0.4	31.8
Operating income/ (loss)	78.5	(13.7)	64.8	100.7	(34.0)	66.7
Interest expense, net	75.0	6.7	81.7	76.4	8.3	84.7
Other expense/(Income)	-	(0.3)	(0.3)	0.2	-	0.2
Loss on foreign currency exchange, net	3.2	1.3	4.5	0.1	-	0.1
Profit/ (loss) before Income Tax	0.3	(21.4)	(21.1)	24.0	(42.3)	(18.3)
Add: Depreciation	27.1	0.4	27.5	31.4	0.4	31.8
Add: Foreign exchange loss, net	3.2	1.3	4.5	0.1	-	0.1
Add: Ancillary cost of borrowing	6.3	1.6	7.9	3.0	0.6	3.6
Add: Other items from the Statement of Cash Flows ⁽¹⁾	6.4	1.8	8.2	6.6	26.9	33.5
Less: Cash paid for income taxes	(3.9)	(1.5)	(5.4)	(4.3)	(1.8)	(6.1)
Less: Debt Amortization ⁽²⁾	(7.3)	-	(7.3)	(7.0)	-	(7.0)
Less: Maintenance Capital expenditure ⁽³⁾	-	-	-	-	-	-
CFe	32.1⁽⁴⁾	(17.8)	14.3⁽⁴⁾	53.8	(16.2)	37.6

All amounts for the periods ending December 31, 2020 and 2019 have been translated at an exchange rate- INR 73.01 to US\$1 (New York closing rate of December 31, 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\$ 0.2 million and US\$ 0.2 million, share based compensation of US\$ 1.9 million and US\$ 26.4 million, realized gain on investment of US\$ 0.5 million and Nil, non-cash rent expense of US\$ 1.2 million and US\$ 1.8 million, allowance for doubtful debts of US\$ 1.0 million and US\$ 0.7 million, loan repayment charges of US\$ 3.4 million and US\$ 3.5 million, employee benefit US\$ 0.4 million and US\$ 0.6 million and ARO accretion of US\$ 0.5 million and US\$ 0.4 million for the period ended December 31, 2019 and December 31, 2020 respectively.
- (2) Repayments of term and other loans during the period ended December 31, 2020, was US\$ 99.2 million (refer to the Statement of Cash Flows) which includes US\$ 92 million related to refinancing of loans or early repayment of debt before maturity and have been excluded to determine debt amortization of US\$ 7.0 million. Repayments of term and other loans during the period ended December 31, 2019, was US\$ 419.2 million (refer to the Statement of Cash Flows) which includes US\$ 411.8 million related to refinancing of loans or early repayment of debt before maturity and has been excluded to determine debt amortization of US\$ 7.4 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\$ million)	Nine Months ended December 31, 2019	Nine Months ended December 31, 2020
CFe	14.3	37.6
<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	(6.0)	(22.3)
Current income taxes	(3.5)	(6.2)
Prepaid lease payments	(5.1)	(2.8)
Amortization of hedging costs	12.8	19.9
<i>Items included in CFe but not considered in GAAP Cash Flow from Operating Activities</i>		
Debt amortization as per CFe	7.3	7.0
Cash taxes paid as per CFe	5.4	6.1
Cash from Operating Activities	25.2	39.3

All amounts for the periods ending December 31, 2020 and 2019 have been translated at exchange rate- INR 73.01 to US\$1 (New York closing rate of December 31, 2020).

Projects Commissioned - Utility

As on December 31, 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
Operational – Utility							
Punjab 1 ⁽³⁾	Q4 2009	2	2	17.91	NTPC Vidyut Vyapar Nigam Limited	25	AAA
Punjab 2.1 ⁽³⁾	Q3 2014	15	15	7.67	Punjab State Power Corporation Limited	25	A
Punjab 2.2 ⁽³⁾	Q4 2014	15	15	7.97	Punjab State Power Corporation Limited	25	A
Punjab 2.3 ⁽³⁾	Q4 2014	4	4	8.28	Punjab State Power Corporation Limited	25	A
Karnataka 1 ⁽³⁾	Q1 2015	10	10	7.47	Bangalore Electricity Supply Company Limited	25	A+
Uttar Pradesh 1 ⁽³⁾	Q1 2015	10	12	8.99	Uttar Pradesh Power Corporation Limited	12	A+
Gujarat 1.1 ⁽³⁾	Q2 2011	5	5	15.00 ⁽⁴⁾	Gujarat Urja Vikas Nigam Limited	25	AA-
Gujarat 1.2 ⁽³⁾	Q4 2011	5	5	15.00 ⁽⁴⁾	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	22	8.21	NTPC Vidyut Vyapar Nigam Limited	25	AAA
Rajasthan 2.2	Q1 2013	15	18	8.21	NTPC Vidyut Vyapar Nigam Limited	25	AAA
Rajasthan 3.1 ⁽³⁾	Q2 2015	20	23	5.45 ⁽²⁾	Solar Energy Corporation of India	25	AA+
Rajasthan 3.2 ⁽³⁾	Q2 2015	40	43	5.45 ⁽²⁾	Solar Energy Corporation of India	25	AA+
Rajasthan 3.3 ⁽³⁾	Q2 2015	40	41	5.45 ⁽²⁾	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 ⁽³⁾	Q4 2015	5	6	5.45 ⁽²⁾	Solar Energy Corporation of India	25	AA+
Delhi 1.1	Q4 2015	2	2	5.43 ⁽²⁾	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 ⁽³⁾	Q1 2016	50	54	6.63 ⁽⁴⁾	Southern Power Distribution Com of AP Ltd	25	BB-
Punjab 3.1 ⁽³⁾	Q1 2016	24	25	7.19	Punjab State Power Corporation Limited	25	A
Punjab 3.2 ⁽³⁾	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 December 31, 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
Operational – Utility							
Bihar 1 ⁽³⁾	Q3 2016	10	11	8.39	North & South Bihar Power Distribution Company Ltd	25	B+
Punjab 4.1 ⁽³⁾	Q4 2016	50	52	5.62	Punjab State Power Corporation Limited	25	A
Punjab 4.2 ⁽³⁾	Q4 2016	50	52	5.63	Punjab State Power Corporation Limited	25	A
Punjab 4.3 ⁽³⁾	Q4 2016	50	52	5.64	Punjab State Power Corporation Limited	25	A
Karnataka 3.1 ⁽³⁾	Q1 2017	50	54	6.51	Chamundeshwari Electricity Supply Company	25	A
Karnataka 3.2 ⁽³⁾	Q1 2017	40	42	6.51	Hubli Electricity Supply Company Limited	25	BB
Karnataka 3.3 ⁽³⁾	Q1 2017	40	42	6.51	Gulbarga Electricity Supply Company Limited	25	A
Maharashtra 1.1 ⁽³⁾	Q1 2017	2	2	5.50 ⁽²⁾	Ordnance Factory, Bhandara	25	AA+
Maharashtra 1.2 ⁽³⁾	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 ⁽³⁾	Q1 2018	100	128	4.67	NTPC Limited	25	AAA
Uttar Pradesh 3 ⁽³⁾	Q2 2018	40	51	4.43 ⁽²⁾	Solar Energy Corporation of India	25	AA+
Andhra Pradesh 3 ⁽³⁾	Q2 2018	50	59	4.43 ⁽²⁾	Solar Energy Corporation of India	25	AA+
Gujarat 2 ⁽³⁾	Q4 2018	260	363	2.67	Gujarat Urja Vikas Nigam Limited	25	AA-
Karnataka 4.1 ⁽³⁾	Q1 2019	50	75	2.93	Bangalore Electricity Supply Company	25	A+
Karnataka 4.2 ⁽³⁾	Q1 2019	50	75	2.93	Hubli Electricity Supply Company Limited	25	BB
Rajasthan 5	Q2-Q3 2019	200	262	2.48	Solar Energy Corporation of India	25	AA+
Maharashtra 3 ⁽³⁾	Q3 2019	130	195	2.72	Maharashtra State Electricity Distribution Company Limited	25	BBB+
Assam 1	Q3 2020	25	32	3.34	Assam Power Distribution Company	25	B+
Rajasthan 6	Q4 2020	150	220	2.53	Solar Energy Corporation of India	25	AA+
Total Operational Capacity – Utility		1,833	2,314				
Total Operational Capacity – C&I	2013 – Q2 2020	154	157	5.52⁽³⁾	Various	25	
Total Operational		1,987	2,471				

(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 December 31, 2020

Project Names	Expected Commercial Operation Date ⁽¹⁾	PPA Capacity (MW)	Tariff (INR/kWh)	Off taker	Duration of PPA in Years	Credit Ratings
Under Construction						
Assam 1	Q1– Q3 2021	65	3.34	Assam Power Distribution Company	25	B+
Rajasthan 6	Q1 –Q3 2021	450	2.53	Solar Energy Corporation of India	25	AA+
Rajasthan 8	Q3 2021	300	2.58	Solar Energy Corporation of India	25	AA+
Rajasthan 9	Q4 2021	300	2.54	Solar Energy Corporation of India	25	AA+
Total Under Construction- Utility		1,115				
Total Under Construction- Rooftop		13	4.83	Various	25	
Total Capacity Under Construction		1,128				
Total Operating and Under Construction Portfolio		3,115				
Committed						
2 GW Project 1		2,000 ⁽²⁾	⁽³⁾	Solar Energy Corporation of India	25	AA+
2 GW Project 2		2,000 ⁽²⁾	⁽³⁾	Solar Energy Corporation of India	25	AA+
Total Committed Capacity- Utility		4,000				
Total Portfolio		7,115				

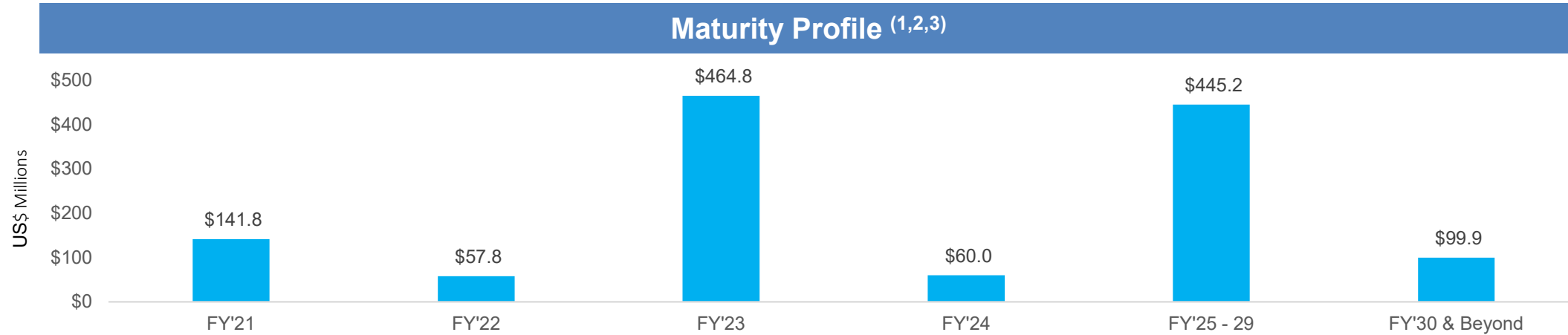
(1) Refers to the applicable quarter of the calendar year. There can be no assurance that our projects under construction and our committed projects will be completed on time or at all.

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

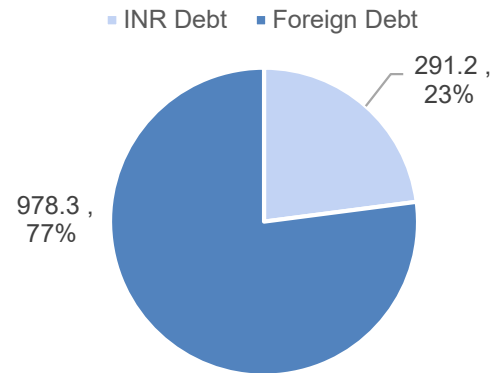
(3) We expect a tariff markdown from the price discovered in the auction. Capital costs, interest rates and foreign exchange rates have improved since Azure Power won these projects. We will continue our discussions with SECI towards signing PPAs and once the final tariff is determined, this information will be updated.

Debt Overview

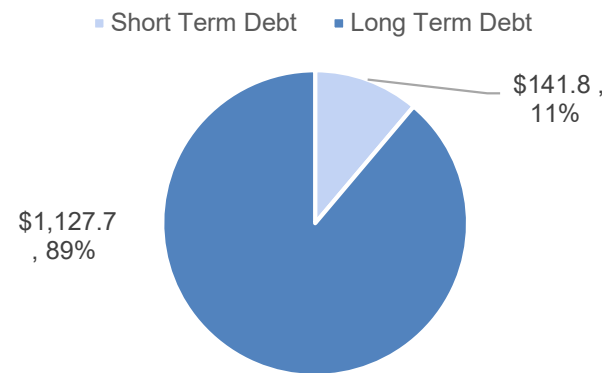
As of December 31, 2020



Debt Split by Currency



LT vs ST Debt Split



Consolidated Debt ^(2, 3)	\$ 1,269.5
Average Interest Rate	9.7%
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 73.01 to US\$1 (New York buying rate of December 31, 2020). 3) The Company carries the hedging asset of US\$ 71.4 million as of December 31, 2020 against foreign currency loans/borrowings to be settled over loan tenure.

Project Debt Schedule

As of December 31, 2020

Name of Project	Outstanding Principal Amount (In millions)		Type of Interest	Currency	Maturity Date ⁽¹⁾	Commissioned/ Under construction
	INR	US\$ ⁽²⁾				
Rajasthan 6	5,909	80.9	Mixed	INR/US\$	2021-2040	Partly commissioned
Andhra Pradesh 1	2,508	34.4	Fixed	INR	2022	Commissioned
Bihar 1	439	6.0	Fixed	INR	2022	Commissioned
Gujarat 1	928	12.7	Fixed	INR	2022	Commissioned
Karnataka 1	527	7.2	Fixed	INR	2022	Commissioned
Karnataka 3.1	1,381	18.9	Fixed	INR	2022	Commissioned
Karnataka 3.2	1,428	19.6	Fixed	INR	2022	Commissioned
Karnataka 3.3	6,544	89.6	Fixed	INR	2022	Commissioned
Punjab 1	174	2.4	Fixed	INR	2022	Commissioned
Punjab 2	1,699	23.3	Fixed	INR	2022	Commissioned
Punjab 4	5,810	79.6	Fixed	INR	2022	Commissioned
Rajasthan 3.1	867	11.9	Fixed	INR	2022	Commissioned
Rajasthan 3.2	1,700	23.3	Fixed	INR	2022	Commissioned
Rajasthan 3.3	1,804	24.7	Fixed	INR	2022	Commissioned
Rajasthan 4	236	3.2	Fixed	INR	2022	Commissioned
Telangana 1	4,610	63.1	Fixed	INR	2022	Commissioned
Uttar Pradesh 1	512	7.0	Fixed	INR	2022	Commissioned
Gujarat 2	9,188	125.8	Fixed	INR	2024	Commissioned
Maharashtra 3	5,238	71.7	Fixed	INR	2024	Commissioned
Karnataka 4	3,934	53.9	Fixed	INR	2024	Commissioned
Maharashtra 1.1 & 1.2	325	4.5	Fixed	INR	2024	Commissioned
Uttar Pradesh 3	1,778	24.4	Fixed	INR	2024	Commissioned
Andhra Pradesh 3	2,179	29.8	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 73.01 to US\$1 (New York buying rate of December 31, 2020).

Project Debt Schedule

As of December 31, 2020

Name of Project	Outstanding Principal Amount (In thousands)		Type of Interest	Currency	Maturity Date ⁽¹⁾	Commissioned/ Under construction
	INR	US\$ ⁽⁵⁾				
Punjab 3.1 and 3.2	1,219	16.7	Fixed	INR	2024	Commissioned
Chhattisgarh 1.1,1.2 & 1.3	1,235	16.9	Floating	INR	2029	Commissioned
Rajasthan 1	451	6.2	Fixed	INR	2031	Commissioned
Rajasthan 2	2,467	33.8	Fixed	INR	2033	Commissioned
Karnataka 2	405	5.5	Fixed	INR	2034	Commissioned
Andhra Pradesh 2	5,177	70.9	Floating	INR	2036	Commissioned
Uttar Pradesh 2	2,052	28.1	Floating	INR	2037	Commissioned
Rajasthan 5	5,880	80.5	Mixed	INR	2038	Commissioned
Assam 1	1,470	20.1	Floating	INR	2039	Partly commissioned
Rooftop Projects ⁽⁴⁾	3,409	46.8	Mixed	INR/US\$	2022-2031	Multiple projects
Total	83,483 ⁽²⁾⁽³⁾	1,143.4				

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 1,148 million (US\$ 15.7 million). 3) Non-project level debt of INR 8,892 million (US\$ 121.8 million) is excluded from the above table. Further foreign exchange fluctuation of INR 6,671 million (US\$ 91.4 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 73.01 to US\$1 (New York buying rate of December 31, 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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