

## Independent Assurance Report

### Introduction

This is an independent post-issuance assurance report of US Dollar denominated bonds issued in September 2019 aggregating up to USD 350.00 million (“Green Bonds”) by Azure Power Solar Energy Private Limited, C/O, AAA Global Services Ltd, 1<sup>st</sup> floor, The Exchange, 18 Cybercity, Ebene, Mauritius (“Issuer”) in accordance with the post-issuance requirements of “Limited Assurance” under Climate Bonds Standard Version 3 (“Standard”).

### Assurance scope and level of assurance

The scope of this assessment includes verification of information on the material aspects of the Green Bonds in accordance with post-issuance criteria including General and Technical Eligibility requirements of Standard. The following areas have been covered in the assessment:

1. Use of Proceeds
2. Process for Evaluation and Selection of Projects
3. Management of Proceeds
4. Reporting

### Activities undertaken

A number of activities have been undertaken for this verification, maintaining the independence and objectivity of the verifier. We have relied on interviews with key staff and reviews of internal and public documents that were carried on the following aspects:

- a. Use of proceeds;
- b. Process of selecting eligible projects;
- c. Reporting requirements, other internal processes and controls including the processes to track and earmark the proceeds of Green Bonds;
- d. Environmental objectives of Green Bonds;
- e. Investment areas for bond proceeds and temporary investment instruments for the management of unallocated proceeds;
- f. Use of proceeds, process of project selection and their conformance with the eligibility requirements specified in Part C of the Climate Bonds Standard

### Conclusions

Based on the limited assurance procedures conducted and evidence obtained, nothing has come to our attention that causes us to believe that in material respects the proposed Green Bond is not in conformance with the Climate Bonds Standard’s post-issuance verification requirements

### Limitations & exclusions

The verification does not:

- 1) Suggest or assist in implementing in any recommendations of any sort.
- 2) Assess data and information beyond the defined reporting boundary and period.
- 3) Set any expectations of the proposed Green Bond issuance except as per Standard.
- 4) Verify, evaluate or consider any attributes of any general risks of this Green Bond issuance.
- 5) Verify the financial standing, economic performance and credit rating of the prospective issuer.



- 6) Verify statements by Issuer that describe opinions, beliefs, aspirations, expectations, aims or intentions.
- 7) Confirm that any representations made by the bond issuing company are complete, accurate or reliable; the bond issuing company is solely and fully responsible for any statements, misrepresentations and/or omissions made by the company and/or their representatives during the verification process and any likely outcome of those.
- 8) Make any assessment of the environmental, social, or governance impact of the proposed projects/investments, except to the extent required for compliance Standard.
- 9) Assess whether the proposed projects or investments comply with applicable regulations.

### **Independence**

The verification has been carried out by experts of environment, social, climate change and sustainability areas. Neither Verifier nor any member of the verifier team is involved in any way in the issuance or management of the Green Bonds. Verifier has applied internal procedures to confirm no conflicts of interest for this verification engagement. Verifier team has completed this assessment in line with ISAE 3000 (Revised): *Assurance Engagements other than Audits or Reviews of Historical Financial Information* requirements to the extent applicable for such limited assurance engagements.

### **Issuers' responsibility**

The Issuer is responsible to ensure the compliance of Green Bonds with Standard.

### **Verifier's responsibility**

The report is intended to inform the Issuer about the compliance status of the Green Bonds with the post-issuance criteria of Standard.

  
Snigdha Kala  
Lead Assessor

  
Atul Sanghal  
Technical Reviewer

**Emergent Ventures India Pvt. Ltd. (Gurgaon, India)**

26 August 2020



## Annex 1: List of Nominated Projects & Assets

The proceeds of the Green Bond issuance of 350 Million USD, have been used for refinancing and financing solar power projects of Azure Power Solar Energy Private Limited and its group subsidiaries referred to together as Restricted Group 2 (RG2) for the following nominated projects and assets.

S.No.	Project Short Name	RG2-Company Name	Capacity (MW)	Sector	State of project location
1.	Indian Railways Rooftop 1	Azure Power Forty Four Pvt Ltd	17.0	Solar	Pan India
2.	Orissa Rooftop 1	Azure Power Mercury Pvt Ltd	4.0	Solar	Orissa
3.	Maharashtra 1.1 & 1.2	Azure Power Uranus Pvt Ltd	7.0	Solar	Maharashtra
4.	Uttar Pradesh 3	Azure Power Venus Pvt Ltd	40.0	Solar	Uttar Pradesh
5.	Andhra Pradesh 3	Azure Power Thirty Six Pvt Ltd	50.0	Solar	Andhra Pradesh
6.	Delhi Rooftop 4	Azure Power Saturn Pvt Ltd	11.5	Solar	Delhi
7.	Gujarat 2	Azure Power Thirty Three Pvt Ltd	260.0	Solar	Gujarat
8.	Karnataka 4.1 & 4.2	Azure Power Earth Pvt Ltd	100.0	Solar	Karnataka
9.	Punjab 3.1 & 3.2	Azure Power Makemake Pvt Ltd	28.0	Solar	Punjab
10.	Maharashtra 3	Azure Power Thirty Four Pvt Ltd	130.0	Solar	Rajasthan
<b>Total</b>			<b>647.5 MW</b>		