



India's first private grid connected MW solar plant

India's first distributed rooftop solar project over one megawatt

Pan India portfolio of solar assets in 20+ States

Issued India's first solar Green Bond



Investor Presentation
May 2018

Disclaimer

Forward-Looking Statements

This information contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995, including statements regarding our future financial and operating guidance, operational and financial results such as estimates of nominal contracted payments remaining and portfolio run rate, and the assumptions related to the calculation of the foregoing metrics. The risks and uncertainties that could cause our results to differ materially from those expressed or implied by such forward-looking statements include: the availability of additional financing on acceptable terms; changes in the commercial and retail prices of traditional utility generated electricity; changes in tariffs at which long term PPAs are entered into; changes in policies and regulations including net metering and interconnection limits or caps; the availability of rebates, tax credits and other incentives; the availability of solar panels and other raw materials; our limited operating history, particularly as a new public company; our ability to attract and retain our relationships with third parties, including our solar partners; our ability to meet the covenants in debt facilities; meteorological conditions and such other risks identified in the registration statements and reports that we have file with the U.S. Securities and Exchange Commission, or SEC, from time to time. In the presentation, project and portfolio represents capacity of solar power plants pursuant to PPAs, signed or allotted or where the Company has been cleared as one of the winning bidders or won a reverse auction but has yet to receive a letter of allotment. 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.

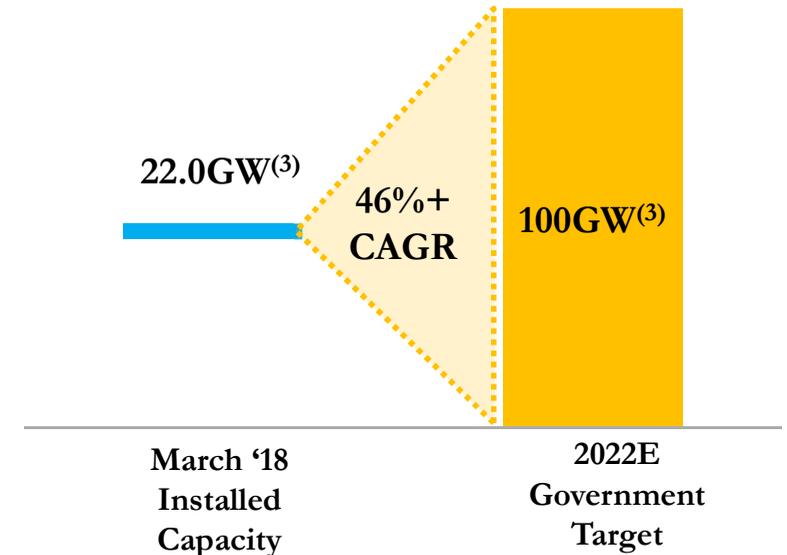
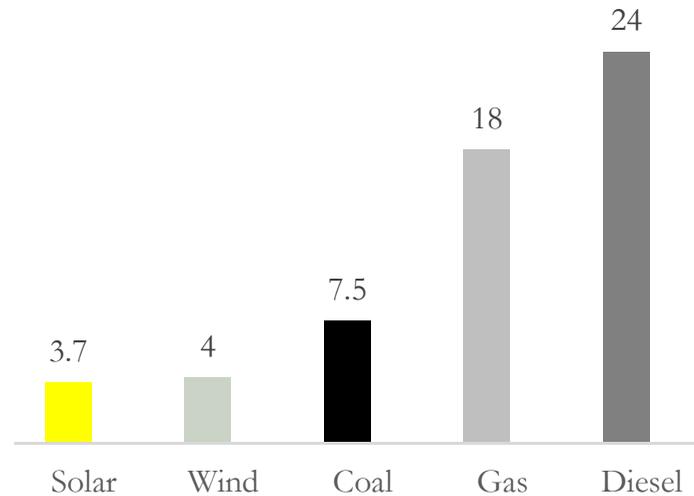
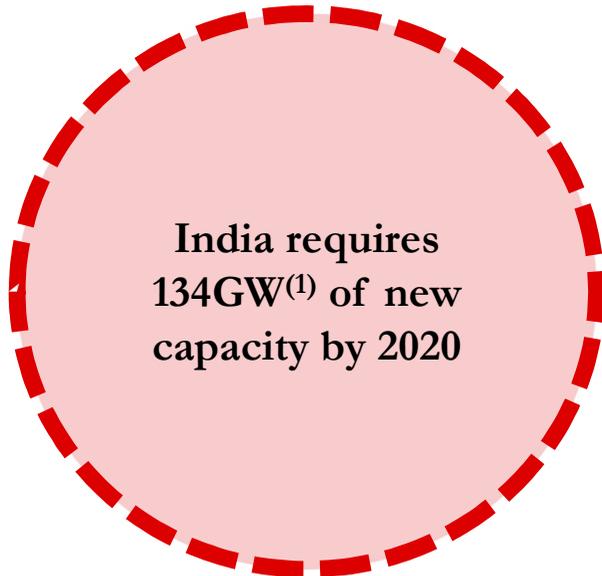
Attractive Indian Solar Market

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

Fast growing Indian economy has outstripped its power supply

Solar is the most affordable source of power⁽²⁾ (US Cents/kWh)

Solar power is a key part of the solution



- India's GDP Growth is estimated to have increased 7.4 per cent in 2017-18
- Estimated 270 million people without access to electricity⁽⁵⁾

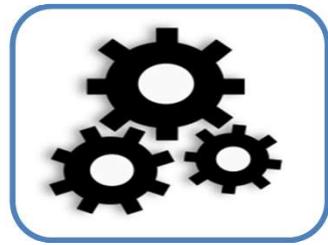
- 54% of all electricity capacity additions across India are solar for FY18^(3,4)
- Imported coal sets the price of power

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

1. World Energy Outlook 2015, India target capacity of 436GW by 2020. 2) Solar : Press release | Wind: press release | Coal: Press release | Diesel and gas prices based on the average of the range as per Lazard Levelized Cost of Energy Analysis, November 2017. in US\$ per kWh | Exchange rate- INR65.11 to US\$1 (New York closing rate of March, 2018), 3) MNRE 4) CEA 5) World Bank, State of electricity access report

Azure Power: A Unique Opportunity

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



**Integrated
Business Model**



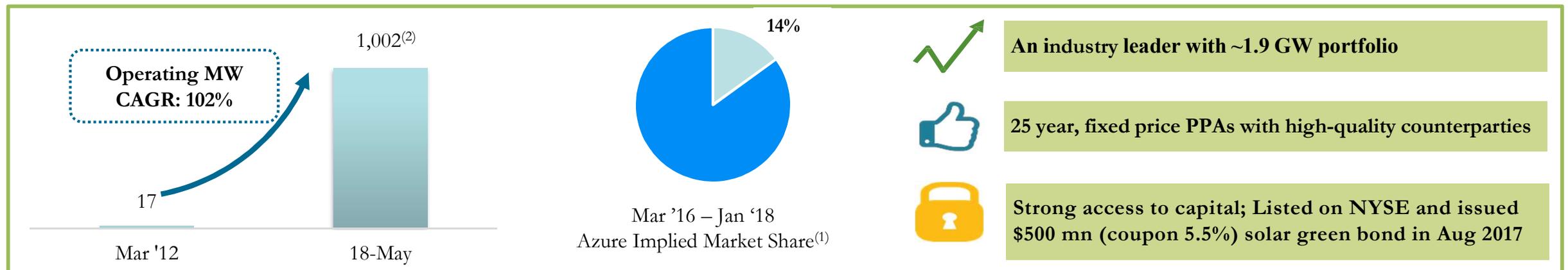
**Strong
Track Record**



**Ability
To Win**



A Market Leading Business Today



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

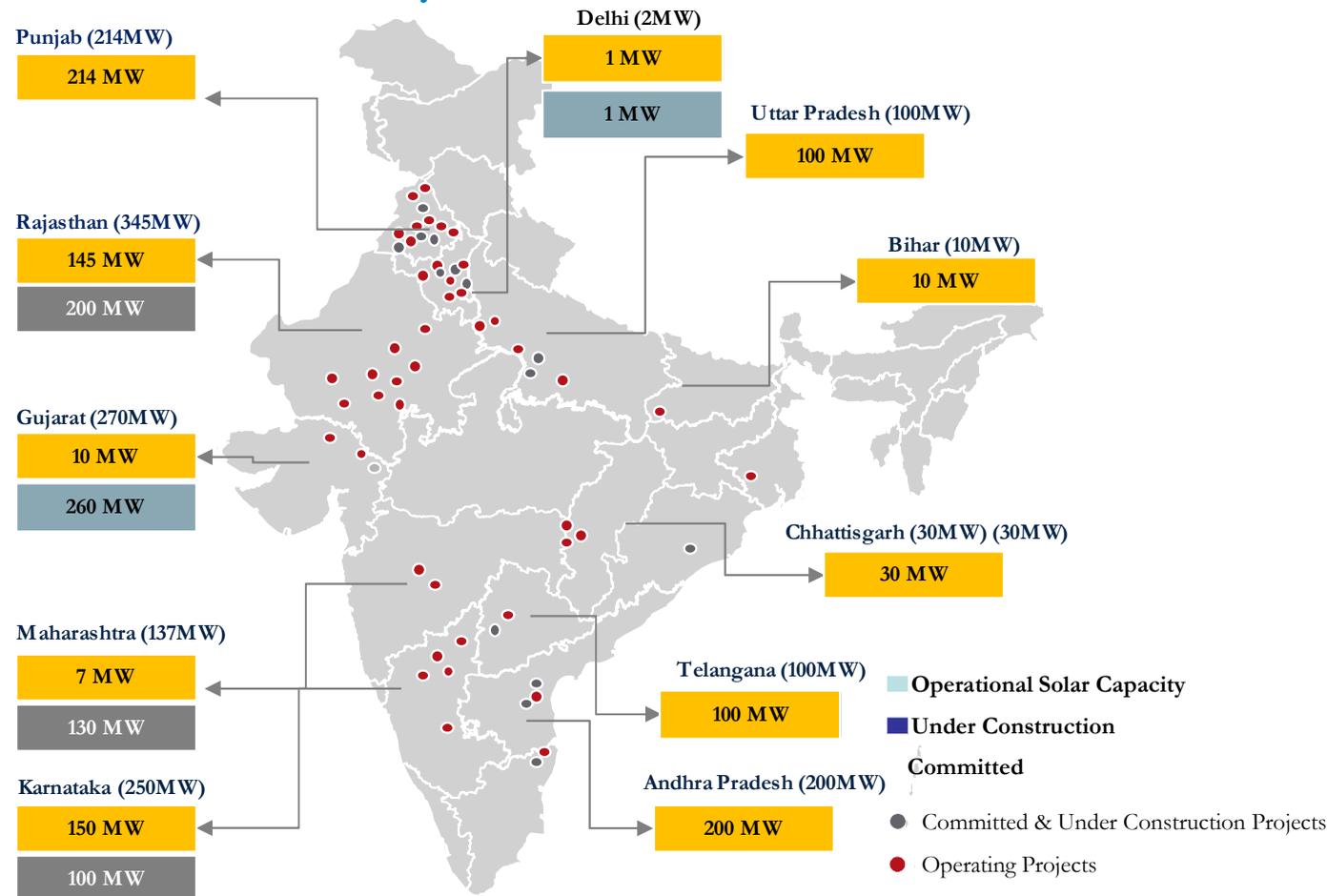
Note: All capacities are in MW.

1. Implied share % calculated as Azure Incremental Capacity Won / Tendered Capacity participated. 2. Includes recently announced wins

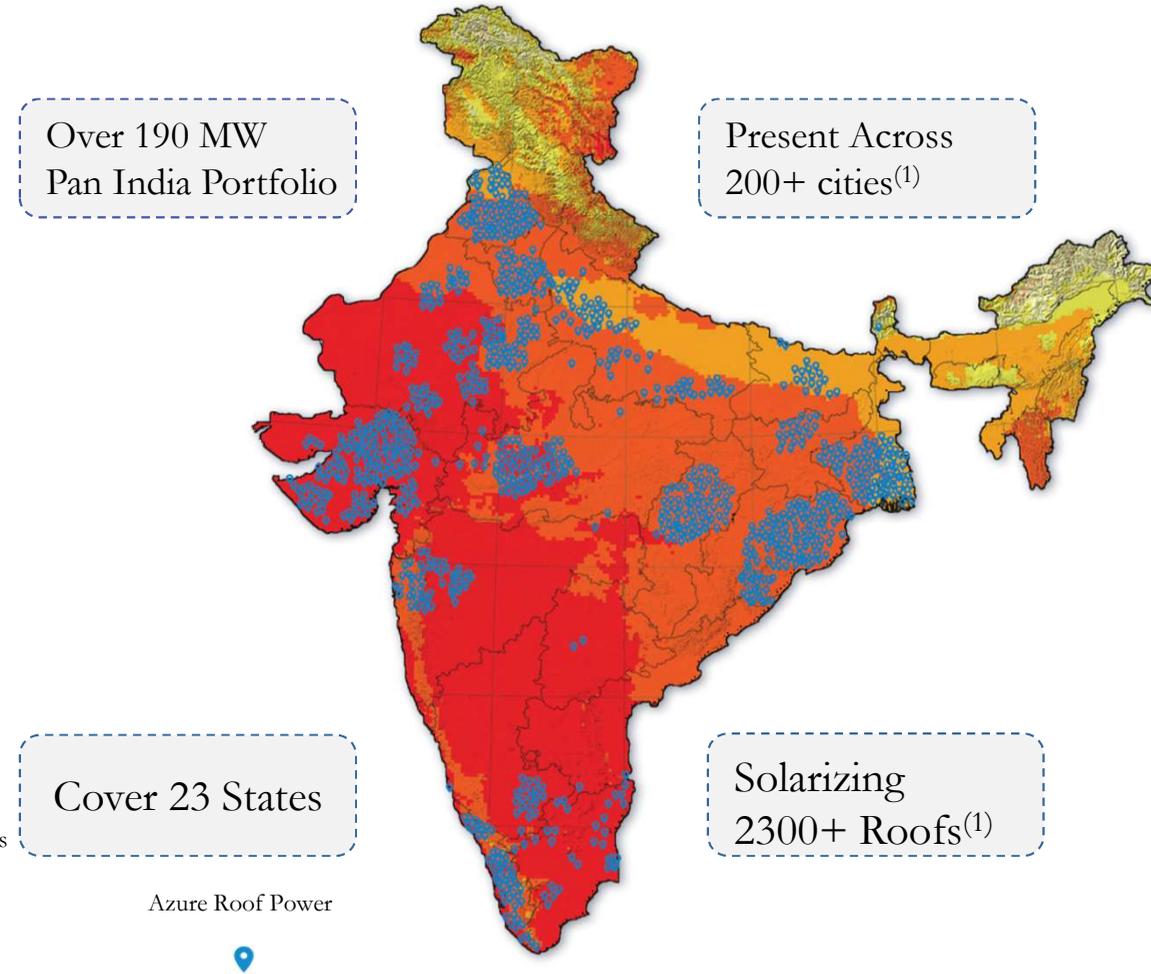
1,851 MW Diversified Portfolio across 23 states

1 GW ⁽²⁾ operational, 849 MW committed with combined portfolio of 1,851 MW geographically diversified across 23 states

Utility Portfolio – 1,658 MW



C&I Portfolio – 193 MW

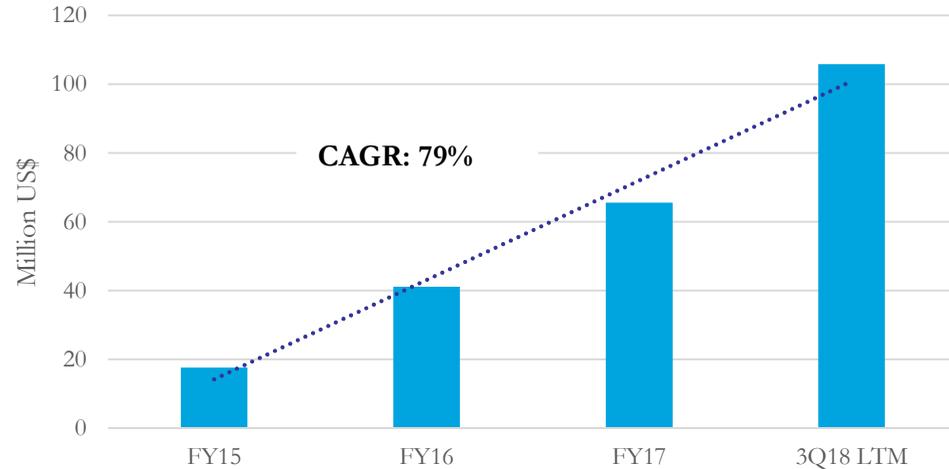


- ✓ Projects operating with longest operating history amongst renewable IPPs
- ✓ Repeat business targeted in various states subsequent to experience achieved

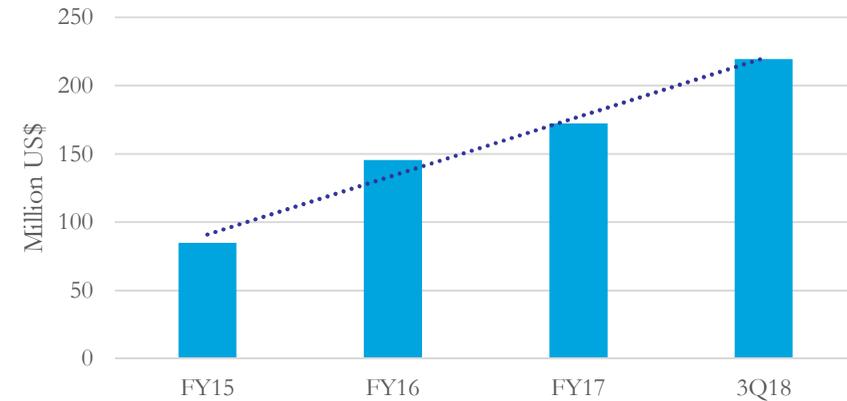
Note : 1.)Others include Chhattisgarh, Bihar and Delhi 2) Capacity in AC

History of Strong Growth and Cost Reductions; 501% Revenue Growth since 2015

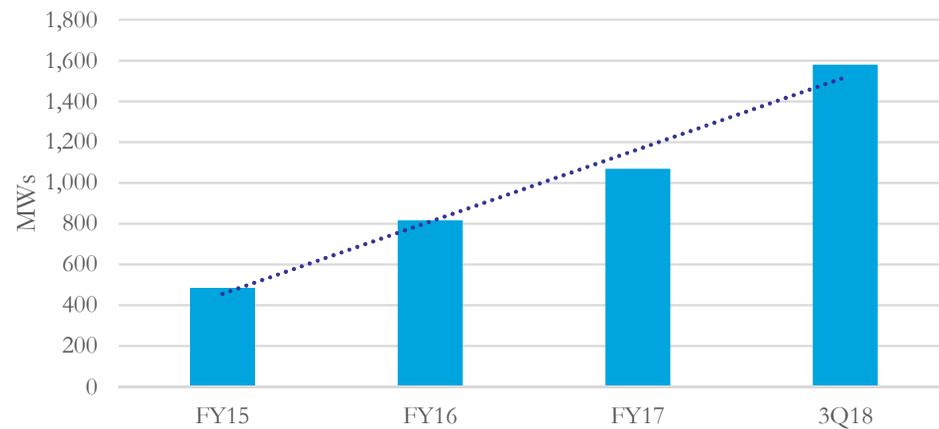
501% Growth in Revenues
(FY'15 to 3Q18 LTM)



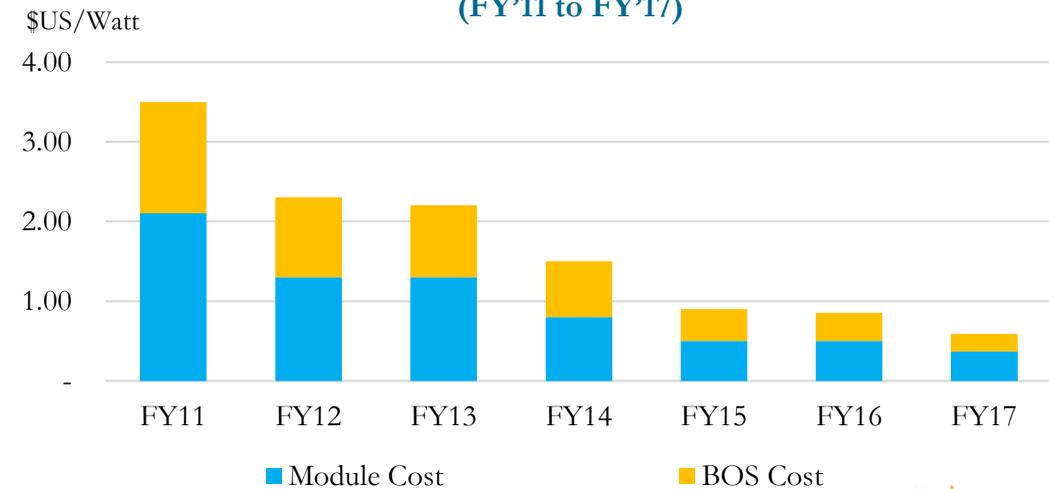
158% Growth in Portfolio Run Rate
(FY'15 through 9 Months FY'18)



326% Increase in Portfolio MWs
(FY'15 to 9 Month FY'18)



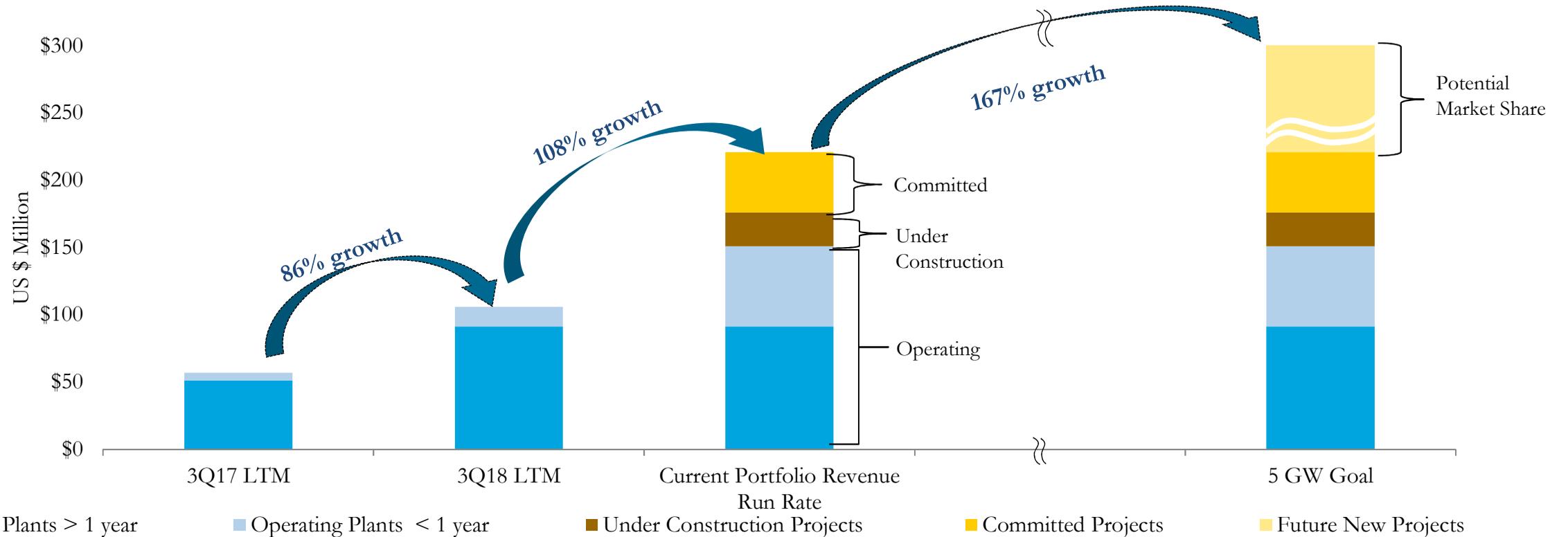
86% Reduction in Balance of System Costs
(FY'11 to FY'17)



Note: Charts assume exchange rate- INR63.83 to US\$1 (New York closing rate of December 31, 2017),



Incremental Revenue Growth of \$115mn from Locked-In Contracts



(in \$mn)	3Q17 LTM	3Q18 LTM	Current Portfolio Revenue Run Rate	5 GW Goal
Operating MWs at end of period	512	905	1,591 ¹	5,000
Revenues	\$57	\$106	\$221 ¹	\$591 ²

Cash flow profile expected to grow significantly as existing committed projects come on-line

1. Portfolio revenue run rate is based on the portfolio at Dec 31, 2017 of 1,591 MW and does not include recent announcements
 2. This is an illustrative example based on assumptions. Actual results may differ and the differences may be material and adverse. This is the annual figure based on net PLF of 21.77% and a weighted-average tariff rate of \$0.071/kWh for the total committed portfolio of 1.6 GW. The growth from 1.6 GW to 5 GW is based on net PLF of 24.05% and a weighted-average tariff rate of \$0.05/kWh, Exchange rate- INR63.83 to US\$1 (New York closing rate of December, 2017).

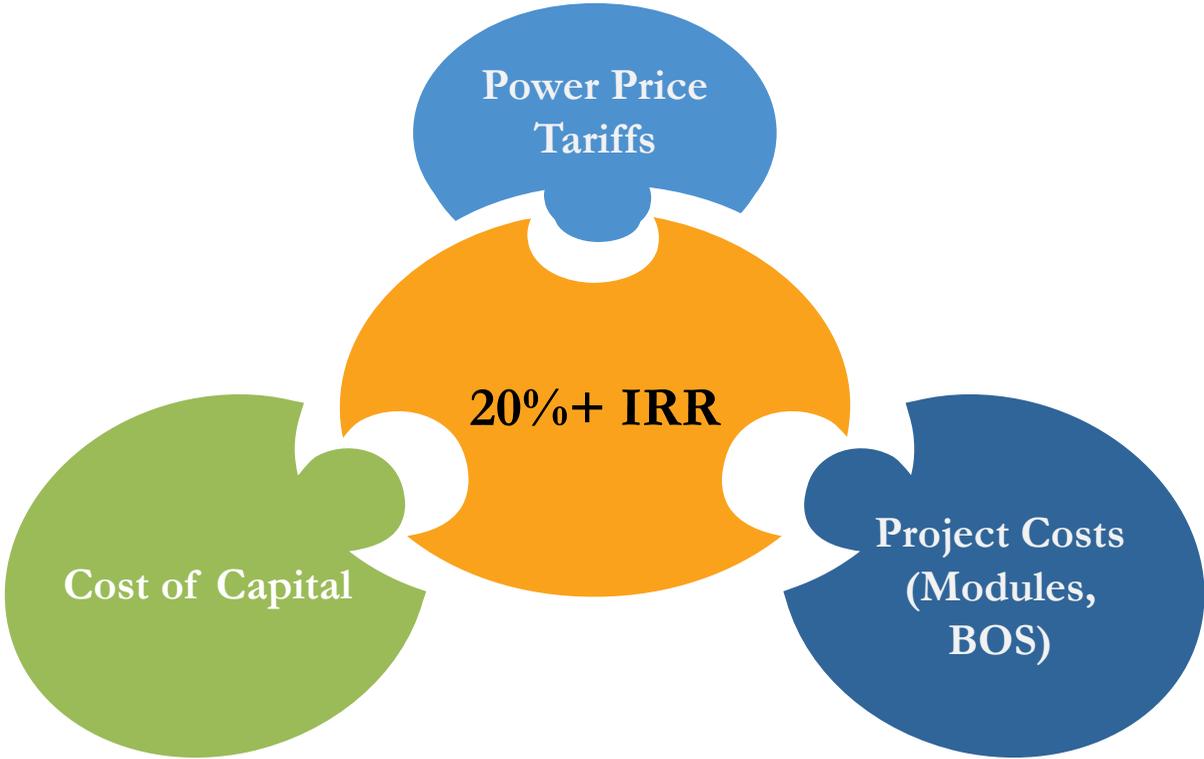
Integrated Business Model Drives Attractive Returns In Falling Tariff Environment

Integrated Business Model

Azure's integrated approach enhances returns
Local development expertise for land development, transmission & interconnection capabilities
Continued ability to win bids above the lowest clearing bid
Real-time monitoring for high availability of assets

Cost of Capital Reductions

Access to public equity and debt; relationships with leading infrastructure and pension investors; Project debt costs have declined ~250 bps since 2014



Project Cost Reductions

In-house value engineering, design and procurement expertise complemented by strong supplier relationships; Achieved an 86% BOS cost decline since inception

High Quality Counterparties

Majority of portfolio with sovereign level, highly rated Gov. of India agencies
Over 73% of the portfolio contracts with A to AAA credit rated offtakers



Experienced Leadership

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

Azure Power represents a unique opportunity within the high-growth Indian solar market

- ✓ Azure's highly scalable model and superior execution has led to an increase in our implied market share ⁽¹⁾ to ~14 %
- ✓ ~1.6 GW portfolio offers revenue growth of 108%⁽¹⁾
- ✓ Locked- in contracts to deliver US\$115mn of incremental revenue growth⁽¹⁾
- ✓ Operating project CAGR of 99% since March 31, 2012 through January 31, 2018⁽²⁾
- ✓ Azure's integrated business model and access to low cost of capital delivers 20+ % equity returns

Note: All USD tariff rates are based on illustrative 63.83 INR/USD exchange rate. 1. Incremental share% calculated as Azure Incremental capacity Won/tendered Capacity participated from Mar'16-Jan'18 (1) Excludes 260 MWs of recently won capacity
2) excludes recently announced completions

Illustrative Unit Economics

Illustrative Levered Unit Economics

An Illustrative Unit Economics for 350MW that is representative of the Company's under construction projects, which includes blended economics across geographies and counter parties



Key Assumptions	
Project Cost ⁽¹⁾	\$0.86 / Watt
EPC Margin ⁽²⁾	13% of Project Cost
PPA Tenor	25 Years
Net PLF	25.5%
Tariff	\$0.048 / kWh
Incentive (VGF)	\$0.03 / W
Degradation	0.6%
Opex	~8% of Revenue Initially

Capitalizing the Illustrative Project

Scenario	Equity Requirement	IRR	Multiple of Invested Capital
71% Project Debt	\$0.24	20.1%	1.27x
80% Project Debt ⁽³⁾	\$0.21	35.2%	1.45x

Key Assumptions	
Leverage	71%-80%
Interest Rate	9.1%
Tenor	21 Years

Due to its integrated business model, Azure has been able to capture outside returns on recent projects⁽²⁾

Note: This is an illustrative example based on assumptions. Actual results may differ and the differences may be material and adverse. Assumes 63.83 INR/USD exchange rate. All discounted figures based on 12.0% cost of equity.

1. Total upfront investment equals gross project costs including modules, balance of system, land and financing costs.
2. This represents the margin Azure is able to retain because it does not use a 3rd party vendor. In addition, select projects have Viability Gap Funding Incentive offered by the government which partially offsets the project costs.
3. Out of 80% of project debt required, 71% is financed through term lending and 9% through use of Azure USD Bond proceeds.



Affordable Solar Power for Generations

Excellence | Honesty | Social Responsibility | Entrepreneurship