UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 20-F

(Mark One)

☐ **Registration statement pursuant to section 12(b) or 12(g) of the Securities Exchange Act of 1934**

or

☐ **Transition report pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934**

For the transition period from _____ to _____

☒ **Annual report pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934**

For the fiscal year ended March 31, 2020

or

☐ **Shell company report pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of event requiring this shell company report

Commission file number 001-37909

Azure Power Global Limited

(Exact name of Registrant as specified in its charter)

Mauritius
(Jurisdiction of Incorporation or Organization)
3rd Floor, Asset 301-304, Worldmark 3,
Aerocity, New Delhi – 110037, India
Telephone: (91-11) 49409800
(Address and Telephone Number of Principal Executive Offices)

Ranjit Gupta
Chief Executive Officer
3rd Floor, Asset 301-304, World Mark 3,
Aerocity, New Delhi – 110037, India
Telephone: (91-11) 49409800
Facsimile: Fax: +91- 49409807
(Name, Telephone, email and/or Facsimile Number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Equity Shares, par value US$0.000625 per share	AZRE	New York Stock Exchange

Securities registered or to be registered pursuant to Section 12(g) of the Act.

None
(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act.

None
(Title of Class)

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

As of March 31, 2020, 47,650,750 equity shares, par value US$0.000625 per share, were issued and outstanding.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

If this annual report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer or an emerging growth company. See the definitions of "large accelerated filer", "accelerated filer" and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☐ Accelerated filer ☒ Non-accelerated filer ☐ Emerging Growth Company ☒

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ☒ International Financial Reporting Standards as issued by the International Accounting Standards Board ☐ Other ☐

If "Other" has been checked in the previous question, indicate by check mark which financial statement item the registrant has elected to follow. Item 17 ☐ Item 18 ☐

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Securities Exchange Act of 1934). Yes ☐ No ☒

(APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PAST FIVE YEARS)

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court: Yes ☐ No ☐

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CONVENTIONS USED IN THIS ANNUAL REPORT

Except where the context requires otherwise and for purposes of this annual report only:

- "Our Company" or "Our holding company" refers to Azure Power Global Limited on a standalone basis.
- "We," "us, ," the "Group," "Azure" or "our" refers to Azure Power Global Limited, a company organized under the laws of Mauritius, together with its subsidiaries (including Azure Power Rooftop Private Limited, and Azure Power India Private Limited, or AZI, its predecessor and current subsidiaries).
    - •AZI, a company organized under the laws of India, refers to Azure Power India Private Limited
    - •APGL, a company organized under the laws of India, refers to Azure Power Global Limited
- "CERC" refers to the Central Electricity Regulatory Commission of India, the state level counterparts of which are referred to as "State Electricity Regulatory Commission," or "SERC".
- "INR," "rupees," or "Indian rupees" refers to the legal currency of India.
- "MNRE" refers to Indian Ministry of New and Renewable Energy.
- "NSM" refers to the Jawaharlal Nehru National Solar Mission.
- "U.S. GAAP" refers to the Generally Accepted Accounting Principles in the United States.
- "US$" or "U.S. dollars" refers to the legal currency of the United States.
- "SECI" refers to Solar Energy Corporation of India
- "PGCIL" refers to Power Grid Corporation of India Limited
- "APDC" refers to Assam Power Distribution Company
- "LPSC" refers to Late Payment Surcharge
- "MOP" refers to Ministry of Power

In this annual report, references to "U.S." or the "United States" are to the United States of America, its territories and its possessions. References to "India" are to the Republic of India, its territories and its possessions. References to "Mauritius" are to the Republic of Mauritius.

Unless otherwise indicated, the consolidated financial statements and related notes included in this annual report have been presented in Indian rupees and prepared in accordance with U.S. GAAP. References to a particular "fiscal" year are to our fiscal year ended March 31 of that year, which is typical in our industry and in the jurisdictions in which we operate.

This annual report contains translations of certain Indian rupee amounts into U.S. dollars at specified rates solely for the convenience of the reader. Unless otherwise stated, the translation of Indian rupees into U.S. dollars has been made at INR 75.39 to US$1.00, which is the noon buying rate in New York City for cable transfer in non-U.S. currencies as certified for customs purposes by the Federal Reserve Bank of New York on March 31, 2020. We make no representation that the Indian rupee or U.S. dollar amounts referred to in this annual report could have been converted into U.S. dollars or Indian rupees, as the case may be, at any particular rate or at all.

As used in this annual report, all references to watts (e.g., megawatts, gigawatts, kilowatt hour, terawatt hour, MW, GW, kWh, etc.) refer to measurements of power generated.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This annual report contains forward looking statements about our current expectations and views of future events. All statements, other than statements of historical facts, contained in this annual report, including statements about our strategy, future operations, future financial position, future revenues, projected costs, prospects, plans and future megawatt goals of management, are forward looking statements. These statements relate to events that involve known and unknown risks, uncertainties and other factors, including those listed under "Item 3. Key Information — D. Risk Factors," which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. In some cases, these forward looking statements can be identified by words or phrases such as "may," "will," "expect," "anticipate," "aim," "estimate," "intend," "plan," "believe," "potential," "continue," "is/are likely to" or other similar expressions.

These forward-looking statements are subject to risks, uncertainties and assumptions, some of which are beyond our control. In addition, these forward-looking statements reflect our current views about future events and are not a guarantee of future performance. Actual outcomes may differ materially from the information contained in the forward-looking statements because of a number of factors, including, without limitation, the risk factors set forth in "Item 3. Key Information — D. Risk Factors" and the following:

- the pace of government sponsored auctions;
- changes in auction rules;
- the Indian government's willingness to enforce Renewable Purchase Obligations, or RPOs;
- permitting, development and construction of our project pipeline according to schedule;
- solar radiation in the regions in which we operate;
- developments in, or changes to, laws, regulations, governmental policies, incentives and taxation affecting our operations;
- adverse changes or developments in the industry in which we operate;
- our ability to maintain and enhance our market position;
- our ability to successfully implement any of our business strategies, including acquiring other companies;
- our ability to enter into power purchasing agreements, or PPAs, on acceptable terms, the occurrence of any event that may expose us to certain risks under our PPAs and the willingness and ability of counterparties to our PPAs to fulfill their obligations;
- our ability to borrow additional funds and access capital markets, as well as our substantial indebtedness and the possibility that we may incur additional indebtedness going forward;
- solar power curtailments by state electricity authorities;
- our ability to establish and operate new solar projects;
- our ability to compete against traditional and renewable energy companies;
- the loss of one or more members of our senior management or key employees;
- impact of the COVID-19 pandemic and lockdowns in India and globally;
- political and economic conditions in India;
- material changes in the costs of solar panels and other equipment required for our operations;
- fluctuations in inflation, interest rates and exchange rates;
- global economic conditions;
- disruptions in our supply chain; and
- other risks and uncertainties, including those listed under the caption "Item 3. Key Information — D. Risk Factors."

The forward-looking statements made in this annual report relate only to events or information as of the date on which the statements are made in this annual report. Except as required by law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events. You should read this annual report and the documents that we reference in this annual report and have filed as exhibits with the SEC, of which this annual report is a part, completely and with the understanding that our actual future results or performance may be materially different from what we expect.

This annual report also contains statistical data and estimates, including those relating to the solar industry and our competition from market research, analyst reports and other publicly available sources. These publications include forward looking statements being made by the authors of such reports. These forward-looking statements are subject to a number of risks, uncertainties and assumptions. Actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements.

PART I

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

Not applicable

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

Not applicable

ITEM 3. KEY INFORMATION

A. Selected Financial Data

The following selected consolidated statement of operations data for the fiscal years ended March 31, 2018, 2019 and 2020 and the selected consolidated balance sheet data as of March 31, 2019 and 2020, have been derived from our audited consolidated financial statements included elsewhere in this annual report. The selected consolidated statement of operations data for the fiscal years ended March 31, 2016 and 2017 and selected consolidated balance sheet data as of March 31, 2016, 2017 and 2018 have been derived from our audited consolidated financial statements of the respective periods not included in this annual report. Our consolidated financial statements are prepared and presented in accordance with U.S. GAAP. Our historical results do not necessarily indicate our results expected for any future period.

The following information should be read in conjunction with, and is qualified in its entirety by reference to, "Item 5. Operating and Financial Review and Prospects" and the audited consolidated financial statements and the notes thereto included elsewhere in this annual report.

	Fiscal Year Ended March 31,					
Consolidated Statement of Operations data:	**2016 [1] (INR)**	**2017 (INR)**	**2018 (INR)**	**2019 (INR)**	**2020 (INR)**	**2020 [2] (US$)**
					(In millions except for per share amounts)	
Operating revenues:						
Sale of power	2,626	4,183	7,701	9,926	12,958	171.9
Operating costs and expenses:						
Cost of operations (exclusive of depreciation and amortization shown separately below)	191	376	692	869	1,146	15.2
General and administrative	673	797	1,188	1,314	2,434	32.3
Depreciation and amortization	688	1,047	1,883	2,137	2,860	37.9
Total operating costs and expenses:	1,551	2,220	3,763	4,320	6,440	85.4
Operating income	**1,075**	**1,963**	**3,938**	**5,606**	**6,518**	86.5
Other expense, net:						
Interest expense, net	2,104	2,444	5,335	5,022	7,962	105.6
Other income	(45)	(72)	(167)	(148)	(108)	(1.4)
Loss (gain) on foreign currency exchange, net	343	(109)	46	441	512	6.7
Total other expenses, net	2,402	2,263	5,214	5,315	8,366	110.9
Profit / (loss) before income tax	**(1,327)**	**(300)**	**(1,276)**	**291**	**(1,848)**	(24.4)
Income tax (expense)/ benefit	(328)	(892)	253	(153)	(489)	(6.5)
Net profit / (loss)	**(1,655)**	**(1,192)**	**(1,023)**	**138**	**(2,337)**	(30.9)
Less: Net (loss) / profit attributable to non-controlling interest	(5)	(19)	(202)	60	(68)	(0.9)
Net profit / (loss) attributable to APGL	**(1,650)**	**(1,173)**	**(821)**	**78**	**(2,269)**	(30.0)
Accretion to Mezzanine CCPS	(1,348)	(236)	—	—	—	—
Accretion to redeemable non-controlling interest	(30)	(44)	(6)	—	—	—
Net profit / (loss) attributable to APGL equity shareholders	**(3,028)**	**(1,453)**	**(827)**	**78**	**(2,269)**	(30.0)
Net profit / (loss) per share attributable to APGL equity stockholders						
Basic	(1,722.30)	(111.39)	(31.84)	2.37	(52.71)	(0.70)
Diluted	(1,722.30)	(111.39)	(31.84)	2.31	(52.71)	(0.70)
Shares used in computing basic and diluted per share amounts:						
Weighted average shares used in basic	1,758,080	13,040,618	25,974,111	33,063,832	43,048,026	43,048,026
Weighted average shares used in diluted	1,758,080	13,040,618	25,974,111	33,968,127	43,048,026	43,048,026

The following table sets forth a summary of our consolidated statement of financial position as of March 31, 2016, 2017, 2018, 2019 and 2020:

Balance Sheet data:	As of March 31,					
	2016 (1)	2017	2018	2019	2020	2020 (2)
	(INR)	(INR)	(INR)	(INR)	(INR)	(US$)
					(in millions)	
Cash, cash equivalents, and current investments available for sale	3,090	8,757	9,730	10,545	9,792	129.9
Property, plant and equipment, net	24,381	40,943	56,581	83,445	95,993	1,273.4
Total assets	**30,891**	**57,494**	**73,984**	**108,864**	**132,401**	1,756.4
Compulsorily convertible debentures and Series E & Series G compulsorily convertible preferred shares (3)	3,601	—	—	—	—	—
Project level and other debt (4)	20,488	35,158	53,944	71,772	89,864	1,192.0
Mezzanine CCPS shares (5)	9,733	—	—	—	—	—
Total APGL shareholders' (deficit)/equity	(7,438)	13,222	12,117	25,129	27,018	358.4
Total shareholders' (deficit)/equity and liabilities	**30,891**	**57,494**	**73,984**	**108,864**	**132,401**	1,756.4

Notes:

(1) Includes consolidated financial data of AZI prior to July 2015, since, our Company was incorporated in 2015, and AZI is considered as the predecessor of our Company.

(2) Translation of balances in the consolidated balance sheets and the consolidated statements of operations, comprehensive loss, shareholders' (deficit)/equity and cash flows from INR into US$, as of and for the fiscal year ended March 31, 2020 are solely for the convenience of the readers and were calculated at the rate of US$1.00 = INR 75.39, the noon buying rate in New York City for cable transfers in non U.S. currencies, as certified for customs purposes by the Federal Reserve Bank of New York on March 31, 2020. No representation is made that the INR amounts could have been, or could be, converted, realized or settled into US$ at that rate on March 31, 2020, or at any other rate.

(3) The Series E and Series G compulsorily convertible preferred shares were classified as a current liability in the consolidated balance sheet and were converted into equity shares pursuant to our Initial Public Offer ("IPO") in October 2016.

(4) This balance represents the short term and long-term portion of project level secured term loans and other secured bank loans. This balance is net of ancillary cost of borrowing of INR 851 million as on March 31, 2019 and INR 1,145 million (US$ 15.2 million) as on March 31, 2020.

(5) Compulsorily Convertible Preferred Shares ("CCPS") include the Mezzanine CCPS and are classified as temporary equity in the consolidated balance sheet. Mezzanine CCPS were converted into equity shares pursuant to our IPO in October 2016.

Note: There may be differences due to rounding

B. Capitalization and Indebtedness

Not applicable

C. Reasons for the Offer and Use of Proceeds

Not applicable

D. Risk Factors

If any of the following risks actually occur, our business, financial condition, results of operations and cash flows could be materially and adversely affected. In that event, the trading price of our equity shares could decline, and you may lose part or all of your investment. This annual report also contains forward-looking information that involves risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of many factors, including the risks described below and elsewhere in this annual report

Risks to our Business related to the COVID-19 pandemic

The COVID-19 pandemic's adverse impacts on our business, financial position, results of operations, and prospects could be significant.

The COVID-19 pandemic is creating extensive disruptions to the global economy and to the lives of individuals throughout the world. Governments, businesses, and the public are taking unprecedented actions to contain the spread of COVID-19 and to mitigate its effects, including quarantines, travel bans, shelter-in-place orders, closures of businesses and schools, fiscal stimulus, and other regulatory changes. A number of governments and organizations have revised Gross Domestic Product ("GDP") growth forecasts for 2020 downward in response to the economic slowdown caused by the spread of COVID-19, and it is possible that the COVID-19 outbreak will cause a prolonged global economic crisis or recession. While the scope, duration and full effects of COVID-19 are rapidly evolving and not fully known, the pandemic and related efforts to contain it have disrupted global economic activity, adversely affected the functioning of financial markets, impacted interest rates, increased economic and market uncertainty, and disrupted trade and supply chains. If these effects continue for a prolonged period or result in sustained economic stress or recession, many of the risk factors identified in our Form 20-F could be exacerbated and such effects could have a material adverse impact on us in a number of ways related to liquidity, operations, customer demand, interest rate risk, and human capital, as described in more detail below.

- Liquidity risk. Our success may be affected by a variety of external factors that may affect the price or marketability of our products and services, including disruptions in the capital markets, changes in interest rates that may increase our funding costs, reduced demand for our solar products due to economic conditions and the various response of governmental and nongovernmental authorities. In recent weeks, the COVID-19 pandemic has significantly increased economic and demand uncertainty and has led to disruption and volatility in the global capital markets, which increases the cost of capital and adversely impacts access to capital. A prolonged period of extremely volatile and unstable market conditions would likely increase our funding costs and negatively affect market risk mitigation strategies. Furthermore, the volatility in global capital markets during March to May 2020 has caused more volatile currency exchange rate risks. For example, the U.S. dollar has appreciated significantly against the Indian rupee, due to the market volatility caused by the COVID-19 pandemic. Any further depreciation of the Indian rupee could result in higher hedging cost and increased costs of imports for us.

- Strategic risk. As a result of the business shutdown and facilities closures, the global economy has significantly slowed down, resulting in reduced electricity demand in India and globally. The reduced customer demand for electricity may not swiftly increase to pre-COVID-19 level or at all, due to the potential prolonged global economic crisis or recession. The economic downturns may alter the priorities of governments to subsidize and/or incentivize participation in our primary markets in which we operate. The global economic crisis may also prompt the Indian government to enact emergency measures such as electricity tariff adjustments to ease the burden on the economically disadvantaged customers, each of which could have an adverse impact on our financial condition, results of operations, and cash flows. As part of the broader measures to alleviate the economic burden due to the COVID-19 pandemic, on March 28, 2020 the Ministry of Power ("MOP") issued directions to CERCs and SERCs to specify reduced rates of LPSC on payment to be made by power distribution companies ("DISCOMs") to generating companies and transmission licensees. Consequent to the same, on April 6, 2020 MOP clarified that LPSC shall apply at reduced rate for the period between March 24, 2020 to June 30, 2020 and after June 30, 2020, the LPSC shall be payable at the rate given in the PPA/Regulations. This is applicable only on those payments that

become overdue during the period between March 24, 2020 to June 30, 2020 and not on those payments which were already overdue before March 24, 2020. Additionally, on March 27, 2020, MOP issued an order stating that power may be scheduled even if the Payment Security Mechanism is established for 50% of the amount for which it is required to be otherwise established contractually. On March 28, 2020, CERC issued an order for implementation under the direction of the MOP, regarding reduction of LPSC and reduced LPSC of 12% per annum, i.e. 1% per month payable by the DISCOMs along with the late payment towards the invoices incurred between the period of March 24, 2020 to June 30, 2020. Each of, and any combination of, these factors could have a material adverse impact on our financial conditions, results of operations and cash flows.

- Operational risk. Current and future restrictions on our workforce's access to our facilities and the health and availability of our workforce in constructing our solar projects could limit our ability to meet customer expectations and have a material adverse effect on our operations. We may experience increased difficulties in receiving payments from our distribution customers. These customers may not have adequate liquidity or may have greater difficulties in settling their electricity bills. Further, in response to COVID-19, we have modified our business practices with 50-100% of our employees working remotely from their homes to have our operations uninterrupted as much as possible. Moreover, technology in employees' homes may not be as robust as in our offices and could cause the networks, information systems, applications, and other tools available to employees to be more limited or less reliable than in our offices, the continuation of these work-from-home measures introduces additional operational risk, especially including increased cybersecurity risk. These cyber risks include greater phishing, malware, and other cybersecurity attacks, vulnerability to disruptions of our information technology infrastructure and telecommunications systems for remote operations, increased risk of unauthorized dissemination of confidential information, limited ability to restore the systems in the event of a systems failure or interruption, and great risk of a security breach resulting in destruction or misuse of valuable information.

  Moreover, we rely on many suppliers and contractors in our business operations, many of which have issued or may issue in future, force majeure notices requesting an extension of time for their performance resulting in our disruption of supply chain. To mitigate our risk of delay penalties on our customer contracts due the force majeure notice from our suppliers, we have already issued force majeure notices to our off takers including SECI, PGCIL and APDC. We also rely on local and federal government agencies, offices, and other third parties in obtaining permits, conducting construction of our projects and transporting our solar products. In light of the developing measures responding to the pandemic, many of these entities may limit the availability and access of their services. For example, we rely on frequent facility upkeep and improvement through operation and maintenance ("O&M") activities to maintain an efficient operation of our facilities. The COVID-19 pandemic could potentially limit our O&M activities due to the labor shortage and limited availability of third-party service providers, resulting in an adverse impact of our revenues which may not be covered through insurance, as the COVID-19 related risks are not covered under our existing insurance policies. If the suppliers and the third-party service providers continue to have limited capacities for a prolonged period or if additional limitations or potential disruptions in these services materialize, it may negatively affect our operations. Further, we may have disputes with suppliers, contractors or customers that could lead to litigation or arbitration due to contractual force majeure notices.

- Delay in legal matters: The extension of the nationwide lockdown through May 31, 2020 has delayed important hearings relating to legal proceedings to which we are a party. The Apex court has reduced its operation hours due to the lockdown and is presently hearing cases of only urgent nature through video conferencing, the majority of which are related to the scope of freedom of religion. Further, in the wake of the coronavirus outbreak, the high courts in India extended the dates to issue all the interim orders, which were due to expire during the lockdown period. If the Apex courts in India continue to have limited hearings for a prolonged period, it may lead to delay in finalization of our legal cases before the Apex courts and may have negative impacts on our operations.

Because there have been no comparable recent global pandemics that resulted in a similar global impact, we do not yet know the full extent of COVID-19's effects on our business, operations, or the global economy as a whole. The extent to which the COVID-19 outbreak impacts our business, results of operations and financial condition will depend on future developments, including the timeliness and effectiveness of actions taken or not taken to contain and mitigate the effects of COVID-19 both in India and internationally by governments, central banks, healthcare providers, health system participants, other businesses and individuals, which are highly uncertain and cannot be predicted. The uncertain future development of this crisis could materially and adversely affect our business, operations, operating results, financial condition, liquidity or capital levels.

Risks Related to our Business and Our Industry

Our long-term growth depends in part on the Indian government's continued commitment to solar and renewable energy.

The Indian government has a 2022 target for solar capacity of 100 GWs under the NSM. However, actual capacity additions historically were lower than the Indian government's announced targeted capacity additions. (Source: https://pib.gov.in/newsite/pmreleases.aspx?mincode=28). As per MNRE, the installed capacity as of March 31, 2020 is approximately 87% of the target renewable energy capacity. This includes approximately 35 GW of solar capacity. As per the three-year action agenda for the period 2017 to 2020, a target of 100 GW of renewable energy has been set at March 31, 2020 with the objective of achieving 175 GW renewable energy capacity by 2022. Any failure to meet the Indian government's targeted solar capacity may result in a slowdown in our growth opportunities and adversely affect our ability to achieve our long-term business objectives, targets and goals. The government may come up with more tenders such as hybrid or manufacturing wherein we may venture into domains which are not core to our business or business strategy.

The reduction, modification or elimination of central and state government incentives may reduce the economic benefits of our existing solar projects and our opportunities to develop or acquire suitable new solar projects.

The development and profitability of renewable energy projects in the locations in which we operate are dependent on policy and regulatory frameworks that support such developments. Further, the Indian Income Tax Act, 1961 as amended, provides for certain tax benefits, including 100% tax deductions of the profits derived from generation of power for any 10 consecutive years, out of the first 15 years, beginning from the year in which project is completed. However, the exemption was only available to the projects completed on or before March 31, 2017. In addition, certain state policies also provide economic incentives like single window clearance system and setting up of solar parks. In addition, the Government has reduced corporate taxes for certain companies to 25%, and for newly incorporated manufacturing companies incorporated after October 1, 2019, the rate has been reduced to 15%. Further, there is also a reduction in the Minimum Alternate Tax ("MAT"). However, income tax rules are subject to change and such benefits may not be available in the future.

The availability and size of such incentives depend, to a large extent, on political and policy developments relating to environmental concerns in India and are typically available only for a specified time. Generally, the amount of government incentives for solar projects has been decreasing as the cost of producing energy has approached grid parity. None of the projects we have won in the last two fiscal years have received direct incentives or subsidies.

Changes in central and state policies could lead to a significant reduction in or a discontinuation of the support for renewable energies. Reductions in economic incentives that apply to future solar projects could diminish the availability of our opportunities to continue to develop or acquire suitable newly developed solar projects. Such reductions may also apply retroactively to existing solar projects, which could significantly reduce the economic benefits we receive from our existing solar projects. Moreover, some of the solar program incentives expire or decline over time, are limited in total funding, require renewal from regulatory authorities or require us to meet certain investment or performance criteria. In addition, although various SERCs have specified Renewable Purchase Obligation (RPOs) for their distribution companies, the implementation of RPO schemes has not been uniform across Indian states.

Additionally, we may not continue to qualify for such incentives. We may choose to implement other solar power projects that are outside the scope of such incentives. Further, increased emphasis on reducing greenhouse gas emissions and the possibility of trading carbon dioxide emission quotas has led to extra duties being levied on sources of energy, primarily fossil fuels, which cause carbon dioxide pollution. The imposition of these duties has indirectly supported the expansion of power generated from renewable energy and, in turn, solar projects in general. If such direct and indirect government support for renewable energy were terminated or reduced, it would make producing electricity from solar projects less competitive and may reduce demand for new solar projects.

A significant reduction in the scope or discontinuation of government incentive programs in our markets could have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.

Our operations are subject to governmental, health, safety and environmental regulations, which require us to obtain and comply with the terms of various approvals, licenses and permits. Any failure to obtain, renew or comply with the terms of such approvals, licenses and permits in a timely manner or at all may have a material adverse effect on our results of operations, cash flows and financial condition.

The power generation business in India is subject to a broad range of environmental, health, safety and other laws and regulations. These laws and regulations require us to obtain and maintain a number of approvals, licenses, registrations and permits for developing and operating power projects. Additionally, we may need to apply for more approvals in the future, including renewal of approvals that may expire from time to time. For example, we require various approvals during construction of our solar projects and prior to the commissioning certificate is issued, including capacity allocation and capacity transfer approvals, approvals from the local pollution control boards, evacuation and grid connectivity approvals and approval from the chief electrical inspector for installation and energization of electrical installations at the solar project sites. In addition, we are required to comply with state-specific requirements. Certain approvals may not be obtained in a timely manner, as a global crisis such as the COVID-19 pandemic may lead to limited operations or no operations at Government offices, resulting in delays in obtaining approvals. Certain approvals may also be granted on a provisional basis or for a limited duration and require renewal. If the conditions specified therein are not satisfied at a later date, we may not be able to evacuate power from these projects.

In addition, we could be affected by the adoption or implementation of new safety, health and environmental laws and regulations, new interpretations of existing laws, increased governmental enforcement of environmental laws or other similar developments in the future. For instance, we currently fall under an exemption granted to solar photovoltaic projects that exempts us from complying with the Environment Impact Assessment Notification, 2006, issued under the Environment (Protection) Act, 1986. While we are not required to obtain consents under the Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981 and the Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008, certain procedural requirements, such as informing the Pollution Control Board, exists. However, there can be no assurance that we will not be subject to any such consent requirements in the future, and that we will be able to obtain and maintain such consents or clearances in a timely manner, or at all, or that we will not become subject to any regulatory action on account of not having obtained or renewed such clearances in any past periods. Furthermore, our government approvals and licenses are subject to numerous conditions, some of which are onerous and require us to make substantial expenditure. We may incur substantial costs, including clean up or remediation costs, fines and civil or criminal sanctions, and third-party property damage or personal injury claims, as a result of any violations of or liabilities under environmental or health and safety laws or noncompliance with permits and approvals, which, as a result, may have an adverse effect on our business and financial condition. In addition, during a global crisis such as the COVID-19 pandemic, we may be required to obtain special permits from Government authorities to start construction at project sites, and we may not be able to obtain such consents or clearances in a timely manner leading to an adverse impact on us.

We cannot assure you that we will be able to apply for or renew any approvals, licenses, registrations or permits in a timely manner, or at all, and that the relevant authorities will issue any of such approvals, licenses, registrations or permits in the time frames anticipated by us. Further, we cannot assure you that the approvals, licenses, registrations and permits issued to us would not be subject to suspension or revocation for non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any failure to apply for,

renew and obtain the required approvals, licenses, registrations or permits, or any suspension or revocation of any of the approvals, licenses, registrations and permits that have been or may be issued to us, or any onerous conditions made applicable to us in terms of such approvals, licenses, registrations or permits may impede the successful commissioning and operations of our power projects, which may adversely affect our business, results of operations and cash flows.

The generation of electricity from solar sources depends on suitable meteorological conditions. If solar conditions are unfavorable, our electricity generation, and therefore revenue from our solar projects, may be below our expectations.

The electricity produced and revenues generated by our solar projects are highly dependent on suitable solar conditions and associated weather conditions and air pollution, which are beyond our control. Furthermore, components of our systems, such as solar panels and inverters, could be damaged by severe weather, such as dust-storms, tornadoes or lightning strikes. We generally will be obligated to bear the expense of repairing the damaged solar energy systems that we own, and replacement and spare parts for key components may be difficult or costly to acquire or may be unavailable. Unfavorable weather, high levels of air pollution and atmospheric conditions could impair the effectiveness of our assets or reduce their output beneath their rated capacity or require shutdown of key equipment, impeding operation of our solar assets and our ability to achieve certain performance guarantees pursuant to our PPAs, forecasted revenues and cash flows. Sustained unfavorable weather could also unexpectedly delay the installation of solar energy systems, which could result in a delay in us acquiring new projects or increase the cost of such projects. We guarantee the performance of our solar power plants and could suffer monetary consequences if our plants do not produce to our contracted levels. Generally, our plants are in remote locations, that are far from densely populated and polluted areas; however, such areas may be subject to pollution from sources for which we may not have the visibility at the time of setting up of plants.

We base our investment decisions with respect to each solar project on the findings of related solar studies conducted on-site prior to construction. However, actual climatic conditions at a project site may not conform to the findings of these studies and therefore, our facilities may not meet anticipated production levels or the rated capacity of our generation assets, which could adversely affect our business, financial condition, results of operations and cash flows.

Our limited operating history, especially with large-scale solar projects or managing such a large portfolio, may not serve as an adequate basis to judge our future prospects, results of operations and cash flows.

We began our business in 2008 and have a limited operating history. We established our first utility scale solar plant in India in 2009. As of March 31, 2020, we operated 43 utility scale projects and several commercial rooftop projects with a combined rated capacity of 1,808 MWs. As of March 31, 2020, we were also constructing a combined rated capacity of 707 MWs comprising utility scale projects of 90 MWs of Assam 1 and 600 MWs of Rajasthan 6 and several rooftop projects and had an additional 4,600 MWs committed, bringing our total portfolio capacity to 7,115 MWs. 2,000 MWs of Committed Capacity is a greenshoe option that has been exercised by the Company as part of an auction that was won but this capacity has yet to receive a Letter of Award. Accordingly, our relatively limited operating history, especially with large-scale projects, or managing such a large portfolio may not be an adequate basis for evaluating our business prospects and financial performance and makes it difficult to predict the future results of our operations. Period-to-period comparisons of our operating results, and our results of operations for any period should not be relied upon as an indication of our performance for any future period. In particular, our results of operations, financial condition, cash flows and future success depend, to a significant extent, on our ability to continue to identify suitable sites, acquire land for solar projects, obtain required regulatory approvals, arrange financing from various sources, construct solar projects in a cost-effective and timely manner, expand our project pipeline and manage and operate solar projects that we develop. If we cannot do so, we may not be able to expand our business at a profit or at all, maintain our competitive position, satisfy our contractual obligations, or sustain growth and profitability.

The delay between making significant upfront investments in our solar projects and receiving revenue could materially and adversely affect our liquidity, business, results of operations and cash flows.

There are generally several months between our initial bid in renewable energy auctions to build solar projects and the date on which we begin to recognize revenue from the sale of electricity generated by such solar projects. Our initial investments include, without limitation, legal, accounting and other third-party fees, costs associated with project analysis and feasibility study, payments for land rights, payments for interconnection and grid connectivity arrangements, government permits, engineering and procurement of solar panels, balance of system costs or other payments, which may be non-refundable. Our projects may not be fully monetized for 25 years given the average length of our PPAs, but we bear the costs of our initial investment upfront. Furthermore, we have historically relied on our own equity contribution, international lenders and bank loans to pay for costs and expenses incurred during project development. Solar projects typically generate revenue only after becoming commercially operational and starting to sell electricity to the power grid through offtakers. There may be long delays from the initial bid to projects becoming shovel-ready, due to the timing of auctions, obtaining permits and the grid connectivity process. Between our initial investment in the development of permits for solar projects and their connection to the transmission grid, there may be adverse developments, such as unfavorable environmental or geological conditions, pandemics, labor strikes, panel shortages or monsoon weather. Furthermore,

we may not be able to obtain all of the permits as anticipated, permits that were obtained may expire or become ineffective and we may not be able to obtain project level debt financing as anticipated. In addition, the timing gap between our upfront investments and actual generation of revenue, or any added delay due to unforeseen events, such as delays associated with COVID-19 in 2019-20 could put strains on our liquidity and resources, and materially and adversely affect our profitability, results of operations and cash flows. For a full discussion of the risks to our business associated with the COVID-19 pandemic, see “Risks to our Business related to the COVID-19 pandemic”.

Solar project development is challenging, and our growth strategy may ultimately not be successful, which can have a material adverse effect on our business, financial condition, results of operations and cash flows.

The development and construction of solar projects involve numerous risks and uncertainties and require extensive research, planning and due diligence. As a result, we may be required to incur significant capital expenditures for land and interconnection rights, regulatory approvals, preliminary engineering, permits, and legal and other expenses before we can determine whether a solar project is economically, technologically or otherwise feasible. The projects which are now awarded may not be viable in the future.

We may expand our business significantly with a number of new projects in both new and existing jurisdictions in the future. As we adopt new projects, we expect to encounter additional challenges to our internal processes, external construction management, capital commitment process, project funding infrastructure, financing capabilities and regulatory approvals and compliance. Our existing operations, personnel, systems and internal controls may not be adequate to support our growth and expansion and may require us to make additional unanticipated investments in our infrastructure. To manage the future growth of our operations, we will be required to improve our administrative, operational and financial systems, procedures and controls, and maintain, expand, train and manage our growing employee base. We will need to hire and train project development personnel to expand and manage our project development efforts. If we are unable to manage our growth effectively, we may not be able to take advantage of market opportunities, execute our business strategies successfully or respond to competitive pressures. As a result, our business, prospects, financial condition, results of operations and cash flows could be materially and adversely affected.

Success in executing our growth strategy is contingent upon, among others:

- accurately prioritizing geographic markets for entry, including estimates on addressable market demand;
- managing local operational, capital investment or components sourcing in compliance with regulatory requirements;
- negotiating favorable payment terms with suppliers;
- collecting economic incentives as expected, and
- signing PPAs or other arrangements that are commercially acceptable, including adequate financing.

We may not be able to find suitable sites for the development of solar projects.

Solar projects require solar and geological conditions that are not available in all areas. Further, large, utility scale solar projects must be interconnected to the power grid in order to deliver electricity, which requires us to find suitable sites with capacity on the power grid available. We may encounter difficulties registering certain leasehold interest in such sites. Even when we have identified a desirable site for a solar project, our ability to obtain site control with respect to the site is subject to growing competition from other solar power producers that may have better access to local government support or financial or other resources. If we are unable to find or obtain site control for suitable sites on commercially acceptable terms, our ability to develop new solar projects on a timely basis or at all might be harmed, which could have a material adverse effect on our business, financial condition and results of operations. Moreover, our land leases for projects are typically for 30 to 35 years, but our PPAs are generally for a term of 25 years. If we are not able to sell the power produced by our systems after the initial PPA has expired, our liquidity and financial condition may be harmed.

We may incur unexpected cost overruns and expenses if the suppliers of components in our solar projects default in their warranty obligations or delay in the delivery of products and services for any reason including force majeure related to COVID-19

We enter into contracts with our suppliers to supply components in our solar projects. If our suppliers do not perform their obligations, we may have to enter into new contracts with other suppliers at a higher cost or may suffer schedule disruptions. In addition, our suppliers may have difficulty fulfilling our orders and incur delivery delays, or charge us higher prices, higher up-front payments and deposits, which would result in higher than expected prices or less favorable payment terms to develop our projects. Delays in the delivery of ordered components in our solar projects could delay the completion of our under-construction projects. In addition, our relationship with our suppliers may worsen or lead to disagreements or litigation which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Our contracts with our suppliers and contractors all contain provisions for force majeure. Due to the impact of COVID -19 and related lockdowns in India and other parts of the world most of our suppliers have issued force majeure notices to us requesting a suitable time extension for delivery. In case the situation continues for a long period of time we may have to terminate these contracts. We also have issued force majeure notices to our off takers including SECI, PGCIL and APDC. For a full discussion of the risks to our business associated with the COVID-19 pandemic, see “Risks to our Business related to the COVID-19 pandemic”.

Furthermore, the solar panels, inverters and other system components utilized in our solar projects are generally covered by manufacturers' warranties, which are typically for 5 to 25 years. In the event any such components fail to operate as required, we may be able to make a claim against the applicable warranty to cover all or a portion of the expense or losses associated with the faulty component. However, the warranties may not be sufficient to cover all of our expense and losses. In addition, these suppliers could cease operations and no longer honor the warranties, which would leave us to cover the expense and losses associated with the faulty component. Our business, financial condition, results of operations and cash flows could be materially and adversely affected if we cannot recover the expense and losses associated with the faulty component from these warranty providers.

Our construction activities may be subject to cost overruns or delays and, in particular, may incur delays due to COVID-19 and related lockdowns.

Construction of our solar projects may be adversely affected by circumstances outside of our control, including inclement weather, adverse geological and environmental conditions, failure to receive regulatory approvals on schedule or third-party delays in providing supplies and other materials. Changes in project plans or designs, or defective or late execution may increase our costs from our initial estimates and cause delays. Increases in the prices of our materials may increase procurement costs. In particular, we have not yet placed orders for all equipment required to construct and operate all of our power projects that are presently committed and under construction. There can be no assurance that the prices of the equipment required for our power projects that are presently committed and under construction will not change, which may cause the economic returns available from these projects to differ from our initial projections. For example, our project cost per megawatt in fiscal year 2018 was marginally higher than the prior fiscal year due to the use of higher-cost domestic modules as required by PPAs. If we experience unexpected increases in procurement costs, our forecasted revenues and cash flows could be materially adversely affected.

Labor shortages, work stoppages, labor disputes or disruptions in transportation bringing in labor for projects could also significantly delay a project, increase our costs or cause us to breach our performance guarantees under our PPAs, particularly because strikes and labor transportation disruptions are not considered a force majeure event under many of our PPAs. Moreover, local political changes and delays, for instance, caused by state and local elections, as well as demonstrations or protests by local communities and special interest groups could result in, or contribute to, project time and cost overruns for us.

The Government of India imposed a nationwide lockdown in India on March 25, 2020 which continued until May 31, 2020, while gradually relaxing restriction during the period. Due to this lockdown, construction work on our solar projects stopped for a few weeks. After the lockdown is lifted, we are uncertain in relation to speedy normalization process for our projects, and easy availability of labor, components and materials, over a period of time. We may also lose key workers due COVID-19 related illness and related issues. In response to the force majeure notice from our suppliers, we have already issued force majeure notices to our offtakers including SECI, PGCIL and APDC. For a full discussion of the risks to our business associated with the COVID-19 pandemic, see "Risks to our Business related to the COVID-19 pandemic".

In addition, we sometimes utilize and rely on third-party sub-contractors to construct and install portions of our solar projects. If our sub-contractors do not satisfy their obligations or do not perform work that meets our quality standards or if there is a shortage of third-party sub-contractors or if there are labor strikes that interfere with the ability of our employees or contractors to complete their work on time or within budget, we could experience significant delays or cost overruns.

We may not be able to recover any of these losses in connection with construction cost overruns or delays. Certain PPAs require that we connect to the transmission grid by a certain date. If the solar project is significantly delayed, such PPAs may be terminated or require us to pay liquidated damages computed based on number of days of delay in commissioning of the projects or reduction in the PPA tariff. In addition, if we are unable to meet our performance guarantees, most of our PPAs require us to pay liquidated damages to the offtaker in proportion to the amount of power not supplied, and also grant the offtaker a right to draw on bank guarantees posted by us, including up to 100% of certain bank guarantees. Also, certain PPAs provide that we are liable for government fines and penalties if we fail to deliver electricity required by the offtakers to meet their RPO requirements. Furthermore, in the case of projects with viability gap funding ("VGF"), 50% of which is paid out in the first year with the remaining 50% paid out over the course of next five years, if the project fails to generate power for a long period of time, the government agency can suspend the VGF and demand repayment of previously paid sums.

Any of the contingencies discussed above could lead us to fail to generate our expected return from our solar projects and result in unanticipated and significant revenue and earnings losses.

Our operating results may fluctuate from quarter to quarter, which could make our future performance difficult to predict and could cause our operating results for a particular period to fall below expectations, which may result in a severe decline in the price of our equity shares.

Our quarterly operating results are difficult to predict and may fluctuate significantly in the future. We have experienced seasonal and quarterly fluctuations in the past, especially in the winter months and we may experience similar fluctuations in the future. However, given that we are a rapidly growing industry, those fluctuations may be masked by our recent growth rates and thus may not be readily apparent from our historical operating results. As such, our past quarterly operating results may not be good indicators of future performance.

In addition to the other risks described in this "Risk Factors" section, the following factors could cause our operating results to fluctuate:

- the expiration or initiation of any central or state subsidies or incentives;
- our ability to complete installations in a timely manner due to market conditions or due to unavailable financing;
- our ability to continue to expand our operations, and the amount and timing of expenditures related to such expansions;
- announcements by us or our competitors of significant acquisitions, strategic partnerships, joint ventures or capital-raising activities or commitments;
- changes in auction rules;
- changes in feed-in tariff rates for solar power, VGF, our pricing policies or terms or those of our competitors;
- actual or anticipated developments in our competitors' businesses or the competitive landscape;
- an occurrence of low global horizontal irradiation that affects our generation of solar power;
- fluctuations due to the COVID-19 pandemic, related lockdowns and resulting operational disruptions; and
- change in law or adoption of new accounting pronouncements may make our results incomparable.

For these or other reasons, the results of any prior quarterly or annual periods should not be relied upon as indications of our future performance. In addition, with respect to the above factors our actual revenue, key operating and financial metrics and other operating results in future quarters may fall short of the expectations of investors and financial analysts, which could have a material adverse effect on the trading price of our equity shares.

Counterparties to our PPAs may not fulfill their obligations which could result in a material adverse impact on our business, financial condition, results of operations and cash flows.

We generate electricity income primarily pursuant to PPAs entered into with central and state government-run utilities. Some of the customers may become subject to insolvency or liquidation proceedings during the term of the relevant contracts, such as in our rooftop businesses where we have private PPA's, there has been one instance where the counterparty became insolvent, though our exposure to the counterparty was not material, and the credit support received from such customers may not be sufficient to cover our losses in the event of a failure to perform. There may also be delays associated with collection of receivables from government owned or controlled entities on account of the financial condition of these entities that deteriorated significantly in the past. Where we are selling power to non-governmental entities, as in our rooftop portfolio, we take into account the credit ratings assigned by rating

agencies and our ability to collect when assessing the counterparties' creditworthiness. The Governmental entities to which we sell power generally may not have credit ratings for us to consider. For illustrative purposes, Moody's Investor Services Inc. and Standard and Poor's Financial Services LLC have rated the Indian government Baa2 and BBB-, respectively. As a result, many of the state governments in India, if rated, would likely rate lower than the Indian government. Although the central and state governments in India have taken steps to improve the liquidity, financial condition and viability of state electricity distribution utility companies, there can be no assurance that the utility companies that are currently our customers will have the resources to pay on time or at all.

In addition, our PPA customers may, for any reason, become unable or unwilling to fulfil their related contractual obligations, refuse to accept delivery of power delivered thereunder or otherwise terminate such agreements prior to the expiration thereof. If such events occur, our assets, liabilities, business, financial condition, results of operations and cash flows could be materially and adversely affected. For instance, Gujarat Urja Vikas Nigam Limited had filed a petition with the Gujarat Electricity Regulatory Commission, seeking recalculation of the tariff under its PPA on the basis of actual cash flow required for development of solar projects and consequent revision of the tariff payable by it, in relation to certain solar power projects including our 10 MWs Gujarat 1 project. While the Gujarat Electricity Regulatory Commission and the Appellate Tribunal for Electricity dismissed the claims made by Gujarat Urja Vikas Nigam Limited, an appeal filed by Gujarat Urja Vikas Nigam Limited is pending before the Supreme Court of India. Further, On July 7, 2019, the Government of Andhra Pradesh vide an order bearing no. GO RT No 63 ("Order"), constituted a High-Level Negotiation Committee to revisit and review PPAs for solar & wind projects in the state of Andhra Pradesh with a view to bring down the tariffs. Pursuant to the same, a letter dated July 12, 2019, was issued by Andhra Pradesh Distribution Company to the developers to reduce the quoted tariff to INR 2.43 per unit for wind projects for the pending bills, and INR 2.44 per unit for solar projects from the date of commissioning, and threatened termination of the PPA in case of refusal of the developers to accede to such reduction ("Letter"). The developers challenged both the Order and the Letter in the High Court at Vijayawada. The High Court vide order dated September 24, 2019, set aside both the Order and the Letter. However, as an interim measure, until the issue of possibility of reduction of existing tariff is decided by the Andhra Pradesh Electricity Regulatory Commission ("APERC"), directed to honor the outstanding and future bills of the developers and pay at an interim rate of INR 2.43 and INR 2.44 per unit for wind and solar projects, respectively. This order of the single judge has been challenged in an appeal filed by the developers including Azure Power. The matter is listed for further hearing in the court and matter has been adjourned until disposal of the writ appeals before Vijayawada.

For instance, in connection with an extension of the date of commissioning of the 40 MWs project in Karnataka of one of our subsidiaries, our distribution company customer reduced its payable tariff under the PPA. After certain litigation, the subsidiary executed a supplementary PPA with the customer allowing extension of time without reducing the PPA tariff, however when the supplementary PPA went for the approval of the Karnataka Regulatory Commission ("KERC") the KERC, pursuant to an order directed our customer to retrospectively withdraw the extensions, and to enforce a reduced tariff and recover liquidated damages due to delay based on "actual commercial operation date". Against the order of the KERC, we filed an appeal before the Appellate Tribunal for Electricity ("APTEL"). The matter is pending adjudication before the apex court. Although, in a similar matter, pertaining to the same issue, we have received a favorable order from APTEL vide order dated February 28, 2020, where APTEL set aside the order of KERC, wherein the KERC had reduced the extension of time and reduced the tariff and imposed liquidated damages. We cannot provide any assurances, however, that our appeal to the APTEL will ultimately be decided in our favor. Further, the commissioning of a 10 MWs project in Punjab by another of our subsidiaries faced delays due to a delay by the customer, and our subsidiary had sought an extension of the commercial operation date at the same tariff rate as per the PPA. This matter is also currently pending before the APTEL. We cannot provide assurances, however, that such proceedings will ultimately be decided in our favor.

Furthermore, to the extent any of our customers are, or are controlled by, governmental entities, bringing actions against them to enforce their contractual obligations is often difficult. Also, our counterparties may be subject to legislative or other political action that may impair their contractual performance.

Our obligations under our PPAs and the tariffs set under our PPAs may expose us to certain risks that may affect our future results of operations and cash flows.

Our profitability is largely a function of our ability to manage our costs during the terms of our PPAs and operate our power projects at optimal levels. If we are unable to manage our costs effectively or operate our power projects at optimal levels, our business and results of operations may be adversely affected. In the event we default in fulfilling our obligations under the PPAs, such as supplying the minimum amount of power specified in some of the PPAs or failing to obtain regulatory approvals, licenses and clearances with respect to our solar projects, we may be liable for penalties and in certain specified events, customers may also terminate such PPAs. Further, any failure to supply power from the scheduled commercial operation date my result in levy of liquidated damages and encashment of bank guarantees provided by us under the terms of certain PPAs. The termination of any of our projects by our customers would adversely affect our reputation, business, results of operations and cash flows.

Further, the recent tender which involves manufacturing of solar modules, wherein we have entered into a joint venture agreement with a local solar panel manufacturer, to set up a new facility in accordance with the terms of the contract. Any deviation from the contract terms, or non-performance by the joint venture partner could cause adverse impact to us financially as well as reputationally.

Under a long-term PPA, we typically sell power generated from a power plant to state distribution companies at pre-determined tariffs. Our PPAs are generally not subject to downward revisions unless we elect to utilize accelerated rate of depreciation or if there is a delay in commissioning our projects, although we have entered into contracts that provide for downward adjustments in the past and may do so in the future. Accordingly, if there is an industry-wide increase in tariffs or if we are seeking an extension of the term of the PPA, we will not be able to renegotiate the terms of the PPA to take advantage of the increased tariffs. In addition, in the event of increased operational costs, we will not have the ability to reflect a corresponding increase in our tariffs. Further, any delay in commissioning projects or supplying electricity during the term of the PPA may result in reduction in tariffs, based on the terms of the PPA. Therefore, the prices at which we supply power may have little or no relationship with the costs incurred in generating power, which may lead to fluctuations in our margins. The above factors all limit our business flexibility, expose us to an increased risk of unforeseen business and industry changes and could have an adverse effect on our business, results of operations and cash flows.

The term of most of our PPAs are also less than the life of the power projects they are tied to. We will need to enter into other offtake agreements, or seek renewals or extensions of the existing PPAs, for the balance of the life of those power projects. Moreover, there are often other restrictions on our ability to, among other things, sell power to third parties and undertake expansion initiatives with other consumers. Failure to enter into or renew offtake arrangements in a timely manner and on terms that are acceptable to us could adversely affect our business, results of operations and cash flows. There could also be negative accounting consequences if we are unable to extend or replace expiring PPAs, including writing down the carrying value of assets at such power project sites.

The Government also provides Viability Gap Funding (“VGF”) to various companies to support infrastructure projects that are economically justified but fall short of financial viability. Benefits under VGF are linked to certain conditions as set by the Government like achievement of minimum Capacity Utilization Factor (“CUF”) during the fiscal year. We have obtained VGF benefits in some of our projects. During fiscal year ended March 31, 2020, we could not avail the VGF for our Uttar Pradesh 40 MWs project due to our inability to meet the conditions. Further, there can be no assurance that we will be able to perform at a level that we are able to claim VGF in the future for our projects.

Additionally, under the PPAs, our remedies in case of delays in payment by our customers may also be limited. For example, certain PPAs only permit us to terminate the PPA on account of non-payment of dues upon 90 days of our inability to recover such dues. Such risks limit our business flexibility, expose us to an increased risk of unforeseen business and industry changes and could have an adverse effect on our business, results of operations and cash flows.

In addition, most of the government agencies we enter into PPAs with under the NSM or the relevant state policies require us to agree to their standard form contracts and we cannot negotiate for commercial terms or other terms of funding that are more favorable to us.

Our substantial indebtedness could adversely affect our business, financial condition, results of operations and cash flows.

As of March 31, 2020, we had INR 5,947 million (US$ 78.9 million) in current liabilities, excluding the current portion of long-term debt and short-term debt, and INR 89,864 million (US$1,192.0 million) in outstanding long-term borrowings, including the current portion of long-term debt and short-term debt. Generally, these borrowings relate to the financing for our projects and are secured by project assets.

Our debt could have significant consequences on our operations, including:

- reducing the availability of our cash flow to fund working capital, capital expenditures, acquisitions and other general corporate purposes as a result of our debt service obligations;
- limiting our ability to obtain additional financing;
- limiting our flexibility in planning for, or reacting to, changes in our business, the industry in which we operate and the general economy;
- potentially increasing the cost of any additional financing; and
- limiting the ability of our project operating subsidiaries to pay dividends to us for working capital or return on our investment.

In addition, our borrowings under certain project-specific financing arrangement have floating rates of interest. Therefore, an increase or decrease in interest rates will increase or decrease our interest expense associated with such borrowing. A significant increase in interest expense could have an adverse effect on our business, financial condition, results of operations and cash flows impacting our ability to meet our payment obligations under our debt.

Any of these factors and other consequences that may result from our substantial indebtedness could have an adverse effect on our business, financial condition, results of operations and cash flows impacting our ability to meet our payment obligations under our debt. Our ability to meet our payment obligations under our outstanding debt depends on our ability to generate significant cash flow in the future. This, to some extent, is subject to general economic, financial, competitive, legislative and regulatory factors as well as other factors that are beyond our control. In addition, US$850.0 million of our debt is in the form of bonds, which may be subject to refinancing risk, when they become due, as market conditions may not be possible to refinance the bonds at all or to refinance the bonds on favorable terms. In addition, our hedges on these bonds are covered up to INR 90.0/US$ and INR 93.0/US$ for the US$ 500.0 million and US$ 350.0 million bonds, respectively, which may expose us to additional hedging costs in the future. Furthermore, the recent rating downgrade of the Government of India by Moody’s, a first in over two decades, as well as a negative outlook for the Government of India, may make global access to funds difficult.

Our growth prospects and future profitability depend to a significant extent on global liquidity and the availability of additional funding options with acceptable terms.

We require a significant amount of cash to fund the installation and construction of our projects and other aspects of our operations, and expect to incur additional borrowings in the future, as our business and operations grow. We may also require additional cash due to changing business conditions or other future developments, including any investments or acquisitions we may decide to pursue in order to remain competitive.

Historically, we have used loans, equity contributions, and government subsidies to fund our project development. We expect to expand our business with proceeds from third-party financing options, including any bank loans, equity partners, financial leases and securitization. However, we cannot guarantee that we will be successful in locating additional suitable sources of financing in the time periods required or at all, or on terms or at costs that we find attractive or acceptable, which may render it impossible for us to fully execute our growth plan. In addition, rising interest rates could adversely impact our ability to secure financing on favorable terms. In addition, a global economic crisis such as the current crisis related to the COVID-19 pandemic, can cause a global recession or could adversely impact our ability to secure financing on favorable terms. Exchange rate fluctuations impact our ability to import capital goods as per the budget cost or on favorable terms. For a full discussion of the risks to our business associated with the COVID-19 pandemic, see "Risks to our Business related to the COVID-19 pandemic".

Installing and constructing solar projects requires significant upfront capital expenditure and there may be a significant delay before we can recoup our investments through the long-term recurring revenue of our solar projects. Our ability to obtain external financing is subject to a number of uncertainties, including:

- our future financial condition, results of operations and cash flows;
- the general condition of global equity and debt capital markets;
- our credit ratings and past credit history;
- the prevailing exchange rate of Indian rupee against major currencies, in particular, the U.S. dollar;
- regulatory and government support in the form of tax incentives, preferential tariffs, project cost subsidies and other incentives;
- the continued confidence of banks and other financial institutions in Azure Power and the solar power industry;
- economic, political and other conditions in the jurisdictions where we operate; and
- our ability to comply with any financial covenants under our debt financing.

Any additional equity financing may be dilutive to our Company's shareholders and any debt financing may contain restrictive covenants that limit our flexibility going forward. Furthermore, our credit ratings may be downgraded, which would adversely affect our ability to refinance debt and increase our cost of borrowing. Failure to manage discretionary spending and raise additional capital or debt financing as required may adversely impact our ability to achieve our intended business objectives.

If we fail to comply with financial and other covenants under our loan agreements, our financial condition, results of operations, cash flows and business prospects may be materially and adversely affected.

We expect to continue to finance a significant portion of our project development and construction costs with project financing. The agreements with respect to our existing project-level indebtedness contain financial and other covenants that require us to maintain certain financial ratios or impose certain restrictions on the disposition of our assets or the conduct of our business. In addition, we typically pledge our solar project assets or account or trade receivables, and in certain cases, shares of the special purpose vehicles, to raise debt financing, and we are restricted from creating additional security over our assets. Such account or trade receivables generally includes all income generated from the sale of electricity in the solar projects.

Our financing agreements also include certain restrictive covenants whereby we may be required to obtain approval from our lenders to, among other things, incur additional debt, undertake guarantee obligations, enter into any scheme of merger, amalgamation, compromise, demerger or reconstruction, change our capital structure and controlling interest, dispose of or sell assets, transfer shares held by major shareholders to third parties, invest by way of share capital, lend and advance funds, make payments, declare dividends in the event of any default in repayment of debts or failure to maintain financial ratios, place deposits and change our management structure. Most of our lenders also impose significant restrictions in relation to our solar projects, under the terms of the relevant project loans taken by our respective subsidiaries. For example, we are required to obtain lenders' consent to make any changes to, or terminate, project documents, waive any material claims or defaults under the project documents, make any changes to financing plans relating to our projects, and replace suppliers or other material project participants. There can be no assurance that such consent will be granted in a timely manner, or at all. In the event that such lender consents are granted, they may impose certain additional conditions on us, which may limit our operational flexibility or subject us to increased scrutiny by the relevant lenders. The time required to secure consents may hinder us from taking advantage of a dynamic market environment. These agreements also grant certain lenders the right to appoint nominee directors on the Board of Directors of AZI or its subsidiaries and require us to maintain certain ratings or other levels of credit worthiness. If we breach any financial or other covenants contained in any of our financing arrangements, we may be required to immediately repay our borrowings either in whole or in part, together with any related costs.

Our failure to comply with financial or restrictive covenants or periodic reporting requirements or to obtain our lenders' consent to take restricted actions in a timely manner or at all may result in the declaration of an event of default by one or more of our lenders, which may accelerate repayment of the relevant loans or trigger cross defaults under other financing agreements. We cannot assure you that, in the event of any such acceleration or cross-default, we will have sufficient resources to repay these borrowings. Failure to meet our obligations under the debt financing agreements could have an adverse effect on our cash flows, business and results of operations. Furthermore, a breach of those financial and other covenants or a failure to meet certain financial ratios under these financing agreements could also restrict our ability to pay dividends.

We have issued two Solar Green Bonds, consisting of 5.65% Solar Green Bonds for US$ 350.0 million in September 2019 and 5.5% Solar Green Bonds for US$ 500.0 million in August 2017, collectively ("the Green Bonds"). If we are unable to comply with the covenants as per the Green Bond indentures, or future debt obligations and other agreements, there could be a default under the terms of these agreements. In the event of a default under these agreements, the holders of the debt could accelerate repayment of the principal and interest accrued on the outstanding debt and declare all outstanding amounts due and payable or terminate the agreements, as the case may be. Furthermore, some of our debt agreements, including the Indenture for the green bonds, contain cross-acceleration provisions. As a result, our default under one debt agreement may cause the acceleration of repayment of not only such debt but also other debt or result in a default under our other debt agreements. If any of these events occur, our assets and cash flow may not be sufficient to repay in full all of our indebtedness, and we may not be able to find alternative financing on terms that are favorable or acceptable to us.

Although we had a net profit for the fiscal year ended March 31, 2019, we were not profitable in the current fiscal year or for the fiscal years prior to March 31, 2019 and we may not be able to continue to be profitable in the foreseeable future.

We have incurred losses since our inception. Although we had a net profit for the fiscal year ended March 31, 2019, we were not profitable in the current fiscal year ended March 31, 2020 or for the fiscal years prior to the fiscal year ended March 31, 2019. During, the fiscal year ended March 31, 2020, we had a net loss of INR 2,337 million (US$ 30.9 million). Although we achieved net profit of INR 138 million (US$2.0 million) for the fiscal year ended March 31, 2019, we may not be profitable in future periods. Our costs may increase in the future, reducing our margins for our significant future investment in solar projects.

A significant number of power projects are presently committed and under construction, and we may be only able to monetize them, if at all, after each project is completed, which is subject to several factors, including receiving regulatory approvals, obtaining project funding, entering into transmission arrangements with the central or state transmission utilities, and acquiring land for projects. In addition, even after a project is operational, the monetization process may be quite long term with contracts running up to 25 years. Moreover, we may not succeed in addressing certain risks, including our ability to successfully develop or supervise the commissioning, operations and maintenance of our projects or maintain adequate control of our costs and expenses. Also, we may find that our growth plans are costlier than we anticipate and that they do not ultimately result in commensurate increases in revenue. Our results of operations will depend upon numerous factors, some of which are beyond our control, including the availability of other subsidies, global liquidity and competition. In addition, the global crisis due to the COVID-19 pandemic, could hamper growth, increase our costs, and may result in losses. As a result, we may not continue to be profitable in the foreseeable future. For a full discussion of the risks to our business associated with the COVID-19 pandemic, see “Risks to our Business related to the COVID-19 pandemic”.

We face uncertainties in our ability to acquire the rights to develop and generate power from new solar projects due to highly competitive PPA auctions and possible changes in the auction process.

We acquire the rights to develop and generate power from new solar projects through a competitive bidding process, in which we compete for project awards based on, among other things, pricing, technical and engineering expertise, financial conditions, including specified minimum net worth criteria, availability of land, financing capabilities and track record. The bidding and selection processes are also affected by a number of factors, including factors which may be beyond our control, such as market conditions or government incentive programs. If we misjudge our competitiveness when submitting our bids or if we fail to lower our costs to submit competitive bids, we may not acquire the rights on new solar projects. Furthermore, we have expected prices for system components to decline as part of our bidding process, and if that does not occur, our project economics may be harmed, and we may not remain economically viable.

In addition, rules of the auction process may change. Each state in India has its own regulatory framework and several states have their own renewable energy policy. The rules governing the various regional power markets may change from time to time, in some cases, in a way that is contrary to our interests and adverse to our financial returns. For example, most national auctions currently use the reverse auction structure, in which several winners take part in the same project. There can be no assurance that the central and state governments will continue to allow us to utilize such bidding structures and any shift away from the current structures, such as to a Dutch auction, could increase the competition and adversely affect our business, results of operations and cash flows.

We face significant competition from traditional and renewable energy companies.

We face significant competition in the markets in which we operate. Our primary competitors are local and international developers and operators of solar projects and other renewable energy sources. We also compete with utilities generating power from conventional fossil fuels. Recent deregulation of the Indian power sector and increased private sector investment have intensified the competition we face. The Electricity Act, 2003, or the Electricity Act, removed certain licensing requirements for power generation companies, provided for open access to transmission and distribution networks and also facilitated additional capacity generation through captive power projects. These reforms provide opportunities for increased private sector participation in power generation. Specifically, the open access reform enables private power generators to sell power directly to distribution companies and, ultimately, to the end consumers, enhancing the financial viability of private investment in power generation. Competitive bidding for power procurement further increases competition among power generators and there have been bids that were less than INR 2.48 per kWh, the lowest tariffs for which we have entered into a PPA. Furthermore, given the decline in electricity demand related to the COVID-19 pandemic in India, there will likely be surplus power capacity. In addition, the recent collapse of global oil prices may increase pricing pressure on producers of renewable power. We cannot assure you that we will be able to compete effectively, and our failure to do so could result in an adverse effect on our business, results of operations and cash flows.

Furthermore, our competitors may have greater operational, financial, technical, management or other resources than we do and may be able to achieve better economies of scale and lower cost of capital, allowing them to bid in the same auction at more competitive rates. Our competitors may also have a more effective or established localized business presence or a greater willingness or ability to operate with little or no operating margins for sustained periods of time. Our market position depends on our financing, development and operation capabilities, reputation and track record. Any increase in competition during the bidding process or reduction in our competitive capabilities could have a significant adverse impact on our market share and on the margins, we generate from our solar projects.

Our competitors may also enter into strategic alliances or form affiliates with other competitors to our detriment. As our competitors grow in scale, they may establish in-house engineering, procurement and construction ("EPC"), and O&M capabilities, which may offset a current advantage we may have over them. Moreover, suppliers or contractors may merge with our competitors which may limit our choices of suppliers or contractors and hence the flexibility of our overall project execution capabilities. For example, some of our competitors may have their own internal solar panel manufacturing capabilities. As the solar energy industry grows and evolves, we may also face new competitors who are not currently in the market. There can be no assurance that our current or potential competitors will not win bids for solar projects or offer services comparable or superior to those that we offer at the same or lower prices or adapt to market demand more quickly than we do. Increased competition may result in price reductions, reduced profit margins and loss of market share.

In addition, we face competition from developers of other renewable energy facilities, including wind, biomass, nuclear and hydropower. If these non-solar renewable sources become more financially viable, our business, financial condition, results of operations and cash flows could be adversely affected. Competition from such producers may increase if the technology used to generate electricity from these other renewable energy sources becomes more sophisticated, or if the Indian government elects to further strengthen its support of such renewable energy sources relative to solar energy. As we also compete with utilities generating power from conventional fossil fuels, a reduction in the price of coal or diesel would make the development of solar energy less economically attractive and we would be at a competitive disadvantage. Hence, we cannot guarantee that some of our competitors do not or will not have advantages over us in terms of larger size, internal access to solar panels and greater operational, financial, technical, management, lower cost of capital or other resources.

We face significant risk of curtailment/refusal to take electricity by DISCOMs

Certain DISCOMs has been curtailing/refusing to take electricity from renewable electricity generation companies on the pretext of grid security whereas during the same duration they are buying cheap electricity from conventional sources. In this regard, we have experienced such curtailments in our Andhra Pradesh projects. We have challenged these curtailments and have filed a petition in Andhra Pradesh Electricity Regulatory Commission which is currently pending adjudication. We have also filed a contempt petition on illegal curtailment in the Andhra Pradesh High Court since the single judge had in it its order dated September 24, 2019 stated that curtailment should happen only upon prior notice and only for reasons strong and germane. Our contempt petition is pending adjudication.

Any constraints in the availability of the electricity grid, including our inability to obtain access to transmission lines in a timely and cost-efficient manner could adversely affect our business, results of operations and cash flows.

Distributing power to our power purchasing customer is our responsibility. We generally rely on transmission lines and other transmission and distribution facilities that are owned and operated by the respective state governments or public entities. Where we do not have access to available transmission and distribution networks, we may engage contractors to build transmission lines and other related infrastructure. In such a case, we will be exposed to additional costs and risks associated with developing transmission lines and other related infrastructure, such as the ability to obtain right of way from land owners for the construction of our transmission lines, which may delay and increase the costs of our projects. We may not be able to secure access to the available transmission and distribution networks at reasonable prices, in a timely manner or at all.

In addition, India's physical infrastructure, including its electricity grid, is less developed than that of many developed countries. As a result of grid constraints, such as grid congestion and restrictions on transmission capacity of the grid, the transmission and dispatch of the full output of our projects may be curtailed, particularly because we are required to distribute power to customers across long distances from our project sites. We may have to stop producing electricity during the period when electricity cannot be transmitted. Such events could reduce the net power generation of our projects. If construction of renewable energy projects outpaces transmission capacity of electricity grids, we may be dependent on the construction and upgrade of grid infrastructure by the Indian government or public entities. We cannot assure you that the relevant government or public entities will do so in a timely manner, or at all. The curtailment of our power projects' output levels will reduce our electricity output and limit operational efficiencies, which in turn could have an adverse effect on our business, results of operations and cash flows.

There are a limited number of strong credit purchasers of utility scale quantities of electricity which exposes us, and our utility scale projects to risk.

In fiscal year 2019 and 2020, we derived 75.9% and 72.2%, respectively, of our revenue from our top five customers. Since the transmission and distribution of electricity are either monopolized or highly concentrated in most jurisdictions, there are a limited number of possible purchasers for utility scale quantities of electricity in a given geographic location, including transmission grid operators and central and state-run utilities. For instance, for projects established pursuant to the NSM, solar project developers are required to enter into PPAs with specified implementation agencies/DISCOMs. As a result, there is a concentrated pool of potential buyers for electricity generated by our plants and projects, which may restrict our ability to negotiate favorable terms under new PPAs and could impact our ability to find new customers for the electricity generated by our generation facilities should this become necessary.

Furthermore, if the financial condition of these utilities and/or power purchasers deteriorate or the NSM or other solar policy to which they are currently subject and that compel them to source renewable energy supplies change, demand for electricity produced by our plants could be negatively impacted.

Land title in India can be uncertain and we may not be able to identify or correct defects or irregularities in title to the land which we own, lease or intend to acquire in connection with the development or acquisition of our power projects. Additionally, certain land on which our power projects are located may be subject to onerous conditions which may adversely affect its use.

There is no central title registry for real property in India and the documentation of land records in India has not been fully computerized. Property records in India are generally maintained at the state and district level and in local languages and are updated manually through physical records. Therefore, property records may not be available online for inspection or updated in a timely manner, may be illegible, untraceable, incomplete or inaccurate in certain respects, or may have been kept in poor condition, which may impede title investigations or our ability to rely on such property records. In addition, there may be a discrepancy between the duration of the principal lease under different orders issued by state governments in respect of a particular parcel of revenue land. Furthermore, title to land in India is often fragmented, and in many cases, land may have multiple owners. Title may also suffer from irregularities, such as non-execution or non-registration of conveyance deeds and inadequate stamping and may be subjected to encumbrances of which we are unaware. Any defects in, or irregularities of, title may result in a loss of development or operating rights over the land, which may prejudice the success of our power projects and require us to write off substantial expenditures in respect of our power projects. For instance, a portion of land leased from the government of Rajasthan for our projects in Nagaur, Rajasthan, is presently disputed by third parties claiming mining rights through the Mining Department of the State of Rajasthan. We have filed a petition with the High Court of Rajasthan to disallow the renewal of such mining lease and the High Court of Rajasthan has issued an injunction over the alleged claims on this land for mining. Further, the lease for our Andhra Pradesh 3 project is pending completion of formalities for development of the land.

Further, improperly executed, unregistered or insufficiently stamped conveyance instruments in a property's chain of title, unregistered encumbrances in favor of third parties, rights of adverse possessors, ownership claims of family members of prior owners or third parties, or other defects that a purchaser may not be aware of can affect title to a property. As a result, potential disputes or claims over title to the land on which our power projects are or will be constructed may arise. However, an adverse decision from a court or the absence of an agreement with such third parties may result in additional costs and delays in the construction and operating phases of any solar projects situated on such land. Also, such disputes, whether resolved in our favor or not, may divert management's attention, harm our reputation or otherwise disrupt our business.

In addition, some properties used for our solar projects are subject to other third-party rights such as right of passage and rights to place cables and other equipment on the properties, which may result in certain interferences with our use of the properties. Our rights to the properties used for our solar projects may be challenged by property owners and other third parties for various other reasons as well. For example, we do not always have the exclusive right to use a given site. Any such challenge, if successful, could impair the development or operations of our solar projects on such properties.

In the case of land acquired from private parties, which may be agricultural land, the transfer of such land from agriculturalists to non-agriculturalists such as us and the use of such land for non-agricultural purposes may require an order from the relevant state land or revenue authority allowing such transfer or use. For instance, for our Gujarat 2 projects, we are awaiting approval for use of land for industrial/non-agricultural purposes. Similarly, for revenue land, we obtain a lease from the relevant government authority.

Additionally, the power projects that we may develop or acquire in the future may be located on land that may be subject to onerous conditions under the lease agreements through which we acquire rights to use such land and rights of way. Furthermore, the government may exercise its rights of eminent domain, or compulsory acquisition in respect of land on which our projects are or will be located. Any of this may adversely affect our business, results of operations and cash flows in the future.

A certain portion of the land on which our solar projects are or will be located, are not owned by us. In the event we are unable to purchase the land, or enter into or renew lease agreements, our business, results of operations, cash flows and financial condition could be adversely affected.

Some of our solar projects are located, or will be located, on land that is owned by the state governments or on land acquired/leased or to be acquired/leased from private parties. The timeline for transfer of title in the land is dependent on the type of land on which the power projects are, or will be, located, and the policies of the relevant state government in which such land is located.

We cannot assure you that the outstanding approvals would be received, or that lease or sub-lease deeds would be executed in a timely manner, such that the operation of our solar projects will continue unaffected. In certain cases, any delay in the construction or commissioning of a solar project may result in termination of the lease. Further, the terms of lease and sub-lease agreements may also not be co-terminus with the lifetime of the power projects, taken together with the period of time required for construction and commissioning of the project. Accordingly, we will have to obtain extensions of the terms of such leases and sub-leases for the remainder of the terms of the corresponding PPAs. In the event that the relevant state authorities do not wish to renew the lease or sub-lease agreements, we may be forced to remove our equipment at the end of the lease, and we may not be able to find an alternative location in the short term or at all. Any of the foregoing factors could lead to a material adverse effect on our business, results of operations, cash flows and financial condition.

If there is insufficient demand for solar projects or demand takes longer to develop than we anticipate, our business, financial condition, results of operations, cash flows and prospects could be materially and adversely affected.

The solar power market is at a relatively early stage of development in many of the markets that we have entered or intend to enter. This is especially true in the rooftop and micro-grid solar markets. The solar energy industry continues to experience improved efficiency and higher electricity output. However, trends in the solar energy industry are based only on limited data and may not be reliable. Many factors may affect the demand for solar projects in India, including:

- fluctuations in economic and market conditions that affect the viability of conventional and non-solar renewable energy sources like the recent collapse of oil prices in world markets;
- the cost and reliability of solar projects compared to conventional and other renewable energy sources;
- the availability of grid capacity to dispatch power generated from solar projects;
- public perceptions of the direct and indirect benefits of adopting renewable energy technology;
- regulations and policies governing the electric utility industry that may present technical, regulatory and economic barriers to the purchase and use of solar energy; and
- the overall demand for power in a particular jurisdiction, which may be affected by economic, market and political factors and public health events (such as the COVID-19 pandemic)

If market demand for solar projects fails to develop sufficiently, our business, financial condition, results of operations, cash flows and prospects could be materially and adversely affected.

If we are unsuccessful in our efforts to establish and/or maintain our compliance with the local content requirements in certain states, our financial results could be adversely affected.

In some cases, we are required by the central government in national auctions to procure solar panels solely from Indian manufacturers. Certain states or others may, in the future, require us to procure a defined portion of our solar system components from their designated geographical locales. Such requirements are commonly referred to as "local content requirements." In order to satisfy these local content requirements, we may need to undertake localization initiatives in such geographical locale. Some of our competitors with more significant capital resources may implement or expedite their own localization efforts in these geographical locales, and those efforts may result in competitive advantages for them. We may be faced with shortages or quality issues if projects we bid on impose local content requirements. Our costs may also be higher as a result of these requirements. Our failure to successfully implement appropriate localization initiatives, or otherwise acquire and maintain the capability to satisfy applicable local content requirements, could result in our losing business to our competitors and/or our breaching the terms of agreements, potentially resulting in damages, including monetary penalties. Depending on the value to us of lost business or the amounts of any contractual penalties, these consequences could have a material adverse effect on our results of operations and cash flows.

Operation of power generation facilities involves significant risks and hazards that could have a material adverse effect on our business, financial condition, results of operations and cash flows. We may not have adequate insurance to cover these risks and hazards.

Power generation involves hazardous activities, including delivering electricity to transmission and distribution systems. In addition to natural risks such as earthquake, flood, lightning, hurricane and wind, other hazards, such as fire, structural collapse and machinery failure are inherent risks in our operations. These and other hazards can cause significant personal injury or loss of life, severe damage to and destruction of property, plant and equipment and contamination of, or damage to, the environment and suspension of operations. The occurrence of any one of these events may result in our being named as a defendant in lawsuits asserting claims for substantial damages, including for environmental cleanup costs, personal injury and property damage and fines and/or penalties. We maintain an amount of insurance protection that we consider adequate, but we cannot provide any assurance that our insurance will be sufficient or effective under all circumstances and against all hazards or liabilities to which we may be subject. Furthermore, our insurance coverage is subject to deductibles, caps, exclusions and other limitations. A loss for which we are not fully insured could have a material adverse effect on our business, financial condition, results of operations or cash flows. Further, due to rising insurance costs and changes in the insurance markets, we cannot provide any assurance that our insurance coverage will continue to be available at all or at rates or on terms similar to those presently available. Any losses not covered by insurance could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Maintenance and expansion of power generation facilities involve significant risks that could result in reduced power generation and financial results.

Our facilities may require periodic upgrading and improvement. Any unexpected operational or mechanical failure, including failure associated with breakdowns and forced outages, and any decreased operational or management performance, could reduce our facilities' generating capacity below expected levels and reduce our revenues as a result of generating and selling less power. Degradation of the performance of our solar facilities above levels provided for in the related PPAs may also reduce our revenues. Unanticipated capital expenditures associated with maintaining, upgrading or repairing our facilities may also reduce profitability, especially because our costs are fixed in the PPAs and we may not be able to pass through any unexpected costs in relation to the projects to our customers. Furthermore, we are not able to mitigate such project risks by shifting some or all of the risk to a third-party EPC or O&M contractor since we provide most of these services in-house. A global crisis such as the recent

COVID-19 pandemic has caused the lock downs ordered by the Ministry of Home Affairs, which has impacted the free movement of goods and services. This has impacted some of our O&M activities, and adversely affected our revenues. This impact we may not be able to recover through insurance. If the situation worsens there could be a further adverse impact on our revenues.

Changes in technology may require us to make additional capital expenditures to upgrade our facilities. The development and implementation of such technology entails technical and business risks and significant costs of employee implementation.

Our ability to implement our strategy and our future success depend significantly on the continued service of our senior management team and our ability to attract, train and retain qualified personnel.

Our future success depends on the continued services and performances of the members of our management in our business for project implementations, management and running of our daily operations and the planning and execution of our business strategy. We depend on our experienced management team, and the loss of one or more key executives could have a negative impact on our business. We also depend on our ability to retain and motivate key employees and attract qualified new employees. Other than our Chief Executive Officer ("CEO") and Chief Operating Officer ("COO"), none of our executive officers nor our key employees are bound by employment agreements for any specific term, and we may be unable to replace key members of our management team and key employees in the event we lose their services. There is intense competition for experienced management personnel with technical and industry expertise in the renewable energy business and if we lose the services of any of these individuals and are unable to find suitable replacements in a timely manner, our ability to realize our strategic objectives could be impaired. Integrating new employees into our management team could prove disruptive to our operations, require substantial resources and management attention and ultimately prove unsuccessful. On July 17, 2019, Mr. Inderpreet Singh Wadhwa, retired as Chief Executive Officer and director from the Board of Directors of our Company and its subsidiaries. However, he continued as an external advisor to our Company and its subsidiaries until December 31, 2019. Mr. Ranjit Gupta was appointed as our Company's new Chief Executive Officer with effect from July 18, 2019 in replacement of Mr. Inderpreet Singh Wadhwa. Also, Mr. Murali Subramanian joined as President of our Company with effect from July 18, 2019. With the resignation of Mr. Harkanwal Singh Wadhwa as COO and Director of our Company and its subsidiaries, Mr. Murali Subramanian took over as COO of our Company with effect from April 04, 2020. An inability to attract and retain sufficient managerial personnel who have critical industry experience and relationships could limit or delay our strategic efforts, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Fluctuations in foreign currency exchange rates may negatively affect our revenue, cost of sales and gross margins and could result in exchange losses.

As the functional currency of our Indian subsidiaries is the Indian rupee, our operating expenses are denominated primarily in Indian rupees. However, some of our capital expenditures, and particularly those for equipment imported from international suppliers, such as solar panels, are denominated in foreign currencies. To the extent that we are unable to match revenue received in our functional currency with costs paid in foreign currencies, exchange rate fluctuations in any such currency could have an adverse effect on our profitability. Substantially all of our cash flows are generated in Indian rupees and, therefore, significant changes in the value of the Indian rupee relative to the other foreign currencies could have a material adverse effect on our financial condition and our ability to meet interest and principal payments on debts. In addition to currency translation risks, we incur currency transaction risks whenever we or one of our projects enter into a purchase or sales transaction using a currency other than the Indian rupee. We expect our future capital expenditures in connection with our proposed expansion plans to include significant expenditures in foreign currencies for imported equipment and machinery.

A significant fluctuation in the Indian rupee to U.S. dollar or other foreign currency exchange rates therefore could have a significant impact on our other results of operations. The exchange rate between the Indian rupee and these currencies, primarily the U.S. dollar, has fluctuated in the past and any appreciation or depreciation of the Indian rupee against these currencies can impact our profitability and results of operations. Our results of operations have been impacted by such fluctuations in the past and may be impacted by such fluctuations in the future. For example, the Indian rupee has depreciated against the U.S. dollar in four of the last five years, which may impact our results of operations in future periods. Such depreciation impacts the value of your investment. Furthermore, we have borrowings denominated in U.S. dollars and, as such, an annual decline in the Indian rupee against the U.S. dollar effectively adds to the functional interest rate of our borrowings and the INR equivalent needed to repay the borrowings, when they fall due. Any amounts we spend in order to hedge the risks to our business due to fluctuations in currencies may not adequately hedge against any losses we incur due to such fluctuations. Also, during March, April and May 2020, due to the COVID-19 pandemic and the collapse of world oil prices, the Indian Rupee to U.S. dollar exchange rate has experienced significant fluctuation and generally, the US dollar appreciated significantly against the Indian rupee, primarily due to the worldwide economic halt that was caused by the COVID-19 pandemic. Further, depreciation of the Indian rupee to the U.S. dollar, could result an increase in foreign currency related transaction and translation losses.

The accounting treatment for many aspects of our solar projects is complex and any changes to the accounting interpretations or accounting rules governing our solar projects could have a material adverse effect on our U.S. GAAP reported results of operations and financial condition.

The accounting treatment for many aspects of our solar projects is complex, and our future results could be adversely affected by changes in the accounting treatment applicable to our solar projects. In particular, any changes to the accounting rules regarding the following matters may require us to change the manner in which we operate, finance and account for our solar projects:

- foreign loans accounting;
- derivative contracts;
- asset retirement obligations;
- share based compensation including ESOPs, SARs and RSUs;
- revenue recognition and related timing;
- accounting for convertible debt and equity instruments;
- income taxes;
- foreign holding company tax treatment;
- regulated operations;
- government grants;
- leases;
- provision of doubtful debts; and
- investment in joint ventures/subsidiaries.

Our international corporate structure and operations require us to comply with anti-corruption laws and regulations of the United States government and various non-U.S. jurisdictions. If we are not in compliance with applicable legal requirements, we may be subject to civil or criminal penalties and other remedial measures.

We are subject to the U.S. Foreign Corrupt Practices Act, or the FCPA, which prohibits, in relevant part, U.S. nationals, companies that have securities registered in the U.S. and any officer, director, employee, or agent of such issuer or any shareholder thereof acting on behalf of such issuer from bribing foreign officials for the purpose of obtaining or keeping business or otherwise obtaining favorable treatment and imposes obligations to keep accurate books and records and maintain appropriate internal controls. We have been and will continue to be subject to anti-corruption, anti-bribery and anti-facilitation payment legislation in other jurisdictions, which in certain circumstances go beyond the scope of the FCPA rules and regulations, including in India.

The current and future jurisdictions in which we operate our business may have experienced governmental corruption to some degree, and in certain circumstances, strict compliance with anti-bribery and anti-facilitation payment laws may conflict with local customs and practices, which is likely to negatively impact our results of operations. We have developed and implemented formal controls and procedures to ensure that we are in compliance with the FCPA as well as anti-corruption, anti-bribery and anti-facilitation payment laws. However, compliance with these new controls and procedures could make it more difficult for us to obtain timely permits or otherwise complete our projects on schedule in jurisdictions where strict compliance with anti-corruption and anti-bribery laws may conflict with local customs and practices.

Any historic or future violations of these laws, regulations and procedures by our employees, independent contractors, subcontractors and agents could be costly and time-consuming to investigate and expose us to administrative, civil or criminal penalties or fines (including under U.S. and Indian laws and regulations as well as foreign laws). If we were to be investigated for, charged with, or convicted of, violating these laws and regulations, our reputation could be harmed and it could cause some of our investors to sell their interests in our company to be consistent with their internal investment policies or to avoid reputational damage, and some investors might forego the purchase of our equity shares, all of which may negatively impact the trading prices of our equity shares. In addition, any administrative, civil or criminal penalties or fines could have a material adverse effect on our business results of operations and cash flows.

We may become involved in costly and time-consuming litigation and other regulatory proceedings, which require significant attention from our management.

We may, in the ordinary course of our business, become involved in litigation, administrative or arbitral proceedings. For example, we are, and may become subject to additional demands from Indian governmental or tax authorities, including, but not limited to, on account of differing interpretations of central and state tax statutes in India, which are extensive and subject to change from time to time. Changes in regulations or tax policies, or adoption of differing interpretations of existing provisions, and enforcement thereof by governmental, taxation or judicial authorities in India may become the subject of legal proceedings involving us from time to time.

Additionally, claims may be brought against or by us from time to time regarding, for example, defective or incomplete work, defective products, personal injuries or deaths, damage to or destruction of property, breach of warranty, late completion of work, delayed payments, intellectual property rights or regulatory compliance labor issues, land ownership rights, and may subject us to litigation, arbitration and other legal proceedings, which may be expensive, lengthy, disruptive to normal business operations and require significant attention from our management.

If we were found to be liable on any of the claims against us, we would incur a charge against earnings to the extent a reserve had not been established for coverage. If amounts ultimately realized from the claims by us were materially lower than the balances included in our financial statements, we would incur a charge against earnings to the extent profit had already been accrued. Charges and write-downs associated with such legal proceedings could have a material adverse effect on our financial condition, results of operations and cash flow. Moreover, legal proceedings, particularly those resulting in judgments or findings against us, may harm our reputation and competitiveness in the market.

For example, Gujarat Urja Vikas Nigam Limited has filed a petition with the Gujarat Electricity Regulatory Commission, seeking recalculation of the tariff under the PPA on the basis of actual cash flow required for development of solar projects and consequent revision of the tariff payable by it, in relation to certain solar power projects including our 10 MWs Gujarat 1 project. While the Gujarat Electricity Regulatory Commission and the Appellate Tribunal for Electricity dismissed the claims made by Gujarat Urja Vikas Nigam Limited, an appeal filed by Gujarat Urja Vikas Nigam Limited is pending before the Supreme Court of India. An unfavorable outcome in this appeal will result in significant cost to us.

Further, in Andhra Pradesh, on July 7, 2019, the Government of Andhra Pradesh vide an order set up a High-Level Negotiation Committee to revisit and review PPAs for solar and wind projects in the state of Andhra Pradesh with a view to reduce tariffs in these PPAs. A letter dated July 12, 2019, was issued by Andhra Pradesh Distribution Company to developers to reduce tariffs to INR 2.43 per unit for wind projects, and INR 2.44 per unit for solar projects from the date of commissioning, and threatened termination of the PPA in the case of the refusal of the developers to accede to the reduction.

The developers challenged both the order and the letter in the High Court at Vijayawada. The High Court vide order dated September 24, 2019, set aside both the order and the letter and as an interim measure until the issue is decided by the APERC, directed the Andhra Pradesh Distribution Company to honor outstanding and future bills of the developers and pay at an interim rate of INR 2.43 and INR 2.44 per unit for wind and solar projects respectively. This above-mentioned Court order of single judge has been challenged in an appeal filed by the developers including Azure Power. The matter is listed for further hearing in the court and matter adjourned till disposal of writ appeals before Vijayawada. An unfavorable outcome could potentially result in a significant expense to us. Further, other states might also violate binding contractual PPA tariffs following the unfavorable outcome.

Rising employee costs may harm our business and increase our operation costs.

As of March 31, 2020, we employed 605 persons to perform a variety of functions in our daily operations. Failure to obtain stable and dedicated employee support may cause disruption to our business that harms our operations. Furthermore, employee costs have increased in India in recent years and may continue to increase in the near future. To remain competitive, we may need to increase the salaries of our employees to attract and retain them. Further, to optimize costs, we have right-sized our employee strength, in the current period. Our employee payroll and related costs amounted to INR 702 million, INR 871 million and INR 1,034 million (US$ 13.7 million) for the years ended March 31, 2018, 2019 and 2020, respectively. Any future increase in employee costs may harm our operating results, cash flows and financial condition. During the year we performed a review of our employee strength and took steps to right size the organization, but these actions did not have a material impact on the loss for the year. The COVID-19 pandemic and associated lockdowns may impact the availability of skilled labor at a reasonable cost, as there have been mass movements of labor during the period. For a full discussion of the risks to our business associated with the COVID-19 pandemic, see “Risks to our Business related to the COVID-19 pandemic”.

Any damages caused by fraud or other misconduct by our employees could adversely affect our business, results of operations and financial condition.

We are exposed to operational risk arising from inadequacy or failure of internal processes or systems or from fraud. In the past five fiscal years our Company has not experienced any fraud or misconduct by employees which has materially affected our business, results of operations or financial condition. However, we may not be safeguarded against all fraud or misconduct by employees or outsiders, unauthorized transactions by employees and operational errors. Employee or executive misconduct could also involve the improper use or disclosure of confidential information or data breach, which could result in regulatory sanctions and reputational or financial harm, including harm to our brand. Our management information systems and internal control procedures are designed to monitor our operations and overall compliance. However, they may not be able to identify non-compliance and/or suspicious

transactions in a timely manner or at all. In addition, certain internal control processes are carried out manually, which may increase the risk that human error, tampering or manipulation will result in losses that may be difficult to detect. As a result, we may suffer monetary losses, including contractual liabilities and penalties, which may not be covered by our insurance and may thereby adversely affect our business, results of operations and financial condition. Such a result may also adversely affect our reputation, business, results of operations and financial condition.

Weaknesses, disruptions, failures of cyber security events in our IT systems could adversely impact our business.

We rely on IT systems in connection with financial controls, risk management and transaction processing. We may be subject to disruptions of our IT systems, arising from events that are wholly or partially beyond our control (for example, damage or incapacitation by human error, natural disasters, electrical or telecommunication outages, sabotage, computer viruses, or loss of support services from third parties such as internet backbone providers). We may also be subject to attempted hacking or phishing incidents. In the past five fiscal years, we have not had incidents of system failures, cyber-attacks and frauds, hacking, phishing, trojans and theft of data with a material adverse effect on our business, results of operations or financial condition. In the event we experience systems interruptions, errors, downtime, incidents of hacking, phishing, or breaches of our data security systems, this may give rise to deterioration in customer service and loss or liability to us and it may materially and adversely affect our reputation, business, results of operations and financial condition.

Further, we are dependent on various external vendors for certain elements of our operations and are exposed to the risk that external vendors or service providers may be unable to fulfil their contractual obligations to us (or will be subject to the same risk of operational errors by their respective employees) and the risk that their (or their vendors) business continuity and data security systems prove to be inadequate. If our external vendors or service providers fail to perform any of these functions, it could materially and adversely affect our business and results of operations.

We rely on the security of such platforms for the secure processing, storage and transmission of confidential information. Examples of significant cyber security events are unauthorized access, computer viruses, deceptive communications (phishing), ransom ware, malware or other malicious code or cyber-attack, catastrophic events, system failures and disruptions and other events that could have security consequences (each, a “Cyber Security Event”). A Cyber Security Event could materially impact our ability to adequately manage and value our loan portfolio, provide efficient and secure services to our customers, and regulators, and to timely and accurately report our financial results. Although we have implemented controls and have taken protective measures to reduce the risk of Cyber Security Events, we cannot reasonably anticipate or prevent rapidly evolving types of cyber-attacks and such measures may be insufficient to prevent a Cyber Security Event. Cyber Security Events could expose us to a risk of loss or misuse of our information, litigation, reputational damage, violations of applicable privacy and other laws, fines, penalties or losses that are either not insured against or not fully covered by insurance maintained. We may be required to expend significant additional resources to modify our protective measures or to investigate and remediate vulnerabilities. Further, on account of COVID-19, our offices are closed, and we have implemented a plan whereas between 50 to 100% of all employees of the Company work remotely from their homes. Moreover, technology in employees’ homes may not be as robust as in our offices and could cause additional operational risk, especially including increased cybersecurity risk. For a full discussion of the risks to our business associated with the COVID-19 pandemic, see “Risks to our Business related to the COVID-19 pandemic”.

The global economy may be adversely affected by economic developments and major events in some markets.

The global financial and securities markets, and also the global economy, are influenced by economic and market conditions in some markets worldwide. The global economy may be influenced by shocks from some markets. Although economic conditions vary from country to country, investors' reactions to events occurring in one country sometimes demonstrate a "contagion" effect in which an entire region or class of investment is avoided by international investors. Consequently, there can be no assurance that the global and India's financial system and securities markets will not continue to be adversely affected by events in developed countries' economies or events in other emerging markets, which could in turn, adversely affect the global and India's economy and, indirectly, our business, financial condition and results of operations, and the market value of our equity shares. Furthermore, global events like the COVID-19 pandemic or the recent collapse in world oil prices can materially impact the global economic conditions and reduce the flow of funds through equity or debt in India. For a full discussion of the risks to our business associated with the COVID-19 pandemic, see "Risks to our Business related to the COVID-19 pandemic".

Our Company largest shareholder currently owns 50.91% of our Company and may exercise control of our Company.

As of March 31, 2020, our Company's largest shareholder is CDPQ Infrastructures Asia Pte Ltd., owned 50.91% of our Company's equity shares. CDPQ Infrastructures Asia Pte Ltd is a Company organized and existing under the laws of Singapore and is a wholly owned subsidiary of the Caisse de dépôt et placement du Québec, a body constituted by the Act Respecting the Caisse De Dépôt Et Placement Du Québec ("CDPQ"). Consequently, CDPQ Infrastructures Asia Pte Ltd. has the ability to exercise control over our Company and may have the power to elect and remove the Directors and may determine the outcome proposals for corporate action requiring ordinary resolution of our Company's equity shareholders. The interests of CDPQ Infrastructures Asia Pte Ltd., may be different from our interests or the interests of other shareholders of our Company. As a result, CDPQ Infrastructures Asia Pte Ltd., may delay or defer or initiate a change of control of our Company or a change in our capital structure, delay or defer a merger, sale of assets, or consolidation, or delay or defer the payment of dividends. At present, CDPQ Infrastructures Asia Pte Ltd. has two members of our Company's Board of Directors. *Refer exhibit 4.30 of this document*.

We are subject to claims, arbitration claims and other legal proceedings pertaining to executive compensation or other stock-related matters in addition to other litigation in the ordinary course of business.

As further discussed under Item 8 of this Annual Report, we are involved in two arbitration proceedings concerning matters of executive compensation and stock purchase with former chief executive officer. Our Company and our subsidiary, Azure Power India Private Limited, are respondents in two arbitration proceedings initiated by former Chairman, CEO and Managing Director of the Company, Mr. Inderpreet Singh Wadhwa ("IW") and erstwhile COO Mr. H.S Wadhwa ("HSW"), in relation to certain claims made by IW pursuant to IW's transition agreement and the purchase of IW and HSW's shares in Azure Power India Private Limited under the shareholders agreement.

Regardless of the scope or validity of these claims in these arbitration proceedings, or the merits of any claims by other future potential or actual litigants, we may have to engage in protracted arbitration or litigation that can be expensive, time-consuming, disruptive to our operations and distracting to management. If the arbitral tribunals grant awards to IW and HSW, we may be required to pay the amounts as claimed to the claimants. We believe in the merits of our case in both disputes; however, an unfavorable outcome in the share purchase proceedings could potentially have a material adverse effect on our results of operations, cash flows and financial condition.

In addition to the arbitration proceedings pertaining to executive compensation and the stock purchase, we are regularly involved in other litigation matters in the ordinary course of business. While we believe that these litigation matters should not have a material adverse impact on our business, financial condition, results of operations or future prospects, we may be unable to successfully defend or resolve any current or future litigation matters.

Our Company may not be able to successfully complete asset sales.

We intend to sell assets when suitable opportunities arise to recycle capital for future growth. However, our ability to consummate divestitures is subject to various risks and uncertainties, including:

- failure to identify suitable investors and reach agreement on commercially reasonable terms;
- failure to obtain regulatory approvals and third-party consents necessary to consummate the proposed divestiture; and
- other companies may provide similar assets depressing valuations for the targeted assets.

Risks Related to Operations in India

Substantially all of our business and operations are located in India and we are subject to regulatory, economic, social and political uncertainties in India.

Substantially all of our business and employees are located in India, and we intend to continue to develop and expand our business in India. Consequently, our financial performance will be affected by changes in exchange rates and controls, interest rates, changes in government policies, including taxation policies, social and civil unrest and other political, social and economic developments in or affecting India.

The Indian government has exercised and continues to exercise significant influence over many aspects of the Indian economy. The Indian governments have generally pursued policies of economic liberalization and financial sector reforms, including by significantly relaxing restrictions on the private sector. Nevertheless, the role of the Indian central and state governments in the Indian economy as producers, consumers and regulators has remained significant and we cannot assure you that such liberalization policies will continue. The rate of economic liberalization could change, and specific laws and policies affecting solar power producers, foreign investments, currency exchange rates and other matters affecting investments in India could change as well, including exposure to possible expropriation, nationalization or other governmental actions.

A significant change in India's policy of economic liberalization and deregulation or any social or political uncertainties could significantly harm business and economic conditions in India generally and our business and prospects. Recently, there were mass protests related to the Citizenship Amendment Act, 2019, which provided citizenship to certain illegal migrants in India. The introduction of the law caused protests in several parts of the country. In case there are mass protests leading to civil unrest, such incidents could impact both our construction as well as operations and maintenance activities.

The extent and reliability of Indian infrastructure could significantly harm our results of operations, cash flows and financial conditions.

India's physical infrastructure is less developed than that of many developed nations. Any congestion or disruption with respect to communication systems or any public facility, including transportation infrastructure, could disrupt our normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of people, goods and supplies, and add costs to doing business in India. These disruptions could interrupt our business operations and significantly harm our results of operations, cash flows and financial condition. For the risk of congestion or disruption with respect to India's electricity grid and transmission lines, see "— Risks Relating to Us and Our Industry — Any constraints in the availability of the electricity grid, including our inability to obtain access to transmission lines in a timely and cost-efficient manner, could adversely affect our business, results of operations and cash flows." Further, on account of COVID-19, a number of Government and state government offices are closed. Due to the COVID-19 crisis, there also may be a delay in the receipt of cash from the Government or state governments, which could potentially impact our operations and cash flows. Although, we have been successful in collecting a large part of our receivables so far, there can be no assurance that we will continue to successfully collect the receivables in the future. For a full discussion of the risks to our business associated with the COVID-19 pandemic, see "Risks to our Business related to the COVID-19 pandemic".

A decline in India's foreign exchange reserves may adversely affect liquidity and interest rates in the Indian economy.

According to the weekly statistical supplement of the Reserve Bank of India Bulletin, India's foreign exchange reserves totaled US$ 475.6 billion as of March 27, 2020. A sharp decline in these reserves could result in reduced liquidity and higher interest rates in the Indian economy. Reduced liquidity or an increase in interest rates in the economy following a decline in foreign exchange reserves could have a material adverse effect on our financial performance and ability to obtain financing to fund our growth on favorable terms or at all.

A slowdown in economic growth in India could cause our business to suffer.

Since inception, all of our revenue has been derived directly from sales in India. The performance and growth of our business are necessarily dependent on economic conditions prevalent in India, which may be significantly harmed by political instability or regional conflicts, a general rise in interest rates, inflation and economic slowdown elsewhere in the world or otherwise. The Indian economy also remains largely driven by the performance of the agriculture sector which depends on the quality of monsoon, which is difficult to predict. Although the Indian economy has continued to grow in the past few years, any future slowdown in the Indian economy or a further increase in inflation could have a material adverse effect on the demand for power and, as a result, on our financial condition, results of operations and cash flows.

India's trade relationships with other countries and its trade deficit may significantly harm Indian economic conditions. If trade deficits increase or are no longer manageable, the Indian economy, and therefore our business and our financial performance could be significantly harmed.

India also faces major challenges in sustaining its growth, which include the need for substantial infrastructure development and improving access to healthcare and education. If India's economic growth cannot be sustained or otherwise slows down significantly, our business and prospects could be significantly harmed.

Stringent labor laws may harm our ability to have flexible human resource policies and labor union problems could negatively affect our processing capacity, construction schedules, cash flows and overall profitability.

India has stringent labor legislation that protects the interests of workers, including legislation that sets forth detailed procedures for dispute resolution and employee removal, imposes financial obligations on employers upon employee layoffs and regulates contract labor. These laws may restrict our ability to have human resource policies that would allow us to react swiftly to the needs of our business, discharge employees or downsize. We may also experience labor unrest in the future, which may delay our construction schedules or disrupt our operations. If such delays or disruptions occur or continue for a prolonged period of time, our processing capacity and overall profitability could be negatively affected. We also depend on third party contract labor. It is possible under Indian law that we may be held responsible for wage payments to these laborers if their contractors' default on payment. We may be held liable for any non-payment by contractors and any such order or direction from a court or any other regulatory authority may harm our business, results of our operations and cash flows.

Foreign investment laws in India include certain restrictions, which may affect our future assets sales, acquisitions or investments in India.

India regulates ownership of Indian companies by non-residents, although some restrictions on foreign investment have been relaxed in recent years. Pursuant to the Foreign Direct Investment ("FDI") Policy, investments can be made by non-residents in Indian companies to the extent of the percentage of the total capital of the Indian company specified in the FDI Policy. At present, the FDI Policy permits 100% foreign direct investment in Indian companies engaged in the solar power sector. Under current Indian regulations, transfers of shares between non-residents and residents are permitted (subject to certain exceptions) if they comply with, among other things, the guidelines specified by the Reserve Bank of India in relation to pricing and valuation of such shares and certain reporting requirements for such transactions specified by the Reserve Bank of India. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions specified by the Reserve Bank of India, the prior approval of the Reserve Bank of India will be required before any such transfer may

be consummated. We may not be able to obtain any required approval from the Reserve Bank of India or any other Indian regulatory authority on any particular terms or at all.

For example, under its consolidated foreign direct investment policy, the Indian government has set out additional requirements for foreign investments in India, including requirements with respect to downstream investments by Indian companies owned or controlled by non-resident entities and the transfer of ownership or control, from resident Indian persons or entities to non-residents, of Indian companies in sectors with limits on foreign investment. As substantially all of AZI's equity shares are directly held by Azure Power Global Limited, it would be considered an entity owned and controlled by non-residents under applicable Indian laws. Accordingly, any downstream investment by AZI into another Indian company will have to be in compliance with conditions applicable to such Indian entity, in accordance with the consolidated foreign direct investment policy. In addition, there may be investors who may not be able to buy assets we wish to sell in future. There are guidelines in relation to pricing and valuation of shares and restrictions on sources of funding for such investments. While these guidelines currently do not materially limit our planned investments or asset sales in our Indian subsidiaries, to the extent they become more restrictive, they may restrict our ability to make further equity investments in India, including through Azure Power Global Limited.

Further, India's Foreign Exchange Management Act ("FEMA"), 1999, as amended, and the rules and regulations promulgated thereunder prohibit us from borrowing from our Indian subsidiaries. We are permitted to lend to our Indian subsidiaries subject to compliance with India's policy on external commercial borrowings as notified by the Reserve Bank of India from time to time, which specifies certain conditions, including in relation to eligible lenders and borrowers, permitted end use and limits on the all-in-cost.

Our ability to raise foreign capital may be constrained by Indian law.

Our Indian subsidiaries are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and hence could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, or at all. Limitations on raising foreign debt may have an adverse impact on our business growth, financial condition, results of operations and cash flows.

Imposition of anti-dumping, safeguard duties or basic custom duties on solar equipment imports may increase our costs and adversely impact our margins.

The Ministry of Finance of the Indian government imposed a 25% safeguard duty on import of solar panels from July 30, 2018 to July 29, 2019, which lowered to 20% for the ensuing six months, 15% for the six months thereafter and nil after July 29, 2020. While certain solar power producers approached the High Court of Orissa and obtained an interim stay in July 2018, the Supreme Court of India overturned the stay order on September 11, 2018. Although the issue on the validity of the imposition of this safeguard duty is pending in Supreme Court of India, the safeguard duty continues to be in effect. The Ministry of Commerce and Industry has issued a notification dated March 3, 2020, whereby the Director General, has initiated a review investigation, for examining the need for continued imposition of safeguard duty on solar cells whether or not assembled in modules or panels.

The Finance Act, 2020, enacted by the parliament of India, implemented a Basic Custom Duty on imports of solar cells and modules as a replacement for the safeguard duty. The Finance Act, 2020, levied a tax of 20% on the import of Solar Modules, which has been exempted for Solar Modules through till March 31, 2021. While we seek clarity on date of implementation of the duty, the Basic Custom Duty may increase our costs and reduce our margins on future projects. Our PPAs typically contain change-in-law provisions which permit us to pass on such increases to our offtakers with an upward revision of tariff by obtaining an order to this effect from the relevant electricity regulatory commissions. We have filed change-in-law petitions before relevant electricity regulatory commissions, and we have also received favorable orders allowing our change in law petitions from some of the electricity regulatory commissions. However, we cannot assure you that the offtaker/ electricity regulatory commissions will revise relevant tariffs or allow lump sum payment along with late payment surcharge, sufficiently to cover our increased expenses from the tariffs. To the extent we are unable to pass on the impact of the imposition of safeguard

duty to our offtakers in part or in whole under any of our PPAs, our increased costs of purchase of solar panels could adversely affect our operating results, cash flows and financial condition.

Further, with the objective of building energy security for the country and ensuring reliability of Solar PV Cells and Modules, the MNRE had issued Order dated January, 2 2020, regarding an approved list of Models & Manufacturers (ALMM) for Solar PV cells & modules, providing for enlistment of models and manufacturers of solar PV cells and modules, complying with the BIS Standards. The ALMM Order stipulates that after effective date, all Solar PV Power Projects which are Government owned /Government assisted/bid out as per Central Govt's Standard Bidding Guidelines, shall mandatorily procurer solar PV cells and modules for such projects from the manufacturers approved and included in the ALMM Lists after effective date. The compliance with the rule may limit the options of imported modules, increasing costs which are not determinable at this point.

Investors may not be able to enforce a judgment of a foreign court against our Indian subsidiaries, certain of our Company's directors, or our key management, except by way of a suit in India on such judgment.

All of our operating subsidiaries are incorporated under the laws of India. In addition, certain of our Company's directors and substantially all of our key management personnel reside in India, and all or a substantial portion of our assets and such persons are located in India. As a result, it may not be possible for investors to effect service of process upon such persons outside India, or to enforce judgments obtained against such parties outside India. In India, recognition and enforcement of foreign judgments are provided for under Section 13 and Section 44A of the Civil Procedure Code, 1908 (the "Civil Code") on a statutory basis. Section 13 of the Civil Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law then in force in India.

Under the Civil Code, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction unless the contrary appears on record.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Section 44A of the Civil Code provides that where a foreign judgment has been rendered by a superior court, within the meaning of such section, in any country or territory outside India, which the Indian government has by notification declared to be a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the Civil Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes, other charges of a like nature or in respect of a fine or other penalty and does not apply to arbitration awards. Further, the execution of the foreign decree under Section 44A of the Civil Code is also subject to the exceptions under Section 13 of the Civil Code.

The United Kingdom, Singapore and Hong Kong (among others) have been declared by the Indian government to be reciprocating territories for the purposes of Section 44A. However, the United States has not been declared by the Indian government to be a reciprocating territory for the purposes of Section 44A of the Civil Code. Accordingly, a judgment of a court in a country which is not a reciprocating territory may be enforced in India only by a fresh proceeding suit instituted in a court of India and not by proceedings in execution. Such a suit has to be filed in India within three years from the date of the judgment in the same manner as any other suit filed in India to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court would, if an action were brought in India. Further, it is unlikely that an Indian court would enforce foreign judgments if that court were of the view that the amount of damages awarded was excessive or inconsistent with Indian public policy. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered pursuant to the execution of such judgment and such amount may be subject to income tax in accordance with applicable laws. In addition, any judgment awarding damages in a foreign currency would be converted into Indian Rupees on the date of the judgment and not the date of payment. We cannot predict whether a suit instituted in an Indian court will be disposed of in a timely manner or be subject to considerable delay.

Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, financial condition, results of operations, cash flows and prospects.

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, financial condition, results of operations, cash flows and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

- A comprehensive national goods and services tax ("GST") regime that combines taxes and levies by the central and state governments into a unified rate structure has come into effect since July 1, 2017, unifying and replacing various indirect taxes applicable earlier. The GST rules were amended multiple times since the effective date. The GST has led to increase in the cost of operations of the Indian subsidiaries part of the Green Bond ("Restricted Subsidiaries") at increased rates of GST ranging from 5% to 18%. Under the earlier value added tax ("VAT") regime, the VAT rate on major items like modules and invertors was Nil and the VAT rate on various other items like mounting structure, transmission lines, AC cable, DC cable, AC electrical materials, DC electrical materials, combiner boxes, connectors and Balance of System ("BOS") was 2%. However, under the current GST regime, the GST rate on these items has been increased to 5%. We have filed change-in-law petitions before relevant electricity regulatory commissions, and we have also received favorable orders allowing our change in law petitions from some of the electricity regulatory commissions. We, however, can make no assurances that our offtakers and the electricity regulatory commissions will revise relevant tariffs or allow lump sum payment along with late payment surcharge, sufficiently to cover our increased expenses from GST. To the extent we are unable to pass on the impact of the imposition of GST to our offtakers in part or in whole under any of our PPAs, our increased costs of purchase of products and services due to GST could adversely affect our operating results, cash flows and financial condition.

  While electricity regulatory commissions have allowed pass through on projects under construction, it has rejected claims on O&M contracts without giving any reason. While the impact of GST on O&M is minor and going forward, we have eliminated margins on O&M operations by shifting O&M operations to project SPVs, we have also filed appeals before APTEL.

  On December 31, 2018, the Ministry of Finance issued a notice that 70% of the gross consideration of the supplies under a Composite EPC Contract will be taxed at 5% (GST rate applicable on the supply of specified renewable energy goods) and 30% of the gross consideration of the supplies under the Composite EPC Contract will be taxed at 18%, (GST rate applicable on the supply of construction, engineering, installation, or other technical services in relation to renewable power generating devices), an increase from the earlier tax rate of 5%. The notification has resulted in an increase in the effective tax rates under the GST laws from 5% to 8.9% (on gross consideration) on the Composite EPC Contracts with effect from January 1, 2019. Although we filed change in law petitions seeking pass through of the additional tax under the Composite EPC Contracts, however we cannot assure whether favorable orders in this regard will be received.

- The Indian government has also amended the Income Tax Act, 1961 in respect of the manner of determining the 'tax residency' of a company in India with effect from April 1, 2017. Previously, a foreign company could be a tax resident of India only if its control and management was situated wholly in India. Under the amended rules, a company will be treated as tax resident of India if (i) it is an Indian company; or (ii) its place of effective management ("POEM") is in India. POEM is defined in the Income Tax Act, 1961, to mean a place where key management and commercial decisions that are necessary for the conduct of the business of an entity as a whole are, in substance, made. The Indian government has also issued the final guidelines for determining the POEM of a company on January 24, 2017. The applicability of the amended provisions and the treatment of our subsidiaries under such provisions is uncertain.

- The provisions of the General Anti-Avoidance Rules ("GAAR") came into effect on April 1, 2017. The GAAR provisions can be invoked once an arrangement is regarded as an "impermissible avoidance arrangement", which is any arrangement, or a part of it, the main purpose of which is to obtain a tax benefit and which satisfies at least one of the following tests: (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length; (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the Income Tax Act, 1961; (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or (iv) is entered into, or carried out, by means, or in a manner, which is not ordinarily employed for bona fide purposes. The onus to prove that the transaction is not an "impermissible avoidance agreement" is on the assessee, i.e. an arrangement shall be presumed, unless it is proved to the contrary by the assessee. If GAAR provisions are invoked, then the tax authorities have wide powers, including denial of tax benefit or a benefit under a tax treaty the consequences and effects of which are not determinable at present. Such effects could materially and adversely affect our business, prospects, cash flows, financial condition and results of operations.
- The Indian Government has proposed to replace the existing Income Tax Act, 1961 with a new Direct Tax Code. A draft report on the Direct Tax Code, which is currently not in the public domain, was recently placed before the Indian Finance Minister for her consideration. The consequences and effects of changes in India's income tax policy and law on this account are not determinable at present.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

Natural calamities could have a negative impact on the Indian economy and adversely affect our business and project operations.

India has experienced natural calamities such as earthquakes, tsunamis, floods and drought in the past few years. In February 2019, massive forest fires broke out in numerous places across the Bandipur National Park of the Karnataka state in India and due to heavy rain in July–August 2019, the city of Vadodara and its administrative district in the Indian state of Gujarat were affected by severe flooding. The extent and severity of these natural disasters determines their impact on the Indian economy. If climatic conditions or natural disasters occur in areas where our solar projects and project teams are located, project development, connectivity to the power grid and the provision of O&M services may be adversely affected. In particular, materials may not be delivered as scheduled and labor may not be available. Substantially all of our operations and employees are located in India and there can be no assurance that we will not be adversely affected by natural disasters in the future. Furthermore, the COVID-19 pandemic has significantly impaired the Indian and world economy. For a full discussion of the risks to our business associated with the COVID-19 pandemic, see "Risks to our Business related to the COVID-19 pandemic".

War, terrorist acts and other acts of violence involving India or other neighboring countries could significantly harm our operations directly or may result in a more general loss of customer confidence and reduced investment in these countries that causes significant harm to our business, results of operations, cash flows and financial condition.

Terrorist attacks and other acts of violence or war involving India or other neighboring countries may significantly harm the Indian markets and the worldwide financial markets. The occurrence of any of these events may result in a loss of business confidence, which could potentially lead to economic recession and generally cause significant harm to our business, results of operations, cash flows and financial condition. In addition, any deterioration in international relations may result in investor concern regarding regional stability, which could decrease the price of our equity shares.

South Asia has also experienced instances of civil unrest and hostilities among neighboring countries from time to time. There have also been incidents in and near India such as terrorist attacks in Mumbai, Delhi and on the Indian Parliament, troop mobilizations along the Pakistan and Chinese borders and an aggravated geopolitical situation in the region. Such military activity or terrorist attacks in the future could significantly harm the Indian economy by disrupting communications and making travel more difficult. Resulting political tensions could create a greater perception that investments in Indian companies involve a high degree of risk. Furthermore, if India were to become engaged in armed hostilities, particularly hostilities that were protracted or involved the threat or use of nuclear weapons, we might not be able to continue our operations. Our insurance policies for a certain part of our business do not cover terrorist attacks or business interruptions from terrorist attacks or for other reasons.

Risks Related to Investments in Mauritian Companies

As a shareholder in our Company, you may have greater difficulties in protecting your interests than as a shareholder of a United States corporation.

Our Company is incorporated under the laws of Mauritius. The laws generally applicable to United States corporations and their shareholders may provide shareholders of United States corporations with rights and protection for which there may be no corresponding or similar provisions under the Companies Act 2001 of Mauritius, as amended, or the Mauritius Companies Act. As such, being shareholder of our Company's equity shares, you may or may not be accorded the same level of shareholder rights and protection that a shareholder of a United States corporation may be accorded under the laws generally applicable to United States corporations and their shareholders. Taken together with the provisions of our Company's constitution, which our Company adopted with effect upon completion of its public offering in October 2016, or Constitution, some of these differences may result in you having greater difficulties in protecting your interests as our Company's shareholder than you would have as a shareholder of a United States corporation. This affects, among other things, the circumstances under which transactions involving an interested director are voidable, whether an interested director can be held accountable for any benefit realized in a transaction with us, what rights you may have as a shareholder to enforce specified provisions of the Mauritius Companies Act or our Company's Constitution, and the circumstances under which we may indemnify our Company's directors and officers.

Our Company may become subject to unanticipated tax liabilities that may have a material adverse effect on our Company's results of operations.

Our Company is structured as a Global Business Company ("GBC") in Mauritius. A GBC must at all times:

(i) Carry out its core income generating activities in or from Mauritius by:

- employing either directly or indirectly a reasonable number of qualified persons to carry out the core activities, and
- having a minimum level of expenditure, which is proportionate to its level of activities

(ii) Be managed and controlled from Mauritius; and

(iii) Be administered by a Management Company.

In a circular addressed to Management Companies dated October 12, 2018, the Financial Services Commission in Mauritius have advised that going forward, in assessing the exact substance requirements to be met by a GBC, they shall consider the nature and level of core income generating activities conducted (including the use of technology) by the GBC and taking into account the circumstances of each GBC, based on the following indicative guidelines:

Non-financial services activities	Minimum expenditure	Employment in Mauritius (direct or indirect)
	(U.S. dollar)	
Investment holding (excluding IP rights)	12,000	No minimum employment specified
Non-investment holding	15,000	If annual turnover is: -Less than US$100 million – minimum of one -More than US$100 million – minimum of two

After 30 June 2021, the Deemed Tax Credit will not be applicable to our Company and will be replaced with a new tax regime. The income tax rate for GBCs is at 15%, but subject to meeting certain prescribed conditions, and meeting the substance requirements issued by the Financial Services Commission for a GBC, our Company may benefit from a partial exemption of 80% on certain types of income such as foreign source dividend and interest. Where our Company derives income, which is subject to foreign tax, and where the said partial exemption has not been applied, the amount of foreign tax paid may be allowed as a credit against income tax payable in Mauritius in respect of that income.

Anti-takeover provisions in our Company's constitutional documents and under Mauritius law could make an acquisition of us, which may be beneficial to our Company's shareholders, more difficult and may prevent attempts by our Company's shareholders to replace or remove our Company's current management and limit the market price of our Company's equity shares.

Provisions in our Company's Constitution may have the effect of delaying or preventing a change in control or changes in our management. Our Company's Constitution includes the following provisions which may be regarded as defensive measures:

- a staggered Board of Directors;
- the ability to issue additional equity shares (including "blank check" preferred stock);
- granting directors, the absolute discretion to decline to register a transfer of any shares;
- requiring that amendments to our Company's Constitution be approved by a special resolution of the shareholders of our Company; and
- limiting the liability of, and providing indemnification to, our Company's directors and officers.

These provisions may restrict or prevent any attempts by our Company's shareholders to replace or remove our Company's current management by making it more difficult for shareholders to replace members of our Company's Board of Directors, which is responsible for appointing the members of our Company's management team. The provisions could also deprive our shareholders of the opportunity to sell their shares at a premium over the prevailing market price by discouraging third parties from seeking to obtain control of our Company in a tender offer or similar transactions.

Risks Related to Our Company's Equity Shares

An active or liquid trading market for our Company's equity shares may not be maintained.

Our Company's shares have low trading volumes and an active, liquid trading market for our Company's equity shares may not be maintained in the long term and we cannot be certain that any trading market for our Company's equity shares will be sustained or that the present price will correspond to the future price at which our Company's equity shares will trade. Loss of liquidity could increase the price volatility of our Company's equity shares.

Any additional issuance of equity shares or other equity-related securities would dilute the positions of existing investors in the equity shares and could adversely affect the market price of our Company's equity shares. We cannot assure you that our Company's equity shares will not decline below their prevailing market price. You may be unable to sell your equity shares at a price that is attractive to you.

The market price of our Company's equity shares has been and may continue to be volatile, and you could lose all or part of your investment.

The trading price of our Company's equity shares has been volatile since our Company's initial public offering and is likely to continue to be volatile. Factors that could cause fluctuations in the market price of our Company's equity shares include — trading volume, prices of other securities, market trends, growth of other comparable companies, changes in operating performance, sale of additional shares in the market by us or by other investors, coverage by security analysts, changes in financial estimates, failure to meet analyst or market expectations, press releases by us or our competitors, market speculations, changes in tax and other incentives, regulatory and policy changes, litigations, business acquisitions, changes in accounting standards and economic conditions.

Further, in recent years the stock markets have experienced extreme price and volume fluctuations that have affected and continue to affect the market prices of equity securities of many companies. These fluctuations often have been unrelated or disproportionate to the operating performance of those companies. In addition, the stock prices of many renewable energy companies have experienced wide fluctuations that have often been unrelated to the operating performance of those companies. These broad market and industry fluctuations, as well as general economic, political and market conditions such as recessions, government shutdowns, interest rate changes, or international currency fluctuations, may cause the market price of our Company's equity shares to decline. Furthermore, the COVID-19 crisis has resulted in frequent share market price drops and price volatility in all parts of the world and has impacted the share price of our Company. Any such crisis in future can also significantly impair the share price of our Company.

Sales of a substantial number of our Company's equity shares in the public market, including by our Company's existing shareholders, could cause our Company's share price to fall.

Sales of a substantial number of our equity shares in the public market, or the perception that the sales might occur, could depress the market price of our Company's equity shares and could impair our ability to raise capital through the sale of additional equity securities of our Company. We are unable to predict the effect that these sales and others may have on the prevailing market price of our Company's equity shares.

In addition, certain of our Company's shareholders can require us to register shares owned by them for public sale in the United States. Our Company also has filed a registration statement to register our Company's equity shares reserved for future issuance under our Company's equity compensation plans. Subject to the satisfaction of applicable exercise periods and applicable volume and restrictions that apply to affiliates, our Company's equity shares issued upon exercise of outstanding options will become available for immediate resale in the public market upon issuance.

Future sales of our Company's equity shares may make it more difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate. These sales also could cause the market price of our Company's equity shares to decline and make it more difficult for you to sell our Company's equity shares.

You may have difficulty enforcing judgments against our Company, our Company's directors and management.

Our Company is incorporated under the laws of Mauritius. Further, we conduct substantially all of our operations in India through our key operating subsidiary in India. The majority of our Company's directors and officers reside outside the United States, and a majority of our assets and some or all of the assets of such persons are located outside the United States. As a result, it may be difficult or impossible to effect service of process within the United States upon our Company or those persons, or to recover against our Company or them on judgments of United States courts, including judgments predicated upon the civil liability provisions of the United States federal securities laws. An award of punitive damages under a United States court judgment based upon United States federal securities laws is likely to be construed by Mauritian and Indian courts to be penal in nature and therefore unenforceable in both Mauritius and India. Further, no claim may be brought in Mauritius or India against our Company or our Company's directors and officers in the first instance for violation of United States federal securities laws because these laws have no extraterritorial application under Mauritian or Indian law and do not have force of law in Mauritius or India. However, a Mauritian or Indian court may impose civil liability, including the possibility of monetary damages, on our Company or our Company's directors and officers if the facts alleged in a complaint constitute or give rise to a cause of action under Mauritian or Indian law. Moreover, it is unlikely that a court in Mauritius or India would award damages on the same basis as a foreign court if an action were brought in Mauritius or India or that a Mauritian or Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with Mauritius or Indian practice or public policy.

The courts of Mauritius or India would not automatically enforce judgments of United States courts obtained in actions against our Company or our Company's directors and officers, predicated upon the civil liability provisions of the United States federal securities laws, or entertain actions brought in Mauritius or India against our Company or such persons predicated solely upon United States federal securities laws. Further, there is no treaty in effect between the United States and Mauritius providing for the enforcement of judgments of United States courts in civil and commercial matters and the United States has not been declared by the Indian government to be a reciprocating territory for the purposes of enforcement of foreign judgments, and there are grounds upon which Mauritian or Indian courts may decline to enforce the judgments of United States courts. Some remedies available under the laws of United States jurisdictions, including remedies available under the United States federal securities laws, may not be allowed in Mauritian or Indian courts if contrary to public policy in Mauritius or India. Because judgments of United States courts are not automatically enforceable in Mauritius or India, it may be difficult for you to recover against us or our Company's directors and officers based upon such judgments. In India, prior approval of the Reserve Bank of India is required in order to repatriate any amount recovered pursuant to such judgments.

Our Company does not expect to pay any cash dividends on our Company's equity shares.

Our Company has not paid dividends on any of our Company's equity shares to date and our Company currently intends to retain our future earnings, if any, to fund the development and growth of our Company's business. As a result, capital appreciation, if any, of our Company's equity shares are likely to be your sole source of gain for the foreseeable future. Consequently, you will likely only experience a gain from your investment in our Company's equity shares if the price of our Company's equity shares increases.

In addition, our Company's ability and decisions whether to pay dividends in the future will depend on our earnings, financial condition and capital requirements. Dividends to U.S. holders may be negatively affected by foreign currency fluctuations. We may not generate sufficient income to cover our operating expenses and pay dividends to our Company's shareholders, or at all. Our Company's ability to pay dividends also could be restricted under financing arrangements that our Company may enter into in the future and our Company may be required to obtain the approval of lenders in the event it is in default of its repayment obligations. Our Company may be unable to pay dividends in the near or medium term, and our Company's future dividend policy will depend on our capital requirements, financing arrangements, results of operations and financial condition. Dividends distributed by our Company's will attract dividend distribution tax at rates applicable from time to time.

Our Company will have to rely principally on dividends and other distributions on equity paid by its operating subsidiaries and limitations on their ability to pay dividends to our Company could adversely impact your ability to receive dividends on our Company's equity shares.

Since our Company cannot borrow from our Indian subsidiaries, dividends and other distributions on equity paid by our operating subsidiaries will be our Company's principal source for cash in order for it to fund its operations including corporate expenses. Accordingly, our Company may need to issue additional equity or borrow funds, either of which may be unavailable on attractive terms, if at all.

If our Company's operating subsidiaries incur debt on their own behalf in the future, the instruments governing the debt may restrict their ability to pay dividends or make other distributions to our Company. As our key operating subsidiary is established in India, it is also subject to certain limitations with respect to dividend payments. As of the date of this annual report, AZI has not paid any cash dividends on its equity shares and does not intend to pay dividends to its equity shareholders, including our Company, in the foreseeable future. Moreover, as our Company does not own 100% of AZI, any dividend payment made by AZI to our Company will also involve a payment to the other shareholders of AZI.

As a foreign private issuer, our Company is permitted to, and it will, follow certain home country corporate governance practices in lieu of certain requirements applicable to U.S. issuers. This may afford less protection to holders of our Company's equity shares.

As a foreign private issuer listed on the New York Stock Exchange, or NYSE, our Company permitted to follow certain home country corporate governance practices in lieu of certain NYSE requirements. A foreign private issuer must disclose in its annual reports filed with the SEC, each NYSE requirement with which it does not comply followed by a description of its applicable home country practice. As a company incorporated in Mauritius and which is listed on the NYSE, our Company may follow its home country practice with respect to the composition of its Board of Directors and executive sessions. Unlike the requirements of the NYSE, the corporate governance practice and requirements in Mauritius do not require our Company as a Global Business Company to have the majority of its Board of Directors be independent or to hold regular executive sessions where only independent directors shall be present. Such Mauritian home country practices may afford less protection to holders of our Company's equity shares than would be available to the shareholders of a U.S. corporation.

If our Company ceases to qualify as a foreign private issuer, our Company would be required to comply fully with the reporting requirements of the Exchange Act applicable to U.S. domestic issuers, and our Company could incur additional legal, accounting and other expenses that our Company would not incur as a foreign private issuer.

As a foreign private issuer, *our Company* is exempt from a number of rules and regulations under the Securities Exchange Act of 1934, or the Exchange Act, applicable to U.S. domestic issuers, including the furnishing and content of proxy statements, compliance with the reporting and short-swing profit recovery provisions contained in Section 16 of the Exchange Act applicable to executive officers, directors and principal shareholders. Our Company is not required under the Exchange Act to file periodic reports and financial statements with the SEC as frequently or as promptly as U.S. domestic issuers, and we are not required to disclose in our periodic reports all of the information that U.S. domestic issuers are required to disclose. If our Company does not qualify as a foreign private issuer, our Company will be required to comply fully with the reporting requirements of the Exchange Act applicable to U.S. domestic issuers, and our Company will incur significant additional legal, accounting and other expenses that our Company would not incur as a foreign private issuer.

For as long as our Company is an "emerging growth company," our Company will not be required to comply with certain reporting requirements that apply to other public companies.

Our Company is an "emerging growth company," as defined in the JOBS Act, enacted on April 5, 2012. For as long as our Company continues to be an emerging growth company, our Company may choose to take advantage of certain exemptions from reporting requirements applicable to other public companies that are not emerging growth companies. These include: (1) not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, (2) not being required to comply with any new requirements adopted by the Public Company Accounting Oversight Board, or the PCAOB, requiring mandatory audit firm rotation or a supplement to the auditor's report in which the auditor would be required to provide additional information about the audit and the financial statements of the issuer, (3) not being required to comply with any new audit rules adopted by the PCAOB after April 5, 2012 unless the SEC determines otherwise, and (4) not being required to provide certain disclosure regarding executive compensation required of larger public companies. Our Company could be an emerging growth company for up to five years from the end of fiscal year 2017, although, if the market value of our common equity shares that is held by non-affiliates (referred as "Public Float") exceeds US$ 700.0 million as of any September 30 before the end of that five-year period, our Company would cease to be an emerging growth company as of the following April 1. During the previous year, our Company has early adopted certain new accounting pronouncements that were applicable for public companies and irrevocably elected to follow the public company accounting requirements. This will result in adoption of Financial Accounting Standards Board ("FASB")'s Accounting Standard Updates ("ASU"), as it would be applicable for other public companies. We cannot predict if investors will find our equity shares less attractive if we choose to rely on these exemptions. If some investors find our equity shares less attractive as a result of any choices to reduce future disclosure, there may be a less active trading market for our equity shares and our share price may be more volatile. Further, as a result of these scaled regulatory requirements, our disclosure may be more limited than that of other public companies and you may not have the same protections afforded to shareholders of such companies.

You may be subject to Indian taxes on income arising through the sale of our equity shares.

Pursuant to recent amendments to the Indian Income Tax Act, 1961, as amended, income arising directly or indirectly through the sale of a capital asset, including any share or interest in a company or entity registered or incorporated outside of India, will be liable to tax in India, if such share or interest derives, directly or indirectly, its value substantially from assets (whether tangible or intangible) located in India and whether or not the seller of such share or interest has a residence, place of business, business connection, or any other presence in India. The share or interest of the company or entity registered or incorporated outside of India is deemed to derive its value substantially from the assets located in India if the value of such Indian assets exceeds INR 100 million and represents at least 50% of the value of all the assets owned by the company or entity registered or incorporated outside of India. Substantially all of our assets are located in India.

However, if the transferor of share or interest in a company or entity registered or incorporated outside of India (along with its associated enterprises), neither holds the right of management or control in the company or entity registered or incorporated outside of India nor holds voting power or share capital or interest exceeding 5% of the total voting power or total share capital or interest in the company or entity registered or incorporated outside of India, at any time during the twelve months preceding the date of transfer, such small shareholders are exempt from the indirect transfer provisions mentioned above. The amendments also do not deal with the interplay between the amendments to the Indian Income Tax Act, 1961, as amended, and the existing Double Taxation Avoidance Agreements that India has entered into with countries such as the United States in case of an indirect transfer. Accordingly, the implications of the recent amendments are presently unclear. If it is determined that these amendments apply to a holder of our equity shares, such holder could be liable to pay taxes in India on such income.

If securities or industry analysts do not publish or cease publishing research or reports about us, our business or our market, or if they change their recommendations regarding our equity shares adversely, our stock price and trading volume could decline.

The trading market for our equity shares is influenced by the research and reports that industry or securities analysts publish about us, our business, our market or our competitors. If any of the analysts who cover us or may cover us in the future change their recommendation regarding our stock adversely, or provide more favorable relative recommendations about our competitors, our stock price would likely decline. If any analyst who covers us or may cover us in the future were to cease coverage of our company or fail to regularly publish reports on us, we could lose visibility in the financial markets, which in turn could cause our stock price or trading volume to decline.

Future issuances of any equity securities may cause a dilution in your shareholding, decrease the trading price of our equity shares, and restrictions agreed to as part of debt financing arrangements may place restrictions on our operations.

Any issuance of equity securities after our initial offering could dilute the interests of our shareholders and could substantially decrease the trading price of our equity shares. our Company may issue equity or equity-linked securities in the future for a number of reasons, including to finance our operations and business strategy (including in connection with acquisitions and other transactions), to adjust our ratio of debt to equity, to satisfy our obligations upon the exercise of then-outstanding options or other equity-linked securities, if any, or for other reasons. Issuance of such additional securities may significantly dilute the equity interests of investors, since initial offering who will not have pre-emptive rights with respect to such an issuance, subordinate the rights of holders of equity shares if preferred shares are issued with rights senior to those afforded to our Company's equity shares, or harm prevailing market prices for our Company's equity shares.

Our Company may be classified as a passive foreign investment company, which could result in adverse U.S. federal income tax consequences to certain U.S. investors of our Company's equity shares.

Our Company believes that it was not a passive foreign investment company ("PFIC") for our taxable year ending March 31, 2020 and that, based on the present composition of its income and assets and the manner in which it conduct its business, our Company will not be a PFIC in our Company's current taxable year or in the foreseeable future. Whether our Company is a PFIC is a factual determination made annually, and our Company's status could change depending, among other things, upon changes in the composition and amount of our gross income and the relative quarterly average value of its assets. In particular, if our Company generate a small amount of gross income that is attributable to passive income in a taxable year, then there is a risk that our Company may be a PFIC for that year. If our Company was a PFIC for any taxable year in which you hold our Company's equity shares, you generally would be subject to additional taxes on certain distributions and any gain realized from the sale or other taxable disposition of our equity shares regardless of whether our Company continued to be a PFIC in any subsequent year, unless you mark your equity shares to market for tax purposes on an annual basis. You are encouraged to consult your own tax advisor as to our Company's status as a PFIC and the tax consequences to you of such status. A U.S. Holder will not be able to elect to treat us as a qualified electing fund ("QEF") because we do not intend to prepare the information needed to make a QEF election. See "Item 10. Additional Information — E. Taxation — U.S. Federal Income Taxation — Passive Foreign Investment Company Status."

If a United States person is treated as owning at least 10% of our equity shares, the holder may be required to include amounts in its U.S. taxable income even if our Company does not make distributions to its shareholders.

If a United States person is treated as owning (directly, indirectly, or constructively) at least 10% of the value or voting power of our Company's equity shares, that person may be required to include certain amounts in its U.S. taxable income even if our Company make no distributions to our Company's shareholders. A United States person that is treated as owning (directly, indirectly, or constructively) at least 10% of the value or voting power of our Company's equity shares will be treated as a "United States shareholder" with respect to each "controlled foreign corporation" in our Group. As a result of tax legislation enacted in 2017, it is not certain under what circumstances our non-U.S. subsidiaries will be treated as controlled foreign corporations. However, because our Group includes U.S. subsidiaries, our non-U.S. subsidiaries could be treated as controlled foreign corporations with respect to any United States shareholders (regardless of whether or not our Company are treated as a controlled foreign corporation). A United States shareholder of a controlled foreign corporation in our Group would be required to report annually and include in its U.S. taxable income its pro rata share of "Subpart F income", "global intangible low-taxed income," and investments in United States property, if any, related to that controlled foreign corporation, regardless of whether our Company make any distributions. Failure to comply with these reporting obligations may subject a United States shareholder to significant monetary penalties and may prevent the statute of limitations with respect to such shareholder's U.S. federal income tax return for the year for which reporting was due from starting. An individual that is a United States shareholder with respect to a controlled foreign corporation generally would not be allowed certain tax deductions or foreign tax credits that would be allowed to a United States shareholder that is a U.S. corporation. Because our Company does not maintain U.S. tax books and records, our Company does not expect to be able to furnish to any United States shareholders the information that may be necessary to comply with the shareholder's reporting and taxpaying obligations under these rules. A U.S. investor should consult its advisors regarding the potential application of these rules to an investment in our Company's equity shares, including the possibility that the investor may be treated as a "United States shareholder" as a result of direct, indirect or constructive ownership of our Company's equity shares.

ITEM 4. INFORMATION ON THE COMPANY

A. History and Development of the Company

Our Company's legal and commercial name is Azure Power Global Limited. Our Company is a public company limited by shares incorporated in Mauritius on January 30, 2015. Our Company's registered office is located at c/o AAA Global Services Ltd., 1st Floor, The Exchange 18 Cybercity, Ebene, Mauritius. Our Company's principal executive offices are located at: 3rd Floor, Asset 301-304, WorldMark 3, Aerocity, New Delhi—110037, India, and our Company's telephone number at this location is (91-11) 49409800. Our principal website address is www.azurepower.com. The SEC also maintains an internet site at www.sec.gov that contains reports, proxy and information statements, and other information regarding registrants that make electronic filings with the SEC. Our Company's agent for service of process in the United States is CT Corporation System, located at 28 Liberty Street, New York, NY 10005.

Our Group was founded in 2008, and we developed India's first utility scale solar project in 2009. As of March 31, 2020, we operated 43 utility scale projects and several commercial rooftop projects with a combined rated capacity of 1,808 MWs as on March 31, 2020 which represents a compound annual growth rate, or CAGR, of 98%, since March 2009. As of such date we were also constructing a combined rated capacity of 707 MWs comprising of utility scale projects of 90 MWs of Assam 1 and 600 MWs of Rajasthan 6 and several rooftop projects and had an additional 4,600 MWs committed, bringing our total portfolio capacity to 7,115 MWs. Of the total portfolio capacity 2,000 MWs of Committed Capacity is a greenshoe option that has been exercised by the Company as part of an auction that was won but this capacity has yet to receive a Letter of Award.

B. Business Overview

We sell solar power in India on long-term fixed price contracts to our customers, at prices which in many cases are at or below prevailing alternatives for these customers.

Indian solar capacity installed reached 34.4 GW at the end of February 29, 2020 with a target to achieve 100 GW of installed solar capacity by 2022. Keeping in view India's commitment for a healthy planet with a less carbon intensive economy, in 2015 the Government of India (the "Government" or "GOI") decided that 175 GW of renewable energy capacity will be installed by the year 2022. This includes 100 GW from solar, 60 GW from wind, 10 GW from biomass and 5 GW from small hydro power. In 2019, Prime Minister of India announced that India's renewable energy capacity should exceed 400 GWs by year 2030. The substantial higher capacity target will ensure greater energy security, improved energy access and enhanced employment opportunities. With the accomplishment of these ambitious targets, India will become one of the largest Green Energy producers in the world, surpassing several developed countries.

Solar power is a cleaner, faster-to-build and cost-effective alternative energy solution to thermal power, the economic and climate costs of which continue to increase every year. Through our use of solar power, we estimate that we may have avoided the release of approximately 5.2 million tons CO2 since inception, which is equivalent to avoiding burning approximately 3.8 million tons of coal.

Utility scale solar projects are typically awarded through government auctions. We believe this strong demand for our solar power is a result of the following:

- **Low levelized cost of energy.** Our in-house EPC expertise, advanced in-house O&M capability and efficient financial strategy allow us to offer low-cost solar power solutions.
- **Our integrated profile supports growth.** Our integrated profile affords us greater control over project development, construction and operation, which provides us with greater insight and certainty on our construction costs and timeline.
- **Strong value proposition for our customers.** We manage the entire development and operation process, providing customers with long term fixed price PPAs in addition to high levels of availability and service. This helps us win customer confidence and repeat business.
- **Strong community partnerships.** We hire from local communities and generally lease land with few alternative uses, providing local communities with a stream of discretionary cash flow without displacing alternative business. As a result, we are able to build long term community relationships, which allows us to improve our time of completion, further reducing project development risk.

We generate revenue from a mix of leading Indian central and state government utilities and commercial entities. Because we have our own EPC and O&M capabilities, we can be more competitive than those that need to pay an EPC and O&M margin to third-party providers.

Market Opportunity

India is the most populous democracy in the world with a population of more than 1.3 billion. India's GDP grew 4.7% in the third quarter of fiscal year 2020. (Source: https://www.rbi.org.in/Scripts/PublicationsView.aspx?id=19439)

An efficient, resilient, and financially robust power sector is essential for the growth of the Indian economy. A series of reforms in the 1990s and the Electricity Act 2003 have moved the Indian power sector towards being a competitive market with multiple buyers and sellers supported by regulatory and oversight bodies. India's annual per capita electricity consumption reached 1.2 MWh in fiscal year 2019. (Source: as per the Central Electricity Authority ("CEA") Annual Report). Although the annual per capita power consumption of India has grown significantly from 0.6 MWh in fiscal year 2010 to 1.2 MWh in 2019, it is among the lowest in the world. (Source: as per the Central Electricity Authority ("CEA") Annual Report). According to the International Energy Agency, the annual per capita electricity consumption of India was 1.0 MWh in fiscal year 2017, whereas countries like China and the United States had a per capita electricity consumption of 4.6 MWh and 12.6 MWh, respectively, in fiscal year 2017. (Source: http://energyatlas.iea.org/#!/tellmap/-1118783123). There are various factors such as electrification rates, purchasing power, market saturation and electrical heating or cooling requirements, which impacts the per capita consumption levels globally. The electricity consumption and peak demand have grown at a CAGR of 4.9% and 5.7%, respectively, in the last 10 years (January 2010 to January 2020). (Source: http://cea.nic.in/reports/monthly/executivesummary/2020/exe_summary-01.pdf)

Electricity demand is expected to rise in the future due to increased electrification. Major efforts are being taken by the Government to meet the targets of renewable energy in the country, including:

- Permitting Foreign Direct Investment up to 100 percent under the automatic route,
- Strengthening the terms of PPAs; introduction of guidelines on power curtailments, policies on tariff adoption, force majeure event guidelines etc.
- mandating the requirement of Letter of Credit ("LC") as payment security mechanism by distribution licensees for ensuring timely payments to renewable energy generators,
- setting up of Ultra Mega Renewable Energy Parks to provide land and transmission on plug and play basis to investors,
- waiver of Inter State Transmission System ("ISTS") charges and losses for inter-state sale of solar and wind power for projects to be commissioned by December 31, 2022,
- notification of standard bidding guidelines to enable distribution licensee to procure solar and wind power at competitive rates in cost effective manner,
- declaration of trajectory of Renewable Purchase Obligation ("RPO") for Solar as well as Non-solar, uniformly for all States/ Union Territories, reaching 21% of RPO by 2022 with 10.5% for solar based electricity,
- laying of transmission lines under the Green Energy Corridor Scheme for evacuation of Power in renewable rich states,
- launching of new schemes, such as, Pradhan Mantri Kisan Urja Suraksha evem Utthan Mahabhiyan ("PM-KUSUM"), for farmers to install solar pumps and grid connected solar and other renewable power plants in the country,
- Launching the new Solar Rooftop Phase II scheme for achieving cumulative capacity of 40,000 MWs from Rooftop Solar ("RTS") Projects by the year 2022, and
- Setting up 12,000 MWs of grid connected solar photovoltaic ("PV") power projects for use by the Government and Government entities as part of the Central Public Sector Undertaking ("CPSU") Scheme Phase II to facilitate national energy security and environment sustainability for Government purposes.

Climate change has become a major concern for the world. India has committed to the global climate change initiative and has ratified the Paris Agreement on Climate Change in October 2016. As part of the Nationally Determined Contributions ("NDC"), India has made a pledge that by 2030, 40% of its installed power generation capacity shall be from non-fossil fuel sources and will reduce its carbon emission intensity of GDP by 33-35 % considering 2005 levels.

India has been at the forefront of the renewable energy ("RE") sector. For the period of 2014-2019, clean energy investment in India was about US$75 billion (Source: https://energy.economictimes.indiatimes.com/news/oil-and-gas/indias-renewable-energy-generation-capacity-has-grown-72-per-cent-in-six-yrs-r-k-singh/74789868). Globally, India stands third in terms of renewable power and fifth in terms of solar power installed capacity. RE installed capacity increased by 144% from 35.5 GW in March 2014 to 86.8 GW in February 2020, excluding large hydro above 25 MWs. During the same period, the share of RE capacity in the overall generation capacity mix increased from 14% to 23%. (Source: http://cea.nic.in/reports/monthly/installedcapacity/2014/installed_capacity-03.pdf) to bolster the renewable energy supply in the entire energy mix, the MNRE has issued a National Wind-Solar Hybrid Policy. The Policy seeks to promote new hybrid projects as well as hybridization of existing wind and solar projects. Due to its favorable location in the solar belt, India has one of the best irradiation rates of any large economy. About 5,000 trillion kWh per year energy is incident over India's land area with most parts receiving 4-7 kWh per square meter per day. The solar power potential of India remains largely underutilized with only 34.4 GW of installed power compared with 749 GW of potential power (Source: https://mnre.gov.in/solar/current-status/). The MNRE has suggested that the highest solar energy potential is in Rajasthan at 142 GW followed by Jammu and Kashmir with 111 GW (Source: https://mnre.gov.in/solar/current-status/).

As per Central Electricity Authority's National Electricity Plan, contribution of renewable energy sources is estimated to be around 21% of the total electricity demand of the country in the year 2021-22 and 24% by 2026-27. (Source: https://pib.gov.in/newsite/pmreleases.aspx?mincode=28) The share of solar energy of overall RE installed capacity has increased from 7.5% in 2014 to around 39.7% in 2020, growing at a CAGR of 53.7%. (Source: http://cea.nic.in/reports/monthly/installedcapacity/2020/installed_capacity-02.pdf). The sector is supported by a well-established institutional framework with specific roles and responsibilities assigned to various stakeholders. For example, the MNRE devises key policies in the solar sector. Power from solar projects can be sold to DISCOMs under central or state schemes or to end consumers through open access or captive route. Further, large scale adoption of solar capacity additions in India is primarily driven by various fiscal and regulatory incentives provided by the Government of India. Some of these measures are:

- **National Solar Mission ("NSM")**. A major initiative of the Indian government is to promote ecologically sustainable growth while addressing India's energy security challenge. NSM was introduced as part of India's National Action Plan on Climate Change ("NAPCC") in 2010 with a view to deploy 20 GWs of solar capacity by fiscal year 2022. The targets were subsequently revised to 100 GW by 2022 in June 2015.
- **Solar Renewable Purchase Obligation ("RPO")**. RPO was one of the important instruments of the MOP to achieve the goal of installing 175 GW of renewable energy by fiscal year 2022. The MNRE, Government of India, along with all the State Nodal Agencies (SNAs) have taken appropriate policy initiatives for achieving the target of 175 GW of renewable energy by 2022, with solar capacity of 100 GW. SERCs are required to fix a minimum percentage of the total consumption of electricity in the area of a distribution licensee for purchase of energy from renewable energy sources. With the amendment of Tariff Policy in January, 2016, the SERCs are required to reserve a minimum percentage for purchase of solar energy which shall be such that it reaches 8% of total consumption of energy, excluding Hydro Power, by March 2022 or as notified by the Central Government from time to time. The Government of India in July 2018 notified the Long-Term growth trajectory of RPOs for Solar as well as Non-solar, uniformly for all States/ Union Territories, reaching 21% of RPO by 2022 with 10.5% for solar based electricity
- **Waiver of interstates transmission system charges and losses for solar and wind energy projects:** There are no interstate charges and losses for the sale of solar and wind power for projects commissioned by December 31, 2022. The waiver will apply for a period of 25 years from the date of commissioning. The waiver is applicable for only those projects awarded through competitive bidding under the guidelines issued by the Government and projects entering into PPAs with entities for compliance of their RPO.
- **Ultra Mega Renewable Energy Power Parks ("UMREPPS").** The Ministry has undertaken a scheme to develop Ultra Mega Renewable Energy Power Parks (UMREPPs) under the existing Solar Park Scheme. The objective of the UMREPP is to provide land upfront to the project developer and facilitate transmission infrastructure for developing renewable energy based UMREPPs with solar/wind/hybrid and also with storage systems, if required.
- **Standard Bidding Guidelines.** The MNRE has issued Guidelines for Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected Solar & Wind Power Projects with an objective to provide a framework for procurement of solar & wind power through a transparent process of bidding including standardization of the process and defining of roles and responsibilities of various stakeholders.

- **Dispute Resolution Mechanism.** The MNRE has set up a Dispute Resolution Mechanism for wind and solar projects to consider the unforeseen disputes between solar and wind power developers and SECI/NTPC, beyond contractual agreement. This mechanism will help in the smooth implementation of solar/wind energy projects in India by expeditiously resolving unforeseen disputes that may arise beyond the scope of contractual agreements.

The solar energy sector has also benefited from tariffs that are the lowest cost source of new electricity capacity driven by continued declines in PV module costs, improvement in efficiency due to greater scale of projects, access to long tenure financing and a drop in interest rates to finance solar projects.

Our Business Strategy and Approach

We sell energy to central and state government utilities and independent industrial and commercial customers at predictable fixed prices. Since our energy generation does not rely on fossil fuels, our electricity prices are insulated from the volatility of commodity pricing. We also provide delivery commitments for the electricity production of our solar power plants to our customers.

The typical project plan timeline for our projects is approximately eighteen months. The major stages of project life cycle are bidding, land acquisition, financing, material delivery and installation, as well as monitoring and maintenance. Once a bid is won, a LOA is issued and all of our departments initiate their activities. After that, the PPA is signed, which reflects the commercial operation date before which a plant should be commissioned. Generally, once the LOA is received, we obtain the relevant land permits depending on whether the land is government-owned or private. Once land is obtained, our EPC team works very closely to construct and deliver the plant in the most efficient manner. Once commissioned, our O&M team monitors performance of all the projects near real time. We finance our projects with a mix of equity and project debt.

We utilize our integrated project development, EPC, financing and O&M services without involving multiple third-party services. This approach has allowed us to generate efficiencies of scale that further drive down system costs and improve our returns.

As the first developer and operator of utility scale solar assets in India, we believe that we are a well-established brand that has grown alongside the burgeoning Indian solar market since 2009. We have proven to be a reliable developer that successfully and expediently executes on our development pipeline and wins repeat business. As a result, we believe we have become one of the largest pure solar operators in the space, which affords us greater negotiating power with original equipment manufacturers and project finance lenders. This in turn improves our cost and capital structure, which benefits our bid win rate.

Power Yield Improvement. We also utilize our in-house operational capabilities maximize project yield and performance through proprietary system monitoring and adjustments. We expect to innovate further to reduce the cost of energy for our customers and compete with local alternatives in the utility market.

We have one patent registered in India and another eight patents filed in India for technology to improve yield and performance technologies we employ including.

- System and method for prepaid power module;
- Seasonal solar tracking system;
- Remote tracking for photovoltaic power generation through National Operations Control Center ("NOCC");
- Thin film photovoltaic module mounting structure with single axial movement;
- Sprinkler technology for cleaning of solar modules;
- A water distribution system for solar power generation which reutilizes water used for cooling photovoltaic cells;
- Developing systems for scheduling and forecasting platform;
- Plant performance analytics to identify areas for current and future loss minimization; and
- DSO Dashboard for processing sales outstanding and accounts receivables.

Project Cost Reduction. Our in-house EPC capabilities enhance our ability to be flexible with our choice of technology, which allows us to choose high quality equipment while optimizing the combination of total solar system cost and yield. In the past fiscal year, we have evaluated and implemented superior technology and taken several engineering optimization initiatives that led to BOS cost reduction and yield improvements.

We lower the levelized project cost of energy through our three-pronged approach as follows:

- **Value engineering**. Our in-house EPC allows us to enhance our system design expertise with each successive project, be flexible with our choice of technology while ensuring sourcing from top-tier suppliers that optimizes both the system cost and power yield of the total solar block. We are able to negotiate pricing as we have significant economies of scale, built a well-recognized brand, and strong supplier relationships. As a result of our value engineering, we have seen a significant reduction in balance of system costs.
- **Operational performance monitoring**. We operate a NOCC that allows us to monitor project performance in real-time and allows us to respond rapidly to potential generation anomalies. Feedback from our operating projects also serves to further enhance our project designs, resulting in enhancements for current and new plants.
- **Financial strategy**. We are able to access international capital markets, in addition to domestic lenders to enhance access to and lower the cost of capital leading to enhanced economics for our customers and shareholders.

Capital Cost Reduction. Our long-standing global relationships and strategic partnership has enabled us to diversify our capital sources. We have raised capital from various sources including export credits institutions, development finance institutions, domestic and international lenders, and public equity. We also issued two Green Bonds, one of which was India's first ever that allowed us to access international bond markets at attractive financing rates. In addition, we are pursuing project equity and mezzanine as a way to lower our cost of capital, enhance returns and to optimize the efficiency of our capital.

Our Competitive Strengths

We believe we differentiate ourselves from the competition in a number of key ways.

* **Capital discipline.** We are focused on delivering returns above our cost of capital and all new projects are expected to deliver returns that are above our cost of capital before we begin committing capital. During fiscal year 2020, we determined that 600 MWs of new projects that we had bid for and won in auctions did not satisfy our minimum return thresholds and we exited these projects.

* **Local expertise and scale.** We have 1,808 MWs operational which is one of the largest operational solar portfolios in India, and with which we operate using a highly experienced and dedicated team. At present, our operational portfolio is primarily located in the highest irradiation zones and are well diversified with no state making up more than 26% of the operational portfolio.

* **We believe in empowering the community we work with**. We hire from local communities and generally lease land with few alternative uses, providing local communities with a stream of discretionary cash flow without displacing alternative businesses. As a result, we are able to build long-term community relationships, which allows us to improve our time of completion, further reducing project development risk. Altogether, these efforts and experiences have enabled us to have a better understanding of the market and build good relationships with our stakeholders.

* **Portfolio with customers that have strong credit ratings.** We have a strong track record in project development across utility scale and commercial rooftop. We have rapidly grown our project portfolio with high credit rating offtakers, which has enabled us to be competitive in the market with higher returns. We have a strong off-taker mix with 95% of the total operational portfolio rated investment grade and 85% of the portfolio are with customers owner or controlled by Government of India.

* **Superior technical and execution capabilities.** We have developed proprietary systems that significantly reduce the time it takes to design, finance, commission, operate and maintain projects. Our lean and efficient execution expertise facilitates completion of our plants, enables us to easily scale our operations without significant increases to headcount, and allows us to construct several projects in parallel without compromising on efficiency. Because of our operational capabilities, we have been able to increase our operational capacity from 55 MWs as of March 31, 2014 to 1,808 MWs as of March 31, 2020.

* **Strong Track Record of Execution Completion**. Integrated in-house teams for development, engineering, finance and operations have also played a vital role in making us competitive. We estimate that we have commissioned more than 360 kms of transmission, with interconnects at various voltage levels and our projects operate on over 8,500 acres of land.

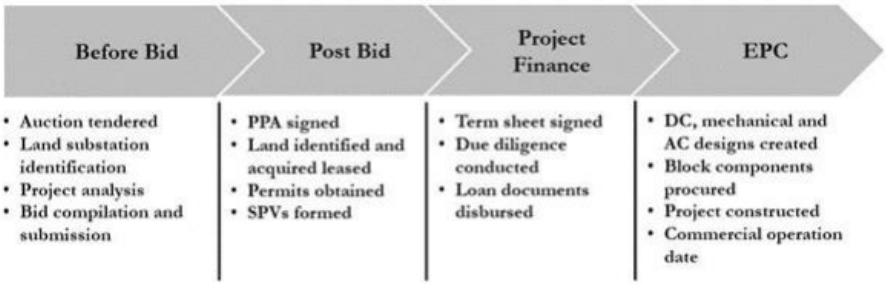
* **Access to international capital.** The majority of our equity and debt funding is from international investors which we believe provides a larger and cheaper pool of capital to access.

* **Strong Governance and Disclosure.** We have strong corporate governance generally in line with NYSE and SGX-ST standards, which includes decision-making through various committees and an experienced Board of Directors. We are governed by key policies including our anti-bribery and corruption policy, whistle blower policy, code of business conduct and ethics and corporate social responsibility.

* **Strong management.** Our senior leadership team and Board of Directors are experienced experts in solar energy, energy, finance and public policy, with strong track records. Our Board of Directors also includes Arno Harris, Barney Rush, Cyril Cabanes, Deepak Malhotra, Sanjeev Aggarwal, Rajendra Prasad Singh, Muhammad Khalid Peyrye and Yung Oy Pin (Jane) Lun Leung who are well-respected global authorities in energy, finance and public policy.

Project Development

Typical Project Plan Timeline is Approximately 18 Months



We participate in central- and state-level renewable energy auctions to build our utility scale portfolio and expects to focus primarily on renewable energy auctions with central government counterparties going forward.

The major stages of project sourcing, development and operation:

- **Bidding.** We have a well-organized process to effectively track all the policies and bid updates in the market. Once a tender is tracked, relevant information sourced from the request for proposal document is discussed with the finance and technical teams and approved by the relevant committees before a strategic decision is made to participate in the bid. All new projects must be expected to deliver returns that are above our cost of capital before we participate in an auction. We also have an in-house project development information database which help us predict and bid the most effective tariff in the market. Once the bid is won, a letter of award is issued. Afterwards, the PPA is signed, which will reflect the commercial operation date before which a plant should be commissioned.
- **Land acquisition.** Generally, once the letter of award is received, we obtain the relevant land permits depending on whether the land is government-owned or private. When the land is privately owned, we identify the appropriate parcels of land and due diligence is conducted by a local legal counsel. We also undertake certain compliance measures, including technical diligence, soil testing, local advertisement, stakeholder consultation and land registration after which acquisition is complete. When the land is government-owned, we identify the suitable parcels of land from the responsible agency and obtain approval from the relevant authority.
- **Financing.** To enable rapid operation of our projects, we use short term credit facilities that are refinanced with long term project finance facilities. We invest equity from internal accruals, new financings and sale of assets to help growth and lower financing costs.
- **Material delivery and installation.** Our procurement and construction teams work very closely to construct and deliver the plant in the most efficient manner. A detailed project plan is made and the progress tracker on the delivery and construction is reviewed continually.
- **Monitoring and maintenance.** Our operations team monitors performance of all the projects near real time through the NOCC, which allow us to respond rapidly to potential generation anomalies. They also perform scheduled preventive maintenance tasks on daily, weekly, monthly, and annual intervals to ensure our plants run smoothly and at high efficiency levels. Currently, we are able to monitor the performance of our solar power generation plants spread over 90 cities remotely.

Suppliers and Service Providers

We purchase major components such as solar panels and inverters directly from multiple manufacturers with industry standard warranty and guarantee terms. As of April 30, 2020, we had made over US$1.2 billion in purchases from our suppliers since inception. There are several suppliers in the market, and we select our suppliers based on expected cost, reliability, warranty coverage, ease of installation and other ancillary costs. As of the date of this annual report, our primary solar panel suppliers were Jinko Solar, First Solar FE Holdings PTE Ltd., LONGi Solar, Waaree Energies Pvt. Ltd., Hanwha Q CELLS Co. Ltd, Risen Energy Co Ltd. , GCL System Integration Technology Co Ltd., and our primary inverter suppliers were SMA Solar Technology AG, Schneider Electric India Pvt. Ltd., Sungrow Power Supply Company, Solis Inverters, ABB India Limited. We also engage the engineering services of Lahmeyer Group, TÜV Rheinland, Black & Veatch and Fichtner Consulting Engineers. We typically enter into master contractual arrangements with our major suppliers that define the general terms and conditions of our purchases, including warranties, product specifications, indemnities, delivery and other customary terms. We normally purchase solar panels and the balance of system components on an as-needed basis from our suppliers at then-prevailing prices pursuant to purchase orders issued under our master contractual arrangements. We generally do not have any supplier arrangements that contain long-term pricing or volume commitments, although at times in the past we have made limited purchase commitments to ensure sufficient supply of components. The prices of components for our solar power plants have declined over time as the manufacturers have lowered their cost of production.

We source lender technical due diligence and supplier third party certification from TUV.

Seasonality

The energy output performance of our plants is dependent in part on the amount of sunlight. As a result, there is a slight variation in quarterly revenues based on seasonality. Typically, any given fiscal year, which for us ends on March 31, our plant load factor ("PLF") is lower in the second and third fiscal quarter due to monsoon and winters and higher in the first and fourth quarter due to clear sky and high irradiation.

Competition

We believe our primary competitors are other solar developers such as ReNew Power Limited, Tata Power Solar Systems Limited, Adani Green Energy Limited and ACME Cleantech Solutions Private Limited. Competition to acquire new projects occurs at the development stage as we bid for long term PPAs in central and state solar power auctions. We compete with other solar developers based on a number of factors, including the sourcing of solar projects, reputation and track record, relationship with government authorities, access to capital and control over quality, access to project land, efficiency and reliability in project development. Based on these factors, we believe that we compete favorably with our competitors in the regions we service. Approximately 95% of the counterparties of our total portfolio are rated investment grade, which we believe is a leading position among utility scale project developers with installed capacity of over 1 GW.

We also compete with utilities generating power from conventional fossil fuels. Utilities generating conventional energy face rising costs as the constraints on domestic fuel supply continue and these energy sources do not benefit from various governmental incentives available to renewable energy producers. As we reduce our levelized cost and achieve parity with conventional energy suppliers, we expect to compete favorably with these suppliers on the basis of cost and reliability.

Research and Development

Our intellectual property is an essential element of our business, and our success depends, at least in part, on our ability to protect our core technology and intellectual property. To accomplish this, we rely on a combination of patent, trade secret, trademark and other intellectual property laws, confidentiality agreements and license agreements to establish and protect our intellectual property rights. As of March 31, 2020, we had one patent that had been published and eight patents filed. The patent applications include, real time and pre-paid solar power module, manual solar tracking system, thin film photovoltaic mounting assembly, the NOCC, generating electricity by reutilizing water used for cooling photovoltaic cells, a system for cleaning and cooling an array of solar panels, system for power generation and scheduling, DSO Dashboard for processing sales outstanding and accounts receivables and AEINA-Android App to monitor and capture the data of all the rooftop projects.

Insurance

We maintain adequate insurance coverage to mitigate various business risks. Our insurance policies include, but are not limited to, erection all risk insurance, industrial all risk insurance, burglary insurance, fire and special perils insurance and directors and officer's liability insurance.

REGULATION

Set forth below is a brief overview of the principal laws and regulations currently governing the businesses of our Indian subsidiaries. The laws and regulations set out below are not exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice.

Central Electricity Regulatory Commission (Terms and Conditions for Tariff Determination from Renewable Energy Sources) Regulations, 2017

The Central Electricity Regulatory Commission has announced the Central Electricity Regulatory Commission (Terms and Conditions for Tariff Determination from Renewable Energy Sources) Regulations, 2017, or Tariff Regulations, which prescribe the criteria that may be taken into consideration by the relevant electricity regulatory commissions while determining the tariff for the sale of electricity generated from renewable energy sources which include, among others, return on equity, interest on loan and working capital, operations and maintenance expenses capital and depreciation. Accordingly, such tariff cannot be determined independently by renewable energy power producers such as our company. Pursuant to the National Tariff Policy, the CERC is required to determine the rate of return on equity which may be adopted by the relevant electricity regulatory commissions to determine the generic tariff, keeping in view the overall risk and prevalent cost of capital, which factors are also to be taken into consideration by relevant electricity regulatory commissions while determining the tariff rate. The Tariff Regulations prescribe that the normative return on equity will be 14% per annum to be grossed up by the prevailing minimum alternate tax as on April 1 of the previous year for the entire useful life of the project.

The Tariff Regulations also provide the mechanism for sharing of carbon credits from approved clean development mechanism projects between renewable energy power producers and the concerned beneficiaries. Under the Tariff Regulations, the project developer is entitled to retain 100% of the gross proceeds on account of clean development mechanism project benefit in the first year after the date of commercial operation of the generating station. Subsequently, in the second year, the share of the beneficiaries will be then progressively increased by 10% every year until it reaches 50% after which the clean development mechanism project proceeds are to be shared equally between the generating company and the beneficiaries. Pursuant to a notification dated March 24, 2020, the validity of these Tariff Regulations has been extended up to June 30, 2020.

The Electricity Act, 2003

The Electricity Act, 2003 (as amended from time to time) regulates and governs the generation, transmission, distribution, trading and use of electricity in India. Under the Electricity Act, the transmission, distribution and trade of electricity are regulated activities that require licenses from the relevant electricity regulatory commission, namely CERC, or the relevant state electricity regulatory commission, or the joint commission (constituted by an agreement entered into by two or more state governments or the Indian government, as the case may be).

In terms of the Electricity Act, any generating company may establish, operate and maintain generating stations without obtaining a license if it complies with prescribed technical standards relating to grid connectivity. The generating company is required to establish, operate and maintain generating stations, tie-lines, sub-stations and dedicated transmission lines.

Further, the generating company may supply electricity to any licensee or directly to consumers, subject to availing open access to the transmission and distribution systems and payment of transmission charges, including wheeling charges and open access charges, as may be determined by the relevant electricity regulatory commission. In terms of the Electricity Act, open access means non-discriminatory use of transmission lines or distribution systems or associated facilities with such lines or system, by any licensee or consumer or a person engaged in generation in accordance with the regulations specified by the relevant electricity regulatory commission.

The relevant electricity regulatory commission is empowered to, among other things, determine or adopt the tariff for supply of electricity by the generating company to a distribution licensee (such as the distribution utility companies), for transmission of electricity, wheeling of electricity and retail sale of electricity. However, the relevant electricity regulatory commission may, in case of shortage of supply of electricity, fix the minimum and maximum tariffs for sale or purchase of electricity under agreements between a generating company and a licensee or between licensees, for a period not exceeding one year, to ensure reasonable prices of electricity. While determining the tariff, commissions are required to be guided by, among others, the promotion of co-generation and generation of electricity from renewable sources of energy.

Additionally, the Electricity Rules, 2005 (the "Electricity Rules") also prescribe a regulatory framework for developing captive generating plants. Pursuant to the Electricity Rules, a power plant shall qualify as a captive power plant only if not less than 26% of the ownership is held by captive users and not less than 51% of the aggregate electricity generated in such plant, determined on an annual basis, is consumed for captive use. Further, in case of association of persons, captive users are required to hold not less than 26% of the ownership of the plant in aggregate and consume not less than 51% of the electricity generated, determined on an annual basis, in proportion to their share ownership in the power plant within a variation not exceeding 10%.

In case of a generating station owned by a company formed as a special purpose vehicle, the electricity required to be consumed by captive users is to be determined with reference to such unit or units identified for captive use and not with reference to the generating station as a whole and equity shares to be held by the captive users must not be less than 26% of the proportionate equity interest of the company related to the generating unit or units identified as the captive generating plant.

The Electricity (Amendment) Bill, 2018 was introduced to amend certain provisions of the Electricity Act, 2003. Among others, the amendment empowers the Indian government to establish and review a national renewable energy policy. Further, the Indian government may, in consultation with the state governments, announce policies and adopt measures for the promotion of renewable energy generation, including the grant of fiscal and financial incentives and the development of smart grids and other measures for the effective implementation and enforcement of such measures.

The National Electricity Policy, 2005

The Indian government approved the National Electricity Policy on February 12, 2005, in accordance with the provisions of the Electricity Act. The National Electricity Policy, 2005 provides the policy framework to the central and state electricity regulatory commissions in developing the Indian power sector, supplying electricity and protecting interests of consumers and other stakeholders, while keeping in view the availability of energy resources, technology available to exploit such resources, economics of generation using different resources and energy security issues. The National Electricity Policy emphasizes the need to promote generation of electricity based on non-conventional sources of energy.

The National Electricity Policy provides that the relevant electricity regulatory commission should specify appropriate tariffs in order to promote renewable energy, until renewable energy power producers relying on non-conventional technologies can compete with conventional sources of energy. The relevant electricity regulatory commission are required to ensure progressive increase in the share of generation of electricity from renewable energy sources and provide suitable measures for connectivity with the grid and sale of electricity to any person. Further, the relevant electricity regulatory commission are required to specify, for the purchase of electricity from renewable energy sources, a percentage of the total consumption of electricity in the area of a distribution licensee. Further, the National Electricity Policy provides that such purchase of electricity by distribution companies should be through a competitive bidding process. The National Electricity Policy permits the relevant electricity regulatory commission to determine appropriate differential prices for the purchase of electricity from renewable energy power producers, in order to promote renewable sources of energy.

Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2010

The Central Electricity Regulatory Commission in terms of the abovementioned regulations has laid down the rules, guidelines and standards to be followed for planning, developing, maintaining and operating the power system, in the most secure, reliable, economic and efficient manner. These regulations have been amended to require solar power generators to forecast and schedule power generation on a day ahead basis. The schedule by solar generators which are regional entities may be revised by giving advance notice to the relevant Regional Load Dispatch Centre. The Indian Electricity Grid Code require system operators and the relevant State Load Dispatch Centre/ Regional Load Dispatch Centre to make all efforts to evacuate the available solar power and treat each solar power generating station as a must-run station. Pursuant to CERC notification Dated March 20, 2020, these Regulations are amended by Central Electricity Regulatory Commission (Indian Electricity Grid Code) (Sixth Amendment) Regulations, 2019 effective from June 1, 2020.

The National Tariff Policy 2005, (amended 2016)

The Indian government notified the revised National Tariff Policy effective from January 28, 2016. Among other things, the National Tariff Policy seeks to ensure availability of electricity to consumers at reasonable and competitive rates and financial viability of the Indian power sector and to attract investments and promote generation of electricity from renewable sources.

The National Tariff Policy mandates that the relevant electricity regulatory commissions must reserve a minimum percentage for purchase of solar energy equivalent to 8% of total consumption of energy by March 2022. In order to further encourage renewable sources of energy, the National Tariff Policy mandates that no inter-state transmission charges and losses shall be levied until such period as may be notified on transmission of the electricity generated from solar power plants through the inter-state transmission system for sale. In addition, the Ministry of Power of the Indian government, as an incentive to solar power developers and end consumers, waived inter-state transmission charges and losses for a period of 25 years from the date of commissioning a solar power project so long as the project is commissioned before December 2022 and so long as the power is sold to a distribution company.

Jawaharlal Nehru National Solar Mission

The NSM was approved by the Indian government on November 19, 2009 and launched on January 11, 2010. The NSM has set a target of 100 GW of solar power in India by 2022 and seeks to implement and achieve the target in three phases (Phase I from 2012 to 2013, Phase II from 2013 to 2017 and Phase III from 2017 to 2022). The target will principally comprise of 40 GW rooftop solar power projects and 60 GW large and medium scale grid connected solar power projects. The NSM aims at creating conditions for rapid scale up of capacity and technological innovation to drive down costs towards grid parity. In addition, the Indian government on March 22, 2017 and July 2, 2018 sanctioned the implementation of a scheme to enhance the capacity of solar parks from 20,000 MWs to 40,000 MWs for setting up at least 50 solar parks each with a capacity of 500 MWs and above by 2019-2020, which was further extended to 2021-2022.

Renewable Purchase Obligations

The Electricity Act promotes the development of renewable sources of energy by requiring the relevant electricity regulatory commission to ensure grid connectivity and the sale of electricity generated from renewable sources. In addition, it requires the relevant electricity regulatory commission to specify, for the purchase of electricity from renewable sources, a percentage of the total consumption of electricity within the area of a distribution licensee, which are known as RPOs. Pursuant to this mandate, most of the relevant electricity regulatory commission have specified solar and non-solar RPOs in their respective states. In terms of the RPO regulations, RPOs are required to be met by obligated entities (that is, distribution licensees, captive power plants and open access consumers) by purchasing renewable energy, either by entering into PPAs with renewable energy power producers or by purchasing renewable energy certificates. The RPO regulations require the obligated entities to purchase power from renewable energy power producers such as our company. In the event of default by an obligated entity in any fiscal year, the relevant electricity regulatory commission may direct the obligated entity to deposit an amount determined by the relevant electricity regulatory commission into a fund to be utilized for, among others, the purchase of renewable energy certificates. Additionally, pursuant to the Electricity Act, a defaulting obligated entity may also be liable to pay penalty as determined by the relevant electricity regulatory commission.

In May 2015, the Supreme Court of India upheld a regulation that made it compulsory for captive power plants and open access consumers to purchase electricity to fulfil their RPOs. This landmark judgment is expected to boost the demand for renewable energy by captive players and also improve the marketability of renewable energy certificates in India.

Ujjwal Discom Assurance Yojana ("UDAY")

UDAY is a scheme formulated by the Ministry of Power of the Indian government, notified by Office Memorandum dated November 20, 2015. It provides for the financial turnaround and revival of power distribution companies. The scheme is applicable only to State-owned DISCOMs including combined generation, transmission and distribution undertakings. The state government, DISCOMs and the Indian government are required to enter into agreements which shall stipulate responsibilities of the entities towards achieving the operational and financial milestones under the scheme. The scheme aims to minimize the gap between average cost of supply per unit of power and per unit average revenue realized, reduction in book losses and the power purchase cost per unit.

Integrated Power Development Scheme

The Integrated Power Development Scheme ("IPD Scheme") was launched pursuant to the Office Memorandum of the Ministry of Power of the Indian government, dated December 3, 2014, by the Prime Minister of India on June 28, 2015 for urban areas, to ensure 24/7 power for all. The objective of the IPD Scheme is to (i) strengthen sub-transmission and distribution network in the urban areas; (ii) meter distribution transformers/feeders/consumers in urban areas; and (iii) enable IT of the distribution sector and to strengthen the distribution network as per CCEA approval dated June 21, 2013 for completion of targets laid down under the Restructured Accelerated Power Development and Reforms Programme ("RAPDRP") by carrying forward the approved outlay for RAPDRP to IPD Scheme. It aims to help in the reduction of AT&C losses, the establishment of IT enabled energy accounting/auditing system, improvement in billed energy based on metered consumption and improvement in collection efficiency.

Safety and Environmental Laws

We are governed by certain safety and environmental legislations, including the Hazardous Wastes and Other (Management and Transboundary Movement) Rules, 2016.

Under the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981, failure to comply with the orders and restrictions passed by the State Pollution Control Boards may result in imprisonment of a minimum term of one and a half years. Pursuant to notification B-29012/ESS(CPA)/2016-17, the Central Pollution Control Board has abolished the requirement to obtain consents to establish and operate under the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981, for solar power projects of all capacities, across India-. Each State Pollution Control Board is also required to issue the required notifications.

The failure to comply with the Hazardous and Other Waste (Management and Transboundary Movement) Rules, 2016 may attract monetary penalties as levied by the State Pollution Control Board and a liability for any damage to the environment or third parties.

Labor Laws

We are required to comply with certain labor and industrial laws, which include the Factories Act, 1948, the Industrial Disputes Act, 1947, the Employees State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, the Workmen's Compensation Act, 1923, the Payment of Gratuity Act, 1972, the Contract Labor (Regulation and Abolition) Act, 1970 and the Payment of Wages Act, 1936.

The Code on Wages, 2019 ("Wage Code") regulates and amalgamates wage and bonus payments and subsumes four existing legislations, namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, and the Equal Remuneration Act, 1976. The Wage Code received assent from the President of India on August 8, 2019, however, is yet to be notified in the official gazette. The Wage Code provides for a minimum national wage rate fixed by the central governments. The appropriate governments are required to fix the minimum wage rate for their respective states above the floor wage set by the central government. In the event that the existing minimum wage rate of the appropriate governments is more than the floor wage set by the central government, such wage rates cannot be reduced. Further, the central government may fix different floor wages for different geographical areas and the appropriate governments shall fix the minimum rate of wages either on the basis of duration or piece of work. The Wage Code also prohibits gender discrimination in matters related to wages and recruitment in relation to same work of similar nature. The Wage Code further provides that all employees whose wages do not exceed a specific monthly amount, notified by the central or state government, will be entitled to an annual bonus. Under the Wage Code, in the event that any dispute arises between employer and employees with respect to fixation of or eligibility for payment of bonus under the Wage Code, such dispute shall be deemed to be an industrial dispute within the meaning of the Industrial Disputes Act, 1947.

State Regulations

Various states in India have from time to time, announced administrative policies and regulations in relation to solar power projects and related matters. These state-specific policies and regulations have material effects on our business because PPAs between project developers and state offtakers are entered into in accordance with the relevant state policies and regulations. Accordingly, these PPAs are standard form contracts and the project developers have no flexibility in negotiating the terms of the PPAs. The majority of our solar power plant generation occurs in Rajasthan, Gujarat, Punjab and Karnataka.

For instance, for the projects of the Restricted Subsidiaries in the states of Punjab, Karnataka, Maharashtra, Delhi, Odisha, Andhra Pradesh, Gujarat, Uttar Pradesh, Assam and Telangana, these projects are subject to certain state policies as discussed below.

In respect of rooftop projects of the Restricted Subsidiaries in the states of Maharashtra, Delhi and Odisha, we are required to comply with prudent utility practices and other specifications as provided in the power purchase agreements.

Punjab

The Punjab Energy Development Agency is the agency responsible for promotion and development of renewable energy development projects and energy conservation schemes in the state of Punjab. The government of Punjab has formulated the New and Renewable Sources of Energy Policy- 2012, (Punjab Solar Policy, 2012) and aims to harness 1,000 MWs of solar power generation capacity by 2022. All solar power projects developed under the Punjab Solar Policy, 2012 are treated as an industry in terms of industrial policy of Punjab and all the industrial incentives available to new industrial units will be applicable to solar power plants subject to the approval of Department of Industries and Commerce, government of Punjab. The Punjab State Power Corporation Limited reserves the right of first refusal on the power generated from renewable energy certificate based solar power projects and in case of refusal, the developer is permitted to sell the power under open access.

The predecessor of the Punjab Solar Policy, 2012 is the Punjab Solar Policy of 2006, which was operative up to 2012 and provided similar incentives to solar power developers, including in relation to land rent concessions, tax exemptions, exemptions from electricity duty, and single window mechanisms for government approvals.

Karnataka

The Karnataka Renewable Energy Development Limited is the agency responsible for promoting and developing renewable energy in the state of Karnataka. The government of Karnataka has formulated the Karnataka Solar Policy 2014-2021 as amended by Government of Karnataka Notification No. EN 49 VSC 2016 dated January 12, 2017 ("Karnataka Solar Policy"), which will remain in effect until 2021 unless superseded by another policy. The Karnataka Solar Policy aims to harness a minimum of 6,000 MWs by 2021 in multiple phases.

Andhra Pradesh

The New and Renewable Energy Development Corporation of Andhra Pradesh Limited ("NREDCAP") is the agency responsible for promoting and developing renewable energy in the state of Andhra Pradesh. The government of Andhra Pradesh has formulated the Andhra Pradesh Solar Power Policy, 2018 ("Andhra Pradesh Solar Policy") which came into effect on January 3, 2019, in place of the Andhra Pradesh Solar Power Policy, 2015 and will remain applicable for a period of five years and/ or until such time a new policy is issued. Solar power projects that are commissioned during such operative period shall be eligible for the incentives declared under this policy, for a period of ten years from the date of commissioning, unless otherwise provided.

The Andhra Pradesh Solar Policy aims to promote setting up of solar power projects for sale of power to Andhra Pradesh distribution companies and targeting procurement of 5,000 MWs of solar power within the next five years. Generation of electricity from solar power projects will be treated as an eligible industry under the schemes administered by the Industries Department, government of Andhra Pradesh and incentives available to industrial units under applicable schemes will be available to the solar power producers. According to the Andhra Pradesh Solar Policy, solar power projects of capacity up to 1000 kw at a single location will be permitted.

Gujarat

The Gujarat Energy Development Agency ("GEDA") is the agency responsible for promoting and developing renewable energy in the state of Gujarat. The government of Gujarat has formulated the Gujarat Solar Power Policy 2015, which was effective until March 31, 2020. A new solar power policy has not been announced yet. The Gujarat Solar Power Policy 2015 incentivizes solar power generation through exemptions from payment of electricity duty and retention of complete clean development mechanism benefits by a developer of projects awarded through competitive bidding. The Gujarat government has also launched the Gujarat Industrial Policy 2015, which aims to further promote the renewable energy sector.

The predecessor of the Gujarat Solar Power Policy 2015, the Gujarat Solar Power Policy 2009, which was operative up to March 31, 2014 with benefits extending for up to 25 years from the date of commissioning of an eligible project during the operative period, also offered similar incentives to solar power producers, with assistance being provided by the GEDA, including in relation to identification and procurement of suitable land and obtaining approvals within the State government's purview.

Uttar Pradesh

Electricity generation from solar power projects is regulated by the Uttar Pradesh New and Renewable Energy Development Agency ("UPNREDA") under the Uttar Pradesh Solar Power Policy, 2017 ("UP Solar Policy"), which was issued by the government of Uttar Pradesh with effect from November 6, 2017 with the aim of providing solar power investment opportunities and to help achieve the state's eight percent solar renewable purchase obligation target by 2022. The UP Solar Policy will remain in operation for a period of five years or until the government of Uttar Pradesh notifies the new policy whichever is earlier. The government of Uttar Pradesh has set a target of 10,700 MWs for solar power including 4,300 MWs from rooftop solar projects, by 2022. The incentives under the UP Solar Policy includes, among others, bearing part of the construction cost for transmission lines in certain regions, exemption from cross-subsidy surcharges, wheeling charges and transmission charges and exemption of electricity duty on sale of electricity to distribution licensee, captive consumption and third-party sale for 10 years.

Maharashtra

The Maharashtra Energy Development Agency ("MEDA") is the nodal agency in renewable energy and state designated agency in energy conservation sector. The government of Maharashtra has formulated the Comprehensive Policy for Grid-connected Power Projects based on New and Renewable (Non-conventional) Energy Sources – 2015 to meet the target set by the Indian government for installation of solar power projects of 100GW capacity in the country by 2022. The policy aims to develop a total of 7,500MWs capacity of solar projects of which 2,500MWs will be developed by MAHAGENECO in public private partnership mode to fulfil the renewable energy generation obligation, while the remaining will be developed by other developers. The policy grants certain benefits such as allocation of land on concessional rates to eligible projects.

Assam

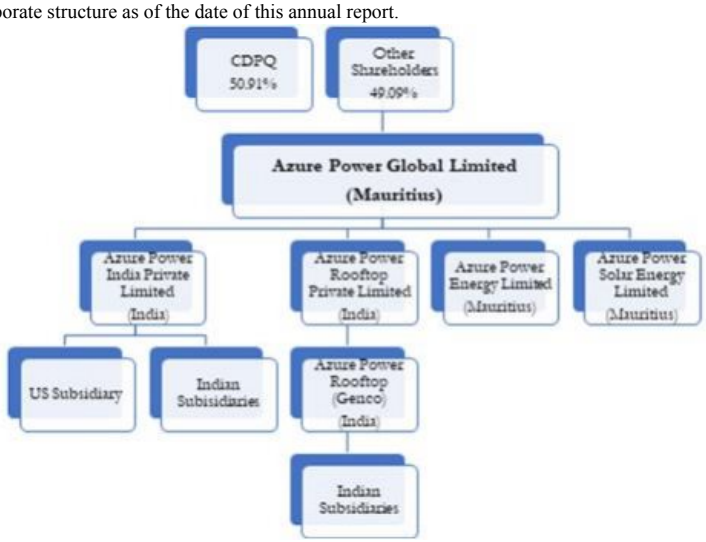
Electricity generation from solar power projects is regulated by the Assam Energy Development Agency ("AEDA") under the Assam Solar Energy Policy, 2017 ("Assam Solar Policy"), which was issued by the government of Assam with effect from January 16, 2018 with the aim of fulfill its commitment under sustainable development goals by promoting clean, accessible, affordable and equitable solar energy availability to its citizens. To create an enabling environment for businesses and developers to participate and invest in the process of targeted solar power capacity expansion of 590 MWs by 2019-20 in the state of Assam by means of multiple models of solar power generation. MNRE has also allocated a target of 663 MWs of solar capacity to Assam to be achieved by 2022. The incentives under the Assam Solar Policy includes, among others, exemption from wheeling charges and transmission charges, exemption from electricity duty, exemption for a period of three years from the date of commissioning of a project and exemption of cross subsidy charges for third-party sales for three years.

Telangana

Telangana New and Renewable Energy Development Corporation Limited ("TNREDCL") is the nodal agency in renewable energy. Policy aims to contribute to long-term energy security of the state and promote a sustainable fuel mix in generation through higher contribution of solar energy. The state aims to develop a total of 5,000 MWs capacity of solar projects of by 2022. Policy has operative period of three years and all Solar Projects that are commissioned during the operative period shall be eligible for the incentives declared under this policy, for a period of 10 years from the date of commissioning. The incentives under the Solar Policy includes exemption from electricity duty, exemption of cross subsidy charges for third-party sale for five years and 100% refund of VAT/SGST for all the inputs required for Solar Power Projects will be provided by the Commercial Tax Department for a period of five years.

C. Organizational Structure

The following diagram illustrates our corporate structure as of the date of this annual report.



The following table sets out our Company's significant subsidiaries on the basis of operating capacity during the fiscal year ended March 31, 2020:

Name	Country of Incorporation	Percentage of Ownership
Azure Power India Private Limited (Multiple projects)	India	99.99%#
Azure Power Pluto Private Limited (Punjab 4.1, 4.2 and 4.3)	India	99.99%
Azure Power Thirty Seven Private limited (Telangana 1)	India	99.40%
Azure Power Earth Private Limited (Karnataka 4.1 and 4.2)	India	99.99%
Azure Power Thirty Three Private Limited (Gujarat 2)	India	99.99%

Azure Power Global Limited has exercised its option to buy the shares it did not hold in AZI. However, the transaction has not been completed as the purchase of shares by Azure Power India from the Founder shareholders (Mr. Inderpreet Wadhwa and Mr. Harkanwal Singh Wadhwa) is under arbitration.

D. Property, Plants and Equipment

Our Company's principal executive offices are located at 3rd Floor, Asset 301-304, WorldMark 3, Aerocity, New Delhi — 110037, India, which occupies approximately 37,000 square feet of space. Our power projects are located primarily on land leased from the state governments and third parties and freehold land purchased by us from private individuals and entities. Further, we source the land required for construction of plants under the land lease arrangement or procure at the required locations of the plant. Our land lease arrangements range typically from 25 to 35 years, but our PPAs are generally for a term of 25 years. We believe that our facilities are in good condition and generally suitable and adequate for our needs in the foreseeable future. However, we will continue to seek additional space as needed to satisfy our growth.

ITEM 4A. UNRESOLVED STAFF COMMENTS

None

ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

The following discussion of our business, financial condition and results of operations should be read in conjunction with "Item 3. Key Information — A. Selected Consolidated Financial Data" and our consolidated financial statements and the related notes included elsewhere in this annual report. This discussion contains forward-looking statements and involves numerous risks and uncertainties, including, but not limited to, those described in "Item 3. Key Information — D. Risk Factors" and elsewhere in this annual report. Actual results could differ materially from those contained in any forward-looking statements.

Overview

Our mission is to be the lowest-cost power producer. We sell solar power in India on long term fixed price contracts to our customers, at prices which in many cases are at or below prevailing alternatives for our customers. We are also developing micro-grid applications for the highly fragmented and underserved electricity market in India.

We generate revenue from a mix of leading government entities such as NTPC Limited, NTPC Vidyut Vyapar Nigam Limited, a subsidiary of NTPC Limited, Delhi Metro Rail Corporation, Indian Railways and the Solar Energy Corporation of India Limited as well as commercial entities such as Torrent Power Limited, DLF Limited, and Oberoi Hotels. We typically enter into 25year power purchase agreements, or PPAs with these customers who pay a fixed rate for electricity generated by our solar power plants. Our financial strategy is to build our solar assets with the most efficient cost of capital available to us. Because we have our own engineering, procurement and construction, or EPC, as well as O&M capabilities, we retain the profit margins associated with those services that other project developers normally pay to third party providers. Through value engineering, operational performance monitoring and efficient financial strategy, we are able to deliver cost-effective energy to our customers.

We recognize revenue from solar energy sold to our customers on a per kilowatt hour basis based on the energy actually supplied by our solar power plant. Most Indian state and central government electricity regulators establish the rate that utilities pay to buy power in their respective jurisdictions, which we call the benchmark tariff. As a result, the price a customer pays to buy solar energy from us varies depending on the jurisdiction in which the customer is located. The price at which we sell solar energy also depends on our bidding strategy, as most auctions award bids starting from the lowest bidder until the total capacity is awarded. For our commercial PPAs, we sell solar energy at mutually negotiated rates that are lower than the commercial electricity rates charged by the utilities in the markets we serve, which is consistent with our strategy to price our energy lower than the commercial rates. As a result, the price that a commercial customer pays to buy solar energy from us depends on the state in which such customer is located and the prevailing local commercial tariff.

We recognize revenue on a monthly basis from the solar energy kilowatt hours sold to our customers post the installation of the system and approval of the energy grid connections. The energy output performance of our plants is dependent in part on the amount of sunlight. As a result, our revenue in the past has been impacted by shorter daylight hours in winters. Typically, our PLF from operational solar power plants is lowest in the third quarter and highest in the first quarter of any given fiscal year which ends on March 31.

A significant portion of the cost of our solar power plants consists of solar photovoltaic panels, inverters and other plant equipment. Other less significant costs of our solar power plants include land or leasehold land costs, financing costs and installation costs. Our cost of operations primarily consists of expenses pertaining to operations and maintenance of our solar power plants. These expenses include payroll and related costs for plant maintenance staff, plant maintenance, insurance and, if applicable, lease costs.

Under U.S. GAAP, we depreciate the capital cost of solar power plants over the estimated useful life of 25-35 years. We typically fund our projects through a mix of project finance and sponsor equity. Our project financing agreements typically restrict the ability of our project subsidiaries to distribute funds to us unless specific financial thresholds are met on specified dates. Some of our project finance borrowings are denominated in U.S. dollars and therefore foreign currency exchange rate fluctuations can adversely impact our profitability. Some of our borrowings have variable interest rates and changes in such rates may lead to an adverse effect on our overall cost of capital.

Power Purchase Agreement

The material terms of the PPAs we have entered into and bids we have won as of March 31, 2020 are summarized in the following table.

Project Names	Commercial Operation Date (1)	PPA Capacity (MW)	DC Capacity (MW)	Tariff (INR / kWh)	(6)	Offtaker	Duration of PPA in Years
			Utility Operational				
Gujarat 1.1	Q2 2011	5	5	15.00	(2)	Gujarat Urja Vikas Nigam Limited	25
Gujarat 1.2	Q4 2011	5	5	15.00	(2)	Gujarat Urja Vikas Nigam Limited	25
Punjab 1	Q4 2009	2	2	17.91		NTPC Vidyut Vyapar Nigam Limited	25
Rajasthan 1	Q4 2011	5	5	11.94		NTPC Vidyut Vyapar Nigam Limited	25
Rajasthan 2.1	Q1 2013	20	21	8.21		NTPC Vidyut Vyapar Nigam Limited	25
Rajasthan 2.2	Q1 2013	15	17	8.21		NTPC Vidyut Vyapar Nigam Limited	25
Punjab 2.1	Q3 2014	15	15	7.67		Punjab State Power Corporation Limited	25
Punjab 2.2	Q4 2014	15	15	7.97		Punjab State Power Corporation Limited	25
Punjab 2.3	Q4 2014	4	4	8.28		Punjab State Power Corporation Limited	25
Karnataka 1	Q1 2015	10	10	7.47		Bangalore Electricity Supply Company Limited	25
Uttar Pradesh 1	Q1 2015	10	12	8.99		Uttar Pradesh Power Corporation Limited	12
Rajasthan 3.1	Q2 2015	20	22	5.45	(3)	Solar Energy Corporation of India Limited	25
Rajasthan 3.2	Q2 2015	40	43	5.45	(3)	Solar Energy Corporation of India Limited	25
Rajasthan 3.3	Q2 2015	40	41	5.45	(3)	Solar Energy Corporation of India Limited	25
Chhattisgarh 1.1	Q2 2015	10	10	6.44		Chhattisgarh State Power Distribution Company Limited	25
Chhattisgarh 1.2	Q2 2015	10	10	6.45		Chhattisgarh State Power Distribution Company Limited	25
Chhattisgarh 1.3	Q3 2015	10	10	6.46		Chhattisgarh State Power Distribution Company Limited	25
Rajasthan 4	Q4 2015	5	6	5.45	(3)	Solar Energy Corporation of India Limited	25
Delhi 1.1	Q4 2015	2	2	5.43	(3)	Solar Energy Corporation of India Limited	25
Karnataka 2	Q1 2016	10	12	6.66		Bangalore Electricity Supply Company Limited	25
Andhra Pradesh 1 (4)	Q1 2016	50	54	6.44	(2)	Southern Power Distribution Company of Andhra Pradesh Limited	25
Punjab 3.1	Q1 2016	24	25	7.19		Punjab State Power Corporation Limited	25
Punjab 3.2	Q1 2016	4	4	7.33		Punjab State Power Corporation Limited	25
Bihar 1	Q3 2016	10	11	8.39		North & South Bihar Power Distribution Company Limited	25
Punjab 4.1	Q4 2016	50	52	5.62		Punjab State Power Corporation Limited	25
Punjab 4.2	Q4 2016	50	52	5.63		Punjab State Power Corporation Limited	25
Punjab 4.3	Q4 2016	50	52	5.64		Punjab State Power Corporation Limited	25
Karnataka 3.1	Q1 2017	50	54	6.51		Chamundeshwari Electricity Supply Company Limited	25
Karnataka 3.2	Q1 2017	40	42	6.51		Hubli Electricity Supply Company Limited	25
Karnataka 3.3	Q1 2017	40	42	6.51		Gulbarga Electricity Supply Company Limited	25
Maharashtra 1.1	Q1 2017	2	2	5.50	(3)	Ordinance Factory, Bhandara	25
Maharashtra 1.2	Q1 2017	5	6	5.31		Ordinance Factory, Ambajhari	25
Andhra Pradesh 2 (5)	Q2 2017	100	130	5.12		NTPC Limited	25
Uttar Pradesh 2	Q2-Q3 2017	50	59	4.78		NTPC Limited	25
Telangana 1	Q1 2018	100	128	4.67		NTPC Limited	25
Uttar Pradesh 3	Q2 2018	40	49	4.43	(3)	Solar Energy Corporation of India Limited	25
Andhra Pradesh 3	Q2 2018	50	59	4.43	(3)	Solar Energy Corporation of India Limited	25
Gujarat 2	Q4 2018 – Q1 2019	260	360	2.67		Gujarat Urja Vikas Nigam Limited	25
Karnataka 4.1	Q1 2019	50	75	2.93		Bangalore Electricity Supply Company	25
Karnataka 4.2	Q1 2019	50	75	2.93		Hubli Electricity Supply Company Limited	25
Rajasthan 5	Q2-Q3 2019	200	262	2.48		Solar Energy Corporation of India Limited	25

Maharashtra 3	Q3 2019	130		195		2.72	Maharashtra State Electricity Distribution Company Limited	25
Total Operational Utility		1,658		2,055				
Total Operational Rooftop	2013 – Q1 2020	150		150		5.56	**(4)** Various	25
Total Operational Capacity		1,808		2,205				
Under Construction								
Assam 1	Q3 2020	90				3.34	Assam Power Distribution Company	25
Rajasthan 6	Q1 2021	600				2.53	Solar Energy Corporation of India Limited	25
Total Under Construction- Utility		690						
Total Under Construction- Rooftop	Q4 2020	17				4.65	Various	25
Committed								
Rajasthan 8	Q1 2021	300				2.58	Solar Energy Corporation of India Limited	25
Rajasthan 9	Q2 2021	300				2.54	Solar Energy Corporation of India Limited	25
2 GW Project 1		2,000	**(7)**			2.92	Solar Energy Corporation of India Limited	25
2 GW Project 2		2,000	**(8)**			2.92	Solar Energy Corporation of India Limited	25
Total Committed Capacity – Utility		**4,600**						
Total Portfolio		**7,115**						

Notes:

(1) Refers to the applicable quarter of the calendar year in which commercial operations commenced or are scheduled to commence based on AC capacity. There can be no assurance that our projects under construction and our committed projects will be completed on time or at all.
(2) Current tariff, subject to escalation. Please also see "—Tariff structure"
(3) Projects are supported by VGF, in addition to the tariff. Please also see "—VGF for projects"
(4) Levelized tariff; includes capital incentive.
(5) Projects under accelerated depreciation per the Indian Income tax regulation.
(6) In the case of projects with more than one PPA, tariff is calculated as the weighted average of the PPAs for such project.
(7) LOA received. PPA yet to be signed.
(8) The company has elected to exercise a greenshoe option i.e. over-allotment option for 2 GW Project 2 under auction guidelines but has not received LOA.
Due to COVID-19, there is uncertainty around the timing of construction of projects and this is the company's best estimate of completion.

Our PPA's typically require certain conditions are met including, among others, that we have obtained all necessary consents and permits, financing arrangements have been made and an agreement has been entered into to provide for the transmission of power. Furthermore, the PPAs contain customary termination provisions and negative and affirmative covenants, including the provision of performance bank guarantees and minimum guarantees of power to be sold and restrictions on changing the controlling shareholder of the project subsidiaries.

Tariff structure

The tariff for Gujarat 1.1 and Gujarat 1.2 is INR 15.0 per kilowatt hour for the first 12 years and INR 5.0 per kilowatt hour for remainder of the contract term. The tariff for Andhra Pradesh 1 is INR 5.89 per kilowatt hour for one year, increasing by 3% each year from the second year to the tenth year and thereafter with the same tariff as that in year ten for the remainder of the 25-year term. For the other projects we have a fixed rate structure.

VGF for projects

The VGF for Rajasthan 3.1 project is INR 23.0 million per MW, for Rajasthan 3.2 it is INR 22.0 million per MW, for Rajasthan 3.3 it is INR 13.0 million per MW and Rajasthan 4 it is INR 12.9 million per MW. The VGF for Andhra Pradesh 3 project is INR 7.4 million per MW. The VGF for Maharashtra 1 project is INR 0.9 million per MW. The VGF for Uttar Pradesh 3 is INR 8.0 million per MW. The VGF for Delhi 1 is INR 4.6 million per MW. The VGF on various rooftop projects is INR 798 million and Central Financial Assistance ("CFA") on various rooftop projects is INR 1,510 million. Further, VGF was not received by us on new ground mount projects constructed or won during the fiscal year 2020.

Key Operating and Financial Metrics

Use of certain Non-US GAAP measures

We use certain financial and non-financial, non-U.S. GAAP measures to provide a comparison of our performances. The non-financial metrices include electricity generation, Plant load factor, MW operating, MW committed, and MW operating and committed. We also use certain non-USGAAP financial metrices such as Cost per MW operating, nominal contracted payments, portfolio revenue run-rate, EBITDA and Cash Flow to Equity to provide a comparison of our financial results. We also provide non-financial metrices, which are commonly used in the industry to help users compare us with our peers and better demonstrate growth in terms of our current capacity, as well as our future capacity. The use of non-U.S.GAAP measures help the users in comparing our performance period over period and see how the Company has improved its productivity in reducing the cost of building a plant through cost per megawatt as well as measure the output of the plants through Plant Load Factors. The non-financial metrices are used by analysts and investors in arriving at the fair valuation of the company through projecting future revenue as well as predicting the results of the company. We have been using and providing the metrices consistently over a period of time and believe that our investors not only find the metrices useful but also understand the methodology of computation.

The metrices are detailed below:

Summary of key metrices

We regularly review a number of specific metrics, including the following key operating and financial metrics, to evaluate our business performance, identify trends affecting our business and make strategic decisions.

Key metrics	Unit of Measurement	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020
Revenue (1)	INR in millions	7,701	9,926	12,958
Revenue (2)	US$ in millions	118.3	143.5	171.9
Electricity generation (3)	kWh in millions	1,236	1,733	2,870
Plant load factor	%	18.2	18.6	19.5
Cost per MW Operating (4)	INR in millions	46.3	40.7	35.5
MW operating	MW	911	1,441	1,808
MW committed	MW	960	1,915	5,307
MW operating and committed	MW	1,871	3,356	7,115 (5)

(1) Revenue consists of revenue from the sale of power.

(2) Translation of balances in the key operating and financial matrices from INR into US$, as of and for the fiscal year ended March 31, 2020 are solely for the convenience of the readers and were calculated at the rate of US$1.00 = INR 75.39, the noon buying rate in New York City for cable transfers in non U.S. currencies, as certified for customs purposes by the Federal Reserve Bank of New York on March 31, 2020. No representation is made that the INR amounts could have been, or could be, converted, realized or settled into US$ at that rate on March 31, 2020, or at any other rate.

(3) Electricity generation represents the actual amount of power generated by our solar power plants over the reporting period and is the product of plant load factor during the reporting period and the average megawatts operating.

(4) Installation per MW of DC capacity and includes INR 2.9 million (US$0.04 million) per MW operating of safe guard duties which we expect to recover.

(5) 2,000 MWs of Committed Capacity is a greenshoe option that has been exercised by the Company as part of an auction that was won but this capacity has yet to receive a Letter of Award.

Operating Metrics

Megawatts Operating and Megawatts Committed

We measure the rated capacity of our plants in megawatts. Rated capacity is the expected maximum output that a solar power plant can produce without exceeding its design limits. We believe that tracking the growth in aggregate megawatt rated capacity is a measure of the growth rate of our business.

Megawatts Operating represents the aggregate cumulative megawatt rated capacity of solar power plants that are commissioned and operational as of the reporting date.

Megawatts Committed represents the aggregate megawatt rated capacity of solar power plants pursuant to customer PPAs signed, allotted or won in an auction but not commissioned and operational as of the reporting date.

The following table represents the megawatts operating and megawatts committed as of the end of the respective periods presented:

	As of March 31,		
	2018	2019	2020
Megawatts Operating	911	1,441	1,808
Megawatts Committed	960	1,915	5,307
Megawatts Operating and Committed	1,871	**3,356**	**7,115**

We target having 2,650 MWs to 2,950 MWs operating by March 31, 2021, but this is subject to risks related to the current COVID-19 situation. Our ability to achieve this guidance will depend on, among other things, our ability to acquire the required land for the new capacity (on lease or direct purchase), raising adequate project financing and working capital, our ability to further strengthen our operations team to execute the increased capacity, and our ability to further strengthen our systems and processes to manage the ensuing growth opportunities, as well as the other risks and challenges discussed in "Item 3. Key Information—D. Risk Factors."

As of March 31, 2020, our operating and committed megawatts increased by 3,759 MWs to 7,115 MWs compared to March 31, 2019. Of the total portfolio capacity 2,000 MWs of Committed Capacity is a greenshoe option that has been exercised by the Company as part of an auction that was won but this capacity has yet to receive a Letter of Award.

Plant Load Factor

The plant load factor is the ratio of the actual output of all our solar power plants over the reporting period to their potential output if it were possible for them to operate at full rated capacity. The plant load factor is not the same as the availability factor. Our solar power plants have high availability, that is, when the sun is shining our plants are almost always able to produce electricity. The variability in our plant load factor is a result of seasonality, cloud covers, air pollution, the daily rotation of the earth, equipment efficiency losses, breakdown of our transmission system and grid availability. We compute PLF on the basis of PPA capacity (or AC), which may be lower than the actual installed (DC) capacity.

We track plant load factor as a measure of the performance of our power plants. It indicates effective utilization of resources and also validates our value engineering and operation research. Higher plant load factor at a plant indicates increased electricity generation. Monitoring plant load factor on real time allows us to respond rapidly to potential generation anomalies. Plant load factor (AC) was 18.6% for the fiscal year 2019 compared with 19.5% for the fiscal year 2020, primarily due to greater optimization of new facilities by adding additional DC capacity to our existing facilities.

	Fiscal Year Ended March 31,		
	2018	2019	2020
Plant Load Factor (AC) (%)	18.2	18.6	19.5

Electricity Generation

Electricity generation represents the actual amount of power generated by our solar power plants over the reporting period and is the product of reporting period plant load factor and the average megawatts operating. This is a measure of the periodic performance of our solar power plants.

	Fiscal Year Ended March 31,		
	2018	2019	2020
Electricity Generation (kilowatt hours in millions)	1,236	1,733	2,869

Financial Metrics

Adjusted EBITDA

Adjusted EBITDA is a non-U.S. GAAP financial measure. We classify a financial measure as being a non-U.S. GAAP financial measure if that financial measure excludes or includes amounts, or is subject to adjustments that have the effect of excluding or including amounts, that are not included or excluded in the most directly comparable measure calculated and presented in accordance with GAAP as in effect from time to time in the United States in our statements of income, balance sheets or statements of cash flows. The non-GAAP financial measures are supplemental

measures that are not required by, or are not presented in accordance with, U.S. GAAP. Non-GAAP financial measures do not include operating, other statistical measures or ratios calculated using exclusively financial measures calculated in accordance with GAAP. We present Adjusted EBITDA 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. Moreover, the way we calculate the non-GAAP financial measures may differ from that of other companies reporting measures with similar names, which may limit these measures' usefulness as a comparative measure. The presentation of Adjusted EBITDA should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items.

We define Adjusted EBITDA as net loss/(income) plus (a) income tax expense/(benefit), (b) interest expense, net, (c) depreciation and amortization and (d) loss/(income) on foreign currency exchange, less (e) other income. We believe Adjusted EBITDA is useful to investors in assessing our ongoing financial performance and provides improved comparability between periods through the exclusion of certain items that management believes are not indicative of our operational profitability and that may obscure underlying business results and trends. However, this measure should not be considered in isolation or viewed as a substitute for net income or other measures of performance determined in accordance with U.S. GAAP. Moreover, Adjusted EBITDA as used herein is not necessarily comparable to other similarly titled measures of other companies due to potential inconsistencies in the methods of calculation.

Our management believes this measure is useful to compare general operating performance from period to period and to make certain related management decisions. Adjusted EBITDA is also used by securities analysts, lenders and others in their evaluation of different companies because it excludes certain items that can vary widely across different industries or among companies within the same industry. For example, interest expense can be highly dependent on a company's capital structure, debt levels and credit ratings. Therefore, the impact of interest expense on earnings can vary significantly among companies. In addition, the tax positions of companies can vary because of their differing abilities to take advantage of tax benefits and because of the tax policies of the various jurisdictions in which they operate. As a result, effective tax rates and tax expense can vary considerably among companies.

Adjusted EBITDA has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our results as reported under U.S. GAAP. Some of these limitations include:

- it does not reflect our 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 our 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.

The following table presents a reconciliation of net (loss)/profit to Adjusted EBITDA:

	Fiscal Year Ended March 31,			
	2018	2019	2020	
	INR	INR	INR	US$
	(In millions)			
Net (loss)/profit	(1,023)	138	(2,337)	(30.9)
Income tax (benefit) /expense	(253)	153	489	6.5
Interest expense, net	5,335	5,022	7,962	105.6
Other income	(167)	(148)	(108)	(1.4)
Depreciation and amortization	1,883	2,137	2,860	37.9
Loss on foreign currency exchange	46	441	512	6.7
Adjusted EBITDA	**5,821**	**7,743**	**9,378**	**124.4**

Note:

(1) Translation of balances in the financial information table above from INR into US$, as of and for fiscal year ended March 31, 2020 are solely for the convenience of the readers and were calculated at the rate of US$1.00 = INR 75.39, the noon buying rate in New York City for cable transfers in non U.S. currencies, as certified for customs purposes by the Federal Reserve Bank of New York on March 31, 2020. No representation is made that the INR amounts could have been, or could be, converted, realized or settled into US$ at that rate on March 31, 2020, or at any other rate.

Project Cost per Megawatt Operating

Project cost per megawatt operating consists of solar photovoltaic panels, inverters, balance of plant equipment, freehold land or leasehold land, capitalizable financing costs, and installation costs incurred for installing one megawatt of DC capacity during the reporting period. It is an indicator of our strong engineering, procurement and construction capabilities, market cost of material and our ability to procure such material at competitive prices. A reduction in project cost per megawatt helps reduce the cost of power and thereby improves our ability to win new projects. The project cost per megawatt (DC) operating for the year ended March 31, 2020 decreased by INR 5.2 million (US$ 0.07 million), or 13%, to INR 35.5 million (US$ 0.47 million) primarily due to lower costs on account of the reduction in solar module prices for the projects commissioned during the period. The project cost per megawatt (AC) operating for the year ended March 31, 2020 was INR 48.9 million (US$ 0.65 million), compared to INR 50.4 million, for the year ended March 31, 2019, on account of the reduction in solar module prices which was partially offset by additional safeguard duties paid by the Company. Excluding the impact of safeguard duties, the DC and the AC costs per megawatt, for the year ended March 31, 2020, would have been lower by approximately INR 2.9 million (US$ 0.04 million) and INR 4.9 million (US$ 0.07 million), respectively.

Nominal Contracted Payments

Our PPAs create long-term recurring customer payments. Nominal contracted payments equal the sum of the estimated payments that the customer is likely to make, subject to discounts or rebates, over the remaining term of the PPAs. When calculating nominal contracted payments, we include those PPAs for projects that are operating or committed. To calculate the nominal contracted payments, we multiply the contract price per kilowatt hour as per the respective PPA by the estimated annual energy output for the remaining life of the PPA period. In estimating the nominal contracted payments, we multiply the PPA contract price per kilowatt hour by the estimated annual energy output for all solar projects committed and operating as of the reporting date. The estimated annual energy output of our solar projects is calculated using power generation simulation software and validated by independent engineering firms. The main assumption used in the calculation is the project location, which enables the software to derive the estimated annual energy output from certain meteorological data, including the temperature and solar radiation based on the project location. Our power generation simulation software calculates the estimated annual energy output by using the following formula:

$E = A * r * H * PR$

E = Energy (kWh)

A = Total solar panel Area (m^2)

r = Solar panel efficiency (%)

H = Annual global radiation at collector plane

PR = Performance ratio, coefficient for losses (range between 0.50 and 0.95)

Performance ratio is a quantity which represents the ratio of the effectively produced (used) energy to the energy which would be produced by a "perfect" system continuously operating at standard test condition under the same radiation, taking into account losses such as array losses (shadings, incident angle modifier, photovoltaic conversion, module quality, mismatch and wiring) and system losses (inverter efficiency, transformer efficiency and transmission losses).

The calculation of the estimated annual energy output also takes into account the total rated capacity of all the solar panels to be installed for the remaining life of the PPA, net of the annual estimated decrease in rated capacity based on technology installed. The decrease in rated capacity includes various losses caused by soiling, temperature changes, inverter and transformer inefficiency, incidence angle, wire, shading and mismatch losses. The technology used for each project is assessed based on geographical conditions of the project, cost economics and the availability of such technology for construction. We assume an annual decrease in rated capacity ranging from 0.5% to 0.7% depending on the technology used, which is based on the specifications given by the manufacturer of the solar panels.

To calculate nominal contracted payments for committed projects, we assume a 50% probability of achieving the generation numbers projected by the power generation software, which is net of the annual estimated decrease in rated capacity based on the technology installed. For operating projects, instead of the formula described above, we use the actual full year energy generated net of the annual estimated decrease in rated capacity based on the technology installed. We have used this method of calculation since the inception of all projects, including scheduled price changes where applicable.

If we were to receive government grants under any PPA, such grants would be included as nominal contracted payments in the period when received. We account for VGF as an income-type government grant. The proceeds received from VGF grants upon fulfilment of certain conditions are initially recorded as deferred revenue. This deferred VGF revenue is recognized as sale of power in proportion to (x) the actual sale of solar energy kilowatts during the period to (y) the total estimated sale of solar energy kilowatts during the tenure of the applicable PPA (as described in Note 2(q) to our consolidated financial statements) pursuant to our revenue recognition policy.

Nominal contracted payments are a forward-looking number and we use judgment in developing the assumptions used to calculate it. Those assumptions may not prove to be accurate over time. Underperformance of the solar power plants, payment defaults by our customers or other factors described under the heading "Item 3. Key Information—D. Risk Factors" could cause our actual results to differ materially from our calculation of nominal contracted payments.

The following table sets forth, with respect to our PPAs, the aggregate nominal contracted payments and total estimated energy output as of the reporting dates. These nominal contracted payments have not been discounted to arrive at the present value.

	As of March 31,			
	2018	2019	2020	
	INR	INR	INR	US$
Nominal contracted payments (in millions)	358,816	584,196	1,207,290	16,014.9

	As of March 31,		
	2018	2019	2020
Total estimated energy output (kilowatt hours in millions)	82,884	170,718	386,918

Nominal contracted payments increased from March 31, 2019 to March 31, 2020 as the Company entered into additional PPAs, received a LOA and elected to exercise a Green-shoe option for additional capacity. Over time, we have seen a trend towards a decline in the Central Electricity Regulatory Commission benchmark tariff for solar power procurement. For fiscal year 2011, the Central Electricity Regulatory Commission benchmark tariff for solar power procurement was INR 17.91 per kilowatt hour. It was reduced to INR 10.39 per kilowatt hour for fiscal year 2013, which was further reduced to INR 7.72 per kilowatt hour for fiscal year 2015 and to INR 3.53 per kilowatt hour for fiscal year 2019. The overall trend of solar power tariffs is that the tariffs are declining in line with solar module prices.

Our nominal contracted payments are not impacted from delays in construction related to COVID-19 as revenues from PPAs start after the date of commissioning of the project.

Portfolio Revenue Run-Rate

Portfolio revenue run-rate equals our annualized payments from customers extrapolated based on the operating and committed capacity as of the reporting date. In estimating the portfolio revenue run-rate, we multiply the PPA contract price per kilowatt hour by the estimated annual energy output for all operating and committed solar projects as of the reporting date. The estimated annual energy output of our solar projects is calculated using power generation simulation software and validated by independent engineering firms. The main assumption used in the calculation is the project location, which enables the software to derive the estimated annual energy output from certain metrological data, including the temperature, wind speed and solar radiation based on the project location. Our power generation simulation software calculates the estimated annual energy output by using the formula described above.

The calculation of the estimated annual energy output also takes into account the total rated capacity of all the solar panels to be installed for the remaining life of the PPA, net of the annual estimated decrease in rated capacity based on technology installed. The decrease in rated capacity includes various losses caused by soiling, temperature changes, inverter and transformer inefficiency, incidence angle, wire, shading and mismatch losses.

To calculate portfolio revenue run-rate for committed projects, we assume a 50% probability of achieving the generation numbers projected by the power generation software, which is net of the annual estimated decrease in rated capacity based on the technology installed. For operating projects, instead of the formula described above, we use the actual full year energy generated net of the annual estimated decrease in rated capacity based on the technology installed. We have used this method of calculation since the inception of all projects, including scheduled price changes where applicable.

Portfolio revenue run-rate is a forward-looking number, and we use judgment in developing the assumptions used to calculate it. Those assumptions may not prove to be accurate over time. Underperformance of the solar power plants or other factors described under the heading "Item 3. Key Information—D. Risk Factors" could cause our actual results to differ materially from our calculation of portfolio revenue run-rate.

The following table sets forth, with respect to our PPAs, the aggregate portfolio revenue run-rate and estimated annual energy output as of the reporting dates. The portfolio revenue run-rate has not been discounted to arrive at the present value.

	As of March 31,			
	2018	2019	2020	
	INR	INR	INR	US$
Portfolio Revenue run-rate (in millions)	15,765	25,940	53,591	710.9

	As of March 31,		
	2018	2019	2020
Estimated annual energy output (kilowatt hours in millions)	3,557	7,468	16,969

The portfolio revenue run-rate increased from March 31, 2019 to March 31, 2020 as a result of the increase in operational and committed capacity during the period and greenshoe committed capacity.

Cash Flow to Equity (CFe)

Cash Flows 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 Flows to Equity shareholders 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 high growth environment. Furthermore, to reflect the actual cash outflows for income tax, we deduct income and deferred taxes computed under US GAAP presented in our consolidated financial statements and instead include the actual cash tax outflow during the period, are considered as part of tax expense.

We believe that external consumers of our financial statements, including investors and research analysts, use Cash Flows 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. Our new management believes that CFe provides additional insights into our cash generation capabilities as this metric is widely used by analysts and investors to value our business.

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. CFe 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 our financial statements 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 March 31, 2020, (as provided in Item 5: operating and financial review and prospects - Power Purchase Agreement summary in this form 20F). The operational assets represent the MW operating as on the date.

We define Others as the project SPV's which are under construction, or under development - as provided in the Power Purchase Agreement table in this Form 20-F, Corporate which includes our three Mauritius entities, the other than projects covered under operational assets, as well as, a company incorporated in the U.S.A. and other remaining entities under the group.

We define debt amortization as the current portion of the long-term debt which has been repaid during as part of periodic debt repayment obligations, excluding the debt which has been repaid before maturity or refinanced. It does not include the amortization of debt financing costs or interest paid during the period.

Other items from the Statement of Cash Flows include most of the items that reconcile "Net (loss) gain" and "Operating profit before changes in working capital" from the Statement of Cash Flows, other than deferred taxes, non-cash employee benefit and amortization of hedging costs.

Following is the CFe computation for the current periods:

	For the year ended March 31, 2019			For the year ended March 31, 2020			
	Total	Other	Operating	Total	Other	Operating	Operating
	INR	INR	INR	INR	INR	INR	US$
Sale of power	**9,926**	—	9,926	**12,958**	—	12,958	**171.9**
Cost of operations	**869**	—	869	**1,146**	—	1,146	**15.2**
General and administrative	**1,314**	779	535	**2,434**	1,292	1,142	**15.1**
Depreciation and amortization	**2,137**	23	2,114	**2,860**	52	2,808	**37.2**
Operating income	**5,606**	**(802)**	**6,408**	**6,518**	**(1,344)**	**7,862**	**104.4**
Interest expense, net	**5,022**	227	4,795	**7,962**	453	7,509	**99.6**
Other income	**(148)**	(130)	(18)	**(108)**	(69)	(39)	**(0.5)**
Loss on foreign currency exchange, net	**441**	181	260	**512**	96	416	**5.5**
Profit before Income Tax	**291**	**(1,080)**	**1,371**	**(1,848)**	**(1,824)**	**(24)**	**(0.2)**
Add: Depreciation and amortization	**2,137**	23	2,114	**2,860**	52	2,808	**37.2**
Add: Foreign exchange loss, net	**441**	181	260	**512**	96	416	**5.5**
Add: Amortization of debt financing costs	**267**	89	178	**709**	319	390	**5.2**
Add: Other items from Statement of Cash Flows (1)	**134**	(48)	182	**944**	188	756	**10.0**
Less: Cash paid for income taxes	**(615)**	(131)	(484)	**(697)**	(208)	(489)	**(6.5)**
Less: Debt amortization (2)	**(808)**	—	(808)	**(620)**	—	(620)	**(8.2)**
Less: Maintenance capital expenditure (3)	—	—	—	—	—	—	—
CFe	**1,847** (4)	**(966)**	**2,813**	**1,860** (4)	**(1,377)**	**3,237**	**43.0**

(1) *Other items from the Statement of Cash Flows.* Other items include: loss on disposal of property plant and equipment of INR 55 million and INR 52 million, share based compensation of INR 83 million and INR 186 million, realized gain on investment of INR 148 million and INR 108 million, non-cash rent expense of INR 81 million and INR 193 million, allowance for doubtful debts of INR 40 million and INR 303 million, loan repayment charges of INR Nil and INR 282 million and ARO accretion of INR 23 million and INR 36 million for the year ended March 31, 2019 and March 31, 2020 respectively.

(2) Debt Amortization: Repayments of term and other loans during the period ended March 31, 2020, was INR 32,827 million *(refer to the Statement of Cash Flows*) which includes INR 32,207 million related to refinancing of loans or early repayment of debt before maturity and have been excluded to determine debt amortization of INR 620 million (US$ 8.2 million). Repayments of term and other loans during the period ended March 31, 2019, was INR 3,786 million *(refer to the Statement of Cash Flows*) which includes INR 2,978 million related to refinancing of loans or early repayment of debt before maturity and has been excluded to determine debt amortization of INR 808 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 GAAP cash from Operating Activities:

	For the year ended March 31, 2019	For the year ended March 31, 2020
CFe *(Non-GAAP)*	**1,847**	**1,860**
Items included in GAAP Cash from Operating Activities but not considered in CFe		
Change in current assets and liabilities as per statement of cash flows	**(1,520)**	(39)
Current income taxes	(660)	(340)
Prepaid lease payments and employee benefits	11	(548)
Amortization of hedging costs	1,037	1,428
Items included in CFe but not considered in GAAP Cash Flow from Operating Activities:		
Debt amortization	808	620
Cash taxes paid	615	697
Cash from Operating Activities *(GAAP)*	**2,138**	**3,678**

Components of Results of Operations

Operating Revenue

Operating revenue consists of solar energy sold to customers under long term PPAs, which generally have a term of 25 years. We have one customer for each solar power plant. Our customers are Government of India, power distribution companies and, to a lesser extent, commercial and industrial enterprises.

We recognize revenue on PPAs when the solar power plant generates power and it is supplied to the customer in accordance with the respective PPA. Revenue is recognized in each period based on the volume of solar energy supplied to the customer at the price stated in the PPA, once the solar energy kilowatts are supplied and collectability is reasonably assured. The solar energy kilowatts we supplied are validated by the customer prior to billing and recognition of revenue.

Where PPAs include scheduled price changes, revenue is recognized by applying the average rate to the energy output estimated over the term of the PPA. We estimate the total kilowatt hour units expected to be generated annually during the tenure of PPA using budgeted plant load factors, rated capacity of the project and annual estimated decrease in rated capability of solar panels. The contractual rates are applied to this annual estimate to determine the total estimated revenue over the term of the PPA. We then use the total estimated revenue and the total estimated kilowatt hours to compute the average rate used to record revenue on the actual energy output supplied. We compare the actual energy supplied to the estimate of the energy expected to be generated over the remaining term of the PPA on a periodic basis, but at least annually. Based on this evaluation, we reassess the energy output estimated over the remaining term of the PPA and adjust the revenue recognized and deferred to date. Through March 31, 2020, the adjustments have not been significant. The difference between the actual billing and revenue recognized is recorded as deferred revenue.

Cost of Operations (Exclusive of Depreciation and Amortization)

Our cost of operations primarily consists of expenses pertaining to operations and maintenance of our solar power plants. These expenses include payroll and related costs for maintenance staff, plant maintenance, insurance, and, if applicable, lease costs.

General and Administrative Expenses

Our general and administrative expenses include payroll and related costs for corporate, finance and other support staff, including bonus and share based compensation expense, professional fees and other corporate expenses. We anticipate that we will incur additional general and administrative costs, including headcount and expansion related costs, to support the growth in our business as well as additional costs of being a public reporting company.

Depreciation and Amortization

Depreciation and amortization expense are recognized using the straight-line method over the estimated useful life of our solar power plants and other assets. Leasehold improvements related to solar power plants are amortized over the shorter of the lease term or the underlying period of the PPA for that particular solar power plant. Leasehold improvements related to office facilities are amortized over the shorter of the lease period or the estimated useful life. Freehold land is not depreciated. Construction in progress is not depreciated until such projects are commissioned.

Interest Expense, Net

Interest expense, net consists of interest incurred on term loans for projects under our fixed and variable rate financing arrangements including interest expense on the Green Bonds (as defined below), cost of hedging the foreign currency risk on the solar green bond transactions, and interest expense on non-convertible debentures. Interest cost also includes the cost of swaps and option contracts entered to mitigate the foreign exchange risk for solar green bond transactions. The Company has designated the swaps and option contracts as a cash flow hedge and are tested for effectiveness on a quarterly basis or as determined at the time of designation of hedge. Interest expense also includes bank fees and other borrowing costs, which are typically amortized over the life of the loan using the effective interest rate method. Interest expense is presented net of capitalized financing costs and interest income earned from bank deposits. Interest incurred in connection with a project that has been commissioned is expensed while interest incurred prior to commissioning is capitalized.

Other income

Other income primarily consists of gain on sale of investments in mutual funds.

Gain/Loss on Foreign Currency Exchange

We are exposed to movements in currency exchange rates, particularly to changes in exchange rates between U.S. dollars and Indian rupees. While our functional currency is the U.S. dollar, the functional currency of AZI is Indian rupees and a portion of AZI's borrowings from financial institutions are denominated in U.S. dollars. Foreign exchange gain/loss includes the unrealized and realized loss from foreign currency fluctuations on our non-functional currency denominated borrowings.

We also enter into foreign currency option contracts to mitigate and manage the risk of changes in foreign exchange rates on our borrowings denominated in currencies other than our functional currency. Some of these hedges do not qualify as cash flow hedges under Accounting Standards Codification, or "ASC", Topic 815, "Derivatives and Hedging." Changes in the fair value of these option contracts are recognized in the consolidated statements of operations and are included in loss on foreign currency exchange.

Income Tax Expense

Our income tax expense consists of current and deferred income tax as per applicable jurisdictions in Mauritius, India and the United States. Income tax for our current and prior periods is measured at the amount expected to be recovered from or paid to taxation authorities based on our taxable income or loss for that period.

Deferred income taxes and changes in related valuation allowance, if any, reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

Internal Control over Financial Reporting

As a company with less than US$1.07 billion in revenue for our last fiscal year, we qualify as an emerging growth company pursuant to the Jumpstart Our Business Startups Act of 2012, or the JOBS Act. An emerging growth company may take advantage of specified reduced reporting and other requirements that are otherwise applicable generally to public companies. These provisions include exemption from the auditor attestation requirement under Section 404 of the Sarbanes-Oxley Act of 2002 in the assessment of the emerging growth company's internal control over financial reporting. The JOBS Act also provides that an emerging growth company does not need to comply with any new or revised financial accounting standards until such date that a private company is otherwise required to comply with such new or revised accounting standards. We may adopt new or revised accounting standards on the relevant dates on which adoption of such standard is required.

Critical Accounting Policies and Estimates

Our consolidated financial statements are prepared in accordance with U.S. GAAP. We have identified certain accounting policies that we believe are the most critical to the presentation of our consolidated financial information over a period of time. These accounting policies may require our management to take decisions on subjective and/or complex matters relating to reported amounts of assets, liabilities, revenue, costs, expenses and related disclosures. These would further lead us to estimate the effect of matters that may inherently be uncertain.

The judgment on such estimates and underlying assumptions is based on our experience, historical trends, understanding of the business, industry and various other factors that we believe are reasonable under the circumstances. These form the basis of our judgment on matters that may not be apparent from other available sources of information. In many instances changes in the accounting estimates are likely to occur from period-to-period. Actual results may differ from the estimates. The future financial statement presentation, financial condition, results of operations and cash flows may be affected to the extent that the actual results differ materially from our estimates.

Our significant accounting policies are summarized in Note 2—Summary of Significant Accounting Policies to our consolidated financial statements included in this annual report. Our various critical accounting policies and estimates are discussed in the following paragraphs.

Income Taxes

Income tax expense consists of (i) current income tax expense arising from income from operations (ii) deferred income tax expense/(benefit) arising from temporary differences and (iii) income tax expense as a result of certain intercompany transactions.

We use the asset and liability method in accounting for income taxes. Under this method, deferred income tax assets and liabilities are determined based on the difference between financial reporting and tax bases of assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse.

The tax rates on reversal of temporary differences might be different from the tax rates used for creation of the respective deferred tax assets/liabilities.

As of March 31, 2019, and 2020, we had net deferred tax assets of INR 2,407 million and INR 2,205 million (US$ 29.2 million), respectively, and net deferred tax liabilities of INR 2,054 million and INR 2,622 million (US$ 34.8 million), respectively.

We apply a two-step approach to recognize and measure uncertainty in income taxes in accordance with ASC Topic 740. The first step is to evaluate the tax position for recognition by determining if the weight of available evidence indicates that it is more likely than not that the position will be sustained on audit, including resolution of related appeals or litigation processes, if any. The second step is to measure the tax benefit as the largest amount, which is more than 50% likely of being realized upon ultimate settlement. We re-evaluate these uncertain tax positions on an annual basis. This evaluation is based on factors including changes in facts or circumstances, changes in tax law and effectively settled issues under tax-audit. Such a change in recognition or measurement could result in the recognition of a tax benefit or an additional charge to the tax provision in the relevant period. As of March 31, 2019, and 2020, we did not have any material uncertain tax positions.

We establish valuation allowances against our deferred tax assets when it is more likely than not that all or a portion of a deferred tax asset will not be realized. The valuation allowance as on March 31, 2019 and 2020 were INR 328 million and INR 217 million (US$ 2.9 million), respectively.

A portion of our Indian operations qualifies for tax holiday related to their operating income attributable to undertakings, as defined, in operating solar power plants under section 80-IA of the Indian Income Tax Act, 1961. This holiday is available for a period of ten consecutive years out of fifteen years beginning from the year in which the undertaking first generates power (referred to as the Tax Holiday period), however, the exemption is available only to the projects completed on or before March 31, 2017. We assess the election of the Tax Holiday period on an annual basis for each of our undertakings. We believe these undertakings will generate higher taxable profits due to lower interest cost as debt balances are paid down in the later years of operations and therefore, we plan to defer the Tax Holiday election to later years in order to maximize the benefits. As of March 31, 2020, we are claiming tax holiday benefits for three of our subsidiaries. Deferred tax assets are recognized to the extent probable of realization outside the anticipated Tax Holiday period. For example, if we choose years six through 15 as the tax holiday period, we recognize deferred tax assets only to the extent that they will be realized either in years one through five or from year 16 onwards. As a result, all temporary differences do not result in creation of a deferred tax asset or liability.

The Taxation Laws (Amendment) Act, 2019 received the assent of the President on December 11, 2019 and published in the Gazette of India on December 12, 2019. The amendment provides an option for the companies to opt for a reduced corporate tax rate of 22% provided they do not claim certain tax benefits under the Income Tax Act. The Company has opted for the reduced tax rate for the subsidiaries which are not eligible for deduction under section 80IA of the Income Tax Act. Further, new domestic Companies incorporated on or after October 1, 2019 making fresh investment in manufacturing can opt for an option to pay income-tax at the rate of 15%. This benefit is available to companies which do not avail any exemption/incentive and commences their production on or before March 31, 2023. Also, such companies shall not be required to pay Minimum Alternate Tax.

AZI and a subsidiary provide EPC services to other group subsidiaries and as a result incur income taxes on profits from the services provided. The services provided to the group subsidiaries are in the nature of capitalizable costs and are therefore capitalized as part of property, plant and equipment in the standalone financial statements of such subsidiaries. However, these capitalized costs are eliminated for the purposes of the consolidated financial statements. The costs capitalized in the standalone financial statements are however eligible for income tax deductions in the tax records of the respective group subsidiaries. The Company started recording Deferred Tax Asset on the intra-entity transfer of assets pursuant to ASU 2016-16, from April 1, 2017. We assess that the probability of realizing the benefit on an annual basis and its recognition is limited to the extent probable of realization outside of the anticipated Tax Holiday period. Our estimate is that such benefit is limited to approximately 30% to 55% of the tax expense incurred by AZI and the subsidiary. As a result, while all the profits on inter-company transactions are eliminated during consolidation, it does not result in a complete reversal of tax expense on such inter-company transactions. Accordingly, while we may not be profitable, we report income tax expense / benefit that may fluctuate from period to period. Further, these EPC services by AZI and a subsidiary to other group subsidiaries were provided up to December 2019 only. Subsequent to December 2019, all subsidiaries are managing these EPC services by themselves with dedicated team of field-service engineers, technicians and other employees. However, for the rooftop business, the Company is continuing with the earlier model of EPC services.

Contracts Designated as Cashflow Hedges for Solar Green Bonds

We have issued U.S. dollar denominated 5.65% Solar Green Bonds in September, 2019 and 5.5% Solar Green Bonds in August 2017 (“Green Bonds”) respectively, listed on the Singapore Exchange Limited (“SGX”). The proceeds were used for repayment of project level debt of certain projects in India and for growth capital in certain projects under construction, in the form of intercompany Non-Convertible Debentures (“NCD”) and External Commercial Borrowings (“ECB’s”) denominated in INR. The exchange rate risk on the proceeds invested from the Green Bonds are hedged through cross currency swap for payment of coupons and through call spread option contracts for repayment of principal (collectively “option contracts”). We have designated these option contracts as a cashflow hedge. These options contracts mitigate the exchange rate risk associated with the forecasted transaction for semi-annual repayment of coupon and for repayment of the principal balance at the end of five years.

The cashflow from the underlying agreement match the terms of a hedge such as—notional amount, maturity of the option contracts, mitigation of exchange rate risk, and there are no significant changes in the counter party risk, hence they are designated as a cashflow hedge in accordance with ASC Topic 815— *Derivatives and Hedging*. Fair value of the hedge at the time of inception of the contract was nil and the cost of the hedge is recorded as an expense over the period of the contract on a straight-line basis. Changes in fair value of the option contracts designated as cash flow are recorded in Other Comprehensive Income/(Loss), net of tax, until the hedge transactions occur. We evaluate hedge effectiveness of cash flow hedges at the time a contract is entered into as well as on a quarterly basis. We test the effectiveness of the hedge relationship on a quarterly basis and the hedge was effective as of March 31, 2020.

In August 2017, the FASB issued ASU 2017-12, "Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities", including certain transitional guidance and subsequent amendments including amendments to presentation and disclosure guidance within ASU 2019-04 (collectively, "ASU 2017-12"). ASU 2017-12 permits a qualitative effectiveness assessment for certain hedges instead of a quantitative test after the initial qualification, if the Company can reasonably support an expectation of high effectiveness throughout the term of the hedge. Also, for cash flow hedges, if the hedge is highly effective, all changes in the fair value of the derivative hedging instrument are recorded in other comprehensive income. The Company early adopted the guidance under ASU 2017-12 during the year ending March 31, 2018 and designated certain option contracts entered during the period as cash flow hedges. The Company classifies the option contracts as cash flow hedge and undesignated contracts.

We used the derivatives option pricing model based on the principles of the Black-Scholes model to determine the fair value of the foreign exchange option contracts. The inputs considered in this model include the theoretical value of a call option, the underlying spot exchange rate as of the balance sheet date, the contracted price of the respective option contract, the term of the option contract, the implied volatility of the underlying foreign exchange rates and the risk-free interest rate as of the balance sheet date. The techniques and models incorporate various inputs including the credit worthiness of counterparties, foreign exchange spot and forward rates, interest rate yield curves, forward rate yield curves of the underlying. The Company classifies the fair value of these foreign exchange option contracts as Level 2 because the inputs used in the valuation model are observable in active markets over the term of the respective contracts. Fair value of the hypothetical derivative is computed based on the above inputs from Bloomberg or other reputed banks.

	March 31, 2019 (in millions)			
	Notional Amount (US$)	Current Liabilities (Fair value) (INR)	Other Assets (Fair value) (INR)	Other Assets (Fair value) (US$)
Foreign currency option contracts	499.6	—	2,220	32.1

	March 31, 2020 (in millions)			
	Notional Amount (US$)	Current Liabilities (Fair value) (INR)	Other Assets (Fair value) (INR)	Other Assets (Fair value) (US$)
Foreign currency option contracts	849.7	—	6,177	81.9

A. Results of Operations

Azure Power Global Limited's functional currency is the U.S. dollar and reporting currency is the Indian rupee. Solely for the convenience of the reader, we have translated the financial information for the fiscal year ended March 31, 2020. The rate used for this translation is INR 75.39 to US$1.00, which is the noon buying rate in New York City for cable transfer in non-U.S. dollar currencies as certified for customs purposes by the Federal Reserve Bank of New York as of March 31, 2020, which is the last available rate in the period of reported financial statements. No representation is made that the Indian rupee amounts could have been, or could be, converted, realized or settled into U.S. dollars at that rate.

	Fiscal Year Ended March 31,			
	2018	2019	2020	2020
Consolidated Statement of Operations data:	(INR)	(INR)	(INR)	(US$)
	(in million except for per share amounts)			
Operating revenues:				
Sale of power	7,701	9,926	12,958	171.9
Operating costs and expenses:				
Cost of operations (exclusive of depreciation and amortization shown separately below)	692	869	1,146	15.2
General and administrative	1,188	1,314	2,434	32.3
Depreciation and amortization	1,883	2,137	2,860	37.9
Total operating costs and expenses:	**3,763**	**4,320**	**6,440**	**85.4**
Operating income	**3,938**	**5,606**	**6,518**	**86.5**
Other expense, net:				
Interest expense, net	5,335	5,022	7,962	105.6
Other income	(167)	(148)	(108)	(1.4)
Loss on foreign currency exchange, net	46	441	512	6.7
Total other expenses, net	**5,214**	**5,315**	**8,366**	**110.9**
Profit / (loss) before income tax	**(1,276)**	**291**	**(1,848)**	**(24.4)**
Income tax benefit / (expense)	253	(153)	(489)	(6.5)
Net profit / (loss)	**(1,023)**	**138**	**(2,337)**	**(30.9)**
Less: Net (loss) / profit attributable to non-controlling interest	(202)	60	(68)	(0.9)
Net profit / (loss) attributable to APGL	**(821)**	**78**	**(2,269)**	**(30.0)**
Accretion to redeemable non-controlling interest	(6)	—	—	—
Net profit / (loss) attributable to APGL equity Shareholders	**(827)**	**78**	**(2,269)**	**(30.0)**
Net earnings / (loss) per share attributable to APGL equity stockholders				
Basic	(31.84)	2.37	(52.71)	(0.70)
Diluted	(31.84)	2.31	(52.71)	(0.70)
Shares used in computing basic and diluted per share amounts:				
Weighted average shares				
Basic	25,974,111	33,063,832	43,048,026	43,048,026
Diluted	25,974,111	33,968,127	43,048,026	43,048,026

Fiscal Year Ended March 31, 2019 Compared to Fiscal Year Ended March 31, 2020

Operating Revenue

Operating revenues during the fiscal year ended March 31, 2020 increased by INR 3,032 million, or 30.5%, to INR 12,958 million (US$ 171.9 million) compared to fiscal year ended March 31, 2019. The principal reasons for the increase in revenue during the fiscal year ended March 31, 2020 was the incremental revenue from projects that commenced operations at various dates during fiscal year 2019 and 2020. These include Uttar Pradesh 3, Andhra Pradesh 3, Gujarat 2 and Karnataka 4.1 and 4.2 projects solar power projects, which commenced operation during fiscal year 2019 and contributed incremental operating revenue of INR 43 million, INR 86 million, INR 1,012 million, and INR 607 million respectively, in fiscal year 2020. In addition, Rajasthan 5 and Maharashtra 3 projects commenced their operations during the year ended March 31, 2020 and contributed incremental operating revenue of INR 773 million and INR 429 million respectively. The balance of the increase in revenue was from the commencement of operations of certain rooftop projects.

Cost of Operations (Exclusive of Depreciation and Amortization)

Cost of operations during the fiscal year ended March 31, 2020 increased by INR 277 million, or 31.9%, to INR 1,146 million (US$ 15.2 million), compared to the fiscal year ended March 31, 2019, and remained consistent at 8.8% of revenue recognized during the respective periods in both years.

The increase was primarily due to an increase in plant maintenance cost related to newly operational projects and partial commissioned projects during the previous fiscal year 2019, by INR 140 million, an increase in land development charges of INR 90 million and an increase in payroll related expenses of INR 28 million.

General and Administrative Expenses

General and administrative expenses during the fiscal year ended March 31, 2020 increased by INR 1,120 million, or 85.2%, to INR 2,434 million (US$ 32.3 million) compared to the fiscal year ended March 31, 2019. The higher general and administrative expenses included INR 273 million due to higher payroll charges related to management transition (including remuneration to new management), INR 169 million related to the grant of stock appreciation rights to our Company's CEO and COO, INR 235 million on account of impact of additional leases, INR 196 million on account of provision for doubtful receivables, INR 62 million on account of provision for doubtful advances and INR 125 million for interest charges on safeguard duty on import of modules.

Depreciation and Amortization

Depreciation and amortization expenses during the fiscal year ended March 31, 2020 increased by INR 723 million, or 33.8%, to INR 2,860 million (US$ 37.9 million) compared to the fiscal year ended March 31, 2019. The principal reason for the increase in depreciation was the full year effect of projects that commenced operations on various dates during fiscal year 2020. These projects include the Rajasthan 5 project which contributed in additional depreciation of INR 228 million. Further, plants which commissioned commercial operation in fiscal year 2019, contributed additional depreciation expense, which include Andhra Pradesh 3, Gujarat 2 and Karnataka 4.1 and 4.2 solar power projects which contributed an incremental depreciation expense of INR 2 million, INR 270 million and INR 131 million respectively, in fiscal year 2020.

Interest Expense, Net

Net interest expense during the fiscal year ended March 31, 2020 increased by INR 2,940 million, or 58.5%, to INR 7,962 million (US$ 105.6 million) compared to the fiscal year ended March 31, 2019. The increase in net interest expense was primarily due to interest expense (net) of INR 1,988 million on borrowing related to new projects, charges of INR 584 million related to settlement of existing loans from the proceeds of our issuance of Green Bonds issued and refinancing of existing loans and lower interest income of INR 368 million on account of lower free cash available during the year ended March 31, 2020. The new projects include the Uttar Pradesh 3, Andhra Pradesh 3, Karnataka 4 and Assam projects.

Other Income

Other Income during the fiscal year ended March 31, 2020 decreased by INR 40 million (US$ 0.5 million) during the year ended March 31, 2020 to INR 108 million (US$ 1.4 million) as compared to the fiscal year ended March 31, 2019. The lower income is primarily on account of lower investment in mutual funds due to lower free cash available during the year ended March 31, 2020.

Loss on Foreign Currency Exchange

The foreign exchange loss during the fiscal year ended March 31, 2020 increased by INR 71 million (US$ 0.9 million) to a loss of INR 512 million (US$ 6.7 million) compared to the fiscal year ended March 31, 2019.

The Indian rupee depreciated against the U.S. dollar by INR 6.23 to US$ 1.00, or 9.0%, during the period from March 31, 2019 to March 31, 2020. This depreciation during the period from March 31, 2019 to March 31, 2020 resulted in an increase in unrealized foreign exchange loss of INR 32 million (US$ 0.4 million) on foreign currency loans, an increase in loss of INR 104 million (US$ 1.4 million) on foreign currency option contracts used to hedge the foreign currency exposure and a decrease in other foreign exchange loss of INR 65 million (US$ 0.9 million).

Income Tax Expense

Income tax expense increased during the fiscal year ended March 31, 2020 by INR 336 million to an income tax expense of INR 489 million (US$ 6.5 million), compared to fiscal year ended March 31, 2019, the details of which are summarized below.

	Year ended March 31, (in millions)				
	2018	2019	2020	2020	
	INR	INR	INR	US$	
Current tax expense/(benefit)	(117)	128	120	1.6	*
Withholding Tax on interest on restricted group debt	133	192	258	3.4	
Deferred income tax expense/(benefit)	(269)	(167)	111	1.5	
Total	(253)	153	489	6.5	

* Current tax on profit before tax.

The current income tax expense for the fiscal year ended March 31, 2020 was INR 378 million, which increased by INR 58 million compared to fiscal year ended March 31, 2019. The effective income tax rate during the year ended March 31, 2020 was higher in the current period due to inclusion of withholding tax on restricted group debt, which are a cheaper source of financing, (even after including withholding tax).

During the fiscal year ended March 31, 2020, we recorded an Indian deferred tax expense of INR 111 million, whereas for the fiscal year ended March 31, 2019, we recorded an Indian deferred tax benefit of INR 167 million. This change was primarily attributable to reversal of temporary timing difference between the book and tax basis of our assets and liabilities. We pay taxes on taxable profits at the individual entity level, in accordance with the tax rates in the relevant jurisdictions. While at the consolidated level, we have only been profitable in fiscal year 2019, AZI and certain Indian and non-Indian subsidiaries at the individual entity level have generated taxable profits. These taxable profits result from services provided by these entities to other subsidiaries and are taxed at the applicable tax rates in the jurisdiction of the entity providing the services. These inter-company transactions and profits are eliminated during consolidation, while the related income tax expense is not eliminated. The Company started recording deferred tax asset on the intra-entity transfer of assets pursuant to ASU 2016-16, from April 1, 2017. This decrease was primarily attributable to adoption of a new accounting standard on “Intra-entity transfer of assets”, resulting in recognition of deferred tax asset on the income taxes paid on the intra entity transfer of assets to the extent these are expected to be realized by the subsidiary outside of the tax holiday period. Furthermore, a portion of our Indian operations qualifies for a tax holiday related to their operating income attributable to undertakings, as defined, in operating solar power plants under section 80-IA of the Indian Income Tax Act, 1961. This holiday is available for a period of ten consecutive years out of 15 years beginning from the year in which the undertaking first generates power (referred to

as the tax holiday period); however, the exemption is available only to the projects completed on or before March 31, 2017. We anticipate that we will claim the aforesaid deduction in the last ten years out of 15 years beginning with the year in which we generate power and when we have taxable income. Accordingly, our current operations are taxable at the normally applicable tax rates. Due to the tax holiday period, a substantial portion of the temporary differences between the book and tax basis of our assets and liabilities do not have any tax consequences as they are expected to reverse within the tax holiday period.

Our tax expenses are further described in Note 13—Income Taxes to our consolidated financial statements included in this annual report.

Fiscal Year Ended March 31, 2019 Compared to Fiscal Year Ended March 31, 2018

Operating Revenue

Operating revenues during the fiscal year ended March 31, 2019 increased by INR 2,225 million, or 28.9%, to INR 9,926 million (US$ 143.5 million) compared to fiscal year ended March 31, 2018. The principal reasons for the increase in revenue during the fiscal year ended March 31, 2019 was the incremental revenue from projects that commenced operations at various dates during fiscal year 2018 and 2019. These include Andhra Pradesh 2, Uttar Pradesh 2 and Telangana 1 solar power projects, which commenced operation during fiscal year 2018 and contributed incremental operating revenue of INR 274 million, INR 157 million, and INR 718 million, respectively, in fiscal year 2019. In addition, Uttar Pradesh 3, Andhra Pradesh 3, Gujarat 2 and Karnataka 4.1 and 4.2 projects commenced their operations during the year ended March 31, 2019 and contributed incremental operating revenue of INR 214 million, INR 314 million, INR 284 million and INR 35 million respectively, the balance increase in revenue is from commencement of operations of certain rooftop projects.

Please refer to Note 2 (q) of our consolidated financial statements as of and for the year ended March 31, 2019 for details on the adoption of ASC Topic 606, "*Revenue from Contracts with Customers on revenue*." Accordingly, these numbers are not comparable to the extent of ASC 606, adjustments.

Cost of Operations (Exclusive of Depreciation and Amortization)

Cost of operations during the fiscal year ended March 31, 2019 increased by INR 177 million, or 25.6%, to INR 869 million (US$ 12.6 million), compared to the fiscal year ended March 31, 2018, and remained consistent at 8.8% of revenue recognized during the respective periods in both the years. The increase was primarily due to increase in plant maintenance cost related to newly operational projects and partial commissioned projects during previous fiscal year 2018, by INR 90 million, an increase in leasehold rent of INR 32 million primarily resulting from increased leased land in connection with our new projects, and an increase in payroll related expenses of INR 41 million.

General and Administrative Expenses

General and administrative expenses during the fiscal year ended March 31, 2019 increased by INR 126 million, or 10.6%, to INR 1,314 million (US$ 19.0 million), compared to the fiscal year ended March 31, 2018. This was primarily due to an increase in payroll expenses of INR 106 million and lease rent expenses in relation to projects under construction of INR 72 million. The increase in general and administrative expenses was lower than the increase in revenue as a result of the economies of scale.

Depreciation and Amortization

Depreciation and amortization expenses during the fiscal year ended March 31, 2019 increased by INR 254 million, or 13.5%, to INR 2,137 million (US$ 30.9 million), compared to the fiscal year ended March 31, 2018. The principal reason for the increase in depreciation was the full year effect of projects that commenced operations on various dates during fiscal year 2019. These projects include the Uttar Pradesh 3, Andhra Pradesh 3, Gujarat 2 and Karnataka 4.1 and 4.2 projects and contributed in additional depreciation of INR 64 million, INR 68 million, INR 80 million and INR 8 million respectively. Further, plants which commissioned commercial operation in fiscal year 2018, contributed additional depreciation expense, which include Uttar Pradesh 2 and Telangana 1 solar power projects and contributed incremental depreciation expense of INR 21 million, and INR 128 million, respectively, in fiscal year 2019.

Please refer Note 2 (i) of our consolidated financial statements as of and for the year ended March 31, 2019 for details on change in useful life of our utilities project.

Interest Expense, Net

Interest expense during the fiscal year ended March 31, 2019 increased by INR 109 million, or 1.9%, to INR 5,953 million (US$ 86.1 million) compared to the fiscal year ended March 31, 2018, primarily on account of financing for newer projects that commenced operations during fiscal year ended March 31, 2019. These projects include the Uttar Pradesh 3, Andhra Pradesh 3 and Karnataka 4 projects.

Interest income during the fiscal year ended March 31, 2019 increased by INR 422 million or 83.3%, to INR 932 million (US$ 13.5 million) compared to the fiscal year ended March 31, 2018 primarily as a result of an increase in term deposits placed during the fiscal year.

Other Income

Other Income during the fiscal year ended March 31, 2019 decreased by INR 19 million (US$ 0.3 million) during the year ended March 31, 2019 to INR 148 million (US$ 2.1 million) as compared to the fiscal year ended March 31, 2018. The lower income is primarily on account of lower investment in mutual funds due to lower free cash available during the year ended March 21, 2019.

Loss on Foreign Currency Exchange

The foreign exchange loss during the fiscal year ended March 31, 2019 increased by INR 395 million to a loss of INR 441 million (US$ 6.4 million) compared to the fiscal year ended March 31, 2018.

The Indian rupees depreciated against the U.S. dollar by INR 4.1 to US$ 1.00, or 6.3%, during the period from March 31, 2018 to March 31, 2019. This depreciation during the period from March 31, 2018 to March 31, 2019 resulted in an increase in unrealized foreign exchange loss of INR 214 million (US$ 3.1 million) on foreign currency loans, a decrease in an unrealized loss of INR 24 million (US$ 0.4 million) on foreign currency option contracts used to hedge the foreign currency exposure. We recorded realized gains on foreign currency option contracts and foreign currency loans, which were settled during fiscal year ended March 31, 2019 of INR 48 million (US$ 0.7 million).

The realized loss on foreign currency exchange was INR 193 million (US$ 2.8 million) and the unrealized loss on foreign exchange was INR 227 million (US$ 3.3 million) during the fiscal year ended March 31, 2019. Refer Note 15 of financial statements.

Income Tax Expense

Income tax expense increased during the fiscal year ended March 31, 2019 by INR 406 million to an income tax expense of INR 153 million, (US$ 2.3 million), compared to fiscal year ended March 31, 2018, the details of which are summarized below:

	Year ended March 31, (in millions)			
	2017	2018	2019	2019
	INR	INR	INR	US$
Current tax expense/(benefit)	509	(117)	128	1.9*
Withholding Tax on interest on restricted group debt	—	133	192	2.8
Deferred income tax expense/(benefit)	383	(269)	(167)	(2.4)
Total	892	(253)	153	2.3

* *Current tax on profit before tax.*

For the fiscal year ended March 31, 2019, the statutory income tax rate as per the Income Tax Act, 1961 is 34.61%. The current income tax expense for the fiscal year ended March 31, 2019 was INR 320 million, which increased from INR 16 million for the fiscal year ended March 31, 2018. The effective income tax rate during the year ended March 31, 2019 was higher in the current period due to inclusion of withholding tax on restricted group debt, which are a cheaper source of financing, (even after including withholding tax).

During the fiscal year ended March 31, 2019, we recorded an Indian deferred tax benefit of INR 167 million, whereas for the fiscal year ended March 31, 2018, we recorded an Indian deferred tax benefit of INR 269 million. This change was primarily attributable to reversal of temporary timing difference between the book and tax basis of our assets and liabilities.

We pay taxes on taxable profits at the individual entity level, in accordance with the tax rates in the relevant jurisdictions. While at the consolidated level, we were only profitable in fiscal year 2019, AZI and certain Indian and non-Indian subsidiaries at the individual entity level have generated taxable profits. These taxable profits result from services provided by these entities to other subsidiaries and are taxed at the applicable tax rates in the jurisdiction of the entity providing the services. These inter-company transactions and profits are eliminated during consolidation, while the related income tax expense is not eliminated. The Company started recording deferred tax asset on the intra-entity transfer of assets pursuant to ASU 2016-16, from April 1, 2017. This decrease was primarily attributable to adoption of a new accounting standard on "Intra-entity transfer of assets", resulting in recognition of deferred tax asset on the income taxes paid on the intra entity transfer of assets to the extent these are expected to be realized by the subsidiary outside of the tax holiday period. Furthermore, a portion of our Indian operations qualifies for a tax holiday related to their operating income attributable to undertakings, as defined, in operating solar power plants under section 80-IA of the Indian Income Tax Act, 1961. This holiday is available for a period of ten consecutive years out of 15 years beginning from the year in which the undertaking first generates power (referred to as the tax holiday period); however, the exemption is available only to the projects completed on or before March 31, 2017. We anticipate that we will claim the aforesaid deduction in the last ten years out of 15 years beginning with the year in which we generate power and when we have taxable income. Accordingly, our current operations are taxable at the normally applicable tax rates. Due to the tax holiday period, a substantial portion of the temporary differences between the book and tax basis of our assets and liabilities do not have any tax consequences as they are expected to reverse within the tax holiday period.

Our tax expenses are further described in Note 13—Income Taxes to our consolidated financial statements included in this annual report.

B. Liquidity and Capital Resources

Our Company does not generate cash from operations in order to fund its expenses. Restrictions on the ability of our subsidiaries to pay us cash dividends as a result of certain regulatory and contractual restrictions may make it impracticable to use such dividends as a means of funding the expenses of Azure Power Global Limited. For a further discussion on our ability to issue and receive dividends, see "Item 8. Financial Information — A. Consolidated Statements and Other Financial Information"

Our principal liquidity requirements are to finance current operations, service our debt and support our growth in India. We will continue to use capital in the future to finance the construction of solar power plants. Historically, our operations largely relied on project-level long term borrowings, proceeds from issuance of compulsorily convertible preferred shares and compulsorily convertible debentures, and internally generated cash flows to meet capital expenditure requirements. As a normal part of our business and depending on market conditions, we will from time to time consider opportunities to repay, redeem, repurchase or refinance our indebtedness. Changes in our operating plans, lower than anticipated electricity sales, increased expenses or other events may cause us to seek additional debt or financing in future periods. There can be no guarantee that financing will be available on acceptable terms or at all. Debt financing, if available, could impose additional cash payment obligations, additional covenants and operating restrictions. Future financings could result in the dilution of our existing shareholding. In addition, any of the items discussed in detail under "Risk Factors" elsewhere in this annual report may also significantly impact our liquidity.

Liquidity Position

As of March 31, 2020, our liquid assets totaled INR 9,792 million (US$ 129.9 million), which was comprised of cash and cash equivalents. As of March 31, 2020, we carried cash and cash equivalent of INR 9,458 million (US$ 125.5 million) held by our foreign subsidiaries, which are not readily available to Azure Power Global Limited.

We also have commitments from financial institutions that we can draw upon in the future upon the achievement of specific funding criteria. As of March 31, 2020, we have such undrawn commitments amounting to INR 19,360 million (US$ 256.8 million) under project-level financing arrangements.

We are subject to business and operational risks that could adversely affect our cash flows. A material decrease in our cash flows would likely produce a corresponding adverse effect on our borrowing capacity.

Sources of Liquidity

Our ability to meet our debt service obligations and other capital requirements will depend on our future operating performance which, in turn, will be subject to general economic, financial, business, competitive, legislative, regulatory and other conditions, many of which are beyond our control. Our financing arrangements as of March 31, 2020 consist of project financing arrangements and other borrowings. For a full discussion of the Liquidity risks to our business associated with the COVID-19 pandemic, see “Risks to our Business related to the COVID-19 pandemic”.

Project-level Financing Arrangements

Our borrowings include project-specific financing arrangements collateralized by the underlying solar power plants. The table below summarizes certain terms of our project-level financing arrangements as of March 31, 2020:

Name of project	Outstanding principal Amount (in millions)		Type of Interest	Currency	Maturity Date (1)
	INR	US$			
Andhra Pradesh 1	2,508	33.3	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	19.0	Fixed	INR	2022
Karnataka 3.3	6,545	86.8	Fixed	INR	2022
Punjab 1	174	2.3	Fixed	INR	2022
Punjab 2	1,699	22.5	Fixed	INR	2022
Punjab 4	5,810	77.1	Fixed	INR	2022
Rajasthan 3.1	867	11.5	Fixed	INR	2022
Rajasthan 3.2	1,699	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	61.1	Fixed	INR	2022
Uttar Pradesh 1	514	6.8	Fixed	INR	2022
Gujarat 2	9,188	121.9	Fixed	INR	2024
Maharashtra 3	5,238	69.5	Fixed	INR	2024
Karnataka 4	3,934	52.2	Fixed	INR	2024
Maharashtra 1.1 & 1.2	325	4.3	Fixed	INR	2024
Uttar Pradesh 3	1,778	23.6	Fixed	INR	2024
Andhra Pradesh 3	2,179	28.9	Fixed	INR	2024
Punjab 3.1 and 3.2	1,219	16.2	Fixed	INR	2024
Chhattisgarh 1.1,1.2 & 1.3	1,296	17.2	Floating	INR	2029
Rajasthan 1	475	6.3	Fixed	INR	2031
Rajasthan 2	3,086	40.9	Fixed	US$	2031
Karnataka 2	430	5.7	Floating	INR	2032
Andhra Pradesh 2	5,335	70.8	Floating	INR	2036
Uttar Pradesh 2	2,110	28.0	Floating	INR	2037
Rajasthan 5	5,753	76.3	Mixed	INR	2038
Assam	1,000	13.3	Floating	INR	2039
Rooftop Projects (4)	3,454	45.9	Mixed	INR/US$	2022-2031
Total Amount	**77,975 (2) (3)**	**1,034.3**			

(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 1,145 million (US$ 15.2 million).

(3) Further, non-project level debt of INR 11,303 million (US$ 149.9 million) and working capital loans for INR 1,731 million (US$ 23.0 million), are excluded from the above table. The non-project level debt balance includes INR 8,653 million (US$ 114.8 million) of foreign exchange impact on project debt against which the company has taken a hedge.

(4) Rooftop Projects includes Delhi Rooftop 4, Gujarat rooftop, Punjab Rooftop 2, Railway 1 and SECI 50.

Our outstanding project-level borrowings have been secured by certain movable and immovable properties, including property, plant and equipment, as well as a pledge of the shares of the project-level SPVs.

The financing agreements governing our project-level borrowings contain financial and other restrictive covenants that limit our project subsidiaries' ability to make distributions to us unless certain specific conditions are met, including the satisfaction of certain financial ratios.

Uses of Liquidity

Our principal requirements for liquidity and capital resources can be categorized into investment for developing solar power plants and debt service obligations. Generally, once operational, our solar power generation assets do not require significant capital expenditures to maintain their operating performance and the working capital is sufficient to meet the operations. For principal and interest payments on our debt outstanding as of March 31, 2020, refer to Contractual Obligations and Commercial Commitments included elsewhere in this in this annual report.

Capital Expenditures

As of March 31, 2020, we operated 43 utility scale projects and several commercial rooftop projects with a combined rated capacity of 1,808 MWs. As of such date, we were also constructing projects with a combined rated capacity of 707 MWs and had an additional 4,600 MWs of projects committed.

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.

Our capital expenditure requirements consist of:

(i) Expansion capital expenditures for new projects; and

(ii) Working capital spent for building a pipeline of projects for the coming year(s).

Expansion capital expenditures also include interest expense associated with borrowings used to fund expansion during the construction phase of the projects.

Our capital expenditure amounted to INR 18,321 million (US$ 243.6 million) for the fiscal year ended March 31, 2020, primarily for construction of Assam 1, Rajasthan 6, Rajasthan 5, Maharashtra 3, Gujarat 2 and Karnataka 4.1 and 4.2.

Cash Flow Discussion

We also use traditional measures of cash flow, including net cash provided by operating activities, net cash used in investing activities and net cash provided by financing activities, as well as cash available for distribution to evaluate our periodic cash flow results.

Cash and cash equivalents include cash on hand, demand deposits with banks, term deposits and all other highly liquid investments purchased with an original maturity of three months or less at the date of acquisition and that are readily convertible to cash. It does not include restricted cash which consists of cash balances restricted as to withdrawal or usage and relate to cash used to collateralize bank letters of credit supporting the purchase of equipment for solar power plants, bank guarantees issued in relation to the construction of the solar power plants within the timelines stipulated in PPAs and for certain debt service reserves required under our loan agreements.

Fiscal Year Ended March 31, 2020 Compared to Fiscal Year Ended March 31, 2019

The following table reflects the changes in cash flows for the comparative periods:

	For fiscal year ended March 31,			
	2019	2020		Change
	INR	INR	US$	INR
	(In millions)			
Cash flow data				
Net cash provided by operating activities	2,138	3,678	49.2	1,540
Net cash used in investing activities	(26,053)	(18,256)	(242.7)	7,797
Net cash provided by financing activities	26,887	16,146	214.3	(10,741)

Operating Activities

During the fiscal year ended March 31, 2020, we generated INR 3,678 million (US$ 49.2 million) of cash from operating activities. This cash generated from operating activities primarily resulted from a net loss during the fiscal year ended March 31, 2020 of INR 2,337 million increased by non-cash items including a derivative instrument of INR 1,428 million, depreciation and amortization of INR 2,860 million, allowance for doubtful accounts of INR 303 million and deferred income taxes of INR 149 million, offset by realized gain on investments of INR 108 million, in addition to changes in working capital including, an INR 164 million increase in other liabilities, an INR 340 million increase in deferred revenue, an INR 247 million decrease in prepaid expenses and other current assets, an INR 335 million increase in other assets primarily resulting from prepaid income taxes and interest receivable on term deposits and INR 699 million increase in interest payable offset by an INR 1,390 million increase in accounts receivable.

During the fiscal year ended March 31, 2019, we generated INR 2,138 million of cash from operating activities. This cash generated from operating activities primarily resulted from a net profit during the fiscal year ended March 31, 2019 of INR 138 million increased by non-cash items including cashflow hedge of INR 1,037 million and depreciation and amortization of INR 2,137 million, offset by deferred income taxes of INR 508 million, a realized gain on investments of INR 148 million, in addition to changes in working capital including, a INR 532 million increase in other liabilities, an INR 399 million increase in deferred revenue, offset by an INR 1,124 million increase in accounts receivable, and an INR 991 million increase in prepaid expenses and other current assets primarily resulting from prepaid income taxes and debt financing cost and interest receivable on term deposits and INR 301 million decrease in interest payable.

Investing Activities

During the fiscal year ended March 31, 2020, we utilized INR 18,256 million (US$ 242.7 million) in our investing activities. This cash outflow was primarily due to INR 18,321 million (US$ 243.0 million) incurred to purchase property, plant and equipment primarily related to the construction of our following projects Assam 1, Rajasthan 6, Rajasthan 5, Maharashtra 3, Gujarat 2 and Karnataka 4.1 and 4.2, offset by a net sale of INR 108 million (US$ 1.4 million) of available-for-sale current investments.

During the fiscal year ended March 31, 2019, we utilized INR 26,053 million in our investing activities. This cash outflow was primarily due to INR 26,029 million incurred to purchase property, plant and equipment primarily related to the construction of our following projects Gujarat 2, Andhra Pradesh 3, Uttar Pradesh 3, Karnataka 4 and Rajasthan 5, offset by a net sale of INR 1,497 million of available-for-sale non-current investments. Further, we paid INR 1,474 million, to purchase the 48.37% ownership interest in a subsidiary, with a 150 MWs Punjab project, which was not held by the Company previously.

Financing Activities

During the fiscal year ended March 31, 2020, we generated INR 16,146 million (US$ 214.3 million) from financing activities. This cash inflow was primarily due to issuance of Green Bonds for INR 24,400 million (US$ 323.7 million), new loan proceeds of INR 19,538 million (US$ 259.2 million) for our Uttar Pradesh 3, Andhra Pradesh 3 and Karnataka 4 projects and certain rooftop solar power plants and private placement for issuance of 6,493,506 equity shares at US$ 11.55 per share to Caisse de depot et placement du Quebec, from which we raised INR 5,317 million (US$ 70.5 million) offset by repayment of term loan amounting to INR 32,827 million (US$ 435.4 million), which includes INR 1,058 million (US$ 14.0 million) paid towards hedging costs for Green Bonds and an INR 282 million (US$ 3.7 million) decrease due to loan prepayment charges.

During the fiscal year ended March 31, 2019, we generated INR 26,887 million from financing activities. This cash inflow was primarily due to issuance of 14,915,542 shares at US$ 12.50 per share, in a Follow-on Public Offering (“FPO”) from which we raised INR 13,637 million, issuance of Non-Convertible Debentures for INR 1,478 million and new loan proceeds of INR 15,558 million for our Gujrat 2, Karnataka 4 and Rajasthan 5 projects offset by repayment of term loan amounting to INR 3,786 million, which includes INR 1,305 million paid towards hedges for Green Bonds.

Fiscal Year Ended March 31, 2019 Compared to Fiscal Year Ended March 31, 2018

The following table reflects the changes in cash flows for the comparative periods:

	For fiscal year ended March 31,			
	2018	2019		Change
	INR	INR	US$	INR
	(In millions)			
Cash flow data				
Net cash provided by (used in) operating Activities	1,857	2,138	30.9	281
Net cash used in investing activities	(18,066)	(26,053)	(376.7)	(7,987)
Net cash provided by financing activities	16,816	26,887	388.8	10,071

Operating Activities

During the fiscal year ended March 31, 2019, we generated INR 2,138 million of cash from operating activities. This cash generated from operating activities primarily resulted from a net profit during the fiscal year ended March 31, 2019 of INR 138 million increased by non-cash items including cashflow hedge of INR 1,037 million and depreciation and amortization of INR 2,137 million, offset by deferred income taxes of INR 508 million, a realized gain on investments of INR 148 million, in addition to changes in working capital including, a INR 532 million increase in other liabilities, an INR 399 million increase in deferred revenue, offset by an INR 1,124 million increase in accounts receivable, and an INR 991 million increase in prepaid expenses and other current assets primarily resulting from prepaid income taxes and debt financing cost and interest receivable on term deposits and INR 301 million decrease in interest payable.

During the fiscal year ended March 31, 2018, we generated INR 1,858 million of cash from operating activities. This cash generated from operating activities primarily resulted from a net loss during the fiscal year ended March 31, 2018 of INR 1,022 million reduced by non-cash items including amortization of deferred finance costs of INR 748 million, onetime prepayment charges on loans of INR 676 million, cashflow hedge of INR 575 million and depreciation and amortization of INR 1,882 million, offset by deferred income taxes of INR 655 million, a net foreign exchange gain of INR 102 million, in addition to changes in working capital including, a INR 83 million decrease in other liabilities, an INR 179 million increase in deferred revenue, an INR 1,031 million increase in interest payable, an INR 141 million increase on account of other assets, an INR 124 million increase in accounts payable, offset by an INR 1,169 million increase in accounts receivable, and an INR 642 million increase in prepaid expenses and other current assets primarily resulting from options premiums paid in connection with our options contracts, prepaid income taxes and debt financing cost and interest receivable on term deposits.

Investing Activities

During the fiscal year ended March 31, 2019, we utilized INR 26,053 million in our investing activities. This cash outflow was primarily due to INR 26,030 million incurred to purchase property, plant and equipment primarily related to the construction of our following projects Gujarat 2, Andhra Pradesh 3, Uttar Pradesh 3, Karnataka 4 and Rajasthan 5, offset by a net sale of INR 1,498 million of available-for-sale non-current investments. Further, we paid INR 1,474 million, to purchase the 48.37% ownership interest in a subsidiary, with a 150 MWs Punjab project, which was not held by the Company previously.

During the fiscal year ended March 31, 2018, we utilized INR 18,066 million in our investing activities. This cash outflow was primarily due to INR 19,648 million incurred to purchase property, plant and equipment primarily related to the construction of our Andhra Pradesh 2, Uttar Pradesh 2, Telangana 1, Uttar Pradesh 3, Andhra Pradesh 3, Delhi Rooftop 4, Odisha Rooftop 1, Indian Railways Rooftop 1, SECI Rooftop 1, Delhi Rooftop 5, and Decathlon projects, offset by a net sale of INR 2,015 million of available-for-sale non-current investments.

Financing Activities

During the fiscal year ended March 31, 2019, we generated INR 26,887 million from financing activities. This cash inflow was primarily due to issuance of 14,915,542 shares at US$ 12.50 per share, in a Follow-on Public Offering ("FPO") from which we raised INR 13,637 million, issuance of Non-Convertible Debentures for INR 1,478 million and new loan proceeds of INR 15,558 million for our Gujarat 2, Karnataka 4 and Rajasthan 5 offset by repayment of term loan amounting to INR 3,786 million, which includes INR 1,305 million paid towards settling hedging parties in Green Bonds.

During the fiscal year ended March 31, 2018, we generated INR 16,816 million from financing activities. This cash inflow was primarily due to the issuance of Green Bonds for INR 31,260 million, issuance of Non-Convertible Debentures for INR 1,865 and new loan proceeds of INR 10,683 million for our Maharashtra 1.1 and 1.2 Uttar Pradesh 2, Uttar Pradesh 3, Andhra Pradesh 3 and certain rooftop solar power plants, offset by repayment of term loan using the Solar Green Bond proceeds for INR 26,397 million in Punjab 1, Punjab 2, Gujarat 1, Uttar Pradesh 1, Karnataka 1, Rajasthan 3, Rajasthan 4, Bihar 1, Andhra Pradesh 1, Karnataka 3, Punjab 4, and Telangana 1 solar power projects.

C. Research and Development, Patents and Licenses

Our intellectual property is an essential element of our business, and our success depends, at least in part, on our ability to protect our core technology and intellectual property. To accomplish this, we rely on a combination of patent, trade secret, trademark and other intellectual property laws, confidentiality agreements and license agreements to establish and protect our intellectual property rights. As of March 31, 2020, we had one patent that had been published and seven patents filed. The patent applications include, real time and pre-paid solar power module, manual solar tracking system, thin film photovoltaic mounting assembly, the NOCC, generating electricity by reutilizing water used for cooling photovoltaic cells, a system for cleaning and cooling an array of solar panels, system for power generation and scheduling and AEINA-Android App to monitor and capture the data of all the rooftop projects.

D. Trend Information

Other than as disclosed elsewhere in this annual report, we are not aware of any trends, uncertainties, demands, commitments or events since March 31, 2020 that are reasonably likely to have a material adverse effect on our net revenues, income, profitability, liquidity or capital resources, or that caused the disclosed financial information to be not necessarily indicative of future operating results or financial conditions.

COVID-19 update

The World Health Organization ("WHO") declared the Corona Virus Disease (COVID-19) as a global pandemic. Our plants have remained fully operational as electricity generation is designated as an essential service in India. We have been receiving regular payments towards electricity supplied from most of our customers in normal course and there has only been minor curtailment of our plants. The Government of India has taken additional measures to ensure payment security for Renewable Energy projects during the recent months. Though the government has effective June 01, 2020, has relaxed most of the restriction, operations will take some time before they come to normal.

Our liquidity position remains sufficient to continue normal operations through at least the end of fiscal year ending March 31, 2021. As of May 31, 2020, our unrestricted cash and cash equivalents were approximately INR 7,900 million (US$ 104.8 million). To further bolster liquidity, we are exploring working capital lines and revolving credit lines with domestic and international financial institutions.

Financing for our 1,290 MWs of under construction projects remain on schedule. The Assam 1 (90 MW) and Rajasthan 6 (SECI 600 MW) projects have debt funding in place.

Our plants under construction stopped activity during due to the Government of India "lock down" directive but have resumed construction since end of April 2020. We currently expect some delays in completion of projects under

construction but expect our counterparties for these plants to recognize our force majeure claim and we do not expect to incur any penalty from delays related to COVID-19 for our plants under construction. We do not foresee any increase in our project costs related to COVID-19 as of date and would note that metal and module prices have recently declined due to softness in global demand.

E. Off-Balance Sheet Arrangements

The terms of our PPAs provide for the annual delivery of a minimum amount of electricity at fixed prices. Under the terms of the PPAs, we have issued irrevocable performance bank guarantees.

We have issued irrevocable performance bank guarantees in relation to its obligation towards construction and transmission infrastructure of solar power plants as required by the PPA such outstanding guarantees are INR 3,718 million (US$ 49.3 million).

Further, INR 372 million (US$ 4.9 million) is in relation to commissioned plants which the Company expects to release within a year and INR 9 million (US$ 0.1 million) is a bank guarantee towards other commitments and bank guarantees amounting to INR 1,040 million (US$ 13.8 million) as at March 31, 2020 to meet Debt-Service Reserve Account (DSRA) requirements for outstanding loans.

F. Tabular Disclosure of Contractual Obligations

We have contractual obligations and other commercial commitments that represent prospective cash requirements. The following table summarizes our outstanding contractual obligations and commercial commitments as of March 31, 2020.

	Payment due by Period				
	Under 1 year	1-3 Years	3-5 Years	Over 5 years	Total
	(INR in millions)				
Contractual cash obligations					
Long-term debt (principal) (1)	2,338	44,445	30,979	12,266	**90,028**
Long-term debt (interest) (2)	5,429	10,843	6,026	6,080	**28,378**
Operating lease obligations	357	742	797	11,845	**13,741**
Purchase obligations (3)	6,298	—	—	—	**6,298**
Asset retirement obligations	—	—	—	741	**741**
Total contractual obligations	**14,422**	**56,030**	**37,802**	**30,932**	**139,186**
Total contractual obligations (US$)	**191.3**	**743.2**	**501.4**	**410.3**	**1,846.2**

(1) The long-term debt includes project secured term loans and, other secured bank loans. The long-term debt (principal) obligations for foreign currency denominated project borrowings have been converted to Indian rupees using the closing exchange rate as of March 31, 2020 as per Reserve Bank of India.

(2) Interest on long-term debt is calculated based on the outstanding balance of the debt at the prevailing interest rate for the corresponding periods.

(3) Consists of asset purchase commitment for construction of solar power plants.

G. Safe Harbor

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. Forward-looking statements are generally identifiable by use of forward-looking terminology such as "may", "will", "should", "potential", "intend", "expect", "seek", "anticipate", "estimate", "believe", "could", "plan", "project", "predict", "continue", "future", "forecast", "target", "guideline" or other similar words or expressions. Our ability to predict results or the actual effect of plans or strategies is inherently uncertain, particularly given the economic environment. Although we believe that the expectations reflected in such forward-looking statements are based on reasonable assumptions, our actual results and performance could differ materially from those set forth in the forward-looking statements and you should not unduly rely on these statements. These forward-looking statements involve risks, uncertainties and other factors that may cause our actual results in future periods to differ materially from those forward-looking statements.

The risks and uncertainties that could cause our results to differ materially from those expressed or implied by such forward-looking statements include, but not limited to:

- the pace of government sponsored auctions;
- changes in auction rules;
- the Indian government's willingness to enforce Renewable Purchase Obligations, or RPOs;
- permitting, development and construction of our project pipeline according to schedule;
- solar radiation in the regions in which we operate;
- developments in, or changes to, laws, regulations, governmental policies, incentives and taxation affecting our
- operations;
- adverse changes or developments in the industry in which we operate;
- our ability to maintain and enhance our market position;
- our ability to successfully implement any of our business strategies, including acquiring other companies;
- our ability to enter into power purchasing agreements, or PPAs, on acceptable terms, the occurrence of any
- event that may expose us to certain risks under our PPAs and the willingness and ability of counterparties to
- our PPAs to fulfill their obligations;
- our ability to borrow additional funds and access capital markets, as well as our substantial indebtedness and
- the possibility that we may incur additional indebtedness going forward;
- solar power curtailments by state electricity authorities;
- our ability to establish and operate new solar projects;
- our ability to compete against traditional and renewable energy companies;
- the loss of one or more members of our senior management or key employees;
- impact of the COVID-19 pandemic and lockdowns in India and globally;
- political and economic conditions in India;
- material changes in the costs of solar panels and other equipment required for our operations;
- fluctuations in inflation, interest rates and exchange rates;
- global economic conditions;
- disruptions in our supply chain; and
- other risks and uncertainties, including those listed under the caption "Item 3. Key Information — D. Risk Factors."

All forward-looking statements in this press release are based on information available to us as of the date hereof, and we assume no obligation to update these forward-looking statements.

Recent Accounting Pronouncements

In June 2016, the FASB issued ASU 2016-13, "Financial Instruments — Credit Losses (Topic 326): Measurement on Credit Losses on Financial Instruments," and issued subsequent amendments to the initial guidance and transitional guidance between November 2018 and May 2019 within ASU 2018-19, ASU 2019-04 and ASU 2019-05. ASU 2016-13 introduces new guidance for credit losses on instruments within its scope. The new guidance introduces an approach based on expected losses to estimate credit losses on certain types of financial instruments, including trade and other receivables, held-to-maturity debt securities, loans and net investments in leases. In November 2019, the FASB issued ASU 2019-11, Codification Improvements to Topic 326, Financial Instruments—Credit Losses, which addresses specific issues related to expected recoveries, troubled debt restructurings, accrued interest receivables and financial assets secured by collateral. In February 2020, the FASB issued ASU 2020-02, "Financial Instruments—Credit Losses (Topic 326) and Leases (Topic 842)—Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 119 and Update to SEC Section on Effective Date Related to Accounting Standards Update No. 2016-02, Leases (Topic 842)", which amends the language in Subtopic 326-20 and addresses questions primarily regarding documentation and company policies. The new guidance is effective for the Company for the year ending March 31, 2021 and interim reporting periods during the year ending March 31, 2021. The Company has completed preliminary assessment for evaluating the impact of the guidance and concluded that its adoption will not have a material impact on the Company's future financial statements, but the company shall continue to monitor the impact, since the COVID-19 situation is still evolving.

In August 2017, the FASB issued ASU 2017-12, "Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities", including certain transitional guidance and subsequent amendments including amendments to presentation and disclosure guidance within ASU 2019-04 (collectively, "ASU 2017-12"). ASU 2017-12 permits a qualitative effectiveness assessment for certain hedges instead of a quantitative test after the initial qualification, if the Company can reasonably support an expectation of high effectiveness throughout the term of the hedge. Also, for cash flow hedges, if the hedge is highly effective, all changes in the fair value of the derivative hedging instrument are recorded in other comprehensive income. The Company early adopted the guidance under ASU 2017-12 during the year ending March 31, 2018 and designated certain derivative contracts entered during the period as cash flow hedges. The Company classifies the derivative contracts as a cash flow hedge and undesignated contracts. ASU 2019-04 is effective for the first annual period beginning after April 25, 2019, with early adoption permitted. The Company has completed a preliminary assessment for evaluating the impact of the guidance and concluded that its adoption will not have a material impact on the Company's future financial statements.

In April 2019, the FASB issued ASU 2019-04 "Codification Improvements to Topic 326, Financial Instruments — Credit Losses, Topic 815, Derivatives and Hedging, and Topic 825, Financial Instruments." Apart from the amendments to ASU 2016-13 and ASU 2017-12 mentioned above, the ASU also included subsequent amendments to ASU 2016-01, "Financial Instruments — Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities,". The guidance in relation to the amendments to ASU 2016-01 is effective for the Company for the year ending March 31, 2021 and interim reporting periods during the year ending March 31, 2021. Early adoption is permitted. The Company has completed a preliminary assessment for evaluating the impact of the guidance and concluded that its adoption will not have a material impact on the Company's future financial statements but, the company shall continue to monitor the impact, since the COVID-19 situation is still evolving.

In December 2019, the FASB issued ASU 2019-12, Simplifying the Accounting for Income Taxes ("ASU 2019-12"). This ASU eliminates certain exceptions to the general principles in ASC 740, Income Taxes and adds guidance to reduce complexity in accounting for income taxes. The ASU eliminates, inter alia, the general methodology for calculating income taxes in an interim period when a year-to-date loss exceeds the anticipated loss for the year. The ASU requires that an entity reflect the effect of an enacted change in tax laws or rates in the annual effective tax rate computation in the interim period that includes the enactment date. ASU 2019-12 will be effective for the annual periods beginning after December 15, 2020, including interim periods within those fiscal years. Early adoption is permitted. The Company has completed a preliminary assessment for evaluating the impact of the guidance and concluded that its adoption will not have a material impact on the Company's future financial statements.

In March 2020, the FASB issued ASU 2020-04, "Reference Rate Reform (Topic 848) - Facilitation of the Effects of Reference Rate Reform on Financial Reporting" which provides companies with optional financial reporting alternatives to reduce the cost and complexity associated with the accounting for contracts and hedging relationships affected by reference rate reform. The guidance applies to contracts that:

– reference LIBOR or another rate that is expected to be discontinued as a result of rate reform; and

– have modified terms that affect, or have the potential to affect, the amount and timing of contractual cash flows resulting from the discontinuance of the reference rate.

The amendments in this ASU are effective for all entities as of March 12, 2020 through December 31, 2022. The Company has completed a preliminary assessment for evaluating the impact of the guidance and concluded that its adoption will not have a material impact on the Company's future financial statements.

Other recent accounting pronouncements issued by the FASB (including its Emerging Issues Task Force) and the United States Securities and Exchange Commission did not or are not believed by management to have a material impact on the Company's present or future financial statements.

ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

A. Directors and Senior Management

The following discussion sets forth information regarding our Company's directors and senior management as of the date of this annual report. Our Company's Board of Directors is authorized to appoint officers as it deems appropriate. Provided below is a brief description of our Company's directors' and officers' business experience.

Mr. Sanjeev Aggarwal was nominated as a director by Helion Venture Partners. Mr. Barney S. Rush was nominated as a director by IFC GIF Investment Company, but his affiliation was closed with effect from August 31, 2019 and now he is an independent director of our Company. Mr. Cyril Cabanes and Mr. Deepak Malhotra were nominated by CDPQ. Additionally, Mr. Arno Harris, Dr. Rajendra Prasad Singh and Mr. Muhammad Khalid Peyrye joined our Company's Board of Directors on May 30, 2016, October 20, 2017 and January 30, 2015, respectively as independent directors. Ms. Yung Oy Pin Lun Leung, joined as an independent director on the Board of Directors of our Company on November 08, 2019.

Name	Age	Position
Directors:		
Ranjit Gupta	49	Chief Executive Officer/Managing Director
Barney S. Rush	68	Chairman of the Board of Directors
Sanjeev Aggarwal	60	Director
Arno Harris	50	Director
Cyril Sebastien Dominique Cabanes	45	Director
Rajendra Prasad Singh	71	Director
Deepak Malhotra	40	Director
Muhammad Khalid Peyrye	41	Director
Yung Oy Pin Lun Leung	53	Director
Senior Management:		
Murali Subramanian	48	Chief Operating Officer
Preet Sandhu	51	Executive Vice President
Pawan Kumar Agrawal	41	Chief Financial Officer
Nathan Judge	46	Head Investor Relations
Mili Saxena	46	Head Human Resource
Kuldeep Jain	56	Head Construction
Kapil Kumar	37	Head Operation & Maintenance
Gaurang Sethi	34	Head Bidding
Samitla Subba	34	Head Policy

Directors

Ranjit Gupta joined our Company as Chief Executive Officer and Managing Director of our Company and AZI on July 2019. He has extensive experience in Renewable Energy, Thermal Power and the Oil & Gas industry with specialties in Project Management, Business Development, Bidding, and Project Finance.

Prior to Azure Power, Mr. Gupta co-founded and served as the Chief Executive Officer of Ostro Energy where he spearheaded growth through a prudent renewable energy auction strategy with an equity investment of $280 million and debt of about $900 million to build a 1,100 MWs renewables platform. Prior to Ostro, Mr. Gupta co-founded Orange Renewable where he steered a capital raise of $65 million of equity and executed renewable energy projects of 180 MWs and developed a pipeline of another 350 MWs. He has also served as the founding CEO of Indiabulls Power, leading construction of over 5,000 MWs of Thermal Power projects. Prior to this, Mr. Gupta worked at Schlumberger for 12 years in various field and management positions across various geographies. Mr. Gupta holds a Bachelor's in Mechanical Engineering from Indian Institute of Technology, Mumbai.

Sanjeev Aggarwal has been a member of our Company's Board of Directors since September 2015 and has been a director of AZI since November 2008. Mr. Aggarwal is a co-founder of Helion Venture Partners and has served on the boards of Amba Research, MakeMyTrip Limited and UnitedLex Corporation. Prior to Helion Venture Partners, Mr. Aggarwal was the founder and chief executive officer of Daksh. Earlier, he worked for 15 years with leading technology companies serving the domestic Indian market. Mr. Aggarwal led the strategic initiatives at Motorola India and has worked with Digital Equipment Corporation in delivering technology solutions. He has also served as the chief executive officer of 3COM India.

Barney S. Rush has been a member of our Company's Board of Directors since January 2016. He has served on the board of ISO — New England, the electric grid and wholesale market operator for six U.S. states, since October 2013. Since November 2015, he has also been the Senior Representative of Fieldstone Africa, an investment bank raising capital for power projects in Africa. From July 2010 to December 2013, he served as an Operating Partner at Denham Capital Management, L.P., and from July 2003 to November 2009, he served as the CEO of H2Gen Innovations, Inc., a venture capital backed start-up which developed and manufactured skid-mounted hydrogen generators. In addition, Mr. Rush was Group CEO of Mirant Europe and Chairman of the Supervisory Board of Bewag, the electric utility serving Berlin, Germany, from August 1999 to May 2002. Mr. Rush holds a Bachelor's degree in Social Studies from Harvard College and a Master's degree in Public Affairs from Woodrow Wilson School of Princeton University.

Arno Harris has been a member of our Company's Board of Directors since May 2016. He currently serves as chairman emeritus of the Solar Energy Industry Association and as a board member of Advanced Energy Economy Institute. He founded Recurrent Energy, LLC, in 2006 and held the position of CEO until March 30, 2015, growing it into one of North America's largest solar project developers before selling the company to Sharp in 2010 and subsequently sold to Canadian Solar in 2015. Prior to his work at Recurrent Energy, LLC, he was CEO of Prevalent Power, Inc. and El Solutions, Inc. (now Suntech Energy Solutions) in addition to founding Novo Media Group. Mr. Harris holds a Bachelor's degree in English Literature from the University of California, Berkeley.".

Cyril Cabanes has been a member of our Company's Board of Directors since December 2016. He is currently the Vice-President, Head of Infrastructure Transactions, Asia-Pacific at CDPQ. He has over 20 years of experience across all facets of infrastructure transactions including acquisitions, financing and fundraising. This includes his term at Marubeni Corp., where he led the Asian IPP investment team in Singapore. Previously, Mr. Cabanes was Director and Portfolio Manager at Deutsche Bank, where he was responsible for acquisitions, capital raising and product development for Asia-Pacific. Prior to that, Mr. Cabanes spent 10 years in investment banking and financial markets with RBS, BNP Paribas and UBS. Mr. Cabanes holds a Masters from ESCP-Europe and an MBA from Drexel University

Rajendra Prasad Singh has been a member of our Company's Board of Directors since October 2017. Dr. Rajendra Prasad Singh was the former Chairman and Managing Director of Power Grid Corporation, an Indian government enterprise and India's largest electric transmission utility. He is known for his contributions in the Indian Power Sector particularly the establishment of the national power transmission grid and modern load dispatch centers. He was responsible for restoration and normalization during various natural calamity emergencies in India. He is the recipient of many national and international awards including from the World Bank, Electric Power Research Institute (EPRI, USA), and the SCOPE Excellence Award. Dr. Singh is also a member of the Board of Directors of other reputed companies in India. He is a respected author and has published two books. He holds a Post-Graduation degree in Mechanical Engineering from Banaras Hindu University (BHU). In recognition of his contributions, he was conferred with the Degree of Doctor of Science (Honoris Causa) by BHU in 2007.

Deepak Malhotra was appointed to our Company's Board of Directors in November, 2019. Mr. Malhotra is Director, Infrastructure, South Asia at Caisse de dépôt et placement du Québec (CDPQ). He has over 18 years of experience across all facets of infrastructure. Before joining CDPQ in 2018, Mr. Malhotra worked with International Finance Corporation (IFC), World Bank Group, where he led many debt and equity investments in the infrastructure sector. Prior to IFC, Mr. Malhotra worked with one of the leading credit rating agencies in India and in the Merchant Navy. Mr. Malhotra holds a Bachelor's Degree from Delhi University and an MBA from Vanderbilt University.

Muhammad Khalid Peyrye has been a member of our Company's Board of Directors since January 2015 and is one of our resident directors in Mauritius. Mr. Peyrye heads the Corporate Secretarial and Administration cluster of AAA Global Services Ltd, having joined the organization in 2007. Prior to joining AAA Global Services Ltd., Mr. Peyrye worked for several years with a leading financial services company and accountancy firm. Mr. Peyrye received his Bachelor's degree in Law and Management from the University of Mauritius and is a member of the Institute of Chartered Secretaries and Administrators of the United Kingdom. He has been involved extensively on company formations, company administration, corporate secretarial services, cross-border investment activities and corporate organizational transactions such as mergers and acquisitions, in addition to serving as director on the board of several companies in Mauritius. Mr. Peyrye has, in his career, been involved as Money Laundering Reporting Officer and Compliance officer of various companies involved in the financial services sector.

Yung Oy Pin (Jane) Lun Leung joined as Board of Director of our Company's Company from November 2019, has extensive experience as a professional in the financial services sector, particularly in accounting, auditing, taxation, corporate secretarial and administration, of the United Kingdom & Mauritius. Previously she has worked with Ascough Ward Chartered Accountants, Kingston Marks Chartered Certified Accountants and Deloitte & Touche across various sectors including financing, trading, manufacturing, property, construction, engineering & PPP projects, telecommunication, mining, gaming & hospitality. She also sits on the board of several global business companies. Mrs. Lun Leung holds a Bachelor's degree from South Bank University, London and is a Fellow Member of the Institute of Chartered Accountants in England & Wales.

Executive Officers

Murali Subramanian joined as our Company's President from July 18, 2019. He took over the role of Chief Operating Officer from April 04, 2020. Mr. Subramanian comes with leadership experience in both structured and entrepreneurial environments in managing operations and building businesses in Energy, Power, Renewables and Infrastructure space.

Prior to Azure Power, Mr. Subramanian, co-founded and served as the Chief Operating Officer (COO) of Ostro Energy and oversaw the deployment of US$280 million of equity capital raised from the global private equity firm Actis for the development and execution of 1,100 MWs of renewable energy capacity. Prior to Ostro, Mr. Subramanian also co-founded Orange Renewable where he steered the enterprise from a start-up stage into a profitable company, together with developing and executing projects of 180 MWs of capacity. Earlier, Mr. Subramanian worked with Indiabulls Power as COO where he executed the Group's vision and strategy to become a large IPP in the India power sector. Prior to this, Mr. Subramanian worked in Schlumberger in various field and management positions.

Mr. Subramanian holds a Bachelor's in Electrical Engineering from Indian Institute of Technology, Mumbai and a Master's degree in Business Administration from INSEAD, Fontainebleau, France.

Preet Sandhu is our Company's executive vice president and heads Land, Corporate Operations and Rooftop business units at the Company. He has over 20 years of experience in civil construction and project development in regulated sectors in India with expertise in transportation, energy and land development. Mr. Sandhu manages engineering and construction for AZI's projects.

Pawan Kumar Agrawal is our Company's chief financial officer and leads our capital, investor relations, finance and accounts functions. Mr. Agrawal has experience in corporate and structured finance, portfolio monitoring, financial analysis, credit rating, business development and relationship management in the infrastructure sector with a special focus on renewable energy. Previously, he was the Chief Investment Officer of the Company and overlooked the capital and investment portfolios for our Company. Prior to joining our Company, Mr. Agrawal served as Group President II & Dy. Head – Corporate Finance Infrastructure Banking and National Head Renewable Energy at YES Bank Limited. Mr. Agrawal was instrumental in the issuance of India's first Green Bond as well as India's first IIFCL/ADB braced Partial Credit Enhanced Bond in the Indian Solar Sector. Mr. Agrawal has also worked with CRISIL, Indian-Oil and Ernst & Young.

Mr. Agrawal is a Rank holder Chartered Accountant and Cost Accountant. He holds a Master's degree in Business Administration from Faculty of Management Studies, Delhi University, and is a Chartered Financial Analyst (CFA, USA).

Mili Saxena is our Company's Head of Human Resources and comes with a rich experience in handling various HR roles across industry segments including IT, ITES and Airports (Infrastructure). She has led the talent, diversity and organization development at GMR Corporate. Mrs. Saxena was a significant enabler in delivering business vision at GMR Airports Ltd and embedded performance culture at Delhi International Airport Ltd. She led talent acquisition, employee relations, compensation and benefits at Keane India Ltd, Jobsahead.com and Systems America India Ltd.

Mrs. Saxena holds a Master's degree in Business Administration with specialization in Human Resources from Jaipuria Institute and Marketing from MDS University, Ajmer and a Bachelor's degree in English (Hons.) From Delhi University. She has undergone Management Development Program on Emerging Leadership Program sponsored by GMR.

Kuldeep Jain is our Company's Senior Vice President of Project Development and Construction at the Company. He brings 34+ years of rich experience in the power sector. Most recently he was associated with Vikram Solar, and prior to this he has completed successful stints at Sangam Renewables, Astonfield, Lanco Solar, and Wartsila. He has handled various Solar PV projects and 3rd party EPC projects. Mr. Jain holds a degree in Electrical Engineering and has completed his Executive MBA from SP Jain Institute of Management.

Kapil Kumar *is* our Company's Senior General Manager of Operations & Maintenance at the Company. Kapil brings with him 14+ years of rich experience in the energy sector. Prior to joining Azure Power, he was associated with Fortum Solar India Private Limited. Earlier he had worked with ETA Engineering and Platinum Sustainable Development International. Kapil holds a B. Tech (Mech) degree from IIT, Bombay and he is a Certified Expert for Solar Simulation from PVSyst SA, Switzerland.

Gaurang Sethi is our Company's Vice President of Bidding and heads the bidding function at the Company. Mr. Sethi has cross functional experience across the power and renewables sector, which covers bidding strategy, sustainability and energy markets. Under his leadership at the Company, the Company's portfolio has grown by over 5,000 MWs. Prior to joining the Company, Mr. Sethi worked with Vestas Wind India, Caterpillar Inc., and other clean energy start-ups.

Mr. Sethi holds a Bachelor's degree in Mechanical Engineering from Vellore Institute of Technology. He also holds a Master's degree in Business Administration with a specialization in Finance & Strategy and another Master's degree in Energy & Sustainability, from University of Michigan, Ann Arbor.

Samitla Subba is our Company's Vice President of Corporate Affairs—Policy and communications and heads the corporate affairs – policy and communications functions. Mrs. Subba has experience in marketing strategy, public relations and communications. She was a key member in taking the Company to its initial public offering on the NYSE in 2016 and in building relationships with the Company's key stakeholders, including investors, customers and the media. Prior to joining the Company, Mrs. Subba worked with Northern Trust as a financial analyst.

Mrs. Subba holds a Bachelor's degree from Bangalore University and a Master's degree in Business Administration with a specialization in Marketing from Indian Institute of Management, Lucknow.

Nathan Judge is our Company's Head of Investor Relations, and has experience working in the financial industry across sectors including alternative energy, utilities and MLPs/pipelines. Prior to Azure Power, Mr. Judge has served as senior sell side analyst with several firms including Goldman Sachs, Lehman Brothers, Janney Montgomery Scott and Atlantic Equities and was ranked as the #1 analyst in Europe over many years for his analysis and stock picking. He has also served as an adviser to many S&P 500 companies about investor relations, strategy, and capital raising.

Mr. Judge is a Chartered Financial Analyst (CFA). He also holds a Bachelor's degree in Accounting and Finance from Texas Christian University.

B. Compensation

Directors and Officers Compensation

For the fiscal year 2020, the aggregate compensation (excluding grants of stock options) to our executive officers included in the list herein was INR 237 million (US$3.1 million), and INR 17.8 million (US$ 0.2 million) towards fee paid to our Directors. Our agreements with each of the members of senior management are listed herein under "— Employment Agreement." Except as otherwise disclosed, the above cash compensation does not include stock compensation and employee benefits to our directors and senior management.

During the year, our Company's Board of Directors approved the Directors Compensation Plan 2019 which was effective from September 01, 2019 for non-executive Directors not drawing salaries before and the policy is as follows:

A. Annual Retainer for board membership - US$ 40,000 per director

B. Annual Retainer for committee membership - US$ 5,000 per committee for Audit, Compensation and Capital Committees. None for Nomination & Governance and CSR Committees.

C. Annual Retainer for board and committee chairs –

    a) Chairman of the Board (non-executive): US$ 20,000

    b) Audit: US$ 15,000

    c) Compensation and Capital: US$ 10,000

    d) Nomination & Governance and CSR: None at this time.

D. Meeting Fees – None

E. Shadow Restricted Stock Units ("RSUs") amounting up to US$ 60,000. These will be valued as of September 1 of the year in question, with the number of shadows RSU's equal to US$ 60,000 divided by the stock price, determined as set out in the equity compensation program. Vesting is 18 months after grant but accelerated for retirement at the end of a term or involuntary retirement if not for Cause. Cash payment received by the director will be the number of shadow shares awarded multiplied by the price of the shares on the date the shadow RSU's are exercised.

As part of the Directors Remuneration Plan set out above, we granted 10,920 shadow Restricted Stock Units, to two of our directors, during the year to be vested in 18 months from grant date but accelerated for retirement at the end of a term or involuntary retirement if not for cause. On exercise of these RSUs, cash payment payable by our Company will be the number of shadow RSUs awarded multiplied by the price of the common stock on the date the shadow RSU's are exercised.

Remuneration payable under the Directors Remuneration Plan are subject to following respective conditions:

a) Dr. Singh has a current contract with Azure for his services and has elected to continue with that contract. He is therefore not included in the new program.

b) Mr. Arno Harris has agreed that, in regard to any compensation received through this program prior to May of 2020, such amount will be deducted from what he would receive upon exercising the stock options that he has been granted for the 4 years of service that began in May 2017.

c) Mr. Sanjeev Agrawal has not opted for the remuneration payment.

d) CDPQ nominated Directors have also not opted for remuneration

Our CEO and COO, appointed on July 18, 2019, have entered into an employment contracts *(refer exhibit 4.28 and 4.29)* with the Company. As part of their compensation, they shall be entitled to long term incentive compensation as set forth below. All such compensation shall be in the form of Stock Appreciation Rights ("**SARs**"), as defined in Company's 2016 Equity Incentive Plan, as amended in 2020. The SARs shall not have any voting rights:

a. Tranche 1 SARs. On the Joining Date i.e. July 18, 2019 (such date, the "Grant Date"), our Company shall grant to the Executive a one-time nonrecurring grant of 100,000 SARs. The exercise price per SAR for Tranche 1 SARs will be US$ 10.48. The 100,000 Tranche 1 SARs will vest upon the occurrence of the "**Restructuring Event**" and may be exercised, at the Executive's option, within sixty (60) days from the occurrence of the Restructuring Event (the "**Restructuring Event Exercise**") or, if there is no Restructuring Event, Exercise after the occurrence of the Restructuring Event in accordance with the terms of this Section 2 (iii) provided that if the Restructuring Event does not occur by December 31, 2020, then (i) 25,000 Tranche 1 SARs will vest on March 31, 2021 and 12,500 Tranche 1 SARs will vest on March 31 of each of the six (6) years subsequent to March 31, 2021, and (ii) vested Tranche 1 SARs may be exercised after March 31, 2024.

b. Tranche 2 SARs. On the Grant Date, our Company shall grant to the Executive a one-time nonrecurring grant of 800,000 SARs. The exercise price per SAR for Tranche 2 SARs will be the Initial Exercise Price. 75,000 Tranche 2 SARs will vest on March 31, 2020, 100,000 Tranche 2 SARs will vest on March 31, 2021, 100,000 Tranche 2 SARs will vest on March 31 of each of the six (6) years subsequent to March 31, 2021, and the final 25,000 Tranche 2 SARs will vest on July 31, 2027. Vested Tranche 2 SARs may be exercised after March 31, 2024; provided however, that if (i) a Change of Control (as defined in APGL's Change of Control Policy dated February 5, 2018, as may be amended from time to time ("**Change of Control Policy**")) occurs prior to March 31, 2024, (ii) *Caisse de dépôt et placement du Québec* (CDPQ) no longer has a nominee on the APGL Board, and (iii) the Executive is not entitled to any Change of Control Severance Benefits (as defined in the Change of Control Policy), then vested Tranche 2 SARs may be exercised upon the earlier of March 31, 2024 and the one year anniversary of such Change of Control. For the avoidance of doubt, nothing herein changes the vesting schedule of Tranche 2 SARs as set forth above.

c. Tranche 3 SARs. Our Company shall grant to the Executive (i) a minimum of 70,000* SARs on March 31, 2020 and (ii) a minimum of 40,000 SARs on March 31 of each subsequent year. The number of SARs granted each year may be increased by the Board taking into consideration the Company, APGL and the Executive's performance. The exercise price per SAR for Tranche 3 SARs will be the Fair Market Value# per share as of the date of the grant of the subject SAR. Tranche 3 SARs will vest over a period of four (4) years beginning twelve months after the date of grant in the proportion of 25% of such SARs per year and may be exercised upon vesting.

* For the year ended March 31, 2020, the Company granted additional 15,000 SAR's each to the CEO and COO.

Further, during the year the Tranche 1 SAR fully vested as the vesting conditions got triggered due to acquisition of more than 50% stake by CDPQ.

Fair Market Value as defined in the employment agreement.

Employee Benefit Plans

For the fiscal year 2020, the aggregate compensation, including directors' fees but excluding grants of stock option to our directors and executive officers included in the list herein, was INR 18 million (US$0.2 million). Our agreements with each of the members of senior management are listed herein under "— Employment Agreement." Except as otherwise disclosed, the above cash compensation does not include stock compensation and employee benefits to our directors and senior management.

Provident Fund

In accordance with Indian law, all of our employees in India are entitled to receive benefits under the Employees' Provident Fund Scheme, 1952, as amended, a retirement benefit scheme under which an equal amount as required under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, of the base salary of an employee is contributed both by employer and employee in a fund with government/trust with company.

Gratuity

In accordance with Indian law, we pay gratuity to our eligible employees in India. Under our gratuity plan, an employee is entitled to receive a gratuity payment on his superannuation or on his retirement or on the termination of his or her employment if the employee has rendered continuous service to our Company for not less than five years, or if the termination of employment is due to death or disability due to accident or disease. The amount of gratuity payable to an eligible employee is equal to 15 days' salary based on the last drawn salary for every completed year of employment (or any portion of a year exceeding six months).

Leave Encashment Policy

Under our leave encashment policy, an employee is entitled to receive a payment in exchange for any accrued leave of absence exceeding 45 days that is outstanding as of April 1 of each fiscal year. Such payment shall be made to the employee by April 30 of that year. In the event of resignation, termination of employment or retirement, an employee is entitled to a payment for the accrued leave of absence up to a maximum of 45 days if the employee has spent at least 240 working days. The amount of payment to be made for each day of such accrued leave of absence shall be calculated by dividing the last drawn monthly base salary by 30 days.

Employment Agreements

Most of our executive officers have entered into an employment agreement with our Company. Aside from the employee benefit plans, our employment agreements do not provide for any special termination benefits, nor do we have any other arrangements with our directors for special termination benefits.

Each executive officer has acknowledged that ownership of any intellectual property created by him for our Company shall remain at our Company. Additionally, the founder of the Company has also agreed to transfer and assign to the Company all rights, title and interest in and to all the trademarks, trade names, brand names, patents, designs, domain names and other intellectual property rights created by them for our Company.

In addition, each executive officer has agreed to be bound by the non-competition and non-solicit restrictions set forth in his employment agreement. Specifically, each executive officer has agreed, while employed by us and for a period of one year after termination of his employment, not to:

- directly or indirectly, enter into the employment of, tender consulting or other services to, acquire any interest in, or otherwise participate in any business that competes, directly or indirectly, with any of the companies or entities in the same lines of business that our Company is engaged in at the time the employment is terminated; nor
- solicit, encourage, or induce or attempt to solicit, encourage, or induce any employee or customer, or prospective employees and customers with whom our Company has had discussions or negotiations within the last six months of the termination of his employment not to establish a relationship with our Company.

Equity-Based Compensation

Our Company, during Fiscal Year 2017, adopted the amended Equity Incentive Plan "2016 Equity Incentive Plan (as amended in 2017)" with due approval of the shareholders of the Company obtained at the Annual General Meeting held on September 25, 2017. The Company increased the pool size of the existing Stock Option pool by one million shares which took the total pool size to 2,023,744 shares. On April 30, 2020, Company further adopted the amended Equity Incentive Plan "2016 by Equity Incentive Plan (as amended on March 31, 2020). The amendment will require that the fair market value of the Grants to be based on the 10-day daily volume weighted closing price average up to and including the date of determination and some minimal drafting corrections of the Plan.

Our 2016 Equity Incentive Plan (as amended in 2020) is a comprehensive incentive compensation plan under which we can grant equity-based and other incentive awards to our officers, employees and directors.

The objective of the plan is (i) to provide means to enable us to attract and retain high quality human resources in our employment; (ii) to make the compensations and rewards competitive in the market; and (iii) to achieve sustained growth and create shareholder value by aligning the interests of the employees with our long term interests.

Pursuant to the U.S. securities laws and regulations, we have filed Form S-8 for registration of equity shares issuable upon exercise of ESOP grants under our 2016 Equity Incentive Plan (as amended in 2017) with the SEC.

As of March 31, 2020, we had 870,065 equity shares issuable pursuant to the exercise of any outstanding options granted under the ESOP plans, the 2016 Equity Incentive Plan and the 2016 Equity Incentive Plan (as amended in 2020).

The following paragraphs further describe the principal terms of the 2016 Equity Incentive Plan (as amended in 2020).

Administration

The Compensation Committee of the Company is the sole administrator for the administration of options, including the ESOPs. Computershare Trust Company, N.A. has been appointed as plan partial administrator. Company has total 1,841,208 shares which are Authorized for Grant as at March 31, 2020.

Under the terms of the 2016 Equity Incentive Plan (as amended in 2020), which may be amended from time to time, the sum of all grants made under the equity incentive plan shall not exceed 10% of our total issued and subscribed equity capital.

Eligibility

Our compensation committee may grant options to all eligible employees on the basis of the following criteria: position, role and performance of the employee, tenure in organization and such other factors as the compensation committee may decide from time to time.

Vesting Schedule

The grants made to any individual shall be vested in the following manner:

- 25% on the expiry of 12 months from the date of grant;
- 25% on the expiry of 24 months from the date of grant;
- 25% on the expiry of 36 months from the date of grant; and
- 25% on the expiry of 48 months from the date of grant.

During the year, CDPQ acquired a majority stake in the company, which accelerated the vesting schedule of ESOPs/SARs, for certain Senior employees from yearly vesting to monthly vesting for the grants made till the date of the event for the CEO and COO of the company, tranche 1 SAR was vested immediately, as per their employment agreement.

Option Exercise

There shall be no lock-in period after the options have vested and the options must be exercised by the employees before the end of the tenure of the plan. In case of termination of services other than not for cause as per the Plan, employees can exercise the options vested as on the last day of employment, as per the respective Post Termination Exercise Period Policy as stated in their letter of awards.

Stock Appreciation Rights and Restricted Stock Unit

As per the Executive Employment Agreement of the CEO and COO of the Company, they both are entitled to Stock Appreciation Rights (as provided above) each as part of long term incentive compensation, which is to be vested by and before July 31, 2027. The value of SARs payable to the Executive in cash upon exercise of vested SARs will be the fair market value per share as of the exercise date less the exercise price/grant price multiplied by the number of SARs being exercised. For a full disclosure of the terms and conditions relating to Stock Appreciation Rights, see section above “B. Compensation, (Directors and Officers Compensation)”.

Also, as part of the Directors Remuneration Plan our Company also granted shadow Restricted Stock Units (as provided above) during the fiscal year ended March 31, 2020 to be vested in 18 months from grant date but accelerated for retirement at the end of a term or involuntary retirement if not for cause. On exercise of these RSUs, cash payment payable by our Company will be the number of shadow RSUs awarded multiplied by the price of the common stock on the date the shadow RSU’s are exercised. See section above “B. Compensation, (Directors and Officers Compensation)”.

Amendment or Termination

Our Company’s Board of Directors may in its absolute discretion amend, alter or terminate the 2016 Equity Incentive Plan (as amended on March 31, 2020) from time to time, provided that no amendment, alteration or termination in any grant would impair or prejudice the rights of the employee without the consent of the employee, and provided further that the Board of Directors may not, without the approval of the shareholders, amend the 2016 Equity Incentive Plan (as amended on March 31, 2020) (1) to increase the aggregate number of shares which may be issued pursuant to the provisions of the equity incentive plan on exercise, surrender of options or upon grants; (2) to change the option exercise price; or (3) to extend the maximum period during which the grants may be made under the plan.

Outstanding options for directors and senior management

Outstanding options as of March 31, 2020 under our ESOP plans are:

Name	Equity Shares Underlying Outstanding Options	Exercise Price per share (US$ per share)	Date of expiration (1)
Arno Harris	180,292	11.90	July, 20, 2025
Pawan Kumar Agrawal	99,000	10.73	August, 30, 2027
Nathan Judge	23,218	11.90	August, 30, 2027
Kapil Kumar	12,000	14.40	August, 30, 2027
Preet Sandhu	45,138	11.27	August, 30, 2027
	43,070	11.90	August, 30, 2027
Samitla Subba	8,233	11.27	August, 30, 2027
	2,306	11.90	August, 30, 2027
Gaurang Sethi	10,047	11.27	August, 30, 2027
	2,681	11.90	August, 30, 2027
Others	444,080	9.65	July, 20, 2025 - August 30, 2027
Total	**870,065**		

Note:

(1) In the event that a participant of our ESOP plan terminates their service with our Company, the Post Termination Exercise Period shall be: i) 90 days if they served for less than 3 years; ii) 2 years if the service period was more than 3 years but less than 4 years; or iii) an incremental year will be added to the exercise period for each year of service beyond 4 years up to a maximum period co-terminus with the Equity Incentive Plan 2016 (as amended on March 31, 2020). On April 10, 2020, the Post Termination Stock Option Exercise Periods ("PTEP") policy was amended to six-month expiration on all new grants awarded.

As per the Executive Employment Agreement of CEO and COO of our Company, they both shall be entitled to Stock Appreciation Rights (as provided above) each as part long term incentive compensation, which is to be vested by and before July 31, 2027. The value of SARs payable to the Executive in cash upon exercise of vested SARs will be the fair market value per share as of the exercise date less the exercise price/grant price multiplied by the number of SARs being exercised. Also, as part of the Directors Remuneration Plan, the Company also granted 10,920 shadow Restricted Stock Units during the fiscal year ended March 31, 2020 to be vested in 18 months from grant date but accelerated for retirement at the end of a term or involuntary retirement if not for Cause. On exercise of these RSUs, cash payment payable by the Company will be the number of shadow RSUs awarded multiplied by the price of the common stock on the date the shadow RSU's are exercised.

Indemnification Agreements

We have obtained Directors' and Officers' liability Insurance to indemnify the Directors and executive officers of our Company against certain liabilities and expenses arising from their being a director or officers.

C. Board Practices

Board of Directors

Our Company is managed and controlled by its Board of Directors. Our Company's Board of Directors consists of nine directors. Our Company's Board of Directors has a majority of independent directors. As a foreign private issuer, we are permitted to follow home country corporate governance practices. Certain corporate practice in Mauritius, which is our home country, may differ significantly from the NYSE corporate governance listing standards. Unlike the requirements of the NYSE, the corporate governance practice and requirements in Mauritius do not require us as a GBC1 to have the majority of our Board of Directors be independent; not mandatory to have a nominations committee; and not mandatory to hold regular executive sessions where only independent directors shall be present.

Terms of Directors and Executive Officers

In accordance with our Company's Constitution, one-third of our Company's directors (or, if their number is not a multiple of three, the number nearest to but not greater than one-third) shall be up for re-election by rotation at each annual meeting of our company. The Chairman of the Board and/or the managing director during the tenure shall not be subject to retirement by rotation or be taken into account in determining the number of directors to retire in each year. The directors up for re-election in each year shall be those who have been in office longest since their last re-election or appointment and as between persons who became or were last re-elected directors on the same day, those up for re-election shall (unless they otherwise agree among themselves) be determined by lot. Any director may be removed by either an ordinary resolution of our shareholders or by the majority vote of the Board of Directors in the following circumstances: for cause, which refers to willful misconduct, fraud, conviction of a felony, gross negligence or breach of a written policy of the company; or if the director becomes mentally unsound or bankrupt or becomes disqualified from being a director under Mauritius law.

Under Mauritius law, the office of a director of our company is required to become vacant at the conclusion of the annual meeting of our company commencing next after the director attains the age of 70 years. However, a person of or over the age of 70 years may, by ordinary resolution of which no shorter notice is given than that required to be given for the holding of a meeting of shareholders, be appointed or re-appointed or authorized to continue to hold office as a director until the next annual meeting at which such director's class is up for re-election.

A vacancy on the Board of Directors must be filled by a majority vote of our Board of Directors or by ordinary resolution of the shareholders.

Executive officers are selected by and serve at the discretion of the Board of Directors.

Duties of Directors

Under Mauritius law, our Company's directors have a duty to our Company to exercise their powers honestly in good faith in the best interests of our Company. Our Company's directors also have a duty to our Company to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Where a director of a public company also holds office as an executive, the director is required under Mauritius law to exercise that degree of care, diligence and skill which a reasonably prudent and competent executive in that position would exercise. In fulfilling their duty of care to our Company, our Company's directors must ensure compliance with the Mauritius Companies Act and our Company's Constitution, as amended from time to time. A shareholder has the right to seek damages against our directors if a duty owed by our directors to him as a shareholder is breached.

The functions and powers of our Company's Board of Directors include, among others:

- Convening shareholders' annual meetings and reporting its work to shareholders at such meetings;
- Authorizing dividends and distributions;
- Appointing officers and determining the term of office of officers;

- Exercising the borrowing powers of our Company and mortgaging the property of our Company, provided that shareholders' approval shall be required if any transaction is a major transaction for our Company under section 130 of the Mauritius Companies Act, which includes, among others, acquisitions and dispositions worth more than 75% of the value of our Company's assets; and
- Approving the issuance and transfer of shares of our Company, including the recording of such shares in our share register.

Subject to the Mauritius Companies Act, our Company's Board of Directors may delegate to a committee of directors, a director or employee of the Company, or any other person, any one or more of its powers.

Additional Restrictions

For so long as International Finance Corporation and IFC GIF Investment Company I together hold at least 5% (five percent) of the share capital of our Company, the decisions on the following matters shall not be taken and/ or implemented by our Company unless approved by way of a special resolution of shareholders:

(a) amendment to the articles of association or memorandum of association of Azure Power India Private Limited and its subsidiaries, provided that any amendment to the articles of association or memorandum of association of our Company's subsidiaries (other than Azure Power India Private Limited) shall not require approval of the shareholders of our Company if such amendment is carried out pursuant to a project finance, working capital limits, non-fund based facilities, mezzanine financing (if the amount raised is less than 20% of the paid-up share capital of our Company) or any other financing arrangements (if the amount raised is less than 20% of the paid-up share capital of our Company) raised for our Company's subsidiaries (other than Azure Power India Private Limited) that have been approved by the Board or Board delegated committee of the Company;

(b) disposal or sale, in a single transaction or a series of related transactions, of more than 50% of our Company's assets (on a consolidated basis), or entry into a single transaction or a series of related transactions where the Company will incur obligations or liabilities (on a consolidated basis) the value of which is more than 50% of our Company's assets (on a consolidated basis) before such transaction or series of related transactions;

(c) any change in the business of our Company or its subsidiaries, such business being understood to mean and include the activities that Azure Power India Private Limited is authorized to carry out under the Main Objects clause of the memorandum of association of Azure Power India Private Limited in effect on 22 July 2015; and

(d) any amendment to the ESOP plan approved by the Board, except as would not be a "material revision" as such term is defined in Section 303A.08 of the New York Stock Exchange Listed Company Manual.

For so long as International Finance Corporation and/or IFC GIF Investment Company I hold any equity shares of our Company, our Company shall not, in a single transaction, issue equity shares or share equivalents that are more than 10% (ten percent) of the share capital of the Company, unless approved by the shareholders of our Company by way of an ordinary resolution.

Committees

Our Company's Board of Directors has established the following committees: audit committee, nominating and corporate governance committee, and compensation committee. Each committee's members and functions are described below.

Audit Committee

The audit committee consists of Mr. Barney Rush, Mr. Arno Harris and Dr. Rajendra Prasad Singh. Mr. Barney Rush has been appointed as a new member of the Committee with effect from August 8, 2019. Mr. Arno Harris was appointed as Chairman of the Committee with effect from August 8, 2019. Each of these individuals satisfies the independence requirements set forth in the New York Stock Exchange's Listed Company Manual. They also satisfy the independence requirements of Rule 10A-3 under the Securities Exchange Act of 1934, or the Exchange Act. Our audit committee oversees our accounting and financial reporting processes and the audits of the financial statements of our company. Our audit committee is responsible for, among other things:

- Selecting our independent auditors and pre-approving all auditing and non-auditing services permitted to be performed by our independent auditors;
- Reviewing with the independent auditors any audit problems or difficulties and management's response;
- Regularly reviewing the independence of our independent auditors;
- Reviewing and approving all related party transactions on an ongoing basis;
- Discussing the annual audited financial statements with management and our independent auditors;
- Reviewing the adequacy and effectiveness of our accounting and internal control policies and procedures and any steps taken to monitor and control major financial risk exposures;
- Monitoring compliance with our code of business conduct and ethics, including reviewing the adequacy and effectiveness of our procedures to ensure proper compliance;
- Meeting separately and periodically with management and our internal and independent auditors;
- Reporting regularly to our full Board of Directors; and
- Such other matters that are specifically delegated to our audit committee by our Board of Directors from time to time.

Compensation Committee

The compensation committee consists of Mr. Barney Rush, Dr. Rajendra Prasad Singh and Mr. Arno Harris, and Mr. Barney Rush is the Chairman of the Committee. Each of these individuals satisfies the independence requirements set forth in the New York Stock Exchange Listed Company Manual. Our compensation committee assists our Board of Directors in reviewing and approving the compensation structure of our directors and executive officers, including all forms of compensation to be provided to our directors and executive officers. Members of the compensation committee are not prohibited from direct involvement in determining their own compensation.

Our Company's chief executive officer may not be present at any committee meeting during which his compensation is deliberated. The compensation committee is responsible for, among other things:

- Reviewing and approving the compensation package for our executive officers;
- Reviewing the compensation of our executive officers and directors and making recommendations to the board with respect to the compensation;
- Reviewing and approving corporate goals and objectives relevant to the compensation of our chief executive officer, other executive officers and directors evaluating the performance of our chief executive officer, other executive officers and directors in light of those goals and objectives, and setting the compensation level of our chief executive officer, other executive officers and directors based on such evaluation; and
- Reviewing periodically and making recommendations to the board regarding any long-term incentive compensation or equity plans, programs or similar arrangements, annual bonuses, employee pension and welfare benefit plans.

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee consists of Mr. Barney Rush, Mr. Sanjeev Aggarwal, Mr. Cyril Cabanes, and Dr. Rajendra Prasad Singh. Each of these individuals satisfies the "independence" requirements of the New York Stock Exchange. Mr. Rush is the Chairman of the Nominating and Corporate Governance Committee. The purpose of the Nominating and Corporate Governance Committee is to assist the Board by fulfilling the following responsibilities:

- Reviewing and making recommendations to the Board of Directors with respect to corporate governance guidelines and issues;
- Identifying qualified candidates as consistent with the criteria approved by the Board for director nominees and recommending such candidates to the Board for selection for all directorships to be filled by the Board, in conjunction with the Chairman of the Board;
- Nominating the chairs and members of the Board committees, in conjunction with the Chairman of the Board; and
- Conducting annual reviews of the Board's independence, qualifications and experiences in light of the availability of potential Board members; and oversee the evaluation of the Board of Directors.

Corporate Social Responsibility Committee

The Corporate Social Responsibility (CSR) Committee consists of Mr. Barney Rush, Mr. Ranjit Gupta, and Dr. Rajendra Prasad Singh. Each of these individuals satisfies the "independence" requirements of the New York Stock Exchange. The purpose of the Corporate Social Responsibility Committee is to assist the Board by fulfilling the following responsibilities:

- Formulate and recommend a CSR policy to the Board for approval;
- Approve projects and geographical locations of CSR activities;
- Take note of impact evaluation report;
- Ensure that the CSR projects are not undertaken in the normal course of business; and
- Perform such other functions as may be delegated and/or assigned by the Board from time to time with respect to CSR.

Code of Business Conduct and Ethics

Our Company's Code of Business Conduct and Ethics provides that our directors, officers and employees are expected to avoid any action, position or interest that conflicts with the interests of our company or gives the appearance of a conflict. Directors, officers and employees have an obligation under our Code of Business Conduct and Ethics to advance our Company's interests when the opportunity to do so arises.

D. Employees

As of March 31, 2020, we had 605 full time employees. We consider our relations with our employees to be amicable. The following table sets forth the number of our employees for each of the major functions as of March 31, 2020:

	Number of Employees
Infrastructure	263
Bidding and land strategy	25
Operations and maintenance	235
F&A, Capital, Legal and HRM	82
Total	605

E. Share Ownership

The following table sets forth information with respect to the beneficial ownership of our Company's equity shares as of March 31, 2020 by each of our directors and all our directors and executive officers as a group and by each person known to us to own beneficially more than 5% of the equity shares. As used in this table, beneficial ownership means the sole or shared power to vote or direct the voting or to dispose of or direct the sale of any security. A person is deemed to be the beneficial owner of securities that can be acquired within 60 days upon the exercise of any option, warrant or right as on March 31, 2020. Equity Shares subject to options, warrants or rights that are currently exercisable or exercisable within 60 days are deemed outstanding for computing the ownership percentage of the person holding the options, warrants or rights, but are not deemed outstanding for computing the ownership percentage of any other person. The amounts and percentages as of March 31, 2020 are based on 47,650,750 equity shares outstanding as of this date:

Name	Number shares beneficially owned	(%)
Directors and Officers:		
Ranjit Gupta	—	*
Murali Subramanian	—	*
Pawan Kumar Agrawal	28,637	0.06%
Preet Sandhu	35,671	0.07%
Rajendra Prasad Singh	2,541	*
Mili Saxena	—	—
Kapil Kumar	—	*
Gaurang Sethi	3,851	*
Samitla Subba	3,208	*
Sanjeev Aggarwal (1)	—	—
Barney S. Rush (2)	—	—
Arno Harris (3)	135,219	0.28%
Cyril Sebastien Dominique Cabanes	—	—
Yung Oy Pin (Jane) Lun Leung (4)	—	—
Deepak Malhotra	—	—
Muhammad Khalid Peyrye (5)	—	—
Nathan Judge	80,013	0.17%
Kuldeep Jain	—	—
All Directors and Officers as a Group	650,497	1.37%
5% or Greater Shareholders:		
International Finance Corporation (6)	3,283,635	6.89%
Helion Venture Partners II, LLC (7)	3,426,172	7.19%
IFC GIF Investment Company I (8)	8,389,452	17.61%
CDPQ Infrastructures Asia Pte Ltd. (9)	24,259,272	50.91%

* Less than 0.01%

(1) Does not include any equity shares of Mr. Aggarwal, a managing director of Helion Venture Partners, who may be deemed to beneficially own through interests held by funds managed by Helion Venture Partners. Mr. Aggarwal's business address is Helion Advisors Private Limited, Tower B, 10th Floor, Vatika Towers, Sector 54, Gurgaon, 122 002, India.

(2) Mr. Rush's business address is 6917 Maple Avenue, Chevy Chase, Maryland 20815.

(3) Mr. Harris' business address is 135 Main Street, Suite 1320, San Francisco, California 94105.

(4) Ms. Lun Leung's business address is c/o AAA Global Services Ltd., 1st Floor, The Exchange 18 Cybercity, Ebene, Mauritius.

(5) Mr. Peyrye's business address is c/o AAA Global Services Ltd., 1st Floor, The Exchange 18 Cybercity, Ebene, Mauritius.

(6) International Finance Corporation is an international organization established by Articles of Agreements among its member countries. Its principal address is 2121, Pennsylvania Avenue, NW, Washington, District of Columbia 20433, United States.

(7) Helion Investment Management, LLC holds the voting power in Helion Venture Partners II, LLC. SA Holdings Global Ltd and Gupta Goyal Trust are the beneficial owners of Helion Investment Management, LLC. Mr. Sanjeev Aggarwal is the beneficial owner of SA Holdings Global Ltd and Mr. Ashish Gupta and Ms. Nita Goyal are the beneficial owners of Gupta Goyal Trust. Each of the beneficial owners disclaims beneficial ownership in the shares held by the aforementioned entities except to the extent of his or her pecuniary interest therein. The principal address of Helion Venture Partners II, LLC is Les Cascades Building, Edith Cavell Street, Port Louis, Mauritius.

(8) IFC Global Infrastructure Fund, LP is the beneficial owner of all equity interests of IFC GIF Investment Company I, while IFC Global Infrastructure (GP) LLC and IFC Global Infrastructure (Alternate GP) LLP control the management and operations of with IFC Global Infrastructure Fund, LP. The principal address of IFC GIF Investment Company I is c/o Cim Fund Services Ltd., 33 Edith Cavell Street, Port Louis, Mauritius.

(9) CDPQ Infrastructures Asia Pte Ltd., a company organized and existing under the laws of Singapore, is a wholly-owned subsidiary of the Caisse de dépôt et placement du Québec, a body constituted by the Act Respecting the Caisse De Dépôt Et Placement Du Québec. The principal address of the Caisse de dépôt et placement du Québec is 1000, Place Jean-Paul-Riopelle, Montréal, Québec, H2Z 2B3.

ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

A. Major Shareholders

Please refer to "Item 6. Directors, Senior Management and Employees—E. Share Ownership"

B. Related Party Transactions

We believe that the terms of our related party transactions are comparable to the terms we could obtain from independent third parties. Our Company's related party transactions are subject to the review and approval of the audit committee of our Company's Board of Directors. Our Company's audit committee will consider whether the transaction is to be conducted on an arms-length basis and whether the services can be procured from an independent third party. The charter of our audit committee as adopted by our Company's Board of Directors provides that we may not enter into any related-party transaction unless and until it has been approved by the audit committee. Refer "Note 20. Related Party Disclosures" of F pages section in 20-F for details of transactions with related parties.

Lease Agreement

During the previous year, AZI terminated the lease agreement for our registered office and for the guest house and the security deposits were returned back to AZI. During the current year, no such transaction has been entered into by our Company.

Shareholders Agreements

Our Company did not have any changes to its shareholders agreement.

C. Interest of Experts and Counsel

Not applicable

ITEM 8. FINANCI AL INFORMATION

A. Consolidated Statements and Other Financial Information

See "Item 18. Financial Statements" for a list of the financial statements filed as part of this annual report.

Legal Proceedings

We are currently involved in and may from time to time, become involved in legal, arbitration or governmental proceedings or be subject to claims arising in the ordinary course of our business. We are not presently party to any legal proceedings that, in the opinion of our management, would reasonably be expected to have a material adverse effect on our business, financial condition, operating results or cash flows if determined adversely to us. Regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors.

Our Company and our subsidiary, Azure Power India Private Limited, are respondents in arbitration proceedings initiated by our former Chairman, CEO and Managing Director of the Company, Mr. Inderpreet Singh Wadhwa ("IW") and erstwhile COO Mr. H.S Wadhwa ("HSW"), in relation to the purchase price of the shares of IW's and HSW's of Azure Power India Private Limited. The arbitration is being conducted under the Singapore International Arbitration Centre (SIAC) Rules, with the seat of arbitration at Singapore. We believe in the merits of our case; however, an unfavorable outcome in these proceedings could potentially have a material adverse effect on our results of operations, cash flows and financial condition.

In addition, our Company and our subsidiary Azure Power India Private Limited are respondents to arbitration proceedings initiated by IW in relation to his transition agreement. We and IW have filed our claims and counter claims in relation to the matter in the arbitration. We continue to believe in the merits of our case and are confident in a favorable outcome. The claim amount is not significant to our financial position.

Dividend Policy and Dividend Distribution

Our Company has never declared or paid dividends, nor does our Company have any present plan to pay any cash dividends on our equity shares in the foreseeable future. Our Company currently intend to retain our available funds and any future earnings to operate and expand our business.

B. Significant Changes

Except as disclosed elsewhere in this annual report, we have not experienced any significant changes since the date of the annual financial statement included in this annual report.

ITEM 9. THE OFFER AND LISTING

A. Offer and Listing Details

Our Company's equity shares are listed on the New York Stock Exchange since October 12, 2016 under the symbol "AZRE."

B. Plan of Distribution

Not Applicable

C. Markets

Our Company's equity shares are listed on the New York Stock Exchange under the symbol "AZRE".

D. Selling Shareholders

Not applicable

E. Dilution

Not applicable

F. Expenses of the Issue

Not applicable

ITEM 10. ADDITIONAL INFORMATION

A. Share Capital

Not applicable

B. Constitution

We incorporate by reference into this annual report on Form 20-F the description of our Amended and Restated Constitution contained in our Form F-1 registration statement on Form F-1 (Registration No. 333-208584), as amended, initially filed with the SEC on December 16, 2015.

C. Material Contracts

We have not entered into any material contracts other than those in the ordinary course of business and other than those described in "Item 4. Information on the Company" or elsewhere in this annual report.

D. Exchange Controls

Foreign Direct Investment

Foreign investments in Indian are primarily governed by the Foreign Exchange Management Act, 1999, as amended, the rules, regulations and notifications made thereunder, including the Foreign Exchange Management (Transfer or issue of security by a person resident outside India) Regulations, 2000, as amended, and the consolidated foreign direct investment policy (effective as of June 7, 2016) (the "FDI Policy") issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India.

Pursuant to the FDI Policy, investments can be made by non-residents in Indian companies to the extent of the percentage of the total capital of the Indian company specified in the FDI Policy. The FDI Policy currently allows 100% foreign direct investment in Indian companies engaged in the solar power sector. The FDI Policy also prescribes certain pricing and reporting requirements in respect of issue and transfer of shares of an Indian company to a non-resident person and vice-versa and regulates downstream investments by Indian companies that are not owned or controlled by Indian resident persons. The Government of India amended the method of calculating foreign investment in an Indian company pursuant to Press Note No. 2 (2009 Series) dated February 13, 2009, Press Note No. 4 (2009 Series) dated February 25, 2009 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019 vide notification dated 17 October 2019.

A person residing outside India (other than the beneficial owner of an investment into India who is situated in or is a citizen of country which shares land border with India) or any entity incorporated outside India (other than an entity incorporated in a country which shares land border with India and an Overseas Corporate Body as defined in FEMA) has general permission to purchase shares, convertible debentures or preference shares of an Indian company, subject to certain terms and conditions.

Currently, subject to certain exceptions, FDI and investment by Non-Resident Indians, or NRIs (as such term is defined in FEMA), in Indian companies do not require the prior approval of the FIPB or the RBI. The Government of India has indicated that in all cases where FDI is allowed on an automatic basis without FIPB approval, the RBI would continue to be the primary agency for the purposes of monitoring and regulating foreign investment.

E. Taxation

Mauritius Taxation

Our Company is a company holding a Global Business Company License issued by the Financial Services Commission and is a tax resident in Mauritius. The Income Tax Act 1995 of Mauritius imposes a tax in Mauritius on our chargeable income at the rate of 15%. However, under the Income Tax (Foreign Tax Credit) Regulations 1996 of Mauritius, subject to the Income Tax Act 1995 and the regulations under the Income Tax (Foreign Tax Credit) Regulations 1996, credit is allowed for foreign tax on the foreign source income of a resident of Mauritius against Mauritius tax computed by reference to the same income, and where credit is allowed against Mauritius tax chargeable in respect of any income, the amount of Mauritius tax so chargeable shall be reduced by the amount of the credit.

Under the Income Tax (Foreign Tax Credit) Regulations 1996, "foreign source income" means income which is not derived from Mauritius and includes in the case of a corporation holding a GBC, income derived in the course of a global business. Subject to the provisions of the Income Tax (Foreign Tax Credit) Regulations 1996, no credit is allowed in respect of foreign tax unless written evidence is presented to the Mauritius Revenue Authority showing the amount of foreign tax which has been charged and for this purpose, "written evidence" includes a receipt of the relevant authorities of the foreign country for the foreign tax or any other evidence that the foreign tax has been deducted or paid to the relevant authorities of that country. However, pursuant to regulation 8 of the Income Tax (Foreign Tax Credit) Regulations 1996, if written evidence is not presented to the Mauritius Revenue Authority showing the amount of foreign tax charged on our company's foreign source income, the amount of foreign tax shall nevertheless be conclusively presumed to be equal to 80% of the Mauritius tax chargeable with respect to that income and in such circumstance, the effective tax rate in Mauritius on our chargeable income would be 3% ("**Deemed Tax Credit**").

GBC1 are permitted to conduct business both in and outside Mauritius (instead of outside Mauritius only). The operations of a GBC1 Company in Mauritius will be subject to tax on chargeable income at the rate of 15% in Mauritius.

Following amendments to the Financial Services Act 2007 of Mauritius pursuant to the Finance Act 2018, the existing regulatory regime applicable to a GBC1 incorporated prior to October 16, 2017 has been grandfathered until 30 June 2021 and therefore the above tax regime and the Deemed Tax Credit will continue to apply to the Company, being incorporated on 30 January 2015.

Our Company holds tax residence certificates issued by the Mauritius Revenue Authority. These certificates are required for the avoidance of double taxation under the Agreements for the Avoidance of Double Taxation signed between Mauritius and other jurisdictions, including India.

Mauritius has no capital gains tax and has no withholding tax on the payment of dividends.

Prospective investors are urged to consult their own tax advisers in order to fully understand the tax consequences of an investment in the equity shares.

US Federal Income Taxation

The following is a summary of certain U.S. federal income tax considerations that may be relevant to the purchase, ownership and disposition of our equity shares by a U.S. Holder (as defined below).

This summary is based on provisions of the Internal Revenue Code of 1986, as amended (the "Code"), and published regulations, rulings and judicial interpretations thereof, in force as of the date hereof. Those authorities may be changed at any time, perhaps retroactively, so as to result in U.S. federal income tax consequences different from those summarized below.

This summary is not a comprehensive discussion of all of the tax considerations that may be relevant to a particular investor's decision to purchase, hold, or dispose of equity shares. In particular, this summary is directed only to U.S. Holders that hold equity shares as capital assets (generally, property held for investment). This summary does not address tax consequences to U.S. Holders who may be subject to special tax rules, such as banks, brokers or dealers in securities or currencies, traders in securities electing to mark to market, financial institutions, life insurance companies, regulated investment companies, real estate investment trusts, tax exempt entities, qualified retirement plans, individual retirement accounts or other tax-deferred accounts entities that are treated as partnerships for U.S. federal income tax purposes (or partners therein), U.S. Holders that acquired equity shares through the exercise of employee stock options or otherwise as compensation for services, U.S. Holders that own or are treated as owning 10% or more of our equity shares by vote or value, persons holding equity shares as part of a hedging or conversion transaction or a straddle, or persons whose functional currency is not the U.S. dollar. Moreover, this summary does not address state, local or non-U.S. taxes, the U.S. federal estate and gift taxes, or the Medicare contribution tax applicable to net investment income of certain non-corporate U.S. Holders, or alternative minimum tax consequences of acquiring, holding or disposing of equity shares. For purposes of this summary, a "U.S. Holder" is a beneficial owner of equity shares that , for U.S. federal income tax purposes, is a citizen or resident of the United States, a U.S. domestic corporation , a trust if a U.S. court is able to exercise primary supervision over its administration and one or more U.S. persons have the authority to control all of its substantial decisions, a trust that has a valid election is in effect to be treated as a U.S. person, or an estate the income of which is subject to U.S. federal income taxation regardless of its sources.

U.S. Holders should consult their own tax advisors about the consequences of the acquisition, ownership, and disposition of the equity shares, including the relevance to their particular situation of the considerations discussed below and any consequences arising under foreign, state, local or other tax laws.

Taxation of Dividends

Subject to the discussion below under "—Passive Foreign Investment Company Status," the gross amount of any distribution of cash or property with respect to our equity shares that is paid out of our current or accumulated earnings and profits (as determined for U.S. federal income tax purposes) will generally be includible in a U.S. Holder's taxable income as ordinary dividend income on the day on which the dividend is received and will not be eligible for the dividends-received deduction allowed to corporations under the Code.

Our Company does not expect to maintain calculations of its earnings and profits in accordance with U.S. federal income tax principles. U.S. Holders therefore should expect that distributions generally will be treated as dividends for U.S. federal income tax purposes.

Subject to certain exceptions for short-term positions, the U.S. dollar amount of dividends received by an individual with respect to the equity shares will be subject to taxation at a preferential rate if the dividends are "qualified dividends." Dividends paid on the equity shares will be treated as qualified dividends if:

- the equity shares are readily tradable on an established securities market in the United States or we are eligible for the benefits of a comprehensive tax treaty with the United States that the U.S. Treasury determines is satisfactory for purposes of this provision and that includes an exchange of information program; and
- Our Company was not, in the year prior to the year in which the dividend was paid, and are not, in the year in which the dividend is paid, a passive foreign investment company (a "PFIC").

Our Company's equity shares are listed on the New York Stock Exchange and will qualify as readily tradable on an established securities market in the United States so long as they are so listed. Non-corporate U.S. Holders that elect to treat the dividend income as "investment income" pursuant to Section 163(d)(4) of the Code will not be eligible for the reduced rates of taxation for qualified dividends. In addition, the rate reduction will not apply to dividends if the recipient of a dividend is obligated to make related payments with respect to positions in substantially similar or related property. As discussed below, our Company does not believe it was a PFIC for the taxable year ended March 31, 2020 and does not anticipate becoming a PFIC for its current taxable year or in the foreseeable future. U.S. Holders should consult their own tax advisers regarding the availability of the reduced dividend tax rate in light of their own particular circumstances.

Dividend distributions with respect to our Company's equity shares generally will be treated as "passive category" income from sources outside the United States for purposes of determining a U.S. Holder's U.S. foreign tax credit limitation.

Dividends paid in a currency other than U.S. dollars will be includable in income in a U.S. dollar amount based on the exchange rate in effect on the date of receipt whether or not the payment is converted into U.S. dollars at that time. A U.S. Holder's tax basis in the non-U.S. currency will equal the U.S. dollar amount included in income. Any gain or loss on a subsequent conversion of the non-U.S. currency into U.S. dollars for a different amount generally will be U.S. source ordinary income or loss.

Taxation of Dispositions of Equity Shares

Subject to the discussion below under "—Passive Foreign Investment Company Status," if a U.S. Holder realizes gain or loss on the sale, exchange or other disposition of equity shares, that gain or loss will be capital gain or loss and generally will be long-term capital gain or loss if the equity shares have been held for more than one year. Long-term capital gain realized by a U.S. Holder that is an individual generally is subject to taxation at a preferential rate. The deductibility of capital losses is subject to limitations. The amount of gain or loss will be equal to the difference, if any, between the amount realized and the U.S. Holder's adjusted tax basis in shares. A U.S. Holder's initial tax basis in shares generally will equal the cost of such shares.

Gain, if any, realized by a U.S. Holder on the sale or other disposition of the equity shares generally will be treated as U.S. source income for U.S. foreign tax credit purposes. Consequently, if an Indian withholding tax is imposed on the sale or disposition of the shares, a U.S. Holder that does not receive significant foreign source income from other sources may not be able to derive effective U.S. foreign tax credit benefits in respect of such Indian taxes. U.S. Holders should consult their own tax advisors regarding the application of the foreign tax credit rules to their investment in, and disposition of, the equity shares.

Passive Foreign Investment Company Status

Special U.S. tax rules apply to companies that are considered to be PFIC. Our Company will be classified as a PFIC in a particular taxable year if, taking into account our proportionate share of the income and assets of its subsidiaries under applicable "look-through" rules, either

- 75 percent or more of our Company's gross income for the taxable year is passive income; or
- the average percentage of the value of our assets that produce or are held for the production of passive income is at least 50 percent.

For this purpose, passive income generally includes dividends, interest, gains from certain commodities transactions, rents, royalties and the excess of gains over losses from the disposition of assets that produce passive income. Our Company believes, and the other paragraphs in this disclosure generally assume, that our Company was not a PFIC for our taxable year ending March 31, 2020 and that, based on the present composition of our Company's income and assets and the manner in which our Company conducts its business, our Company will not be a PFIC in its current taxable year or in the foreseeable future. Whether our Company is a PFIC is a factual determination made annually, and our Company's status could change depending, among other things, upon changes in the composition and amount of its gross income and the relative quarterly average value of its assets. In particular, if our Company generates a small amount of gross income that is attributable to passive income in a taxable year, then there is a risk that our Company may be a PFIC for that taxable year. If our Company was a PFIC for any taxable year in which a U.S. Holder hold our Company's equity shares, the U.S. Holder generally would be subject to additional taxes on certain distributions and any gain realized from the sale or other taxable disposition of our Company's equity shares regardless of whether our Company continued to be a PFIC in any subsequent year, unless the U.S. Holder mark its equity shares to market for tax purposes on an annual basis. A U.S. Holder will not be able to elect to treat us as a qualified electing fund ("QEF") because we do not intend to prepare the information needed to make a QEF election. U.S. Holders are encouraged to consult their own tax advisor as to our Company's status as a PFIC and the tax consequences to them of such status.

Foreign Financial Asset Reporting

Certain U.S. Holders that own "specified foreign financial assets" with an aggregate value in excess of the applicable reporting threshold (generally, US$50,000 for unmarried individuals) are generally required to file an information statement along with their tax returns, currently on IRS Form 8938, with respect to such assets. "Specified foreign financial assets" include any financial accounts held at a non-U.S. financial institution, as well as securities issued by a non-U.S. issuer that are not held in accounts maintained by financial institutions. The understatement of income attributable to "specified foreign financial assets" in excess of U.S.$5,000 extends the statute of limitations with respect to the tax return to six years after the return was filed. U.S. Holders who fail to report the required information could be subject to substantial penalties. Prospective investors are encouraged to consult with their own tax advisors regarding the possible application of these rules.

Backup Withholding and Information Reporting

Dividends paid on, and proceeds from the sale or other disposition of, the equity shares to a U.S. Holder generally may be subject to the information reporting requirements of the Code and may be subject to backup withholding unless the U.S. Holder provides an accurate taxpayer identification number and makes any other required certification or otherwise establishes an exemption. Backup withholding is not an additional tax. The amount of any backup withholding from a payment to a U.S. Holder will be allowed as a refund or credit against the U.S. Holder's U.S. federal income tax liability, provided the required information is furnished to the U.S. Internal Revenue Service in a timely manner.

Indian Taxation

The discussion contained herein is based on the applicable tax laws of India as in effect on the date hereof and is subject to possible changes in Indian law that may come into effect after such date. Prospective investors should consult their own tax advisers as to the consequences of purchasing the equity shares, including, without limitation, the consequences of the receipt of dividend and the sale, transfer or disposition of the equity shares.

Before Amendment in Finance Act, 2020 i.e. up to March 31, 2020, dividend payments by companies to its shareholders , were subject to dividend distribution tax in India payable by companies at a rate of 17.47% (effective rate of TDS after grossing up is 21.17%) on the total amount distributed as a dividend as grossed up by the amount of such dividend distribution tax.

Pursuant to the amendment, Dividend Distribution tax ("DDT") payable by Indian Companies has been abolished and dividend income is taxable in the hands of shareholders as per income tax rates applicable on them. However, Indian Companies are required to deduct tax at source in respect of dividend paid. Considering the same from Fiscal year 2020-21 onwards, dividend payments to its shareholders by companies are taxable in the hands of shareholders. However, withholding tax shall be deducted at source by companies at the applicable rate under Indian tax law pursuant to amendments to the Indian Income Tax Act, 1961, as amended, income arising directly or indirectly through the transfer of a capital asset, including any share or interest in a company or entity registered or incorporated outside India, will be liable to tax in India, if such share or interest derives, directly or indirectly, its value substantially from assets (whether tangible or intangible) located in India and whether or not the seller of such share or interest has a residence, place of business, business connection, or any other presence in India. The share or interest of the company or entity registered or incorporated outside of India, shall be deemed to derive its value substantially from the assets located in India, if the value of such Indian assets exceeds INR 100 million, and represents at least 50% of the value of all the assets owned by the company or entity registered or incorporated outside of India. Substantially all of our assets are located in India. However, if the transferor of share or interest in a company or entity registered or incorporated outside of India (along with its associated enterprises), neither holds the right of management or control in the company or entity registered or incorporated outside of India nor holds voting power or share capital or interest exceeding 5% of the total voting power or total share capital or interest in the company or entity registered or incorporated outside of India, at any time during the twelve months preceding the date of transfer, such small shareholders are exempt from the indirect transfer provisions mentioned above.

The amendments also do not deal with the interplay between the Indian Income Tax Act, 1961, as amended, and the double taxation avoidance agreements that India has entered into with countries such as the United States, in case of an indirect transfer. Accordingly, the implications of these amendments are presently unclear. If it is determined that these amendments apply to a holder of our equity shares, such holder could be liable to pay tax in India on such income.

The Taxation Laws (Amendment) Act, 2019 received the assent of the President on December 11, 2019 and published in the Gazette of India on December 12, 2019. The amendment provides an option for the companies to opt for reduced corporate tax rate of 22% provided they do not claim certain tax benefits under the Income Tax Act. The Company has opted for the reduced tax rate for the subsidiaries which are not eligible for deduction under section 80IA of the Income Tax Act. Further, New domestic Companies incorporated on or after October 1, 2019 making fresh investment in manufacturing can opt an option to pay income-tax at the rate of 15%. This benefit is available to companies which do not avail any exemption/incentive and commences their production on or before March 31, 2023. Also, such companies shall not be required to pay Minimum Alternate Tax.

F. Dividends and Paying Agents

Not applicable

G. Statements by Experts

Not applicable

H. Documents on Display

All information filed with the SEC can be inspected and copied at the public reference facilities maintained by the SEC at 100 F Street, N.E., Washington, D.C. 20549. You can request copies of these documents upon payment of a duplicating fee, by writing to the SEC. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the public reference rooms. The SEC maintains a website at www.sec.gov that contains reports, proxy and information statements and other information regarding registrants that make electronic filings through its Electronic Data Gathering, Analysis, and Retrieval, or EDGAR, system. All our Exchange Act reports and other SEC filings will be available through the EDGAR system.

I. Subsidiary Information

Not applicable

ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Quantitative and Qualitative Disclosures about Market Risk

We are exposed to several market risks in our normal business activities. Market risk is the potential loss that may result from market changes associated with our business or with an existing or forecasted financial or commodity transaction. The types of market risks we are exposed to include interest rate risk and foreign currency risk.

Interest Rate Risk

As of March 31, 2020, our long-term debt was both fixed and variable interest rates. Exposure to interest rate fluctuations will depend on the amount of debt that bears interest at variable rates, the time at which the interest rate is adjusted and the quantum of fluctuation in the interest rate.

Our results of operations are subject to interest rate fluctuations on our variable rate borrowings. The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative financial instruments at the balance sheet date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the balance sheet date was outstanding for the whole period.

A hypothetical increase or decrease in our variable interest rates by 1% would not have had a significant increase or decrease in interest cost for the Company, for the fiscal year ended March 31, 2020.

We intend to use hedging strategies to mitigate our exposure to interest rate fluctuations, we may not hedge all of our interest rate risk and, to the extent we enter into interest rate hedges, our hedges may not necessarily have the same duration as the associated indebtedness. Our exposure to interest rate fluctuations will depend on the amount of indebtedness that bears interest at variable rates, the time at which the interest rate is adjusted, the amount of the adjustment, our ability to prepay or refinance variable rate indebtedness when fixed rate debt matures and needs to be refinanced and hedging strategies we may use to reduce the impact of any increases in rates.

Foreign Currency Risk

The functional currency of Indian subsidiaries is Indian rupees, where we have long term debts denominated in U.S. dollars and Indian rupees. We are hedged against exchange rate risk for both of our Green Bonds and other foreign currency exposures. The fluctuations in the exchange rates between U.S. dollars and Indian rupees may result in higher fair value adjustments on our outstanding foreign currency loans or payables.

The Company and its three international subsidiaries have a functional currency which is the U.S. dollar and consequently, we are exposed to foreign exchange risk on routine transactions entered locally by these subsidiaries. The exchange rate between Indian rupees and U.S. dollars has fluctuated significantly in recent years and may continue to fluctuate in the future. Depreciation of the Indian rupee against the U.S. dollar may result in translation loss in the Consolidated financial statements.

We have hedged against exchange rate risk for both of our Green Bonds so as to minimize the effect of any adverse movement in the exchange rates. Further, we have partially hedged against debts denominated in U.S. dollars in Indian subsidiaries, in order to minimize the adverse impact of a large currency movement. These hedges are for a period of up to 5.5 years. We have taken foreign currency loans for our Rajasthan 1, Rajasthan 2 and Oberoi Rooftop projects.

Fair Value hedges with notional amounts of Nil and US$ 189.6 million were outstanding as at March 31, 2019 and 2020, respectively, with the balance maturity period ranging from 0.5 months to 4.8 years as of March 31, 2020. Changes in the fair value of derivatives designated and qualifying as fair value hedges, together with any changes in the fair value of the hedged firm commitments attributable to the hedged risk, are recorded in in the consolidated balance sheet and consolidated statements of operations. Further, Cash flow hedges with notional amounts of US$ 530.4 million and US$ 923.1 million were outstanding as at March 31, 2019 and 2020, respectively, with the balance maturity period ranging from 0. 5 months to 5.5 years as of March 31, 2020. The fair value of these cash flow hedges as of March 31, 2019 and 2020 were US$ 29.4 million and US$ 83.0 million of net assets, respectively, and are included in accumulated other comprehensive loss on our consolidated balance sheets. The changes in the fair value of these option contracts are recognized in the Consolidated Statements of Operations and are included in interest expense.

We continue to monitor our risks and will consider hedging significant foreign currency exposures on an ongoing basis.

ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

Not applicable

PART II

ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

None

ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

Material modifications to the rights of the security holders

There have been no material modifications to the rights of securities holders or the use of proceeds.

Use of proceeds

During November – December 2019, we completed a US$75 million private placement. An aggregate 6,493,506 shares were sold by us in the offering at a price of US$11.55 per share to CDPQ. The offering by our Company resulted in aggregate gross proceeds before expense of US$ 75.0 million. We have used the net proceeds to fund capital expenditure for projects in its pipeline.

During October – November, 2018, our Company completed our follow-on to our public offering of our Company's equity shares pursuant to a Registration Statement on Form F-3, as amended (File No. 333-227164), which became effective on September 10, 2018. Credit Suisse Securities (USA) LLC., Barclays Capital Inc., and HSBC Securities (USA) Inc., acted as managing underwriters for the issue. An aggregate of 14,915,542 shares (including 115,542 shares exercised by underwriters subsequent to our offering) were sold by our Company in the offering at a price of US$12.50 per share. The initial offering by our Company resulted in aggregate gross proceeds before expense of US$186.4 million and incurred an underwriter's commission and other expenses of US$1.3 million. Our Company has used US$182.0 million of the net proceeds to purchase equity shares of our subsidiary AZI and Azure Power Rooftop Private Limited, as outlined in the registration statement and prospectus.

ITEM 15. CONTROLS AND PROCEDURES

A. Disclosure Controls and Procedures

As required by Rules 13a-15 and 15d-15 under the Exchange Act, management, including our Group's Chief Executive Officer, our Group's Chief Financial Officer and Group's Chief Operating Officer, has evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this annual report. Disclosure controls and procedures refer to controls and other procedures designed to ensure that information required to be disclosed in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the rules and forms of the SEC. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in our reports that we file or submit under the Exchange Act is accumulated and communicated to management, including our Group's principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding our required disclosure.

Based on the foregoing, our Group's Chief Executive Officer, our Group's Chief Financial Officer and Group's Chief Operating Officer have concluded that, as of March 31, 2020, our disclosure controls and procedures were effective.

B. Management's Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act. Internal control over financial reporting includes maintaining records that, in reasonable detail, accurately and fairly reflect our transactions; providing reasonable assurance that transactions are recorded as necessary for preparation of our financial statements; providing reasonable assurance that receipts and expenditures of company assets are made in accordance with management authorization; and providing reasonable assurance that unauthorized acquisition, use or disposition of company assets that could have a material effect on our financial statements would be prevented or detected on a timely basis. Because of its inherent limitations, internal control over financial reporting is not intended to provide absolute assurance that a misstatement of our financial statements would be prevented or detected. Also, projections of any evaluation of the effectiveness of internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management used the Committee of Sponsoring Organizations of the Treadway Commission Internal Control—Integrated Framework (2013), or the COSO framework, to evaluate the effectiveness of internal control over financial reporting. Management has assessed the effectiveness of our internal control over financial reporting as of March 31, 2020 and has concluded that such internal control over financial reporting is effective.

C. Attestation Report of the Registered Public Accounting Firm

This annual report does not include an attestation report of our Company's Registered Public Accounting firm, as our Company is an emerging growth company under JOBS Act is exempted from such attestation requirement.

D. Changes in Internal Control over Financial Reporting

During the period covered by this annual report, there were no changes in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 16A. AUDIT COMMITTEE FINANCIAL EXPERT

We have determined that Mr. Arno Harris is an "audit committee financial expert" as defined in Item 16A(b) of Form 20-F by the Securities and Exchange Commission's rules and "independent" as that term is defined in the New York Stock Exchange listing standards.

ITEM 16B. CODE OF ETHICS

The Company has a Code of Conduct policy for all employees and a Code of Ethics policy that applies to our principal executive officer, our principal financial and accounting officer and our other senior officers. Copies of our Code of Business Conduct and Ethics are available on the "Investor Relations" page of our corporate website www.azurepower.com or at http://investors.azurepower.com/~/media/Files/A/Azure-Power-IR/governance-documents/code-of-business-conduct-and-ethics.pdf

ITEM 16C. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Ernst and Young Associates, LLP, has served as our independent registered public accountant for each of the years ended March 31, 2019 and March 31, 2020 for which audited statements appear in this annual report.

The following table shows the aggregate fees for professional services and other services rendered by Ernst and Young Associates, LLP, and the various member firms of Ernst and Young Associates, LLP to us, including some of our subsidiaries, in fiscal years 2019 and 2020.

Particulars	2019 (INR millions)	2020 (INR millions)	2020 (US$ millions)
Audit fees (audit and review of financial statements and offerings)	48	62	0.8
All other fees (tax advisory services)	5	3	-
Total	**53**	65	0.8

The policy of our audit committee is to pre-approve all audit and non-audit services provided by Ernst and Young Associates, LLP, including audit services, audit-related services and tax services. We have a written policy on the engagement of an external auditor.

ITEM 16D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

Not applicable

ITEM 16E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

Not applicable

ITEM 16F. CHANGE IN REGISTRANT'S CERTIFYING ACCOUNTANT

Not applicable

ITEM 16G. CORPORATE GOVERNANCE

Our Company is a "foreign private issuer" (as such term is defined in Rule 3b-4 under the Exchange Act) and our Company's equity shares are listed on the New York Stock Exchange. Under Section 303A of the New York Stock Exchange Listed Company Manual, New York Stock Exchange listed companies that are foreign private issuers are permitted to follow home country practice in lieu of the corporate governance provisions specified by the New York Stock Exchange, with limited exceptions. As required by the New York Stock Exchange Listed Company Manual, we note the following significant differences between our Company's corporate governance practices and the corporate governance practices required to be followed by U.S. domestic companies under the New York Stock Exchange Listed Company Manual:

- Under the New York Stock Exchange Listed Company Manual, the Board of Directors of U.S. domestic listed companies are required to have a majority of independent directors. Our Company is not subject to this requirement under the Mauritius law and have decided to follow home country practice on this matter. However, our Board of Directors currently has a majority of independent directors.
- The New York Stock Exchange Listed Company Manual also requires U.S. domestic listed companies to regularly hold executive sessions for non-management directors, or an executive session that only includes independent directors at least once a year. Our Company is not subject to this requirement under the Mauritius law and have decided to follow our Company's home country practice on this matter

ITEM 16H. MINE SAFETY DISCLOSURE

Not applicable

PART III

ITEM 17. FINANCIAL STATEMENTS

See “Item 18. Financial Statements” for a list of the financial statements filed as part of this annual report.

ITEM 18. FINANCIAL STATEMENTS

The following financial statements are filed as part of this annual report, together with the report of the independent registered public accounting firms:

- Report of Independent Registered Public Accounting Firm.
- Consolidated Balance Sheets as of March 31, 2019 and 2020.
- Consolidated Statements of Operations for the years ended March 31, 2018, 2019 and 2020.
- Consolidated Statements of Comprehensive loss for the years ended March 31, 2018, 2019 and 2020.
- Consolidated Statements of Shareholder’s Equity for the years ended March 31, 2018, 2019 and 2020.
- Consolidated Statements of Cash Flows for the years ended March 31, 2018, 2019 and 2020
- Notes to Consolidated Financial Statements.

ITEM 19. EXHI BITS

Exhibit Number	Description
1.1†	The Constitution of Azure Power Global Limited, as currently in effect (incorporated by reference to Exhibit 3.2 of our Registration Statement on Form F-1 (File No. 333-208584) filed with the Securities and Exchange Commission on March 31, 2016)
2.1†	Form of Equity Share Certificate of Azure Power Global Limited (incorporated by reference to Exhibit 4.1 of our Registration Statement on Form F-1 (file No. 333-208584) filed with the Securities and Exchange Commission on December 16, 2015)
4.1#†	2016 Equity Incentive Plan (as amended in 2017) (incorporated by reference to Exhibit 10.2 of our Registration Statement on Form F-1 (file No. 333-208584) filed with the Securities and Exchange Commission on June 30, 2016)
4.2†	Shareholders Agreement, dated July 22, 2015, by and among the shareholders named therein and Azure Power Global Limited (incorporated by reference to Exhibit 10.3 of our Registration Statement on Form F-1 (file No. 333-208584) filed with the Securities and Exchange Commission on December 16, 2015)
4.3†	Shareholders Agreement, dated July 22, 2015, by and among Azure Power Global Limited, AZI, Inderpreet Singh Wadhwa and Harkanwal Singh Wadhwa (incorporated by reference to Exhibit 10.3 of our Registration Statement on Form F-1 (file No. 333-208584) filed with the Securities and Exchange Commission on March 1, 2016)
4.4†	Amendment to the Shareholders Agreement, dated March 30, 2016, by and among the shareholders named therein and Azure Power Global Limited (incorporated by reference to Exhibit 10.5 of our Registration Statement on Form F-1 (file No. 333-208584) filed with the Securities and Exchange Commission on April 19, 2016)
4.5†	Second Amendment to the Shareholders Agreement, dated September 5, 2016, by and among the shareholders named therein and Azure Power Global Limited (incorporated by reference to Exhibit 10.6 of our Registration Statement on Form F-1 (file No. 333-208584) filed with the Securities and Exchange Commission on September 22, 2016)
4.6†	Sponsor Lock-in Agreement, dated July 22, 2015, by and among the shareholders named therein and IW Green Inc. and Inderpreet Singh Wadhwa (incorporated by reference to Exhibit 10.6 of our Registration Statement on Form F-1 (file No. 333-208584) filed with the Securities and Exchange Commission on April 19, 2016)
4.7†	Amendment to the Sponsor Lock-in Agreement, dated April 16, 2016, by and among the shareholders named therein and IW Green Inc. and Inderpreet Singh Wadhwa (incorporated by reference to Exhibit 10.7 of our Registration Statement on Form F-1 (file No. 333-208584) filed with the Securities and Exchange Commission on April 19, 2016)
4.8†	Second Amendment to the Sponsor Lock-in Agreement, dated September 5, 2016, by and among the shareholders named therein and IW Green Inc. and Inderpreet Singh Wadhwa (incorporated by reference to Exhibit 10.9 of our Registration Statement on Form F-1 (file No. 333-208584) filed with the Securities and Exchange Commission on September 22, 2016)
4.9†	Form of Registration Rights Agreement by and among the shareholders named therein and Azure Power Global Limited (incorporated by reference to Exhibit 10.8 of our Registration Statement on Form F-1 (file No. 333-208584) filed with the Securities and Exchange Commission on June 30, 2016)
4.10#†	Employment Agreement, dated November 7, 2008, by and between AZI and Inderpreet Singh Wadhwa (incorporated by reference to Exhibit 10.5 of our Registration Statement on Form F-1 (file No. 333-208584) filed with the Securities and Exchange Commission on December 16, 2015)

Exhibit Number	Description
4.11#†	Employment Agreement, dated May 5, 2011, by and between AZI and Surendra Kumar Gupta (incorporated by reference to Exhibit 10.6 of our Registration Statement on Form F-1 (file No. 333-208584) filed with the Securities and Exchange Commission on December 16, 2015)
4.12#†	Employment Agreement, dated November 1, 2009, by and between AZI and Preet Sandhu (incorporated by reference to Exhibit 10.8 of our Registration Statement on Form F-1 (file No. 333-208584) filed with the Securities and Exchange Commission on December 16, 2015)
4.13#†	Employment Agreement, dated August 31, 2011, by and between AZI and Glen Minyard (incorporated by reference to Exhibit 10.9 of our Registration Statement on Form F-1 (file No. 333-208584) filed with the Securities and Exchange Commission on December 16, 2015)
4.14#†	Employment Agreement, dated February 1, 2014, by and between AZI and Mohor Sen (incorporated by reference to Exhibit 10.10 of our Registration Statement on Form F-1 (file No. 333-208584) filed with the Securities and Exchange Commission on December 16, 2015)
4.15†	Indenture of Lease, dated October 15, 2013, by and between AZI and Sunbir Singh Wadhwa and Kulwinder Wadhwa (incorporated by reference to Exhibit 10.11 of our Registration Statement on Form F-1 (file No. 333-208584) filed with the Securities and Exchange Commission on December 16, 2015)
4.16†	Form of Indemnification Agreement by and between Azure Power Global Limited and each of the Officers and Directors of Azure Power Global Limited (incorporated by reference to Exhibit 10.16 of our Registration Statement on Form F-1 (file No. 333-208584) filed with the Securities and Exchange Commission on June 15, 2016)
4.17†	Subscription Agreement, dated June 24, 2015, by and among AZI, Inderpreet Singh Wadhwa, Harkanwal Singh Wadhwa and International Finance Corporation (incorporated by reference to Exhibit 10.14 of our Registration Statement on Form F-1 (file No. 333-208584) filed with the Securities and Exchange Commission on December 16, 2015)
4.18†	Subscription Agreement, dated June 24, 2015, by and among Azure Power Global Limited, Inderpreet Singh Wadhwa, Harkanwal Singh Wadhwa, IW Green Inc. (which has since been converted to IW Green LLC) and IFC GIF Investment Company I (incorporated by reference to Exhibit 10.13 of our Registration Statement on Form F-1 (file No. 333-208584) filed with the Securities and Exchange Commission on December 16, 2015)
4.19†	CCPS Subscription Agreement, dated July 22, 2015, by and among Azure Power Global Limited, Sponsors and Société de Promotion et de Participation pour la Coopération Économique S.A. (incorporated by reference to Exhibit 10.15 of our Registration Statement on Form F-1 (file No. 333-208584) filed with the Securities and Exchange Commission on December 16, 2015)
4.20†	Letter Agreement, dated July 27, 2015, by and among Azure Power Global Limited, International Finance Corporation, AZI, IW Green Inc. (which has since been converted to IW Green LLC), Inderpreet Singh Wadhwa and Harkanwal Singh Wadhwa (incorporated by reference to Exhibit 10.16 of our Registration Statement on Form F-1 (file No. 333-208584) filed with the Securities and Exchange Commission on December 16, 2015)

Exhibit Number	Description
4.21†	Third Amendment to the Shareholders Agreement, dated September 28, 2016, by and among the shareholders named therein and Azure Power Global Limited (incorporated by reference to Exhibit 10.23 of our Registration Statement on Form F-1 (file No. 333-208584) filed with the Securities and Exchange Commission on October 3, 2016)
4.22†	CCPS Subscription Agreement, dated September 19, 2016, by and among Azure Power Global Limited, the Sponsors named therein and IFC GIF Investment Company I (incorporated by reference to Exhibit 10.24 of our Registration Statement on Form F-1 (file No. 333-208584) filed with the Securities and Exchange Commission on October 3, 2016)
4.23†	Amendment to CCPS Subscription Agreement, dated September 28, 2016, by and among Azure Power Global Limited, the Sponsors named therein and IFC GIF Investment Company I (incorporated by reference to Exhibit 10.25 of our Registration Statement on Form F-1 (file No. 333-208584) filed with the Securities and Exchange Commission on October 3, 2016)
4.24†	Share Purchase Agreement, dated September 30, 2016, by and between Azure Power Global Limited and CDPQ Infrastructures Asia Pte Ltd. (incorporated by reference to Exhibit 10.26 of our Registration Statement on Form F-1 (file No. 333-208584) filed with the Securities and Exchange Commission on October 3, 2016)
4.25†	Amended and Restated Shareholders Agreement, dated March 28, 2017, by and among Azure Power Global Limited, AZI, Inderpreet Singh Wadhwa and Harkanwal Singh Wadhwa. (incorporated by reference to Exhibit 4.26 of our annual report on Form 20-F (file No. 001-37909) filed with the Securities and Exchange Commission on June 19, 2017)
4.26†	Indenture among Azure Power Energy Ltd, Azure Power Global Limited and Citicorp International Limited dated August 3, 2017 (incorporated by reference to Exhibit 4.26 of our annual report on Form 20-F (file No. 001-37909) filed with the Securities and Exchange Commission on June 15, 2018)
4.27†#	2016 Equity Incentive Plan (as amended in 2017) (incorporated by reference to Exhibit 4.3 of our Registration Statement on Form S-8 (file No. 333-222331) filed with the Securities and Exchange Commission on December 28, 2017)
4.28*	Employment Agreement, dated November 18, 2019, by and between AZI and Ranjit Gupta.
4.29*	Employment Agreement, dated November 18, 2019, by and between AZI and Murali Subramanian.
4.30*	Subscription Agreement, dated November 6, 2019, by and between Azure Power Global Limited and CDPQ Infrastructures Asia Pte Ltd.
4.31*	Indenture among Azure Power Solar Energy Private Limited, Azure Power Global Limited and dated HSBC Bank USA, National Association dated September 24, 2019
4.32*	2016 Equity Incentive Plan (as amended on March 31, 2020)
8.1*	List of Subsidiaries of Azure Power Global Limited
11.1†	Code of Business Conduct and Ethics of the Registrant (incorporated by reference to Exhibit 11.1 of our annual report on Form 20-F (file No. 001-37909) filed with the Securities and Exchange Commission on June 19, 2017)
12.1*	CEO Certification Pursuant to Section 302 of the Sarbanes Oxley Act of 2002
12.2*	CFO Certification Pursuant to Section 302 of the Sarbanes Oxley Act of 2002
13.1**	CEO Certification Pursuant to Section 906 of the Sarbanes Oxley Act of 2002

Exhibit Number	Description
13.2**	CFO Certification Pursuant to Section 906 of the Sarbanes Oxley Act of 2002
15.1*	Consent of Independent Registered Public Accounting Firm
101.INS*	XBRL Instance Document
101.SCH*	XBRL Taxonomy Extension Schema Document
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	XBRL Taxonomy Extension Labels Linkbase Document
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document

#	Indicates management contract or compensatory plan.
†	Previously filed
*	Filed with this annual report on Form 20-F
**	Furnished with this annual report on Form 20-F

SIGNAT URES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on this Form 20-F on its behalf.

Azure Power Global Limited

By:	/s/ Ranjit Gupta
Name:	Ranjit Gupta
Title:	Chief Executive Officer

Date: June 19, 2020

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm

To the shareholders and the board of directors of Azure Power Global Limited

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Azure Power Global Limited (the "Company") as of March 31, 2020 and 2019, the related consolidated statements of operations, comprehensive loss, shareholders' equity, and cash flows for each of the three years in the period ended March 31, 2020, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at March 31, 2020 and 2019, and the results of its operations and its cash flows for each of the three years in the period ended March 31, 2020, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Ernst & Young Associates LLP

We have served as the Company's auditor since 2009

Gurugram, India

June 19, 2020

AZURE POWER GLOBAL LIMITED
Consolidated Balance Sheets
(INR and US$ amounts in millions, except share and par value data)

	As of March 31,		
	2019 (INR)	2020 (INR)	2020 (US$) (Note 2d)
Assets			
Current assets:			
Cash and cash equivalents	10,538	9,792	129.9
Investments in held to maturity securities	7	—	—
Restricted cash	2,168	4,877	64.7
Accounts receivable, net	3,307	4,456	59.2
Prepaid expenses and other current assets	1,380	1,619	21.5
Total current assets	**17,400**	**20,744**	**275.3**
Restricted cash	1,280	848	11.2
Property, plant and equipment, net	83,445	95,993	1,273.4
Software, net	64	55	0.7
Deferred income taxes	2,407	2,205	29.2
Right-of-use assets [1]	—	4,434	58.8
Other assets	4,268	8,115	107.7
Investments in held to maturity securities	—	7	0.1
Total assets	**108,864**	**132,401**	**1,756.4**
Liabilities and shareholders' equity			
Current liabilities:			
Short-term debt	2,825	975	12.9
Accounts payable	3,477	1,795	23.8
Current portion of long-term debt	7,289	2,303	30.5
Income taxes payable	94	50	0.7
Interest payable	920	1,716	22.8
Deferred revenue	99	110	1.5
Lease liabilities [1]	—	256	3.4
Other liabilities	2,302	2,020	26.7
Total current liabilities	**17,006**	**9,225**	**122.3**
Non-current liabilities:			
Long-term debt	61,658	86,586	1,148.6
Deferred revenue	1,800	2,129	28.2
Deferred income taxes	2,054	2,622	34.8
Asset retirement obligations	665	741	9.8
Lease liabilities [1]	—	3,592	47.6
Other liabilities	285	289	4.1
Total liabilities	**83,468**	**105,184**	**1,395.4**
Shareholders' equity			
Equity shares, US$ 0.000625 par value; 41,040,028 and 47,650,750 shares issued and outstanding as of March 31, 2019 and March 31, 2020, respectively	2	2	0.0
Additional paid-in capital	32,186	37,533	497.9
Accumulated deficit	(6,311)	(8,580)	(113.8)
Accumulated other comprehensive loss	(748)	(1,937)	(25.7)
Total APGL shareholders' equity	**25,129**	**27,018**	**358.4**
Non-controlling interest	267	199	2.6
Total shareholders' equity	**25,396**	**27,217**	**361.0**
Total liabilities and shareholders' equity	**108,864**	**132,401**	**1,756.4**

[1] The Company adopted ASC Topic 842 effective April 1, 2019, refer note 2(k) and note 18.

See accompanying notes.

AZURE POWER GLOBAL LIMITED
Consolidated Statements of Operations
(INR and US$ amounts in millions, except share and per share data)

	March 31,			
	2018 (INR)	2019 (INR)	2020 (INR)	2020 (US$) (Note 2d)
Operating revenues:				
Sale of power	7,701	9,926	12,958	171.9
Operating costs and expenses:				
Cost of operations (exclusive of depreciation and amortization shown separately below)	692	869	1,146	15.2
General and administrative	1,188	1,314	2,434	32.3
Depreciation and amortization	1,883	2,137	2,860	37.9
Total operating costs and expenses:	**3,763**	**4,320**	**6,440**	**85.4**
Operating income	**3,938**	**5,606**	**6,518**	**86.5**
Other expense, net:				
Interest expense, net	5,335	5,022	7,962	105.6
Other (income)	(167)	(148)	(108)	(1.4)
Loss / (gain) on foreign currency exchange, net	46	441	512	6.7
Total other expenses, net	**5,214**	**5,315**	**8,366**	**110.9**
Profit / (loss) before income tax	**(1,276)**	**291**	**(1,848)**	**(24.4)**
Income tax (expense)/benefit	253	(153)	(489)	(6.5)
Net profit / (loss)	**(1,023)**	**138**	**(2,337)**	**(30.9)**
Less: Net (loss) / profit attributable to non-controlling interest	(202)	60	(68)	(0.9)
Net profit / (loss) attributable to APGL	**(821)**	**78**	**(2,269)**	**(30.0)**
Accretion to redeemable non-controlling interest	(6)	—	—	—
Net profit / (loss) attributable to APGL equity Shareholders	**(827)**	**78**	**(2,269)**	**(30.0)**
Net profit / (loss) per share attributable to APGL equity Shareholders				
Basic	(31.84)	2.37	(52.71)	(0.70)
Diluted	(31.84)	2.31	(52.71)	(0.70)
Shares used in computing basic and diluted per share amounts				
Basic	25,974,111	33,063,832	43,048,026	43,048,026
Diluted	25,974,111	33,968,127	43,048,026	43,048,026

See accompanying notes.

AZURE POWER GLOBAL LIMITED
Consolidated Statements of Comprehensive Loss
(INR and US$ amounts in millions)

	March 31,			
	2018 (INR)	2019 (INR)	2020 (INR)	2020 (US$) (Note 2d)
Net (loss)/profit	(1,023)	138	(2,337)	(30.9)
Other comprehensive (loss)/gain, net of tax				
Foreign currency translation	(546)	(2,343)	(4,811)	(63.8)
Effective portion of cashflow hedge	247	2,227	4,243	56.3
Income tax effect on effective portion of cash flow hedge	(37)	(314)	(621)	(8.2)
Unrealized (loss) / gain on available-for-sale securities	13	(23)	—	—
Income tax effect on unrealized gain/(loss) on available for sale of securities	(12)	—	—	—
Total other comprehensive (loss)/gain	**(335)**	**(453)**	**(1,189)**	**(15.7)**
Less: Total comprehensive income attributable to non-controlling interest, included in other comprehensive loss/(gain)	—	—	—	—
Total comprehensive (loss)/gain	**(1,358)**	**(315)**	**(3,526)**	**(46.6)**

See accompanying notes.

AZURE POWER GLOBAL LIMITED
Consolidated Statements of Shareholders' Equity
(INR and US$ amounts in millions)

	Equity shares	Additional paid in capital	Accumulated Other comprehensive income/(loss) (1)	Accumulated deficit	Total APGL shareholders' equity	Non-controlling interests	Total shareholders' equity
Balance as of March 31, 2017	**1**	**18,904**	**40**	**(5,723)**	**13,222**	**1,305**	**14,527**
Proceeds from issuance of equity shares	0	20	—	—	**20**	—	**20**
Sale of stake in subsidiary	—	—	—	—	**—**	65	**65**
Accretion on non-controlling interest	—	—	—	(6)	**(6)**	—	**(6)**
Transition impact of ASC 742, taxes on inter-company transactions	—	—	—	20	**20**	—	**20**
Net loss	—	—	—	(821)	**(821)**	(202)	**(1,023)**
Investment in subsidiary	—	55	—	(63)	**(8)**	(10)	**(18)**
Other comprehensive loss	—	—	(335)	—	**(335)**	—	**(335)**
Share based compensation	—	25	—	—	**25**	—	**25**
Balance as of March 31, 2018	**1**	**19,004**	**(295)**	**(6,593)**	**12,117**	**1,158**	**13,275**

	Equity shares	Additional paid-in capital	Accumulated other comprehensive loss (1)	Accumulated deficit	Total APGL shareholders' equity	Non-controlling interests	Total shareholders' equity
Balance as of March 31, 2018	**1**	**19,004**	**(295)**	**(6,593)**	**12,117**	**1,158**	**13,275**
Proceeds from issuance of equity shares (refer note 16)	1	13,609	—	—	**13,610**	—	**13,610**
Impact of change in non-controlling Interest	—	63	—	(14)	**49**	(49)	**—**
Net profit	—	—	—	78	**78**	60	**138**
Impact on buy back of stake in subsidiary (note 2 (y))	—	(573)	—	—	**(573)**	(902)	**(1,475)**
Transition impact of ASC 606, Revenue from Contracts with Customers (note 2(q))	—	—	—	218	**218**	—	**218**
Other comprehensive loss	—	—	(453)	—	**(453)**	—	**(453)**
Share based compensation	—	83	—	—	**83**	—	**83**
Balance as of March 31, 2019	**2**	**32,186**	**(748)**	**(6,311)**	**25,129**	**267**	**25,396**

	Equity shares	Additional paid-in capital	Accumulated other comprehensive loss (1)	Accumulated deficit	Total APGL shareholders' equity	Non-controlling interests	Total shareholders' equity
Balance as of March 31, 2019	**2**	**32,186**	**(748)**	**(6,311)**	**25,129**	**267**	**25,396**
Proceeds from issuance of equity shares (refer note 16)	0	5,317	—	—	**5,317**	—	**5,317**
Net loss	—	—	—	(2,269)	**(2,269)**	(68)	**(2,337)**
Other comprehensive loss	—	—	(1,189)	—	**(1,189)**	—	**(1,189)**
Share based compensation	—	30	—	—	**30**	—	**30**
Balance as of March 31, 2020	**2**	**37,533**	**(1,937)**	**(8,580)**	**27,018**	**199**	**27,217**
Balance as of March 31, 2020 ((US$) (Note 2(d))	**0.0**	**497.9**	**(25.7)**	**(113.8)**	**358.4**	**2.6**	**361.0**

(1) Refer note 16 for components of accumulated other comprehensive loss.

See accompanying notes.

AZURE POWER GLOBAL LIMITED
Consolidated Statements of Cash Flows
(INR and US$ amounts in millions)

	Year ended March 31,			
	2018 (INR)	2019 (INR)	2020 (INR)	2020 US$
Cash flow from operating activities				
Net (loss)/ profit	(1,023)	138	(2,337)	(30.9)
Adjustments to reconcile net (loss)/profit to net cash provided by/(used in) operating activities:				
Income taxes and deferred tax	(655)	(508)	149	2.0
Depreciation and amortization	1,882	2,137	2,860	37.9
Amortization of derivative instrument	575	1,037	1,428	18.9
Loss on disposal of property plant and equipment	9	55	52	0.7
Share based compensation	25	83	186	2.5
Amortization of debt financing costs	748	267	709	9.4
Realized gain on short term investments	(168)	(148)	(108)	(1.4)
ARO accretion	18	23	36	0.5
Non-cash rent expense (1)	57	81	193	2.6
Allowance for doubtful accounts	84	40	303	4.0
Employee benefit	—	11	(11)	(0.1)
Loan prepayment charges	676	—	282	3.7
Foreign exchange loss, net	46	441	512	6.7
Change in Operating lease right-of-use assets (1)	—	—	718	9.5
Change in Operating lease liabilities (1)	—	—	(1,255)	(16.7)
Changes in operating assets and liabilities				
Accounts receivable, net	(1,169)	(1,124)	(1,390)	(18.3)
Prepaid expenses and other current assets	(642)	(266)	247	3.3
Other assets	141	(725)	(335)	(4.4)
Accounts payable	124	(34)	236	3.2
Interest payable	1,031	(301)	699	9.3
Deferred revenue	179	399	340	4.5
Other liabilities	(81)	532	164	2.3
Net cash provided by operating activities	**1,857**	**2,138**	**3,678**	**49.2**
Cash flows from / (used in) investing activities				
Purchase of property plant and equipment	(19,648)	(26,029)	(18,321)	(243.6)
Purchase of software	(36)	(47)	(43)	(0.6)
Purchase of available for sale securities	(10,484)	(12,085)	(32,224)	(427.4)
Sale of available for sale securities	12,499	13,582	32,332	428.9
Investment in subsidiary	(397)	(1,474)	—	—
Net cash used in investing activities (2)	**(18,066)**	**(26,053)**	**(18,256)**	**(242.7)**
Cash flows from financing activities				
Proceeds from issuance of Green Bonds	31,260	—	24,400	323.7
Proceeds from term and other debt	10,683	15,558	19,538	259.2
Proceeds from issuance of debentures	1,865	1,478	—	—
Repayments of term and other debt (3)	(26,397)	(3,786)	(32,827)	(435.4)
Loan prepayment charges	(676)	—	(282)	(3.7)
Proceeds from issuance of equity shares	16	13,706	5,330	70.7
Cost of issuance of equity shares	—	(69)	(13)	(0.2)
Proceeds from issuance of equity shares to non-controlling interest	65	—	—	—
Net cash provided by financing activities	**16,816**	**26,887**	**16,146**	**214.3**
Effect of exchange rate changes on cash and cash equivalents, and restricted cash	3	(69)	(37)	(0.5)
Net increase in cash and cash equivalents, and restricted cash (refer note 2 (f))	607	2,972	1,568	20.8
Cash and cash equivalents and restricted cash at the beginning of the period	10,473	11,083	13,986	185.5
Cash and cash equivalents and restricted cash at the end of the period	**11,083**	**13,986**	**15,517**	**205.8**
Supplemental disclosure of cash flow information				
Cash paid during the year for interest	3,090	6,237	7,209	95.6
Cash paid during the year for income taxes	539	615	697	9.2

(1) The Company adopted ASC Topic 842 effective April 1, 2019, refer note 2(k) and note 18.

(2) The Company adopted ASU 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash* effective April 1, 2018 with retrospective transition, which requires a statement of cash flows to present the change in restricted cash during the period as part of cash and cash equivalents and restate each prior reporting period presented. As a result, the Company no longer presents transfers between cash and restricted cash in the statement of cash flows. Cash used in investing activities prior to adoption of the ASU was INR 15,790 million and INR 26,765 million, for the year ended March 31, 2018 and 2019, respectively.

(3) Includes INR Nil, INR 1,305 million and INR 1,058 million (US$ 14.0 million) paid towards hedging costs for Solar Green Bonds for the year ended March 31, 2018, 2019, and 2020, respectively

Notes to consolidated financial statements

1. Organization

Azure Power Global Limited ("APGL" or "Azure") organized under the laws of Mauritius was incorporated on January 30, 2015. APGL's subsidiaries are organized under the laws of India (except for one U.S. subsidiary and two subsidiaries in Mauritius) and are engaged in the development, construction, ownership, operation, maintenance and management of solar power plants and generation of solar energy based on long-term contracts (Power Purchase Agreements or "PPA") with Indian Government energy distribution companies as well as other Indian non-governmental energy distribution companies and Indian commercial customers. APGL and its subsidiaries are hereinafter referred to as the "Company".

2. Summary of significant accounting policies

(a) Basis of presentation

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP") and are presented in Indian rupees ("INR"), unless otherwise stated. The consolidated financial statements include the accounts of APGL and companies which are directly or indirectly controlled by APGL. All intercompany accounts and transactions have been eliminated upon consolidation. Certain balances relating to prior years have been reclassified to conform to the current year presentation.

All share and per share amounts presented in the consolidated financial statements have been adjusted to reflect the 16-for-1 stock split of the Company's equity shares that was effective on October 6, 2016.

(b) Use of estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, costs, expenses and comprehensive loss/ gain that are reported and disclosed in the consolidated financial statements and accompanying notes. These estimates are based on management's best knowledge of current events, historical experience, actions the Company may undertake in the future and on various other assumptions that are believed to be prudent and reasonable under the circumstances. Significant estimates and assumptions are used for, but not limited to impairment of and useful lives of property, plant and equipment, determination of asset retirement obligations, valuation of derivative instruments, hedge accounting, lease liabilities, right to use asset, allowances for doubtful accounts based on payment history, credit rating, valuation of share-based compensation, income taxes, energy kilowatts expected to be generated over the useful life of the solar power plant, estimated transaction price, including variable consideration, of the Company's revenue contracts, impairment of other assets and other contingencies and commitments. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates, and such differences may be material to the consolidated financial statements.

Estimation uncertainty relating to COVID-19 pandemic

In evaluating the recoverability of accounts receivable including unbilled revenue, contract assets, long-lived assets and investments, the Company has considered, at the date of approval of these consolidated financial statements, internal and external information in the preparation of the consolidated financial statements including the economic outlook. The Company has performed sensitivity analysis on the assumptions used to assess the recoverability of these assets and based on current estimates, expects the carrying amount of these assets will be recovered. The impact of COVID-19 may be different from that estimated on preparation of these consolidated financial statements and the Company will continue to closely monitor any material changes to future economic conditions. See also Note 2 ab - Impact of COVID-19 Pandemic.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of APGL, its subsidiaries, and variable interest entities ("VIE"), where the Company has determined it is the primary beneficiary and are prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The Company uses the equity method to account for its investments in entities where it exercises significant influence over operating and financial policies but does not retain control under either the voting interest model (generally 20% to 50% ownership interest) or the variable interest model. In 2020, the Company entered into a joint venture agreement as further described in Note 10—Investments, and the investment is accounted for using the equity method. The Company has eliminated all significant intercompany accounts and transactions.

(c) Foreign currency translation and transactions

The functional currency of APGL is the United States Dollar ("US$") and reporting currency is Indian rupees ("INR"). The Company's subsidiaries with operations in India use INR as the functional currency and the subsidiaries in the United States and Mauritius use US$ as the functional currency. The financial statements of APGL and its subsidiaries, other than subsidiaries with a functional currency of INR, are translated into INR using the exchange rate as of the balance sheet date for assets and liabilities, historical exchange rates for equity transactions and average exchange rate for the year for income and expense items. Translation gains and losses are recorded in accumulated other comprehensive income or expenses as a component of shareholders' equity.

Transactions in currencies other than the functional currency are measured and recorded in the functional currency using the exchange rate in effect at the date of the transaction. At the balance sheet date, monetary assets and liabilities that are denominated in currencies other than the functional currency are translated into the functional currency using the exchange rate at the balance sheet date. All gains and losses arising from foreign currency transactions are recorded in the determination of net income or loss/(gain) during the year in which they occur.

Revenue, expense and cash flow items are translated using the average exchange rates for the respective period. The resulting gains and losses from such translations are excluded from the determination of earnings and are recognized instead in accumulated other comprehensive loss/ gain, which is a separate component of shareholders' equity.

Realized and unrealized foreign currency transaction gains and losses, arising from exchange rate fluctuations on balances denominated in currencies other than the functional currency of an entity, such as those resulting from the Company's borrowings in other than functional currency are included in Loss/(Gain) on foreign currency exchange, net in the consolidated statements of operations.

(d) Convenience translation

Translation of balances in the consolidated balance sheets and the consolidated statements of operations, comprehensive loss, shareholders' equity and cash flows from INR into US$, as of and for the year ended March 31, 2020 are solely for the convenience of the readers and were calculated at the rate of US$ 1.00 = INR 75.39, the noon buying rate in New York City for cable transfers in non U.S. currencies, as certified for customs purposes by the Federal Reserve Bank of New York on March 31, 2020. No representation is made that the INR amounts could have been, or could be, converted, realized or settled into US$ at that rate on March 31, 2020, or at any other rate.

(e) Cash and cash equivalents

Cash and cash equivalents include demand deposits with banks, term deposits and all other highly liquid investments purchased with an original maturity of three months or less at the date of acquisition and that are readily convertible to cash. The Company has classified term deposits totaling INR 7,996 million and INR 6,890 million (US$ 91.4 million) at March 31, 2019 and 2020, respectively, as cash and cash equivalents, because the Company has the ability to redeem these deposits at any time subject to an immaterial interest rate forfeiture. All term deposits are readily convertible into known amount of cash with no more than one day notice.

(f) Restricted cash

Restricted cash consists of cash balances restricted as to withdrawal or usage and relates to cash used to collateralize bank letters of credit supporting the purchase of equipment for solar power plants, bank guarantees issued in relation to the construction of the solar power plants within the timelines stipulated in PPAs and for certain debt service reserves required under the Company's loan agreements. Restricted cash is classified into current and non-current portions based on the term of the deposit and the expiration date of the underlying restriction.

The following table presents the components of cash and cash equivalents and restricted cash included in the consolidated balance sheets that sums to the total of such amounts in the Consolidated Statements of Cash Flows:

	March 31,			
	2018	2019	2020	2020
	(INR)	(INR)	(INR)	(US$)
	(In million)			
Current Assets				
Cash and cash equivalents	8,346	10,538	9,792	129.9
Restricted cash	2,407	2,168	4,877	64.7
Non-Current Assets				
Restricted cash	330	1,280	848	11.2
Cash and cash equivalents and restricted cash	**11,083**	**13,986**	**15,517**	**205.8**

(g) Investments

The Company determines the appropriate classification of investment securities at the time of purchase and re-evaluates such designation at each balance sheet date. The investment securities held by the Company during the periods presented in the accompanying consolidated financial statements are classified as available-for-sale (short-term investments), consisting of liquid mutual funds units and held-to-maturity investments (long-term investments), consisting of Notes of the Bank of Mauritius.

The Company accounts for its investments in accordance with Financial Accounting Standards Board ("FASB") ASC Topic 320, *Accounting for Certain Investments in Debt and Equity Securities*. These investments are considered as available-for-sale and held-to-maturity. Investments classified as available for sale are recorded at fair value, with the unrealized gains or losses, net of tax, reported as a component of accumulated other comprehensive income or expenses in the consolidated statement of shareholders' equity. Realized gains and proceeds from the sale of available-for-sale securities during the year ended March 31, 2019 were INR 148 million and INR 13,582 million respectively and during the year ended March 31, 2020 were INR 108 million (US$ 1.4 million) and INR 32,332 million (US$ 428.9 million), respectively.

Securities that the Company has positive intent and ability to hold until maturity are classified as held-to-maturity securities and stated at amortized cost. As of March 31, 2019, and March 31, 2020, amortized cost of held-to-maturity investments was INR 7 million and INR 7 million (US$ 0.1 million), respectively. The maturity date of the investment is January 31, 2023.

Realized gains and losses and a decline in value judged to be other than temporary on these investments are included in the consolidated statements of operations. The cost of securities sold or disposed is determined on the First in First Out ("FIFO") method.

Investment in equity investee

The Company holds equity investments where it does not have a controlling financial interest but has the ability to exercise significant influence over the operating and financial policies of the investee. These investments are accounted for under the equity method of accounting wherein the Company records its proportionate share of the investee's income or loss in its consolidated financial statements.

The Company has invested INR 0.026 million (US$ 0.0003 million) during the year to acquire 26% of equity shares in a newly formed Company incorporated to establish a manufacturing facility (investee) and the Company is committed to further invest 26% of the equity required for construction of the manufacturing facility.

(h) Accounts receivable, net

The Company's accounts receivables are generated by selling energy to customers and are reported net of any allowance for uncollectible accounts. The allowance for doubtful accounts is based on various factors, including the length of time receivables are past due, significant one-time events, the financial health of customers and historical experience. The allowance for doubtful accounts at March 31, 2019 and 2020 was INR 40 million and INR 246 million (US$ 3.2 million), respectively. Accounts receivable serve as collateral for borrowings under the Company's working capital facility, described in Note 12.

(i) Property, plant and equipment

Property, plant and equipment represents the costs of completed and operational solar power plants, as well as the cost of furniture and fixtures, vehicles, office and computer equipment, leasehold improvements, freehold land and construction in progress. Construction in progress represents the accumulated cost of solar power plants that have not been placed into service at the date of the balance sheet. Construction in progress includes the cost of solar modules for which the Company has taken legal title, civil engineering, electrical and other related costs incurred during the construction of a solar power plant. Construction in progress is reclassified to property, plant and equipment when the project begins its commercial operations.

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses. Depreciation is calculated using the straight-line method over the assets' estimated useful lives as follows:

Plant and machinery (solar power plants)	25-35 years
Furniture and fixtures	5 years
Vehicles	5 years
Office equipment	1-5 years
Computers	3 years

Effective October 1, 2018, the Company extended the estimated useful life of most of its utility scale projects from 25 years to 35 years. This change in estimate was based on the Company's technical evaluations and tests, through which the Company estimated that its solar modules will continue to generate power for at least 35 years at high efficiency levels. The Company had revised the useful life effective October 1, 2018, this had resulted in reduction of depreciation and amortization expense by INR 267 million (US$ 3.9 million) during the year ended March 31, 2019.

Leasehold improvements related to office facilities are depreciated over the shorter of the lease period or the estimated useful life of the improvement. Lease hold improvements on the solar power plant sites are depreciated over the shorter of the lease term or the remaining period of the PPAs undertaken with the respective customer. Freehold land is not depreciated. Construction in progress is not depreciated until it is ready to be used.

Improvements to property, plant and equipment deemed to extend the useful economic life of an asset are capitalized. Maintenance and repairs that do not improve efficiency or extend the estimated economic life of an asset are expensed as incurred. Additional capacity, if any, added to property plant and equipment is depreciated over the remaining estimated useful live.

Capitalized interest

Interest incurred on funds borrowed to finance construction of solar power plants is capitalized until the plant is ready for its intended use. The amount of interest capitalized during the years ended March 31, 2018, 2019 and 2020 were INR 384 million, INR 467 million and INR 355 million (US$ 4.7 million), respectively.

(j) Accounting for impairment of long-lived assets

The Company periodically evaluates whether events have occurred that would require revision of the remaining useful life of property, plant and equipment and improvements, or render their carrying value not recoverable. If such circumstances arise, the Company uses an estimate of the undiscounted value of expected future operating cash flows to determine whether the long-lived assets are impaired. If the aggregate undiscounted cash flows are less than the carrying amount of the assets, the resulting impairment charge to be recorded is calculated based on the excess of the carrying value of the assets over the fair value of such assets, with the fair value determined based on an estimate of discounted future cash flows, appraisals or other valuation techniques. There were no impairment charges related to long-lived assets recognized during the years ended March 31, 2019 and 2020.

(k) Leases and land use rights

Policy applicable beginning April 1, 2019

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842), to increase transparency and comparability among organizations by recognizing a right-of-use asset and a lease liability on the balance sheet for all leases with terms longer than 12 months and disclosing key information about leasing transactions. Leases are classified as either operating or financing, with such classification affecting the pattern of expense recognition in the income statement. In July 2018, the FASB issued ASU 2018-11, Leases (Topic 842) – Targeted Improvements, which provided an optional transition method to apply the new lease requirements through a cumulative-effect adjustment in the period of adoption.

The Company adopted “ASC Topic 842” Leases, being effective for fiscal years, and interim periods within those fiscal year, beginning after December 15, 2018. The Company adopted the guidance effective April 1, 2019 using the modified retrospective approach and elected certain practical expedients permitted under the transition guidance. The Company elected the transition practical expedients referred to as the "package of three", that must be taken together and allows entities to (1) not reassess whether existing contracts contain leases, (2) carry forward the existing lease classification, and (3) not reassess initial direct costs associated with existing leases. The Company has elected the short-term lease exception as per the new accounting standard. The expense for leases classified as operating leases is recorded as rent expense on a straight-line basis, over the lease term, beginning with the date the Company has access to the property. The company has also elected hindsight practical expedient for operating leases under the new accounting standard.

The majority of the Company’s leases relate to leasehold land on which the solar power plants are constructed on and leases related to office facilities. The leasehold land related to solar power plants has a lease term ranging between 25 to 35 year which is further extendable on mutual agreement by both lessor and lessee. Where applicable, the company has the consent from the lessors to extend the leases up to 35 years. These leases have rent escalation ranging between 5% to 10% every year, during the tenure of the lease. All existing leases on the date of adoption of ASC Topic 842, were classified as operating leases as they were concluded at their inception under previous guidance of ASC Topic 840, as permitted by the practical expedient package elected. As the implicit rate in the lease contract is not readily determinable, the company has used its average incremental rate of borrowing for the purposes of the determination of discount rate. The discount rate for operating leases is 10%. The weighted average remaining lease term for operating leases is 32 years.

The results of reporting periods beginning April 1, 2019 are presented in accordance with ASC Topic 842, whereas the prior period amounts are reported in accordance with ASC Topic 840 and have therefore not been

reinstated. Upon adoption of ASC Topic 842, and by availing the exemption under the modified retrospective approach, the Company did not have a material impact to consolidated statements of operations and consolidated statements of cash flows. However, the adoption resulted in increasing the assets, by recognizing the Right of Use asset, on consolidated balance sheet by INR 3,182 million (US$ 42.2 million) as well as Lease Liabilities by INR 2,939 million (US$ 38.9 million) and derecognition of historical prepaid rent and land use right balances. During the year ended March 31, 2020, the Company recorded lease cost of INR 540 million (US$ 7.2 million). See Note 18 to the consolidated financial statements.

On Adoption of ASC 842, all the lease arrangements entered prior to adoption continued to be classified as operating leases. The Company has made an assessment for lease arrangements entered during the year and classified them as operating leases. The Company did not have any finance lease during any of the periods presented in the accompanying consolidated financial statements.

The Company is a lessee in several non-cancellable operating leases, primarily for construction of solar power plants and for office facilities.

The Company determines if an arrangement is or contains a lease at contract inception. The Company recognizes a right-of-use ("ROU") asset and a lease liability at the lease commencement date. For operating leases, the lease liability is initially and subsequently measured at the present value of the unpaid lease payments at the lease commencement date.

Key estimates and judgments include how the Company determines (1) the discount rate it uses to discount the unpaid lease payments to present value, (2) lease term and (3) lease payments.

ASC Topic 842 requires a lessee to discount its unpaid lease payments using the interest rate implicit in the lease or, if that rate cannot be readily determined, its incremental borrowing rate. Generally, the Company cannot determine the interest rate implicit in the lease because it does not have access to the lessor's estimated residual value or the amount of the lessor's deferred initial direct costs. Therefore, the Company generally uses its incremental borrowing rate as the discount rate for the lease. The Company's incremental borrowing rate for a lease is the rate of interest it would have to pay on a collateralized basis to borrow an amount equal to the lease payments under similar terms.

The lease term for all of the Company's leases includes the non-cancellable period of the lease plus any additional periods covered by either a Company option to extend (or not to terminate) the lease that the Company is reasonably certain to exercise, or an option to extend (or not to terminate) the lease controlled by the lessor.

Lease payments included in the measurement of the lease liability comprise of the following:

- Fixed payments, including in-substance fixed payments, owed over the lease term (which includes termination penalties the Company would owe if the lease term assumes Company exercise of a termination option);
- Variable lease payments, if any, that depend on an index or rate, initially measured using the index or rate at the lease commencement date;
- Amounts expected to be payable under a Company-provided residual value guarantee; and
- The exercise price of a Company option to purchase the underlying asset if the Company is reasonably certain to exercise the option.

The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for lease payments made at or before the lease commencement date, plus any initial direct costs incurred less any lease incentives received.

For operating leases, the ROU asset is subsequently measured throughout the lease term at the carrying amount of the lease liability, plus initial direct costs, plus (minus) any prepaid (accrued) lease payments, less the unamortized

balance of lease incentives received. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

ROU assets for operating leases are periodically reduced by impairment losses. The Company uses the long-lived assets impairment guidance in ASC Subtopic 360-10, Property, Plant, and Equipment – Overall, to determine whether a ROU asset is impaired, and if so, the amount of the impairment loss to recognize. See Note 2(j).

The Company monitors for events or changes in circumstances that require a reassessment of one of its leases. When a reassessment results in the remeasurement of a lease liability, a corresponding adjustment is made to the carrying amount of the corresponding ROU asset unless doing so would reduce the carrying amount of the ROU asset to an amount less than zero. In that case, the amount of the adjustment that would result in a negative ROU asset balance is recorded in profit or loss.

Operating lease ROU assets are presented as operating lease right -of of-use assets on the consolidated balance sheet. The current portion of operating lease liabilities is included in other current liabilities and the long-term portion is presented separately as operating lease liabilities on the consolidated balance sheet.

The Company has elected not to recognize ROU assets and lease liabilities for short-term leases of warehouses, office, machinery etc. that have a lease term of 12 months or less. The Company recognizes the lease payments associated with its short-term leases as an expense on a straight-line basis over the lease term.

The Company's corporate office leases generally also includes include non-lease maintenance services (i.e. common area maintenance). The Company allocates the consideration in the contract to the lease and non-lease maintenance component based on each component's relative standalone price. The Company determines stand-alone prices for the lease components based on the prices for which other lessors lease similar assets on a stand-alone basis. The Company determines stand-alone prices for the non-lease components (i.e. maintenance services) based on the prices that several suppliers charge for maintenance services for similar assets on a stand-alone basis.

Policy applicable prior to April 1, 2019

Certain of the Company's leases relate to leasehold land on which the solar power plants are constructed and for office facilities. Leases are reviewed for capital or operating classification at their inception under the guidance of ASC Topic 840 *Leases*. The expense for leases classified as operating leases is recorded as rent expense on a straight-line basis, over the lease term, beginning with the date the Company has access to the property.

Land use rights represent lease prepayments to the lessor. Land use rights are carried at cost less accumulated amortization. Amortization is provided to write-off the cost of these prepayments on a straight-line basis over the period of the lease or the PPA, whichever is shorter.

The Company did not have any capital leases during any of the periods presented in the accompanying consolidated financial statements.

(l) Asset retirement obligations (ARO)

Upon the expiration of the land lease arrangement for solar power plants located on leasehold land, the Company is required to remove the solar power plant and restore the land. The Company records the fair value of the liability for the legal obligation to retire the asset in the period in which the obligation is incurred, which is generally when the asset is constructed. When a new liability is recognized, the Company capitalizes it by increasing the carrying amount of the related long-lived asset, which results in an ARO asset being depreciated over the remaining useful life of the solar power plant. The liability is accreted and expensed to its present expected future value each period based on a credit adjusted risk free interest rate. Upon settlement of the obligation, the Company eliminates the liability and, based on the actual cost to retire, may incur a gain or loss.

The Company's asset retirement obligations were INR 665 million and INR 741 million (US$ 9.8 million) as of March 31, 2019 and 2020, respectively. The accretion expense incurred during the years ended March 31, 2018, 2019

and 2020 was INR 18 million, INR 23 million and INR 36 million (US$ 0.5 million), respectively. The depreciation expense incurred during the years ended March 31, 2018, 2019 and 2020 was INR 8 million, INR 10 million (US$ 0.1 million) and INR 21 million (US$ 0.3 million), respectively.

There was no settlement of prior liabilities or revisions to the Company's estimated cash flows as of March 31, 2020.

	2019 (INR)	2020 (INR)	2020 (US$)
		(In million)	
Beginning balance	**357**	**665**	**8.8**
Addition during the year	285	40	0.5
Liabilities settled during the year	—	—	—
Accretion expense during the year	23	36	0.5
Ending balance	**665**	**741**	**9.8**

(m) Software

The Company capitalizes certain internal software development cost under the provision of ASC Topic 350-40 *Internal-Use Software* -. As of March 31, 2020, the amount capitalized as software includes the cost of software licenses, as well as related implementation costs, which primarily relate to third party consulting fees. Such license and implementation costs are capitalized and amortized over their estimated useful lives of three years using the straight-line method. On an ongoing basis, the Company assesses the recoverability of its capitalized software intangible assets. Capitalized software costs determined to be unrecoverable are expensed in the period in which the determination is made. As of March 31, 2020, all capitalized software is considered fully recoverable.

(n) Debt financing costs

Financing costs incurred in connection with obtaining construction and term financing loans are deferred and amortized over the term of the respective loan using the effective interest rate method. Amortization of debt financing costs is capitalized during construction and recorded as interest expense in the consolidated statements of operations, following commencement of commercial operations of the respective solar power plants.

Amortization of debt financing costs for the years ended March 31, 2018, 2019 and 2020 was INR 748 million, INR 267 million and INR 709 million (US$ 9.4 million), including debt financing costs written off related to the debt refinancing amounting to INR 522 million, INR Nil and INR 271 million (US$ 3.6 million), respectively. See Note 12

The carrying value of debt financing costs as on March 31, 2019 and 2020 was INR 851 million and INR 1,145 million (US$ 15.2 million). See Note 12.

Further, the Company paid INR 364 million (US$ 4.8 million) for the year ended March 31, 2020 for commitments not yet drawn. See note 9.

(o) Income taxes

Income taxes are recorded under the asset and liability method, as prescribed under ASC Topic 740 Income Taxes, whereby deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

The Company establishes valuation allowances against its deferred tax assets when it is more likely than not that all or a portion of a deferred tax asset will not be realized.

The computation of tax liabilities involves dealing with uncertainties in the application of complex tax regulations. The Company applies a two-step approach to recognize and measure uncertainty in income taxes in accordance with ASC Topic 740. The first step is to evaluate the tax position for recognition by determining if the weight of available evidence indicates that it is more likely than not that the position will be sustained on audit, including resolution of related appeals or litigation processes, if any. The second step is to measure the tax benefit as the largest amount which is more than 50% likely of being realized upon ultimate settlement through March 31, 2020, the Company does not have any unrecognized tax benefits, nor has it recognized any interest or penalties.

The Taxation Laws (Amendment) Act, 2019 has brought key changes to corporate tax rates in the Income Tax Act, 1961, which reduced the tax rate for certain subsidiaries within the group to 25.17%. Azure Power India Private Limited and several of its subsidiaries which are claiming tax benefits under section 80-IA of the Income Tax Act have decided not to opt for this lower tax benefit and have continued under the old regime For the fiscal year ended March 31, 2020, the statutory income tax rate as per the Income Tax Act, 1961 ranges between 25.17% to 34.94%, depending on the tax regime chosen by the particular subsidiary. Based on future projection of Azure Power India Private Limited, management has decided to claim a lower tax rate under a new regime from FY 2033-34 onwards.

Accordingly, the above adoption resulted in the remeasurement of deferred tax balances impacted by the change in regime. Deferred tax assets and deferred tax liabilities have been reduced by INR 281 million (US$ 3.7 million) and INR 278 million (US$ 3.7 million) respectively having a net impact of INR 3 million (US$ 0.0 million) in the current year financial statements.

(p) Employee benefits

Defined contribution plan

Eligible employees of the Company in India receive benefits from the Provident Fund, administered by the Government of India, which is a defined contribution plan. Both the employees and the Company make monthly contributions to the Provident Fund equal to a specified percentage of the eligible employees' salary.

The Company has no further funding obligation under the Provident Fund, beyond the contributions elected or required to be made thereunder. Contributions to the Provident Fund by the Company are charged to expense in the period in which services are rendered by the covered employees and amounted to INR 26 million, INR 32 million and INR 37 million (US$ 0.5 million) for the years ended March 31, 2018, 2019 and 2020, respectively.

Defined benefit plan

Employees in India are entitled to benefits under the Gratuity Act, a defined benefit post-employment plan covering eligible employees of the Company. This plan provides for a lump-sum payment to eligible employees at retirement, death, and incapacitation or on termination of employment, of an amount based on the respective employee's salary and tenure of employment. As of March 31, 2020, this plan is unfunded.

Current service costs for defined benefit plans are accrued in the period to which they relate. In accordance with ASC Topic 715, *Compensation Retirement Benefit*- the liability in respect of defined benefit plans is calculated annually by the Company using the projected unit credit method and amounted to INR 33 million and INR 34 million (US$ 0.5 million) as of March 31, 2019 and 2020, respectively. Prior service cost, if any, resulting from an amendment to a plan is recognized and amortized over the remaining period of service of the covered employees. Interest costs for the period ended March 31, 2019 and 2020 were not significant.

Compensated absences

The Company recognizes its liabilities for compensated absences in accordance with ASC Topic 710, *Compensation-General*. The Company accrues the liability for its employee rights to compensated absence in the year in which it is earned.

(q) Revenue recognition

Sale of power consists of solar energy sold to customers under long term Power Purchase Agreements (PPAs), which generally have a term of 25 years. The Company's customers are generally the Government of India, power distribution companies and, to a lesser extent, commercial and industrial enterprises.

The Company recognizes revenue on PPAs when the solar power plant generates power and is supplied to the customer in accordance with the respective PPA. The company recognizes revenue each period based on the volume of solar energy supplied to the customer at the price stated in the PPA once the solar energy kilowatts are supplied and collectability is reasonably assured. The solar energy kilowatts supplied by the Company are validated by the customer prior to billing and recognition of revenue.

Where PPAs include scheduled price changes, revenue is recognized by applying the average rate to the energy output estimated over the term of the PPA. The Company estimates the total kilowatt hour units expected to be generated over the entire term of the PPA. The contractual rates are applied to this annual estimate to determine the total estimated revenue over the term of the PPA. The Company then uses the total estimated revenue and the total estimated kilo-watt hours to compute the average rate used to record revenue on the actual energy output supplied. The Company compares the actual energy supplied to the estimate of the energy expected to be generated over the remaining term of the PPA on a periodic basis, but at least annually. Based on this evaluation, the Company reassesses the energy output estimated over the remaining term of the PPA and adjusts the revenue recognized and deferred to date. Through March 31, 2020, the adjustments have not been significant. The difference between actual billing and revenue recognized is recorded as deferred revenue.

The Company also records the proceeds received from Viability Gap Funding ('VGF') on fulfilment of the underlying conditions as deferred revenue. Such deferred VGF revenue is recognized as sale of power in proportion to the actual sale of solar energy kilowatts during the period to the total estimated sale of solar energy kilowatts during the tenure of the applicable power purchase agreement pursuant to the revenue recognition policy.

The Company adopted "ASC Topic 606" Revenue from Contracts with Customers, being effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2017. The Company adopted the guidance effective April 1, 2018 using the modified retrospective approach, which was applied to those contracts which were not completed as of April 1, 2018. Under Topic 606, total consideration for PPAs with scheduled price changes (price escalation in a solar power plant with 50 MWs of operating capacity and price decrease in a solar power plant with 10 MWs of operating capacity) and for significant financing components, is estimated and recognized over the term of the agreement. Price escalations create an unbilled receivable and the price decreases create deferred revenue. The time value of the significant financing component is recorded as interest expense. The Company uses the discount rate that would be reflected in a separate financing transaction between the entity and its customer at contract inception and recognizes the revenue amount on a straight-line basis over the term of the PPAs, and interest expense using the effective interest rate method. The Company also recognizes incremental costs incurred to obtain a contract in Other Assets in the consolidated balance sheet. These amounts are amortized on a straight-line basis over the term of the PPAs, and are included as a reduction to revenue in the consolidated statements of operations.

The results of reporting periods beginning April 1, 2018, are presented in accordance with ASC Topic 606 and the prior period amounts are reported in accordance with ASC Topic 605, Revenue Recognition. Upon adoption of ASC Topic 606, and by availing the exemption under the modified retrospective approach, the Company recorded a cumulative adjustment to accumulated deficit amounting to INR 218 million (US$ 3.2 million) as of April 1, 2018, net of deferred tax effect and INR 100 million (US$ 1.4 million) was recorded as unbilled receivable, a reclassification of INR 146 million (US$ 2.1 million) from property plant and equipment relating to contract acquisition cost, and INR 416 million (US$ 6.0 million) as deferred revenue. Adoption of ASC Topic 606 did not result in any material impact in the Consolidated Statement of Operations and deferred tax asset or liability as the impact is reversed within the tax holiday period.

Contract balances

The following table provides information about receivables, unbilled receivables, contract acquisition cost and deferred revenue from customers as at March 31, 2019 and 2020, respectively.

	As at March 31,		
	2019	2020	2020
	INR	INR	US$
	(In million)		
Current assets			
Accounts receivable, net	3,307	4,456	59.2
Non-current assets			
Unbilled receivable	124	196	2.6
Contract acquisition cost	152	147	1.9
Current liabilities			
Deferred revenue	99	110	1.5
Non-current liabilities			
Deferred revenue	1,800	2,129	28.2

Movement in deferred revenue:

	As at March 31,		
	2019	2020	2020
	INR	INR	US$
	(In million)		
Beginning balance	**—**	**1,899**	**25.2**
Impact on adoption of the ASC Topic 606	**1,500**	—	—
Increased as a result of additional cash received against VGF	414	385	5.1
Deferred revenue recognized	84	73	1.0
Amount recognized into revenue	(99)	(118)	(1.6)
Ending balance	**1,899**	**2,239**	**29.7**

Accounts receivable – from sale of power consist of accrued revenues due under the PPA, based on the sale of power transferred to the customer, generally requiring payment within 30 to 60 days of sale. As per terms of PPA, payment is unconditional once performance obligations have been satisfied and does not contains any future, unsatisfied performance obligation to be included in this disclosure.

(r) Cost of operations (exclusive of depreciation and amortization)

The Company's cost of operations consists of expenses pertaining to operations and maintenance of its solar power plants. These expenses include payroll and related costs for maintenance staff, plant maintenance, insurance, and if applicable, lease costs etc.

Depreciation expense is not included in cost of operations but is included within "Depreciation and amortization expense", shown separately in the consolidated statements of operations.

(s) General and administrative expenses

General and administrative expenses include payroll and related costs for corporate, finance and other support staff, including bonus and share based compensation expense, professional fees and other corporate expenses.

(t) Share based compensation

The Company follows guidance under ASC Topic 718, *Compensation — Stock Compensation*, which requires compensation costs related to share-based transactions, including employee share options, to be recognized in the financial statements based on their fair value. The Company recognizes compensation expense for equity share options net of estimated forfeitures. Forfeitures are estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates. Share-based compensation is included in general and administrative expenses and recognized in the consolidated statements of operations based on awards ultimately expected to vest, except the cost of services which is initially capitalized by the Company as part of the cost of property, plant and equipment.

The Company recognizes compensation expense for SARs and RSUs based on the fair value of the amount payable to employees in respect of SARs and RSUs, which are settled in cash, with a corresponding increase in liabilities, over the period that the employees unconditionally becomes entitled to the payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the SARs. Any changes in the fair value of the liability are recognized in consolidated statements of operations, except the cost of services which is initially capitalized by the Company as part of the cost of property, plant and equipment.

The Company has elected to use the Black-Scholes-Merton valuation model to determine the fair value of share-based awards on the date of grant for employee share options with a fixed exercise price and fixed service-based vesting.

The Company has elected to use the Black-Scholes-Merton valuation model to determine the fair value of SARs at each reporting date. The Company uses the market price of its equity share to determine the fair value of the RSUs at each reporting date.

Employee Stock Option

Effective November 2018, the Company revised the exercise price of 692,507 options from US$13.25 to US$ 11.90 per option. The impact to share-based compensation expense on account of the revision in the exercise price is not material. The share-based compensation expense related to share based compensation is recorded as a component of general and administrative expenses in the Company's consolidated statements of operations and totaled INR 83 million and INR 17 million (US$ 0.2 million) for the years ended March 31, 2019 and 2020, respectively. The amount of share-based compensation expense capitalized during the year ended March 31, 2020 was INR 13 million (US$ 0.2 million).

Stock Appreciation Rights

The share-based compensation expense related to SARs is recorded as a component of general and administrative expenses in the Company's consolidated statements of operations totaled INR 169 million (US$ 2.2 million) for the year ended March 31, 2020. The amount of share-based compensation expense capitalized during the year ended March 31, 2020 was INR 104 million ($1.4 million).

Refer to Note 21 for details on the Share based compensation.

(u) Contingencies

Liabilities for loss contingencies arising from claims, tax assessments, litigation, fines and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount of the assessment and/or remediation can be reasonably estimated. Legal costs incurred with respect to these items are expensed as incurred.

(v) Fair value of financial instruments

ASC Topic 820, *Fair Value Measurements and Disclosures* -, defines fair value as the price at which an asset could be exchanged or a liability transferred in an orderly transaction between knowledgeable, willing parties in the

principal or most advantageous market for the asset or liability. Where available, fair value is based on observable market prices or derived from such prices. Where observable prices or inputs are not available, valuation models are applied. These valuation techniques involve some level of management estimation and judgment, the degree of which is dependent on the price transparency for the instruments or market and the instruments' complexity.

When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorized in one of the following levels

• Level 1 inputs: Unadjusted quoted prices in active markets for identical assets or liabilities accessible to the reporting entity at the measurement date.

• Level 2 inputs: Other than quoted prices included in Level 1 inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.

• Level 3 inputs: Unobservable inputs for the asset or liability used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at measurement date.

(w) Derivatives and Hedging

In the normal course of business, the Company uses derivative instruments for the purpose of mitigating the exposure from foreign currency fluctuation risks associated with forecasted transactions denominated in certain foreign currencies and to minimize earnings and cash flow volatility associated with changes in foreign currency exchange rates, and not for speculative trading purposes. These derivative contracts are purchased within the Company's policy and are with counterparties that are highly rated financial institutions.

Contracts designated as Cash Flow Hedge

Cash flow hedge accounting is followed for derivative instruments to mitigate the exchange rate risk on foreign currency denominated debt instruments. Changes in fair value of derivative contracts designated as cash flow hedges are recorded in other comprehensive income/(loss), net of tax, until the hedge transaction occurs. The Company evaluates hedge effectiveness of cash flow hedges at the time a contract is entered into as well as on an ongoing basis or as required. When the relationship between the hedged items and hedging instrument is highly effective at achieving offsetting changes in cashflows attributable to the hedged risk, the Company records in other comprehensive income the entire change in fair value of the designated hedging instrument that is included in the assessment of hedge effectiveness. The cost of the hedge is recorded as an expense over the period of the contract on a straight-line basis.

Fair value hedges: hedging of foreign exchange exposure

Fair value hedge accounting is followed for foreign exchange risk with the objective to reduce the exposure to fluctuations in the fair value of firm commitments due to changes in foreign exchange rates.

Fair value adjustments related to non-financial instruments will be recognized in the hedged item upon recognition, and will eventually affect earnings as and when the hedged item is derecognized. Changes in the fair value of derivatives designated and qualifying as fair value hedges, together with any changes in the fair value of the hedged firm commitments attributable to the hedged risk, will be recorded in in the consolidated balance sheet. The gain or loss on the hedging derivative in a hedge of a foreign-currency-denominated firm commitment and the offsetting loss or gain on the hedged firm commitment is recognized in earnings in the accounting period, post the recognition of the hedged item in the balance sheet.

Undesignated contracts

Changes in fair value of undesignated derivative contracts are reported directly in earnings along with the corresponding transaction gains and losses on the items being economically hedged. The Company enters into foreign exchange currency contracts to mitigate and manage the risk of changes in foreign exchange rates. These foreign exchange derivative contracts were entered into to hedge the fluctuations in foreign exchange rates for recognized balance sheet items such as the Company's U.S. dollar denominated borrowings. The Company has not designated the derivative contracts as hedges for accounting purposes. Realized gains (losses) and changes in the fair value of these foreign exchange derivative contracts are recorded in Loss (gain) on foreign currency exchange, net in the consolidated statements of operations. These derivatives are not held for speculative or trading purposes.

(x) Segment information

Operating segments are defined as components of a company about which separate financial information is available that is evaluated regularly by the chief operating decision maker, or decision-making group, in deciding how to allocate resources and in assessing performance. The Company's chief executive officer is the chief operating decision maker. Based on the financial information presented to and reviewed by the chief operating decision maker in deciding how to allocate the resources and in assessing the performance of the Company, the Company has determined that it has a single operating and reporting segment: Sale of power. The Company's principal operations, revenue and decision-making functions are located in India.

(y) Non-controlling interest

The non-controlling interest recorded in the consolidated financial statements relates to (i) a 0.83% ownership interest in a subsidiary, a 10MW Gujarat power plant, not held by the Company, (ii) a 49.00% ownership interest in a subsidiary, a 50MW Uttar Pradesh power plant, not held by the Company, (iii) a 0.60% ownership interest in a subsidiary, a 100 MW Telangana power plant, not held by the Company and (iv) a 0.01% ownership interest in Azure Power India Private Limited* not held by the Company. As of March 31, 2020, the Company recorded a non-controlling interest amounting to INR 199 million (US$ 2.6 million) including INR 68 million (US$ 0.9 million) of net loss for the year ended March 31, 2020. As of March 31, 2019, the Company recorded a non-controlling interest amounting to INR 267 million including INR 60 million of net profit for the year.

* This remaining ownership by the founders is subject to an arbitration proceeding, refer to note 20.

During March 2019, the Company paid INR 1,474 million (US$ 21.2 million), to purchase a 48.37% ownership interest in a subsidiary, with a 150 MW Punjab project, which was not held by the Company previously.

(z) Redeemable non-controlling interest

During the year ended March 31, 2018, the Company bought the equity interest held by the investor in the subsidiary for consideration of INR 397 million. The Company has adjusted the carrying amount of the redeemable non-controlling interest to the redemption value on the date of transaction and upon completion of the transaction, the Company owns 100% of the power plant.

(*aa*) Recent accounting pronouncements

In June 2016, the FASB issued ASU 2016-13, "Financial Instruments — Credit Losses (Topic 326): Measurement on Credit Losses on Financial Instruments," and issued subsequent amendments to the initial guidance and transitional guidance between November 2018 and May 2019 within ASU 2018-19, ASU 2019-04 and ASU 2019-05. ASU 2016-13 introduces new guidance for credit losses on instruments within its scope. The new guidance introduces an approach based on expected losses to estimate credit losses on certain types of financial instruments, including trade and other receivables, held-to-maturity debt securities, loans and net investments in leases. In November 2019, the FASB issued ASU 2019-11, Codification Improvements to Topic 326, Financial Instruments—Credit Losses, which addresses specific issues related to expected recoveries, troubled debt restructurings, accrued interest receivables and financial assets secured by collateral. In February 2020, the FASB

issued ASU 2020-02, "Financial Instruments—Credit Losses (Topic 326) and Leases (Topic 842)—Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 119 and Update to SEC Section on Effective Date Related to Accounting Standards Update No. 2016-02, Leases (Topic 842)", which amends the language in Subtopic 326-20 and addresses questions primarily regarding documentation and company policies. The new guidance is effective for the Company for the year ending March 31, 2021 and interim reporting periods during the year ending March 31, 2021. The Company has completed preliminary assessment for evaluating the impact of the guidance and concluded that its adoption will not have a material impact on the Company's future financial statements and the company will continue to monitor the impact, since the economic impact from the COVID-19 pandemic is still evolving.

In August 2017, the FASB issued ASU 2017-12, "Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities", including certain transitional guidance and subsequent amendments including amendments to presentation and disclosure guidance within ASU 2019-04 (collectively, "ASU 2017-12"). ASU 2017-12 permits a qualitative effectiveness assessment for certain hedges instead of a quantitative test after the initial qualification, if the Company can reasonably support an expectation of high effectiveness throughout the term of the hedge. Also, for cash flow hedges, if the hedge is highly effective, all changes in the fair value of the derivative hedging instrument are recorded in other comprehensive income. The Company early adopted the guidance under ASU 2017-12 during the year ending March 31, 2018 and designated certain derivative contracts entered during the period as cash flow hedges. The Company classifies the derivative contracts as cash flow hedge and undesignated contracts. ASU 2019-04 is effective for the first annual period beginning after April 25, 2019, with early adoption permitted. The Company has completed preliminary assessment for evaluating the impact of the guidance and concluded that its adoption will not have a material impact on the Company's future financial statements.

In April 2019, the FASB issued ASU 2019-04 "Codification Improvements to Topic 326, Financial Instruments — Credit Losses, Topic 815, Derivatives and Hedging, and Topic 825, Financial Instruments." Apart from the amendments to ASU 2016-13 and ASU 2017-12 mentioned above, the ASU also included subsequent amendments to ASU 2016-01, "Financial Instruments — Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities". The guidance in relation to the amendments to ASU 2016-01 is effective for the Company for the year ending March 31, 2021 and interim reporting periods during the year ending March 31, 2021. Early adoption is permitted. The Company has completed preliminary assessment for evaluating the impact of the guidance and concluded that its adoption will not have a material impact on the Company's future financial statements and the company will continue to monitor the impact, since the economic impact from the COVID-19 pandemic is still evolving.

In December 2019, the FASB issued ASU 2019-12, Simplifying the Accounting for Income Taxes ("ASU 2019-12"). This ASU eliminates certain exceptions to the general principles in ASC 740, Income Taxes and adds guidance to reduce complexity in accounting for income taxes. The ASU eliminates, inter alia, the general methodology for calculating income taxes in an interim period when a year-to-date loss exceeds the anticipated loss for the year. The ASU requires that an entity reflect the effect of an enacted change in tax laws or rates in the annual effective tax rate computation in the interim period that includes the enactment date. ASU 2019-12 will be effective for the annual periods beginning after December 15, 2020, including interim periods within those fiscal years. Early adoption is permitted. The Company is evaluating the impact of the adoption of this standard on its consolidated financial statements. The Company has completed preliminary assessment for evaluating the impact of the guidance and concluded that its adoption will not have a material impact on the Company's future financial statements.

In March 2020, the FASB issued ASU 2020-04, "Reference Rate Reform (Topic 848) - Facilitation of the Effects of Reference Rate Reform on Financial Reporting" which provides companies with optional financial reporting alternatives to reduce the cost and complexity associated with the accounting for contracts and hedging relationships affected by reference rate reform. The guidance applies to contracts that:

- reference LIBOR or another rate that is expected to be discontinued as a result of rate reform; and
- have modified terms that affect, or have the potential to affect, the amount and timing of contractual cash flows resulting from the discontinuance of the reference rate.

The amendments in this ASU are effective for all entities as of March 12, 2020 through December 31, 2022. The Company has completed preliminary assessment for evaluating the impact of the guidance and concluded that its adoption will not have a material impact on the Company's future financial statements.

Other recent accounting pronouncements issued by the FASB (including its Emerging Issues Task Force) and the United States Securities and Exchange Commission did not or are not believed by management to have a material impact on the Company's present or future financial statements.

(*ab*) Impact of COVID-19 Pandemic

The Company has considered internal and external information in the preparation of the financial statements including the economic outlook and believes that it has taken into account the possible impact of currently known events arising out of the COVID-19 pandemic. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions.

COVID-19 impact on Revenue**:**

The Company has received Force Majeure notices from various power distribution companies ("DISCOMs") stating their inability to perform their obligations under the terms of the PPA due to COVID-19. However, the Ministry of New and Renewable Energy ("MNRE") had sent a directive to all state DISCOMs to reiterate that all renewable energy facilities in India have been granted "must run" status and this status of "must run" remains unchanged. As such, the force majeure notices from the DISCOMs have no legal effect. The Company's power plants have remained operational as electricity generation is designated as an essential service in India. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration.

COVID-19 impact on Accounts receivables:

The Company has provided for the receivables which have been overdue and where full collection is not expected. Based on the Company's current collection experience, the Company has not seen a material impact on accounts receivables collections due to COVID-19. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration, the company continues to monitor the situation.

COVID-19 impact on Property plant and equipment and Impairment consideration:

The Company has assessed that there is no material impact on the operations, as the power plants have been operating effectively during lockdown, however an extended lockdown may impact the provision of certain maintenance activities.

The Company has assessed the recoverability of its assets for operational plants and under-construction plants and no impairment considerations are noted at year end. The MNRE vide its office memorandum dated April 17, 2020 has provided blanket extension on account of disruption of the supply chain and suitable extension of time for renewable energy projects to the Companies affected by COVID-19 and states that the extension due to the lockdown caused by COVID-19 shall be treated as "Force Majeure" .

Based on the level of its current operations, the Company believes that there is currently no material impact on property, plant and equipment due to COVID-19. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration, the company continues to monitor the situation.

3. Cash and cash equivalents

Cash and cash equivalents consists of the following:

	As of March 31,		
	2019	2020	2020
	(INR)	(INR)	(US$)
		(In million)	
Bank deposits	2,542	2,902	38.5
Term deposits	7,996	6,890	91.4
Total	**10,538**	**9,792**	**129.9**

4. Restricted cash

Restricted cash consists of the following:

	As of March 31,		
	2019	2020	2020
	(INR)	(INR)	(US$)
		(In million)	
Bank deposits	2,168	4,877	64.7
Term deposits	1,280	848	11.2
	3,448	**5,725**	**75.9**
Restricted cash — current	2,168	4,877	64.7
Restricted cash — non-current	**1,280**	**848**	**11.2**

5. Accounts receivable

Accounts receivable, net consists of the following:

	As of March 31,		
	2019	2020	2020
	(INR)	(INR)	(US$)
		(In million)	
Accounts receivable [1]	3,347	4,702	62.4
Less: Allowance for doubtful accounts	(40)	(246)	(3.2)
Total	**3,307**	**4,456**	**59.2**

[1] Includes INR 1,138 million and INR 1,394 million (US$ 18.5 million) of unbilled receivables for the year ended March 31, 2019 and 2020, respectively.

Activity for the allowance for doubtful accounts is as follows:

	As of March 31,		
	2019	2020	2020
	(INR)	(INR)	(US$)
		(In million)	
Balance at the beginning of the year	129	40	0.5
Provision created	40	241	3.2
Provision written off	(129)	(35)	(0.5)
Balance at the end of the year	**40**	**246**	**3.2**

6. Prepaid expenses and other current assets

Prepaid expenses and other current assets consists of the following:

	As of March 31,		
	2019	2020	2020
	(INR)	(INR)	(US$)
	(In million)		
Derivative asset - current (Note 23)	—	672	8.9
Interest receivable on term deposits	243	236	3.1
Balance with statutory authorities	746	504	6.7
Prepaid bank guarantee charges	76	88	1.2
Prepaid insurance and other expenses	146	61	0.8
Advance to suppliers	110	39	0.5
Other	59	19	0.3
Total	**1,380**	**1,619**	**21.5**

7. Property, plant and equipment, net

Property, plant and equipment, net consists of the following:

	Estimated Useful Life (in years)	As of March 31,		
		2019	2020	2020
		(INR)	(INR)	(US$)
		(In million)		
Plant and machinery (solar power plants)	25-35	70,028	90,995	1,207.0
Leasehold improvements — solar power plant	25-35	4,392	5,483	72.7
Furniture and fixtures	5	11	12	0.2
Vehicles	5	70	69	0.9
Office equipment	1-5	20	27	0.4
Computers	3	67	91	1.2
Leasehold improvements — office	1-3	117	126	1.7
		74,705	**96,803**	**1,284.1**
Less: Accumulated depreciation		6,460	9,246	122.6
		68,245	**87,557**	**1,161.5**
Freehold land		2,483	2,910	38.6
Construction in progress		12,717	5,526	73.3
Total		**83,445**	**95,993**	**1,273.4**

Depreciation expense on property, plant and equipment was INR 1,862 million, INR 2,114 million and INR 2,808 million (US$ 37.2 million) for the years ended March 31, 2018, 2019 and 2020, respectively.

Effective October 1, 2018, the Company extended the estimated useful life of most of its utility scale projects from 25 years to 35 years. This change in estimate was based on the Company's technical evaluations and tests, through which the Company estimated that its solar modules will continue to generate power for at least 35 years at high efficiency levels. Since the Company has revised the useful life effective October 1, 2018, this had resulted in reduction of depreciation and amortization expense by INR 267 million (US$ 3.9 million) during the year ended March 31, 2019.

The Company has received government grants for the construction of rooftop projects amounting to INR 30 million and INR 34 million (US$ 0.5 million) for the years ended March 31, 2019 and 2020, respectively. The proceeds from these grants have been recorded as a reduction to the carrying value of the related rooftop projects.

8. Software, net

	Estimated Useful Life (in years)	As of March 31, 2019 (INR)	2020 (INR)	2020 (US$)
		(In million)		
Software licenses and related implementation costs	3 Years	122	165	2.2
Less: Accumulated amortization		58	110	1.5
Total		**64**	**55**	**0.7**

Aggregate amortization expense for software was INR 12 million, INR 23 million and INR 52 million (US$ 0.7 million) for the years ended March 31, 2018, 2019 and 2020, respectively.

Estimated amortization expense for the years ending March 31, 2021, 2022 and 2023 is INR 33 million, INR 19 million, and INR 3 million respectively.

9. Other assets

Other assets consists of the following:

	As of March 31, 2019 (INR)	2020 (INR)	2020 (US$)
		(In million)	
Prepaid income taxes	307	593	7.9
Derivative asset (Note 23)	2,220	6,292	83.5
Interest receivable on term deposits	67	95	1.3
Security deposits	402	411	5.5
Land use rights [1]	330	—	—
Contract acquisition cost	152	147	1.9
Unbilled receivables	124	196	2.6
Prepaid debt financing cost	594	364	4.8
Other	72	17	0.2
Total	**4,268**	**8,115**	**107.7**

[1] Land use rights have been reclassified to Right-of-use assets on adoption of ASC Topic 842 effective from April 1, 2019. Refer note 2(k) and note 18.

10. Investment in equity investee

Investment in equity investee, consists of the following:

	As of March 31, 2019 (INR)	2020 (INR)	2020 (US$)
		(In thousand)	
Investment in associate	—	26	0.3
Total	—	**26**	0.3

During the year, Azure Power India Private Limited won a tender issued by Solar Energy Corporation of India Limited (SECI) during December 2019 pursuant to which Azure Power India Private Limited has agreed to a firm purchase commitment with a solar module manufacturer to procure 2,800 MWs of modules. Pursuant to the terms of the tender, Azure Power India Private Limited has entered into a joint venture agreement on January 6, 2020 with a third party to establish a manufacturing facility with a capacity of manufacturing 500 MW Solar PV Modules per annum.

Accordingly, the Company has invested INR 0.026 million (US$ 0.0003 million) to acquire 26% of the equity shares in a newly formed company incorporated as part of the joint venture agreement to establish a manufacturing facility (investee) and is committed to further invest 26% of the equity required for construction of the manufacturing facility, and procure modules, in compliance with the terms of the aforementioned tender.

11**. Other current liabilities**

Other current liabilities, consists of the following:

	As of March 31,		
	2019	2020	2020
	(INR)	(INR)	(US$)
		(In million)	
Derivative liability	185	669	8.9
Provision for employee benefits	16	14	0.2
Payable for share based payments	—	78	1.0
Payable to statutory authorities	250	176	2.3
Payable for property, plant and equipment	1,329	282	3.7
Other payables	522	801	10.6
Total	**2,302**	**2,020**	**26.7**

12. Long term debt

Long term debt, consists of the following:

	As of March 31,		
	2019	2020	2020
	(INR)	(INR)	(US$)
		(In million)	
Secured term loans:			
Foreign currency loans	45,124	71,944	954.3
Indian rupee loans	23,813	16,945	224.8
	68,937	**88,889**	**1,179.1**
Other secured bank loan:			
Vehicle loan	10	-	-
Total debt	**68,947**	**88,889**	**1,179.1**
Less current portion	7,289	2,303	30.5
Long-term debt	**61,658**	**86,586**	**1,148.6**

Foreign currency term loans

5.5% Senior Notes

During the year ended March 31, 2018, Azure Power Energy Limited (one of the subsidiaries of APGL) issued 5.5% US$ denominated Senior Notes ("5.5% Senior Notes" or "Green Bonds") and raised INR 31,260 million net of discount of INR 9 million at 0.03% and issuance expense of INR 586 million. The discount on issuance of the Green Bonds and the issuance expenses have been recorded as finance cost, using the effective interest rate method and the unamortized balance of such amounts is netted with the carrying value of the Green Bonds. The Green Bonds are listed on the Singapore Exchange Securities Trading Limited (SGX-ST). In accordance with the terms of the issue, the proceeds were used for repayment of project level loans. The interest on the 5.5% Senior Notes are payable on a semi-annual basis and the principal amount is payable in November 2022. As of March 31, 2020, the net carrying value of the Green Bonds as on March 31, 2020 was INR 37,318 million (US$ 495.0 million). The Company had guaranteed the principal and interest repayments to the investors; however, the guarantee was cancelled upon the Company satisfying certain financial covenants, on the basis of the financial statements for the year ended March 31, 2019. The Green Bonds are secured by a pledge of Azure Power Energy Limited's shares.

5.65% Senior Notes

During the year ended March 31, 2020, Azure Power Solar Energy Private Limited (one of the subsidiaries of APGL) issued 5.65% US$ denominated Senior Notes ("5.65% Senior Notes" or "Green Bonds") and raised INR 24,400 million net of discount of INR 7 million at 0.03% and issuance expense of INR 397 million. The discount on issuance of the Green Bonds and the issuance expenses have been recorded as finance cost, using the effective interest rate method and the unamortized balance of such amounts is netted with the carrying value of the Green Bonds. The Green Bonds are listed on the Singapore Exchange Securities Trading Limited (SGX-ST).

In accordance with the terms of the issue, the proceeds were used for repayment of project level loans. The interest on the 5.65% Senior Notes are payable on a semi-annual basis and the principal amount is payable in December 2024. As of March 31, 2020, the net carrying value of the Green Bonds was INR 26,001 million (US$ 344.9 million). The Company has guaranteed the principal and interest repayments to the investors and the guarantee shall become ineffective on meeting certain financial covenants. The Green Bonds are secured fixed charge by the Company over the capital stock of Azure Power Solar Energy Private Limited.

Indian Rupee Non-Convertible Debentures

During the year ended March 31, 2018, the Company issued Non-Convertible Debentures in one of its subsidiaries and borrowed INR 1,865 million, net of issuance expense of INR 35 million. The debentures carry an interest rate of 12.30% per annum. The debentures are repayable in 11 equalized semi-annual instalments beginning September 2022 until September 2027 and interest payments are payable semi-annually and commenced March 2018. The issuance expenses are amortized over the term of the contract using the effective interest rate method. As of March 31, 2020, the net carrying value of the Non-Convertible Debentures was INR 1,868 million (US$ 24.8 million).

During the year ended March 31, 2019, the Company issued Non-Convertible Debentures in one of its subsidiaries and borrowed INR 1,478 million, net of issuance expense of INR 22 million which has been renewed during the year with additional issuance expense of INR 25 million (US$ 0.3 million). The debentures carry an interest rate of 10.50% per annum. The debentures are repayable on the expiry of a period of 15 months from the date of allotment and interest payments are payable every three months and commenced December 2019. The Non-Convertible Debentures are collateralized with the shares of eight of the Company's subsidiaries in terms of the debentures deed and total assets of one of its subsidiaries with a net carrying value of INR 1,688 million (US$ 22.4 million) and a charge over loans and advances amounting to INR 758 million (US$ 10.0 million).

During the year ended March 31, 2019, the Company issued Non-Convertible Debentures in two of its subsidiaries and borrowed INR 548 million, net of issuance expense of INR 14 million. The debentures carry an interest rate of 10.32% per annum. The debentures are repayable on October 2024 and interest payments are payable every three months commencing from April 2019. During the year ended March 31, 2020, the Company issued further Non-Convertible Debentures in four of its subsidiaries and borrowed INR 439 million (US$ 5.8 million), net of issuance expenses of INR 19 million (US$ 0.3 million) under the same facility. The debentures carry an interest rate of 9.85% to 10.87% per annum. The debentures are repayable starting October 2024 and interest payments are payable every three months commencing from March 2020. The issuance expenses are amortized over the term of the contract using the effective interest rate method. The borrowing is collateralized by first ranking pari passu mortgage charge on all immovable and movable properties of related subsidiary within the group with a net carrying value of INR 3,508 million (US$ 46.5 million). As of March 31, 2020, the net carrying value of the Non-Convertible Debentures was INR 988 million (US$ 13.1 million). As of March 31, 2020, the Company was not in compliance with the financial covenants related to this borrowing and had obtained suitable waivers for the non-compliance prior to the issuance of these financial statements.

Project level secured term loans

Foreign currency loans

The net carrying value of the loan as of March 31,2020 is INR 3,059 million (US$ 40.6 million), which was borrowed for the financing of a 35 MW solar power project, which carries a fixed interest rate of 4.07% per annum. The loan is repayable in 36 semi-annual instalments which commenced on August 20, 2013. The borrowing is collateralized by underlying solar power project assets with a net carrying value of INR 2,514 million (US$ 33.3 million) as of March 31, 2020.

The net carrying value of the loan of INR 49 million (US$ 0.6 million) as of March 31, 2020 was borrowed for financing future rooftop solar power projects, which carries a fixed interest rate of 4.42% per annum. The loan is repayable in 54 quarterly instalments which commenced from October 15, 2017. The borrowing is collateralized by the underlying solar power project assets with a net carrying value of INR 59 million (US$ 0.8 million) as of March 31, 2020. As of March 31, 2020, the Company was not in compliance with the financial covenants related to this borrowing and had obtained suitable waivers for the non -compliance prior to the issuance of these financial statements.

During the year ended March 31, 2019, the Company borrowed INR 4,675 million as a project level bridge loan facility for the financing of a 260 MW solar power project. The facility carries a variable annual interest rate of LIBOR + 1.5% determined on semi-annual basis. The loan has been repaid during the year.

During the year ended March 31, 2019, the Company borrowed INR 552 million, as project level financing for some of its rooftop projects. During the year ended March 31, 2020, the Company further borrowed INR 135 million (US$ 1.8 million) and INR 271 million (US$ 3.6 million) under the same facility. These facilities carry an annual interest rate of LIBOR + 2.75%. The facility is repayable starting October 2024 and interest payments are payable every three months commencing from April 2019. The borrowing is collateralized by first ranking pari passu mortgage charge on all immovable and movable properties of the borrower with a net carrying value of INR 3,508 million (US$ 46.5 million). The net carrying value of the loan as of March 31, 2020 is INR 978 million (US$ 13.0 million). As of March 31, 2020, the Company was not in compliance with the financial covenants related to this borrowing and had obtained suitable waivers for the non-compliance prior to the issuance of these financial statements.

The Company is required to maintain principal and interest, both as defined in the respective agreements, as a reserve with banks specified by the respective lenders. Such amounts, totaling INR 304 million and INR 936 million (US$ 12.4 million) at March 31, 2019 and March 31, 2020, respectively, are classified as restricted cash on the consolidated balance sheets.

Indian rupee loans

The net carrying value of the loan as of March 31, 2020 is INR 468 million (US$ 6.2 million), borrowed for financing of a 5 MW solar power project, which has been refinanced during the year ended March 31, 2020, from L&T Infra Debt Fund Limited and unamortized carrying value of ancillary cost of borrowing was expensed. The loan carries a fixed rate of 9.70% per annum. The loan is repayable in 49 quarterly instalments commenced December 31, 2019. The borrowing is collateralized by the underlying solar power project assets with a net carrying value of INR 528 million (US$ 7.0 million) as of March 31, 2020.

The net carrying value of the loan as of March 31, 2020 is INR 82 million (US$ 1.1 million), borrowed for the financing of a 2.5 MW solar power project. The interest rate as of March 31, 2020 was 12.16% per annum. The loan is repayable in 29 semi-annual instalments which commenced on January 15, 2014. The borrowing is collateralized by the underlying solar power project assets with a net carrying value of INR 123 million (US$ 1.6 million) as of March 31, 2020.

The net carrying value of the loan as of March 31, 2020 is INR 1,267 million (US$ 16.8 million), borrowed for financing of a 30 MW solar power project from a consortium of bank led by Yes Bank, which carries a floating rate of interest at a respective lender's lending rate plus 1.5% per annum. The loan is repayable in 58 quarterly instalments commenced December 2015. The borrowing is collateralized by the underlying solar power project assets with a net carrying value of INR 1,545 million (US$ 20.5 million) as of March 31, 2020.

The loan borrowed for financing of a 28 MW solar power project amounting to INR 1,408 million as at March 31, 2019, which was refinanced from L&T Finance and United Bank of India during August 2016. The floating interest rate for L&T Finance was L&T PLR less spread 4.9% (as on date of disbursement) and for United Bank of India, the rate was at L&T PLR less 4.5%, with the interest being fixed for first 5 years. The loan has been repaid during the year.

During the year ended March 31, 2018, the Company borrowed INR 413 million for financing of a 14 MW solar power project from Indusind Bank. The annual floating interest rate is MCLR plus 1.45%. The loan has been repaid during the year.

During the year ended March 31, 2018, the Company borrowed INR 1,614 million for financing of a 40 MW solar power project from Indian Renewable Energy Development Agency (IREDA). The floating interest rate at rate of interest for Grade-III borrower as per credit risk rating system of IREDA and external grading of Grade-III. The loan has been repaid during the year.

During the year ended March 31, 2018, the Company borrowed INR 375 million for financing of a 7 MW solar power project from PTC India Financial Services ("PFS"). The floating annual interest rate at PFS reference rate less 3.5%. The loan has been repaid during the year.

The net carrying value of the loan as of March 31, 2020 is INR 2,099 million (US$ 27.8 million), borrowed for financing of a 50 MW solar power project, which has been refinanced from TATA Capital Financial Services Limited and unamortized carrying value of ancillary cost of borrowing was expensed. The annual floating interest rate at TCCL Prime Lending Rate less 6.3%. The loan is repayable in 71 quarterly instalments and commenced March 31, 2020. The borrowing is collateralized by the underlying solar power project assets with a net carrying value of INR 2,700 million (US$ 35.8 million) as of March 31, 2020.

During the year ended March 31, 2018, the Company borrowed INR 2,287 million for financing of a 50 MW solar power project, from PTC India Financial Services. The annual floating interest rate was at the PFS reference rate less 3.25%. During March 2019, the loan amount of INR 1,500 million was refinanced from Tata Cleantech Capital Limited ("TCCL"). The annual floating interest rate was at TCCL Prime Lending Rate less 4.9%. The loan has been repaid during the year.

The net carrying value of the loan as of March 31, 2020 is INR 427 million (US$ 5.6 million), borrowed for financing of a 10 MW solar power project, from REC Limited (formerly known as Rural Electrification Corporation Limited) ('REC'). The rate of interest shall be applicable for a Grade-III borrower for the financing and will reset after 10 years. The floating interest rate is at the REC lending rate. The loan is repayable in 60 quarterly instalments and commenced June 2017. The borrowing is collateralized by the underlying solar power project assets with a net carrying value of INR 581 million (US$ 7.7 million) as of March 31, 2020.

The net carrying value of the loan borrowed for financing a 100 MW solar power project as of March 31, 2020 is INR 5,321 million (US$ 70.6 million). The floating interest rate at Grade-II as per IREDA. The loan is repayable in 73 quarterly instalments and commenced June 30, 2018. The borrowing is collateralized by the underlying solar power project assets with a net carrying value of INR 5,245 million (US$ 69.6 million) as of March 31, 2020.

During the year ended March 31, 2019 and March 31, 2020, the Company borrowed INR 1,070 million and INR 400 million (US$ 5.3 million), respectively, for financing a 200 MW solar power project from Yes Bank. The annual floating interest rate is at MCLR plus 0.55%. The loan is repayable in 74 quarterly instalments and commenced March 2020. The borrowing is collateralized by the underlying under construction solar power project assets with a net carrying value of INR 9,262 million (US$ 122.9 million) as of March 31, 2020. The net carrying value of the loan as of March 31, 2020 is INR 1,399 million (US$ 18.5 million).

During the year ended March 31, 2019, the Company borrowed INR 3,530 million for financing a 100 MW solar power project, from L&T Finance. The loan has been repaid during the year.

During the year ended March 31, 2019, the Company borrowed INR 124 million (US$ 1.8 million) as an External Commercial Borrowings for some of its rooftop projects. These facilities carry an interest rate of 10.74% and interest payments are payable every three months which commenced April 2019. The borrowing is collateralized by first ranking pari paasu mortgage charge on all immovable and movable properties of the borrower with a net carrying value of INR 3,028 million (US$ 40.2 million) as of March 31, 2020. The loan is repayable on October 15, 2024. The net carrying value of the loan as of March 31, 2020 is INR 121 million (US$ 1.6 million). As of March 31, 2020, the Company was not in compliance with the financial covenants related to this borrowing and had obtained suitable waivers for the non-compliance prior to the issuance of these financial statements.

During the year ended March 31, 2020, the Company borrowed INR 463 million (US$ 6.1 million) as a project level financing for financing of a 16 MW solar power project from the State Bank of India ('SBI'). These facilities carry an annual interest rate of MCLR + 0.35%. The loan is repayable in 52 quarterly installments commencing June 2020. The borrowing is collateralized by the underlying solar power project assets with a net carrying value of INR 701 million (US$ 9.3 million) as of March 31, 2020. The net carrying value of the loan as of March 31, 2020 is INR 453 million (US$ 6.0 million).

During the year ended March 31, 2020, the Company borrowed INR 1,000 million (US$ 13.3 million) for financing of its 90 MW solar project from REC. The rate of interest shall be applicable for a Grade-III borrower and will reset after 1 year. The floating interest rate is at the REC lending rate. The loan is repayable in 204 monthly instalments commencing April 2022. The borrowing is collateralized by the underlying solar power project assets with a net carrying value of INR 918 million (US$ 12.2 million) as of March 31, 2020. The net carrying value of the loan as of March 31, 2020 is INR 993 million (US$ 13.1 million).

As of March 31, 2020, the Company has unused commitments for long-term financing arrangements amounting to INR 19,360 million (US$ 256.8 million) for solar power projects.

Trade credit

As of March 31, 2020, the Company has multiple buyer's credit facilities amounting to INR 4,236 million (US$ 56.2 million) including INR 2,641 million (US$ 35.0 million) availed during the year ended March 31, 2020. These facilities carry a floating interest rate of LIBOR+ 0.38%-0.50%, for its solar power projects. The trade credits shall to be repaid in 2.7 -2.8 years from the date of shipment with semi-annual interest payments.

As of March 31, 2020, the Company has buyer's credit facility amounting to INR 303 million (US$ 4.0 million), for some of its operational SPV's, entered during the year ended March 31, 2019. These facilities carry a floating interest rate of six months LIBOR plus 0.8% spread.

Short term credit

During the year ended March 31, 2019, the Company entered into separate revolving credit facilities in the amount of INR 500 million, INR 2,500 million and INR 1,950 million, which were closed in October, November and August 2019, respectively.

For the year ended March 31, 2020, the Company entered into a working capital facility in the amount of INR 1,690 million. The Company has drawn the entire facility during the year out of which INR 709 million was repaid as of March 31, 2020. Borrowings under this facility are repayable within 12 months of disbursement, unless renewed by the lenders thereafter, and the facility will be available until July 2022. The facility bears an interest rate of 10.15% per annum. The unamortized balance of debt financing cost as of March 31, 2020 is INR 6 million (US$ 0.1 million).

These aforementioned loans are subject to certain financial and non-financial covenants. Financial covenants include cash flow to debt service, indebtedness to net worth ratio, debt equity ratio and maintenance of debt service balances.

As of March 31, 2020, the Company was in compliance with the financial covenants or remediated the non-compliance prior to the issuance of these financial statements.

Generally, under the terms of the loan agreements entered into by the Com pany's project subsidiaries, the project subsidiaries are restricted from paying dividends, if they default in payment of their principal, interest and other amounts due to the lenders under their respective loan agreements. Certain of APGL's project subsidiaries also may not pay dividends out of restricted cash.

The carrying value of debt financing costs as on March 31, 2019 and 2020 was INR 851 million and INR 1,145 million (US$ 15.2 million), respectively, for the above loans, which is amortized over the term of the contract using the effective interest rate method.

As of March 31, 2020, the aggregate maturities of long-term debt are as follows:

As of March 31,	Annual maturities (1) INR	US$
	(In million)	
2021	2,338	31.0
2022	5,472	72.6
2023	38,973	517.0
2024	1,150	15.3
2025	29,829	395.7
Thereafter	12,266	162.6
Total: aggregate maturities of long-term debt	**90,028**	**1,194.2**
Less: carrying value of unamortized debt financing costs	(1,139)	(15.1)
Net maturities of long-term debt	**88,889**	**1,179.1**
Less: current portion of long-term debt	(2,303)	(30.5)
Long-term debt	**86,586**	**1,148.6**

(1) Long term debt (principal) obligations for foreign currency denominated borrowings have been translated to Indian rupees using the closing exchange rate as of March 31, 2020 as per Reserve Bank of India.

13. Income Taxes

The individual entities within the Company file individual tax returns as per the regulations existing in their respective jurisdictions.

The fiscal year under the Indian Income Tax Act ends on March 31. A portion of the Company's Indian operations qualify for deduction from taxable income because its profits are attributable to undertakings engaged in development of solar power projects under section 80-IA of the Indian Income Tax Act, 1961. This holiday is available for a period of ten consecutive years out of fifteen years beginning from the year in which the Company generates power ("Tax Holiday Period"). However, the exemption is only available to the projects completed on or before March 31, 2017. The Company anticipates that it will claim the aforesaid deduction in the last ten years out of fifteen years beginning with the year in which the Company generates power and when it has taxable income. Accordingly, its current operations are taxable at the normally applicable tax rates.

The Company had adopted the provisions of ASC Topic 740 as they relate to uncertain income tax positions. Tax exposures can involve complex issues and may require extended periods to resolve. The Company does not have any uncertain tax positions requiring recognition. The Company reassesses its tax positions in light of changing facts and circumstances, such as the closing of a tax audit, refinement of an estimate, or changes in tax codes. To the extent that the final tax outcome of these matters differs from the amounts recorded, such differences will impact the provision for income taxes in the period in which such determination is made.

The provision (benefit) for income taxes consists of the following:

	Year ended March 31, 2018 INR	2019 INR	2020 INR	2020 US$
		(In million)		
Current tax expense/(benefit) (1)	(117)	128	120	1.6
Withholding tax on interest on Inter-Company debt related to green bonds	133	192	258	3.4
Deferred income tax expense/(benefit)	(269)	(167)	111	1.5
Total	(253)	153	489	6.5

(1) Current tax on profit before tax.

Income/(loss) before income taxes is as follows:

	March 31,			
	2018	2019	2020	2020
	(INR)	(INR)	(INR)	(US$)
	(In million)			
Domestic operations	62	262	326	4.3
Foreign operations	(1,337)	29	(2,174)	(28.8)
Total	**(1,275)**	**291**	**(1,848)**	**(24.5)**

Net deferred income taxes on the consolidated balance sheet is as follows:

	March 31,		
	2019	2020	2020
	(INR)	(INR)	(US$)
	(In million)		
Deferred tax assets	2,735	2,422	32.1
Less: valuation allowance	(328)	(217)	(2.9)
Net deferred tax assets	**2,407**	**2,205**	**29.2**
Deferred tax liability	**2,054**	**2,622**	**34.8**

At March 31, 2020, the Company performed an analysis of the deferred tax asset valuation allowance. Based on the analysis, the Company has concluded that a valuation allowance offsetting the deferred tax assets is required as of March 31, 2020. Change in the valuation allowance for deferred tax assets as of March 31, 2019 and March 31, 2020 is as follows:

	March 31,		
	2019	2020	2020
	(INR)	(INR)	(US$)
	(In million)		
Opening valuation allowance	715	328	4.4
Movement during the Year	(387)	(111)	(1.5)
Closing valuation allowance	**328**	**217**	**2.9**

The significant components of the net deferred income tax assets and liabilities exclusive of amounts that would not have any tax consequences because they will reverse within the Tax Holiday Period, are as follows:

	As of March 31,		
	2019	2020	2020
	(INR)	(INR)	(US$)
		(In million)	
Deferred tax assets:			
Net operating loss (1)	1,429	4,926	65.3
Tax on Inter — Company margin	205	55	0.7
Deferred revenue	316	377	5.0
Asset retirement obligation	141	179	2.4
Depreciation and amortization	828	288	3.8
Minimum alternate tax credit	767	643	8.5
Other deductible temporary difference	97	336	4.5
Valuation allowance	(328)	(217)	(2.9)
Deferred tax liabilities:			
Depreciation and amortization	(2,790)	(6,033)	(80.0)
Other comprehensive income	(312)	(971)	(12.9)
Net deferred tax (liability) asset	**353**	**(417)**	**(5.6)**

(1) Includes deferred tax on unabsorbed depreciation that can be carried forward indefinitely for set off as per income tax laws.

APGL, the holding company and two of its subsidiaries incorporated in Mauritius have applicable income tax rate of 15%. However, the group's significant operations are based in India and are taxable as per Indian Income Tax Act, 1961. For effective tax reconciliation purposes, the applicable tax rate in India has been considered. The effective income tax rate differs from the amount computed by applying the statutory income tax rate to loss before income taxes and is as follows:

	For the Year ended March 31,						
	2018		2019		2020		
	Tax (INR)	%	Tax (INR)	%	Tax (INR)	%	US$
				(In million except for %)			
Statutory income tax (benefit)/expense	(446)	(34.94)%	102	34.94%	(646)	34.94%	(8.6)
Temporary differences reversing in the Tax Holiday Period	334	26.12%	304	(103.92)%	(386)	20.88%	(5.0)
Impact of changes in tax rate	113	8.83%	—	—	3	(0.16)%	0.0
Permanent timing differences	117	9.16%	29	9.92%	1,327	(71.81)%	17.6
Valuation allowance created / (reversed) during the year	(452)	(35.41)%	(387)	(112.73)%	(111)	6.03%	(1.5)
Other difference	81	6.38%	105	224.03%	302	(16.34)%	4.0
Total	**(253)**	**(19.86)%**	**153**	**52.24%**	**489**	**(26.46)%**	**6.5**

The Taxation Laws (Amendment) Act, 2019 has brought key changes to corporate tax rates in the Income Tax Act, 1961, which reduced the tax rate for certain subsidiaries within the group to 25.17%. Azure Power India Private Limited and several of its subsidiaries which are claiming tax benefits under section 80-IA of the Income Tax Act have decided not to opt for this lower tax benefit and have continued under the old regime For the fiscal year ended March 31, 2020, the statutory income tax rate as per the Income Tax Act, 1961 ranges between 25.17% to 34.94%, depending on the tax regime chosen by the particular subsidiary. Based on future projection of Azure Power India Private Limited, management has decided to claim lower tax rate under the new regime from FY 2033-34 onwards.

Accordingly, the above adoption resulted in the remeasurement of deferred tax balances impacted by the change in regime. Deferred tax assets and deferred tax liabilities have been reduced by INR 281 million (US$ 3.7 million) and INR 278 million (US$ 3.7 million) respectively having a net impact of INR 3 million (US$ 0.0 million) in the current year financial statements.

As of March 31, 2018, 2019, and 2020, deferred income taxes have not been provided for the Company's share of undistributed net earnings of foreign operations due to management's intent to reinvest such amounts indefinitely.

14. Interest expense, net

Interest expense, net consists of the following:

	Year ended March 31,			
	2018	2019	2020	2020
	(INR)	(INR)	(INR)	(US$)
	(In million)			
Interest expense:				
Term loans	5,094	5,469	7,655	101.5
Bank charges and other (1)	750	485	871	11.6
	5,844	**5,954**	**8,526**	**113.1**
Interest income:				
Term and fixed deposits	509	932	564	7.5
Investments in held-to-maturity securities	0	0	0	0.0
	509	**932**	**564**	**7.5**
Total	**5,335**	**5,022**	**7,962**	**105.6**

(1) Bank charges and other includes amortization of debt financing costs of INR 748 million, INR 267 million and INR 709 million (US$ 9.4 million) for the years ended March 31, 2018, 2019 and 2020, respectively, and includes debt financing costs written off related to the debt refinancing amounting to INR 522 million, INR Nil and INR 271 million (US$ 3.6 million), respectively.

15. Loss/(gain) on foreign currency exchange

Loss/(gain) on foreign currency exchange consists of the following:

	Year ended March 31,			
	2018	2019	2020	2020
	(INR)	(INR)	(INR)	(US$)
	(In million)			
Unrealized loss on foreign currency loans	12	226	258	3.4
Realized (gain) loss on foreign currency loans	(74)	(48)	18	0.2
Unrealized loss on derivative instruments	46	21	—	—
Realized loss on derivative instruments	32	49	109	1.4
Other loss on foreign currency exchange	30	193	127	1.7
Total	**46**	**441**	**512**	**6.7**

16. Equity shares

Equity shares

Equity shares have a par value of US$0.000625 per share at APGL. There is no limit on the number of equity shares authorized. As of March 31, 2019, and 2020, there were 41,040,028 and 47,650,750 equity shares issued and outstanding.

	As of March 31,			
	2019	2019	2020	2020
	Number of shares	INR in thousands	Number of shares	INR in thousands
Issued:				
Outstanding and fully paid:				
Equity shares of US$ 0.000625 par value each				
Beginning balance	25,996,932	1,076	41,040,028	1,773
Issuance of new shares (1)	14,915,542	691	6,493,506	287
Exercise of ESOPs (2)	127,554	6	117,216	5
Ending balance	**41,040,028**	**1,773**	**47,650,750**	**2,065**

(1) During the year ended March 31, 2020, the Company made a US$75.0 million private placement and issued 6,493,506 equity shares at US$ 11.55 per share to Caisse de depot et placement du Quebec (CDPQ), a shareholder with an 41.4% holding in the Company prior to the private placement resulting in net proceeds of INR 5,317 million (US$ 70.5 million). The proceeds from the private placement have been invested in AZI and pursuant to this investment in AZI, the company's ownership increased from 97.20% to 99.99%*.

During the year ended March 31, 2019, the Company issued 14,915,542 shares at US$ 12.50 per share, during its Follow-on Public Offering (FPO). The Company incurred underwriter fees, legal expenses, printing costs and other costs directly relating to its FPO of US$ 3.5 million, the Company accounted for such costs under ASC 340-10-599-1 (SAB Topic 5A) "Expenses of the Offering" as incremental costs directly attributable to an offering of equity shares. These costs were applied against the proceeds from the FPO. The FPO resulted in aggregate proceeds of INR 13,637 million (US$ 183.0 million), net of issuance expense.

* The remaining ownership by the founders is subject to an arbitration proceeding, refer note 20.

(2) Refer Note 21 for details of ESOPs exercised during the year.

Accumulated other comprehensive loss

The following represents the changes and balances to the components of accumulated other comprehensive loss:

	Foreign currency translation, net of taxes	Cashflow Hedge, net of taxes	Unrealized (loss)/gain on Available-for-Sale Securities, net of taxes	Total accumulated other comprehensive loss, net of taxes
	(INR)	(INR)	(INR)	(INR)
		(In million)		
Balance as of March 31, 2017	18	—	22	40
Adjustments during the year	(546)	210	1	(335)
Balance as of March 31, 2018	**(528)**	**210**	**23**	**(295)**
Adjustments during the year	(2,343)	1,913	(23)	(453)
Balance as of March 31, 2019	**(2,871)**	**2,123**	**—**	**(748)**
Adjustments during the year	(4,811)	3,622	—	(1,189)
Balance as of March 31, 2020	**(7,682)**	**5,745**	**—**	**(1,937)**
Balance as of March 31, 2020 ((US$) (Note 2(d))	**(101.9)**	**76.2**	**—**	**(25.7)**

17. Earnings per share

The Company calculates earnings per share in accordance with FASB ASC Topic 260 Earnings Per Share and FASB ASC Topic 260-10-45 Determining Whether Instruments Granted in Share-Based Payment Transactions Are Participating Securities. Basic and diluted earnings losses per equity share give effect to the change in the number of equity shares of the Company. The calculation of basic earnings per equity share is determined by dividing net profit/loss attributable to APGL equity shareholders by the weighted average number of equity shares outstanding during the respective periods. The potentially dilutive shares, consisting of employee share options have been included in the computation of diluted net earnings per share and the weighted average shares outstanding, except where the result would be anti-dilutive.

Net (loss)/profit per share is presented below:

	Year ended March 31			
	2018 (INR)	2019 (INR)	2020 (INR)	2020 (US$)
	(amounts in millions, except share and per share data)			
Net (loss)/profit attributable to APGL	(821)	78	(2,269)	(30.0)
Add: Accretion of redeemable non-controlling interest	(6)	—	—	—
Net (loss)/profit attributable to APGL equity shareholders **(A)**	**(827)**	**78**	**(2,269)**	**(30.0)**
Shares outstanding for allocation of undistributed income:				
Equity shares	25,996,932	41,040,028	47,650,750	47,650,750
Weighted average shares outstanding				
Equity shares – Basic (B)	25,974,111	33,063,832	43,048,026	43,048,026
Equity shares – Diluted (C)	25,974,111	33,968,127	43,048,026	43,048,026
Net (loss)/profit per share — basic and diluted				
Equity earnings/(loss) per share – Basic (D=A/B)	(31.84)	2.37	(52.71)	(0.70)
Equity earnings/(loss) per share – Diluted (E=A/C)	(31.84)	2.31	(52.71)	(0.70)

Refer to Note 16 for details of shares issued.

The number of share options outstanding but not included in the computation of diluted earnings per equity share because their effect was antidilutive is 1,058,527 and 870,065 for years ended March 31, 2018 and 2020, respectively.

18. Leases

The Company has several non-cancellable operating leases, primarily for construction of solar power plants and for office facilities, warehouses, and office space that have a lease term ranging between 3 to 35 years which is further extendable on mutual agreement by both lessor and lessee. The Company has considered the renewal options in determining the lease term to the extent it was reasonably certain to exercise those renewal options and accordingly, associated potential option payments are included as part of lease payments.

The components of lease cost for the year ended March 31, 2020 were as follows:

	Amount (INR)	US$
	(In million)	
Operating lease cost	540	7.2
Short-term lease cost (1)	15	0.2
Total lease cost	**555**	**7.4**

(1) Refer note 2(k) for details of short-term lease exception elected by the Company on adoption of ASC Topic 842.

Amounts reported in the consolidated balance sheet as of April 1, 2019 and March 31, 2020 were as follows:

	As at April 1, 2019	As at March 31, 2020	As at March 31, 2020
	INR	INR	US$
		(In million)	
Non-current assets			
Right-of-use assets	3,182	4,434	58.8
Non-current liabilities			
Lease liabilities	2,939	3,592	47.6
Current liabilities			
Lease liabilities	—	256	3.4
Total operating lease liabilities	**2,939**	**3,848**	**51.0**

Other information related to leases as of March 31, 2020 was as follows:

	Amount (INR)	US$
	(In million)	
Supplemental cash flow information:		
Cash paid for amounts included in the measurement of lease liabilities	342	4.5
Weighted average remaining lease term	31 years	
Incremental borrowing rate	10%	

Maturities of lease liabilities under non-cancellable leases as of March 31, 2020 are as follows:

Year ended March 31,	Amount (INR)	US$
	(In million)	
Fiscal 2021	357	4.7
Fiscal 2022	366	4.9
Fiscal 2023	376	5.0
Fiscal 2024	393	5.2
Fiscal 2025	404	5.4
Thereafter	11,845	157.1
Total undiscounted lease payments	**13,741**	**182.3**
Less: Imputed interest	9,893	131.3
Total lease liabilities	**3,848**	**51.0**

Information as of and for the year ended March 31, 2019:

Minimum lease payments under operating leases were recognized on a straight-line basis over the term of the lease. Rent expense for operating leases for the years ended March 31, 2019 was INR 324 million.

Future minimum lease payments under non-cancellable operating leases as of March 31, 2019 are:

Year ended March 31,	Amount (INR)	US$
	(In million)	
Fiscal 2020	251	3.6
Fiscal 2021	189	2.7
Fiscal 2022	170	2.5
Fiscal 2023	175	2.6
Fiscal 2024	181	2.6
Thereafter	5,819	84.1
Total	**6,785**	**98.1**

19. Commitments, guarantees and contingencies

Capital commitments

As at March 31, 2020, the commitments for the purchase of property, plant and equipment were INR 6,298 million (US$ 83.5 million).

Guarantees

The Company issues irrevocable performance bank guarantees in relation to its obligation towards construction and transmission infrastructure of solar power plants as required by the PPA and such outstanding guarantees are INR 3,718 million (US$ 49.3 million) as of March 31, 2020.

Further, INR 372 million (US$ 4.9 million) is in relation to commissioned plants which the Company expects to release within a year and INR 9 million (US$ 0.1 million) is bank guarantee towards other commitments.

The Company issued bank guarantees amounting to INR 1,040 million (US$ 13.8 million) as of March 31, 2020 to meet its Debt-Service Reserve Account (DSRA) requirements for its outstanding loans.

The Company has obtained guarantees from financial institutions as a part of the bidding process for establishing solar projects amounting to INR 812 million (US$ 10.8 million) as of March 31, 2020. The Company has given term deposits as collateral for those guarantees which are classified as restricted cash on the consolidated balance sheet.

The terms of the PPAs provide for the delivery of a minimum quantum of electricity at fixed prices.

Contingencies

As of March 31, 2020, the Company had a contingent of liability of INR 415 million (US$ 5.5 million) for projects completed beyond the contractually agreed dates. The Company has filed an appeal against such demands and has received a stay order from the appellant authorities. Management believes the reason for delay was not attributable to the Company, based on advice from its legal advisors and the facts underlying the Company's position, and therefore management believes that the Company will ultimately not be found liable for these assessments and has not accrued any amount with respect to these matters in its consolidated financial statements.

During the year, the Company received a demand of INR 120 million (US$ 1.6 million), related to services tax assessment through July 31, 2017. The company is contesting the demand and is confident that there should not be a tax outflow related to this claim.

Refer Note 20 for details of arbitration proceedings with the erstwhile CEO and erstwhile COO of the Company.

20. Related Party Disclosures

For the years ended March 31, 2018 and 2019, the Company incurred rent expense on office facilities and guest house facilities totaling INR 15 million and INR 3 million, respectively, where the lessors are related to the Ex-CEO and erstwhile COO and director of the Company. As of March 31, 2019, and 2020, the Company did not have any security deposits with these lessors. The contract for guest house facilities was cancelled with effect from March 29, 2019.

The Company has certain loan facilities with International Finance Corporation, which is a shareholder of the Company. The Company had drawn INR 504 million against these loan facilities through March 31, 2019, net of repayments. During the year ended March 31, 2020, the Company has drawn INR 262 million (US$ 3.5 million) against these loan facilities, net of repayments and has an outstanding loan against these facilities totaling INR 766 million (US$ 10.2 million) as of March 31, 2020, which includes a current portion of the loan totaling INR 9 million (US$ 0.1 million). The Company incurred INR 14 million, INR 21 million and INR 54 million (US$ 0.7 million) of interest expense for the years ended March 31, 2018, 2019 and 2020, respectively. The Company has outstanding interest accrued against these facilities totaling INR 11 million and INR 24 million (US$ 0.3 million) as of March 31, 2019 and 2020, respectively. These loans are also hedged with IFC with outstanding notional amount of US $ 13.4 million as of March 31, 2020.

Our Company and our subsidiary, Azure Power India Private Limited, are respondents in arbitration proceedings initiated by our former Chairman, CEO and Managing Director of the Company, Mr. Inderpreet Singh Wadhwa ("IW") and former COO Mr. H.S Wadhwa ("HSW"), in relation to the purchase price of the shares of IW's and HSW's in Azure Power India Private Limited. The arbitration is being conducted under the Singapore International Arbitration Centre (SIAC) Rules, with the seat of arbitration in Singapore. Management strongly believes in the merits of our case; however, an unfavorable outcome in these proceedings could potentially have a material adverse effect on our results of operations, cash flows and financial condition. As management believes it will be successful in the arbitration, the Company has not accrued any amount with respect to this arbitration in its consolidated financial statements.

In addition, the Company and our subsidiary Azure Power India Private Limited are respondents to arbitration proceedings initiated by IW in relation to his transition agreement. The Company and IW have filed our claims and counter claims in relation to the matter in the arbitration. We continue to strongly believe in the merits of our case and are confident that the outcome will be favorable for us. The claim amount is not significant to our financial position. As management believes it will be successful in the arbitration, the Company has not accrued any amount with respect to this arbitration in its consolidated financial statements.

Refer Note 16 for equity shares issued during the year to Caisse de depot et placement du Quebec (CDPQ).

21. Share based compensation

The Company has a 2015 Stock Option Plan and 2016 Equity Incentive Plan and as amended in 2020 (collectively "ESOP Plans") duly approved by the Board of Directors and had 2,023,744 stock options in the employee stock option pool as of March 31, 2020. Under the ESOP Plans, the Compensation Committee on behalf of Board of Directors (the "Directors") may from time to time make grants to one or more employees, determined by it to be eligible for participation under the plans.

The Compensation Committee determines which employees are eligible to receive the equity awards, the number of equity awards to be granted, the exercise price, the vesting period and the exercise period. The vesting period will be decided by the Compensation Committee as and when any grant takes place. All options granted under these plans shall vest over a period of 4 years from the date of grant with 25% vesting at the end of year one, 25% vesting at the end of year two, 25% vesting at the end of year three and 25% vesting at the end of year four unless specified otherwise. Shares forfeited by the Company are transferred back to the employee stock pool and shall be available for new grants. During the year, due to the CDPQ acquiring the majority stake in the company which resulted in a change in the vesting schedule of ESOPs/SARs for certain senior employees from yearly vesting to monthly vesting for the grants made till the date of the event. In addition, for the CEO and COO of the company, one of the tranches vested immediately as per their employment agreements.

Options are deemed to have been issued under these plans only to the extent actually issued and delivered pursuant to a grant. To the extent that a grant lapses or the rights of its grantee terminate, any equity shares subject to such grant are again available for new grants.

The option grant price may be determined by the Compensation Committee and is specified in the option grant. The grant is in writing and specifies the number of options granted the price payable for exercising the options, the date/s on which some or all of the options shall be eligible for vesting, fulfillment of the performance and other conditions, if any, subject to when vesting shall take place and other terms and conditions thereto. The option grant can be exercised only by the employees of the Company.

Employee Stock Option Plan

Options granted under the plan are exercisable into equity shares of the Company, have a contractual life equal to the shorter of ten years, or July 20, 2025, or July 20, 2027, as the case may be, and vest equitably over four years, unless specified otherwise in the applicable award agreement. The Company recognizes compensation cost, reduced by the estimated forfeiture rate, over the vesting period of the option. A summary of share option activity during the periods ending March 31, 2019 and March 31, 2020 is set out below:

	Number of shares	Weighted average exercise price in INR
Options outstanding as of March 31, 2019	1,493,237	726
Granted	25,760	918
Exercised	(117,216)	129
Forfeited	(531,716)	832
Expired	-	-
Options outstanding as of March 31, 2020	870,065	756
Vested and exercisable as of March 31, 2020	601,636	727

Options available for grant as of March 31, 2020 was 827,935 ESOPs.

The Black-Scholes-Merton option pricing model includes assumptions regarding dividend yields, expected volatility, expected option term, and risk-free interest rates. The Company estimates expected volatility based on the historical volatility of comparable publicly traded companies for a period that is equal to the expected term of the options because it does not have sufficient history of its own volatility. The risk-free interest rate is based on the yield of relevant time period based on US government bonds in effect at the time of grant for a period commensurate with the estimated expected life. The expected term of options granted is derived using the "simplified" method as allowed under the provisions of ASC Topic 718 due to insufficient historical exercise history data to provide a reasonable basis upon which to estimate expected term.

The fair value of each share option granted to employees is estimated on the date of grant using the Black- Scholes option-pricing model with the following weighted average assumptions:

	Year ended March 31,	
	2019	2020
Dividend yield	0%	0%
Expected term (in years)	3.6 – 5.2	4.2 – 5.7
Expected volatility	25.9% - 30.9%	31.1% - 32.1%
Risk free interest rate	2.20% - 2.50%	0.47% - 0.62%

As of March 31, 2019, and 2020, the aggregate intrinsic value of all outstanding options was INR 83 million and INR 35 million (US$ 0.5 million), respectively.

The share-based compensation expense related to share options is recorded as a component of general and administrative expenses in the Company's consolidated statements of operations and totaled, INR 25 million, INR 83 million and INR 17 million (US$ 0.2 million) for the years ended March 31, 2018, 2019 and 2020, respectively. The amount of share-based compensation expense capitalized during the year ended March 31, 2020 was INR 13 million (US$ 0.2 million).

Unrecognized compensation cost for unvested options as of March 31, 2020 is INR 22 million (US$ 0.3 million), which is expected to be expensed over a weighted average period of 2.0 years.

The intrinsic value of options exercised during the year ended March 31, 2019, and March 31, 2020 was INR 34 million and INR 48 million (US$ 0.6 million).

During November 2018, the Company repriced the exercise price for 692,507 options, which were previously awarded to certain officers, employees and directors under the ESOP plans from US$ 13.25 to US$ 11.90 per share. All terms and conditions of the eligible options, including the vesting schedule, service condition and other terms remain the same. The impact of the repricing of the options has been considered in the company's financial statements.

The intrinsic value per option at the date of grant during the years ended March 31, 2019 and 2020 is as follows:

Date of grant	No. of options granted*	Deemed fair value of equity shares (INR)	Intrinsic value per option at the time of grant (INR)	Valuation used
February 1, 2019	99,000	763	—	Market price
March 31, 2019	526,124	779	—	Market price
July 2, 2019	13,760	778	—	Market price
March 22, 2020	12,000	1,080	—	Market price

Stock Appreciation Rights (SARs)

The Company granted incentive compensation in the form of Stock Appreciation Rights ("SARs"), as defined in the Company's 2016 Equity Incentive Plan, as amended in 2020, to its CEO and COO. The SARs have been granted in 3 tranches with maturity dates up to March 31, 2028.

A summary of SARs activity during the periods ending March 31, 2020 is set out below:

	Number of SARs	Weighted average exercise price in INR
SAR outstanding as of March 31, 2019	-	-
Granted	1,970,000	752
Exercised	-	-
Forfeited	-	-
Expired	-	-
Options outstanding as of March 31, 2020	1,970,000	752
Vested and exercisable as of March 31, 2020	350,000	722

The fair value of each SAR granted to employees is estimated at each reporting date using the Black- Scholes option-pricing model with the following weighted average assumptions:

	Year ended March 31,	
	2019	2020
Dividend yield	NA	0%
Expected term (in years)	NA	4.0 – 7.3
Expected volatility	NA	27.06% - 34.43%
Risk free interest rate	NA	0.15% - 0.58%

The share-based compensation expense related to SARs is recorded as a component of general and administrative expenses in the Company's consolidated statements of operations totaled INR 169 million (US$ 2.2 million) for the year ended March 31, 2020. The amount of share-based compensation expense capitalized during the year ended March 31, 2020 was INR 104 million ($1.4 million). The carrying value of liability recorded for SARs as at March 31, 2020 is INR 273 million (US$ 3.6 million).

Unrecognized compensation cost for unvested SARs as of March 31, 2020 is INR 632 million (US$ 8.4 million), which is expected to be expensed over a weighted average period of 4.4 years.

The fair value per SAR at the date of grant during the year ended March 31, 2020 is as follows:

Date of grant	No. of SARs granted	Deemed fair value of SAR (INR)	Vesting period	Valuation used
July 18, 2019	200,000	722	February 2020	Market price
July 18, 2019	1,600,000	722	March 31, 2020 to July 31, 2027	Market price
March 30, 2020	170,000	1,069	March 31, 2021 to March 31, 2024	Market price

Restricted Stock Units (RSUs)

The Company granted restricted stock units of 10,920 equity shares to be settled into cash to some of its directors, pursuant to Restricted Stock Unit ESOP plans with maturity dates up to February 28, 2021.

A summary of RSUs activity during the periods ending March 31, 2020 is set out below:

	Number of RSUs
RSUs outstanding as of March 31, 2019	-
Granted	10,920
Exercised	-
Forfeited	-
Expired	-
Options outstanding as of March 31, 2020	10,920
Vested and exercisable as of March 31, 2020	-

The fair value of each RSU granted to employees is estimated at each reporting date based on the current market price of the Company's equity share.

The share-based compensation expense related to RSUs is recorded as a component of general and administrative expenses in the Company's consolidated statements of operations totaled INR 5 million (US$0.1 million) for the year ended March 31, 2020. The carrying value of liability recorded for RSUs as at March 31, 2020 is INR 5 million (US$0.1 million).

22. Fair Value Measurements

ASC Topic 820 Fair Value Measurements and Disclosures defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly, hypothetical transaction between market participants at the measurement date. ASC Topic 820 establishes a three-tier value hierarchy of fair value measurement based upon the whether the inputs to that measurement are observable or unobservable. Observable inputs reflect data obtained from independent sources while unobservable inputs reflect the Company's market assumptions. ASC Topic 820 prioritizes the inputs used in the valuation methodologies in measuring fair value as follows:

Level 1 — Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 — Includes other inputs that are directly or indirectly observable in the marketplace. Observable inputs, other than Level 1 quoted prices for similar instruments in active markets; quoted prices for similar or identical instruments in markets that are not active; and valuations using models in which all significant inputs are observable in active markets.

Level 3 — Unobservable inputs which are supported by little or no market activity.

The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

In accordance with ASC Topic 820, assets and liabilities are to be measured based on the following valuation techniques:

Market approach — Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.

Income approach — converting the future amounts based on the market expectations to its present value using the discounting methodology.

Cost approach — Replacement cost method.

The valuation techniques used by the Company to measure and report the fair value of certain financial assets and liabilities on a recurring basis are as follows;

Foreign exchange derivative contracts

The Company enters into foreign exchange option contracts to hedge fluctuations in foreign exchange rates for recognized balance sheet items such as foreign exchange term loans. The Company mitigates the credit risk of these foreign exchange option contracts by transacting with highly rated counterparties which are major banks. The Company uses valuation models to determine the fair value of the foreign exchange option contracts. The inputs considered include the theoretical value of a call option, the underlying spot exchange rate as of the balance sheet date, the contracted price of the respective option contract, the term of the option contract, the implied volatility of the underlying foreign exchange rates and the risk-free interest rate as of the balance sheet date. The techniques and models incorporate various inputs including the credit worthiness of counterparties, foreign exchange spot and forward rates, interest rate yield curves, forward rate yield curves of the underlying option contracts. The Company classifies the fair value of these foreign exchange option contracts in Level 2 because the inputs used in the valuation model are observable in active markets over the term of the respective option contracts.

		Fair value measurement at reporting date using		
Description	**As of March 31, 2019**	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
		(In million)		
Assets				
Non-Current assets				
Fair valuation of swaps and options (INR)	2,220	—	2,220	—
Total assets (INR)	**2,220**	—	**2,220**	—
Total assets (US$)	**32.1**	—	**32.1**	—

		Fair value measurement at reporting date using		
Description	**As of March 31, 2019**	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
		(In million)		
Liabilities				
Current liabilities				
Fair valuation of swaps and forward (INR)	185	—	185	—
Total Liabilities (INR)	**185**	—	**185**	—
Total Liabilities (US$)	**2.7**	—	**2.7**	—

Description	As of March 31, 2020	Fair value measurement at reporting date using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
		(In million)		
Assets				
Current assets				
Forward exchange derivative contracts (INR)	668	—	668	—
Forward exchange option contracts (INR)	4	—	4	—
Non-current assets				
Fair valuation of swaps and options (INR)	6,177	—	6,177	—
Forward exchange derivative contracts (INR)	115	—	115	—
Total assets (INR)	**6,964**	—	**6,964**	—
Total assets (US$)	**92.4**	—	**92.4**	—

Description	As of March 31, 2020	Fair value measurement at reporting date using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
		(In million)		
Non-current liabilities				
Other Liabilities				
Fair valuation of swaps and forward (INR)	29	—	29	—
Total Liabilities (INR)	**29**	—	**29**	—
Total Liabilities (US$)	**0.4**	—	**0.4**	—

The carrying amount of cash and cash equivalents, including restricted cash, accounts receivable, accounts payables, and other current financial assets and liabilities approximate their fair value largely due to the short-term maturities of these instruments and are classified as level 2. There have been no transfers between categories during the current year.

The carrying value and fair value of the Company's fixed rate project financing term loans is as follows:

	As of March 31, 2019		
	Carrying Value (INR)	Fair Value * (INR)	US$
		(In million)	
Fixed rate project financing loans:			
Foreign currency loans	38,422	38,657	559.0
Indian rupee loans	2,586	2,531	36.6

	As of March 31, 2020		
	Carrying Value (INR)	Fair Value * (INR)	US$
	(In million)		
Fixed rate project financing loans:			
Foreign currency loans	66,428	61,856	820.5
Indian rupee loans	3,445	3,398	45.1

The Company uses the yield method to estimate the fair value of fixed rate loans using interest rate change as an input. The carrying amount of the Company's variable rate project financing terms loans approximate, their fair values due to their variable interest rates.

The carrying value and fair value of the Company's investment in the Bank of Mauritius notes, classified as held to maturity securities is as follows:

	As of March 31, 2020		
	Carrying Value (INR)	Fair Value * (INR)	US$
	(In million)		
Non-current investments:			
Fixed rate Bank of Mauritius notes	7	7	0.1

The Company uses the yield method to estimate the fair value of fixed rate Bank of Mauritius notes by using interest rate as an input. The carrying amount of the Company's investment in fixed rate Bank of Mauritius notes approximate, their fair values relative to variable interest rates.

* Fair value measurement at reporting date using significant unobservable inputs (Level 3).

23. Derivative instruments and hedging activities

Option Contracts Undesignated as Hedge

The following table presents outstanding notional amount and balance sheet location information related to foreign exchange derivative contracts as of March 31, 2019 and 2020:

	March 31, 2019			March 31, 2020		
	Notional Amount (US$)	Prepaid Expenses and Other Current Asset (Fair value) (INR)	Other Assets (INR)	Notional Amount (US$)	Prepaid Expenses and Other Current Asset (Fair value) (INR)	Other Assets (INR)
	(In million)					
Foreign currency option contracts	—	—	—	—	—	—

(Gains)/Losses on foreign exchange derivative contracts for the year ended March 31, 2018, 2019 and 2020 aggregated INR 78 million, INR 70 million and INR 109 million (US$ 1.4 million), respectively.

Contracts designated as a Cashflow Hedge

The Company hedged the foreign currency exposure risk related to certain intercompany loans denominated in foreign currency through a call spread option with a full swap for coupon payments. The Company also availed trade

credit facilities denominated in foreign currencies which were fully hedged through interest rate swaps. The foreign currency forward contracts and options were not entered into for trading or speculative purposes.

The Company documented each hedging relationship and assessed its initial effectiveness on inception date and the subsequent effectiveness was tested as determined at the time of inception of the contract. The gain or loss on the hedge contracts was recorded in accumulated other comprehensive income to the extent the hedge contracts were effective. The gain or loss on the hedge contracts shall be reclassified to interest expense when the coupon payments and principal repayments are made on the related investments. The hedge contracts were effective as of March 31, 2020.

The following table presents outstanding notional amount and balance sheet location information related to foreign exchange derivative contracts as of March 31, 2019 and 2020:

	March 31, 2019			
	Notional Amount (US$)	Current Liabilities (Fair value) (INR)	Other Assets (Fair value) (INR)	Other Assets (Fair value) (US$)
	(In million)			
Foreign currency option contracts	500	—	2,220	32.1

	March 31, 2019			
	Notional Amount (US$)	Current Liabilities (Fair value) (INR)	Other Assets (Fair value) (INR)	Current Liabilities (Fair value) (US$)
	(In million)			
Fair valuation of swaps and forward	31	185	—	2.7

	March 31, 2020			
	Notional (US$)	Current Liabilities (INR)	Prepaid expenses and other current assets (INR)	Prepaid expenses and other current assets (US$)
	(In million)			
Foreign exchange option contracts	2.6	—	4	0.0

	March 31, 2020			
	Notional (US$)	Current Liabilities (INR)	Other Assets (INR)	Other Assets (US$)
	(In million)			
Fair valuation of swaps and options	849.7	—	6,177	81.9
Forward exchange derivative contracts	57.4	—	115	1.5

	March 31, 2020			
	Notional Amount (US$)	Non-Current Liabilities (Fair value) (INR)	Other Assets (Fair value) (INR)	Non-Current Liabilities (Fair value) (US$)
	(In million)			
Fair valuation of swaps and forward	13.4	29	—	0.4

The company recorded the net fair value of derivative asset/liability of INR 2,220 million and INR 4,047 million (US$ 53.7 million) in the Other comprehensive income for the year ended March 31, 2019 and 2020, respectively and recorded an expense of INR 1,035 million and INR 1,428 million (US$ 18.9 million) related to the amortization of the cost of the hedge for the year ended March 31, 2019 and 2020, respectively.

The foreign exchange derivative contracts mature generally over a period of 0.5 – 5.5 years.

Contracts designated as fair value hedge

The Company hedged the exposure to fluctuations in the fair value of firm commitments denominated in foreign currency through forward exchange derivative contracts. Fair value adjustments related to non-financial instruments will be recognized in the hedged item upon recognition, and will eventually affect earnings as and when the hedged item is derecognized. Changes in the fair value of derivatives designated and qualifying as fair value hedges, together with any changes in the fair value of the hedged firm commitments attributable to the hedged risk, will be recorded in in the consolidated balance sheet. The gain or loss on the hedging derivative in a hedge of a foreign-currency-denominated firm commitment and the offsetting loss or gain on the hedged firm commitment is recognized in earnings in the accounting period, post the recognition of the hedged item in the balance sheet. The forward exchange derivative contracts were not entered into for trading or speculative purposes.

The foreign exchange derivative contracts mature generally over a period of 3 months – 9 months.

The Company documented each hedging relationship and assessed its initial effectiveness on inception date and the subsequent effectiveness was tested as determined at the time of inception of the contract. The hedge contracts were effective as of March 31, 2020.

	March 31, 2020			
	Notional (US$)	Current Liabilities (INR)	Prepaid expenses and other current assets (INR)	Prepaid expenses and other current assets (US$)
	(In million)			
Forward exchange derivative contracts	189.6	—	668	8.9

24. Concentrations of credit risk

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist principally of cash and cash equivalents, restricted cash, accounts receivables and derivative instruments. The Company mitigates the risk of credit losses from financing instruments, other than accounts receivables, by selecting counter parties that are well known Indian or international banks.

The following customers account for more than 10% of the Company's accounts receivable and sale of power as of and for the year ended March 31, 2019 and 2020:

	March 31, 2019		March 31, 2020	
Customer Name	% of Sale of Power	% of Accounts Receivable	% of Sale of Power	% of Accounts Receivable
Solar Energy Corporation of India	15.70 %	13.90 %	19.48 %	11.70 %
Punjab State Power Corporation Limited	20.40 %	16.20 %	15.25 %	12.25 %
NTPC Vidyut Vyapar Nigam Limited	28.57 %	15.00 %	20.70 %	10.66 %
Hubli Electricity Supply Company Limited	9.27 %	4.77 %	3.34 %	13.98 %
Chamundeshwari Electricity Supply Company	5.96 %	14.18 %	4.37 %	13.08 %
Andhra Pradesh Power Coordination Committee	5.30 %	11.80 %	4.01 %	12.80 %
Gujarat Urja Vikas Nigam Limited	3.96 %	5.31 %	10.00 %	3.06 %

25. Subsequent event

In response to the COVID-19 outbreak, the Company implemented a number of initiatives to ensure business continuity, including ensuring the safety and health of its employees. The situation of the COVID-19 outbreak is very fluid and the Company is closely monitoring its impact on the Company. The impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions.

Exhibit 4.28

AZURE POWER INDIA PRIVATE LIMITED EXECUTIVE EMPLOYMENT AGREEMENT

This Executive Employment Agreement (the "**Agreement**") is entered into as of November 18, 2019 (the "**Execution Date**") by and between **Azure Power India Private Limited** (the "**Company**") and **Ranjit Gupta** (the "**Executive**", and together with the Company, the "**Parties**").

WHEREAS, the Company desires the Executive to perform the role of Chief Executive Officer and Managing Director;

WHEREAS the Parties are desirous of entering into this Agreement to set forth the terms and conditions of the Executive's employment with the Company;

NOW, THEREFORE, in consideration of the foregoing and the mutual provisions contained herein and for other good and valuable consideration, the Parties agree as follows:

1. Duties and Scope of Employment.

(i) Positions and Duties. Commencing July 18, 2019 or such other later date as agreed to by the Parties ("**Effective Date**"), and conditioned upon the execution of this Agreement, the Company agrees to employ the Executive, and the Executive agrees to be employed by the Company pursuant to the terms and conditions of this Agreement. The Executive will serve as Chief Executive Officer and Managing Director of the Company, Chief Executive Officer of Azure Power Global Limited ("APGL"), and in such additional positions as the Company may designate from time to time. In his capacity as the Company's and APGL's Chief Executive Officer, the Executive will: (a) report to the Company's Board of Directors ("**Board**") and APGL's Board of Directors ("**APGL Board**"), (b) perform such duties and responsibilities normally attendant to such positions and such other additional and different duties as the Company may from time to time assign which are consistent with the Executive's position, and (c) act in compliance with APGL and the Company's constituent documents, applicable law and regulations, and any directives or policies established by the Board and the APGL Board. The Executive's principal place of employment shall be at the Company's corporate office in Delhi, India.

(ii) Employment Term. The employment term (the "**Term**") of the Executive shall commence on the Effective Date and end upon the effective date of his termination or resignation from employment with the Company for any reason (the "**Termination Date**"). The Executive undertakes not to resign other than for Good Reason from the Company within six (months) of the effective date of Murali Subramanian's resignation from the Company. For the avoidance of doubt, the effective date of termination shall not be earlier than the last day of the applicable required notice period provided for in this Agreement unless the Parties agree otherwise.

(iii) Notice. Each Party agrees to provide the other with ninety (90) days' notice ("**Notice Period**") prior to terminating this Agreement for reasons other than "**Cause**" (as defined below). The Company may, in its sole and exclusive discretion, (x) place the Executive on "**Garden Leave**" (as defined below) for up to the duration of the Notice Period, or (y) in lieu of providing notice within the prescribed period, satisfy its Notice Period obligation under this Section by providing the Executive with the equivalent of (x)(a) ninety (90) days of his Fixed Pay (as defined herein), (b) an amount equal to 25% of "**Target Variable Pay**" (as defined below), and (c) other compensation and benefits that Executive would have earned during the Notice Period had the Executive remained employed during such Notice Period, including continued

vesting of SARs previously granted to the Executive as **"Long Term Incentive Compensation**" (as defined below) during the Notice Period. The Executive shall have no right to satisfy his Notice Period obligations by providing the Company with any consideration.

(iv) Executive Position and Board Membership. During the Term, the Executive will serve as a member of the Board and the APGL Board, subject to any required Board, APGL Board, shareholder and regulatory approval. The Executive's position will be Chief Executive Officer and Managing Director of the Company and APGL or in such other additional position or positions as the Company may designate from time to time. The Executive will have such duties, authorities and responsibilities as are commensurate with his position. All of the Executive's duties, responsibilities and powers with respect to the Company, will, at all times, be subject to the order, direction and supervision of the Chairperson of the Board or any other designee, who is a non-executive member of the Board, as the Board may determine. During the Executive's employment with the Company, the Executive: (a) will devote his full vocational time and best efforts to the furtherance of the business of the "**Group**" (as defined below) on a full-time basis; (b) will exercise the highest degree of loyalty and the highest standards of conduct in the performance of his duties;
(c) will comply with all applicable laws and regulations; (d) will not, except as noted herein or as required
for furtherance of the Executive's duties with the Group, engage in any other business activity, whether or not such business activity is pursued for gain, profit or other pecuniary advantage, without the express written consent of the Board, which consent shall be at the sole discretion of the Board; (e) will not engage, directly or indirectly, in any activity, employment or business venture, whether or not for remuneration, that is competitive with the Group's business in any respect or make any preparations to engage in any competitive activities; and (f) will not take any action or make any omission that deprives the Group of any business opportunities or otherwise act in a manner that conflicts with the best interest of the Group or is detrimental to the business of the Group; provided, however, that the Executive may continue to conduct the external activities listed in Exhibit A hereto. If the Executive wishes to engage in an outside activity not expressly permitted under the terms of this Section, the Executive shall first propose such activity to the Board for its determination as to whether such activities are permissible. Even if the Board consents to the Executive's engagement in an outside activity, the Board shall have the right to revoke its consent at any time, and upon notice to the Executive of such revocation of consent, the Executive shall terminate such outside activity at the earliest practicable opportunity.

(v) Representations by the Executive. The Executive's employment with the Company is conditioned on the Executive's representation that:

a. he is not disqualified or prevented from acting as Chief Executive Officer, Managing Director or Director on the Board of the Company or as Chief Executive Officer or Director on the Board of APGL under applicable law or regulation;

b. his execution, delivery and performance of his duties under this Agreement will not violate, conflict with, result in a breach of the terms, conditions or provisions of, result in the creation of any encumbrances or constitute a default (or an event that, with the giving of notice or lapse of time or both, would constitute a default) or an event creating rights of acceleration, modification, termination, cancellation or a loss of rights under any contract to which the Executive is a party, including any non-compete or non-solicitation agreement or obligation, any approval, order, judgment, decree or award to which the Executive is a party or by which he is bound or any law applicable to the Executive;

c. this Agreement has been duly and validly executed by the Executive and upon execution and delivery, this Agreement will constitute, legal, valid and binding obligations of the Executive, enforceable against him in accordance with its terms.

2. Compensation.

(i) Fixed Pay. During the Term, the Company will pay the Executive the salary set forth in the table below as compensation for his services (the "**Fixed Pay**"). The Fixed Pay will be paid monthly in accordance with the Company's normal payroll practices and be subject to the usual applicable withholdings.

Period	**Salary**
Effective Date to the end of the one year period from Effective Date ("**Year 1 End Date**").	Annual salary of INR 28,000,000 (the "**Initial Fixed Pay**")
Day after Year 1 End Date to March 31, 2021	Salary for the period to be determined by the Board
April 1, 2021 to March 31, 2022, and 12 month periods thereafter	Annual salary for the coming 12 month period (April 1 to March 31 of each year) to be determined by the Board

(ii) Variable Pay. In addition to the Fixed Pay, with respect to each fiscal year of the Company during the Term, the Executive shall be eligible to earn a variable pay (the "**Variable Pay**"), with a target Variable Pay of 50% of Fixed Pay (the "**Target Variable Pay**"). The actual amount of Variable Pay will be determined in accordance with the Company's policy, and based on the achievement of annual individual and Company performance objectives established by the Board, subject to the Executive's employment with the Company through the applicable payment date for any such Variable Pay. The Variable Pay shall be paid, less any applicable withholdings, no later than the 15th day of the third month following the close of the fiscal year to which the Variable Pay relates. The Company and individual performance objectives used in determining Variable Pay will be established by the Company prior to the commencement of the financial year to which the Variable Pay relates. For the fiscal year ended March 31, 2020, the Executive's Target Variable Pay shall be an amount equal to his Target Variable Pay prorated for the period from the Effective Date through March 31, 2020.

(iii) Long Term Incentive Compensation.

(a) The Executive shall be entitled to long term incentive compensation (the "**Long Term Incentive Compensation**") as set forth below. All such compensation shall be in the form of Stock Appreciation Rights ("**SARs**"), as defined in APGL's 2016 Equity Incentive Plan, as amended (the "**Plan**"). For the avoidance of any doubt, the SARs shall not have any voting rights.

(x) Tranche 1 SARs. On the Joining Date i.e. July 18, 2019 (such date, the "**Grant Date**"), the Company shall grant to the Executive a one-time nonrecurring grant of 100,000 SARs. The exercise price per SAR for Tranche 1 SARs will be USD 10.485 (the "**Initial Exercise Price**"). The 100,000 Tranche 1 SARs will vest upon the occurrence of the "**Restructuring Event**" (as defined below) and may be exercised, at the Executive's option, within sixty (60) days from the occurrence of the Restructuring Event (the "**Restructuring Event Exercise**") or, if there is no Restructuring Event Exercise, after the occurrence of the Restructuring Event in accordance with the terms of this Section 2 (iii); provided that if the Restructuring Event does not occur by December 31, 2020, then (i) 25,000 Tranche 1 SARs will vest on March

31, 2021 and 12,500 Tranche 1 SARs will vest on March 31 of each of the six (6) years subsequent to March 31, 2021, and (ii) vested Tranche 1 SARs may be exercised after March 31, 2024.

(y) Tranche 2 SARs. On the Grant Date, the Company shall grant to the Executive a one-time nonrecurring grant of 800,000 SARs. The exercise price per SAR for Tranche 2 SARs will be the Initial Exercise Price. 75,000 Tranche 2 SARs will vest on March 31, 2020, 100,000 Tranche 2 SARs will vest on March 31, 2021, 100,000 Tranche 2 SARs will vest on March 31 of each of the six (6) years subsequent to March 31, 2021, and the final 25,000 Tranche 2 SARs will vest on July 31, 2027. Vested Tranche 2 SARs may be exercised after March 31, 2024; provided however, that if (i) a Change of Control (as defined in APGL's Change of Control Policy dated February 5, 2018, as may be amended from time to time ("**Change of Control Policy**")) occurs prior to March 31, 2024, (ii) *Caisse de dépôt et placement du Québec* (CDPQ) no longer has a nominee on the APGL Board, and (iii) the Executive is not entitled to any Change of Control Severance Benefits (as defined in the Change of Control Policy), then vested Tranche 2 SARs may be exercised upon the earlier of March 31, 2024 and the one year anniversary of such Change of Control. For the avoidance of doubt, nothing herein changes the vesting schedule of Tranche 2 SARs as set forth above.

(z) Tranche 3 SARs. The Company shall grant to the Executive (i) a minimum of 70,000 SARs on March 31, 2020 and (ii) a minimum of 40,000 SARs on March 31 of each subsequent year. The number of SARs granted each year may be increased by the Board taking into consideration the Company, APGL and the Executive's performance. The exercise price per SAR for Tranche 3 SARs will be the Fair Market Value per share as of the date of the grant of the subject SAR. Tranche 3 SARs will vest over a period of four
(4) years beginning twelve months after the date of grant in the proportion of 25% of such SARs per year, and may be exercised upon vesting.

(b) SAR Value: The value of SARs payable to the Executive in cash upon exercise of vested SARs (the "**SAR Cash Payment**") will be (i) the "**Fair Market Value per share**" as of the exercise date less the "**Exercise Price**" (as defined below) multiplied by (ii) the number of SARs being exercised. All cash payments related to the SARs shall be in INR and the SAR value shall be calculated from USD to INR at the noon buying rate in New York City for cable transfer in non-
U.S. currencies as certified for customs purposes by the Federal Reserve Bank of New York on the exercise date of the SARs.

For purposes of this Section 2 and Section 5, Fair Market Value per share means:

(i) If APGL's shares (the "**Shares**") are listed and traded on any stock exchange as of the exercise date, the closing price per share (or the closing bid, if no sales were reported) on the stock exchange where the Shares are traded during the regular trading session (and excluding pre-market and after-hours trading) on the day the subject SARs are exercised; provided that for the Restructuring Event Exercise, it will be the per share price at which the Restructuring Event is undertaken.

(ii) If the Shares are not listed and publicly traded on any stock exchange as of the exercise date, the fair market value per Share determined by the "**Appraiser**" (as defined below) using generally recognized methodologies, including discounted cash flow and multiples of earnings or EBITDA of comparable companies, and also considering any recent fund raising or liquidity event undertaken by APGL. The Board shall retain the Appraiser to

prepare the fair market valuation report (the "**FMV Report**") for each fiscal year after the audited full year financial statements for the subject fiscal year of APGL are finalized and approved by the APGL Board of Directors.

(c) SAR Exercise Period General Terms. Notwithstanding anything to the contrary in this Agreement, if APGL is no longer a publicly traded company, vested exercisable SARs must be exercised within sixty (60) days from the date the Company receives and approves the FMV Report during any fiscal year when the Executive exercises his SARs.

(d) Stock Splits and Dividends. (i) If the Company declares a stock split, the Company will adjust the number of outstanding vested or unvested SARs granted such that there will be no diminution or enlargement in the percentage such SARs represent as a proportion of all outstanding shares prior to the effective date of the stock split. (ii) If the Company declares cash dividends on the Shares, it will grant additional SARs ("**Additional SARs**") to the Executive calculated as follows:

(A X B)/current FMV = C Where:
A = Amount of cash dividend declared per Share B = Number of outstanding vested SARs
C = Number of additional SARs

Current FMV = the Fair Market Value per share as of the record date of the cash dividend, which will be deemed the exercise date for purposes of calculating additional SARs to be granted

The Additional SARs will vest immediately upon grant and may be exercised at an exercise price of zero ($0.00) upon vesting; provided that if APGL is no longer a publicly traded company, outstanding Additional SARs must be exercised within sixty (60) days from the date the Company receives and approves the FMV Report during any fiscal year when the Executive exercises his SARs.

(iv) Other. During the Term, for so long as the Executive meets the eligibility requirements of the applicable plan, practice, policy or program of APGL and the Company: (i) except as specifically provided herein, the Executive shall be entitled to participate in all savings and retirement plans, practices, policies and programs of APGL and/or the Company that are made available generally to other executive officers of APGL and/or the Company, and (ii) except as specifically provided herein, the Executive and/or the Executive's family, as the case may be, shall be entitled to participate in, and shall receive all benefits under, all welfare benefit plans, practices, policies and programs (including APGL and/or the Company's health insurance and disability plans) provided by APGL and/or the Company that are made available to other executive officers of APGL and/or the Company (for the avoidance of doubt, such plans, practices, policies or programs shall not include any plan, practice, policy or program which provides benefits in the nature of severance or continuation pay). Each of the Company and APGL may change, amend or discontinue any of its employee benefit plans, practices, policies and programs at any time during the Executive's employment with the Company or APGL, and nothing contained herein will obligate the Company or APGL to institute, maintain or refrain from changing, amending or discontinuing any employee benefit plan, practice, policy or program.

(v) Clawback. The Executive agrees that the compensation and benefits provided under this Agreement will be subject to forfeiture, cancellation, recoupment or clawback as required by applicable laws, government regulations and stock exchange requirements. The Executive further agrees that any incentive compensation paid or payable under this Agreement (including any Variable Pay and Long Term Incentive Compensation) will be subject to forfeiture, cancellation, recoupment or clawback in accordance with the terms of applicable law or the U.S. Dodd Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**") and rules and regulations thereunder in the event the Company or APGL is required to restate its financial statements, regardless of whether the Company or APGL is then subject to the Dodd-Frank Act. For the avoidance of doubt, the Executive's agreement to clawback under this Section 2(v) will not apply to restatements of the Company or APGL's financial statements due to acts, omissions or events that occurred prior to July 18, 2019.

3. Vacation. The Executive will be entitled to paid vacation in accordance with APGL's vacation policy as applicable to other executive officers of the Company or APGL, with the timing and duration of specific days off mutually and reasonably agreed to by the Parties hereto.

4. Expenses. The Company will reimburse the Executive for reasonable travel, entertainment or other expenses incurred by the Executive in the furtherance of or in connection with the performance of the Executive's duties hereunder, in accordance with APGL's expense reimbursement policy for executive officers of APGL in effect from time to time.

5. Severance.

(i) Termination other than for Cause and Resignation for Good Reason. If during the Term, (a) the Company terminates the Executive's employment with the Company other than for Cause (excluding as a result of the Executive's death or disability), or the Executive resigns from the Company, for "**Good Reason**" (as defined below), subject to Section 6 and applicable law and regulation, the Executive will be entitled to the SAR Cash Payment of the SARs that vested prior to the Termination Date (the "**Severance Compensation**"); provided such SARs are exercised within ninety (90) days from the Termination Date, and the Termination Date shall be deemed the exercise date for purposes of calculating the SAR Cash Payment, in which event, the Company shall have the option to pay (i) 100% of the SAR Cash Payment within thirty (30) days from the exercise date (the "**SAR Payment Date**") or (ii) 50% of the SAR Cash Payment on the SAR Payment Date and the remaining 50% of the SAR Cash Payment (the "**DeferredSAR Cash Payment**") within one (1) year from the exercise date, provided that the Executive shall be entitled to payment of interest on the Deferred SAR Cash Payment at the rate equal to the 1 year MCLR rate set by the State Bank of India, calculated from the SAR Payment Date until the date of payment of the Deferred SAR Cash Payment. For the avoidance of doubt, the Executive shall not be entitled to the Severance Compensation under this Section if he is entitled to any "**Change of Control Severance Benefits**" (as defined in APGL's Change of Control Policy dated February 5, 2018, as it may be amended from time to time ("**Change of Control Policy**"). Other than as may be otherwise provided in the Change of Control Policy, all unvested SARs as of the Termination Date shall be forfeited and cancelled in their entirety. The Executive is also entitled to payment of: (a) any Fixed Pay due but unpaid as of the Termination Date; (b) vested benefits other than SARs, if any, to which the Executive is entitled under any employee benefit plans as of the Termination Date pursuant to such plans (except any severance plan); (c) reimbursement of business expenses for which the Executive is entitled to reimbursement under Section 4 but for which Executive has not been reimbursed as of the Termination Date "); and (d) Variable Pay, if any, due but unpaid as of the Termination Date; provided that if the Termination Date falls on a date prior to the end of the financial year to which the Variable Pay relates, such Variable Pay shall be calculated on a pro-rata

basis based on the Target Variable Pay for the period from April 1 of the financial year to which the Variable Pay relates to the Termination Date (collectively, the "**Other Accrued Obligations**").

(ii) Change of Control Severance. If the Executive is entitled to Change of Control Severance Benefits pursuant to the Change of Control Policy, (i) 100% of unvested outstanding Tranche 3 SARs will vest as provided in the Change of Control Policy, and (ii) the Executive agrees that, notwithstanding anything to the contrary in the Change of Control Policy, the vesting schedule of unvested outstanding Tranche 2 SARs will be as follows:(x) 100,000 unvested outstanding Tranche 2 SARs will vest once the Executive is entitled to Change of Control Severance Benefits, and (y) pro-rata vesting of Tranche 2 SARs scheduled to vest on the March 31st immediately succeeding the Change of Control. For the avoidance of doubt, the vesting of any other unvested outstanding Tranche 2 SARs not referred to in Section 5(ii) (x) or (y) will not be accelerated and these unvested outstanding Tranche 2 SARs will be forfeited and cancelled.

(iii) Termination for Cause or Resignation other than for Good Reason. If the Executive's employment with the Company is terminated for Cause by the Company, or the Executive resigns other than for Good Reason, then all payments of compensation by the Company to the Executive hereunder will terminate immediately, and all vested SARs and unvested SARs as of the Termination Date and SARs scheduled to vest on or after the Termination Date shall be forfeited and cancelled in their entirety, except the Company will pay the Executive: (a) any Fixed Pay earned but unpaid as of the Termination Date; (b) vested benefits other than SARs, if any, to which the Executive is entitled under any employee benefit plans as of the Termination Date pursuant to such plans (except any severance plan); and (c) reimbursement of business expenses for which the Executive is entitled to reimbursement under Section 4 but for which Executive has not been reimbursed as of the Termination Date (collectively the "**Accrued Obligations**"). Other than the foregoing the Company or APGL shall have no further obligations to the Executive under this Agreement.

(iv) Exclusive Remedy. In the event of a termination of the Executive's employment with the Company, the provisions of this Section 5 are intended to be and are exclusive and in lieu of any other rights or remedies to which the Executive or the Company may otherwise be entitled, whether at law, tort or contract, in equity, or under this Agreement. Other than gratuity payments under the Payment of Gratuity Act, 1972 that the Executive may be eligible to receive pursuant to such law, the Executive will not be entitled to any severance or other benefits upon termination of employment with respect to acceleration of award vesting or severance pay other than those benefits expressly set forth in this Section 5.

6. Conditions to Receipt of Severance; No Duty to Mitigate.

(i) Separation Agreement and Release of Claims. The Executive acknowledges and agrees that the Company's payment of the Severance Compensation and Other Accrued Obligations or the Accrued Obligations, as the case may be, pursuant to Section 5 will be deemed to constitute a full settlement and discharge of any and all obligations of the Company and its Affiliates to the Executive arising out of this Agreement, the Executive's employment with the Company and its Affiliates and/or the termination of the Executive's employment with the Company and its Affiliates. The Executive further acknowledges and agrees that as a condition to receiving any of the Severance Compensation and Other Accrued Obligations or the Accrued Obligations, as the case may be, pursuant to Section 5, the Executive will execute, deliver to the Company, and not revoke a release agreement in a form prepared by, and satisfactory to, the Company (the "**Executive Release Agreement**") pursuant to which Executive will release and waive, to the fullest extent permitted by law, all claims against the Company, its Affiliates, and all of its and their present and/or former owners, officers, directors, employees, agents, attorneys, insurers, representatives, employee benefit plans and their fiduciaries, both individually and in their representative capacities, including, without limitation, all claims arising out of this Agreement, the Executive's employment with the Company and/or its Affiliates, and/or the termination of Executive's employment with the Company and/or its Affiliates;. The Severance Compensation described in Section 5(i) is in lieu of any severance benefits under any

severance policy or plan the Company or APGL may have now or in the future, and the Executive acknowledges that the Executive is not entitled to any other severance benefits.

(ii) Confidential Information, Non-solicitation, and Non-Competition. The receipt of any Severance Benefits pursuant to Section 5(i) will be subject to the Executive not violating the provisions of Sections 7 and 8. In the event the Executive breaches the provisions of Sections 7 and 8, all continuing payments and benefits to which the Executive may otherwise be entitled pursuant to Section 5(i) will immediately cease, and the Executive shall return to the Company any benefits paid by the Company to the Executive pursuant to Section 5(i).

(iii) No Duty to Mitigate. Except as expressly provided herein, the Executive shall not be required to seek other employment or otherwise mitigate the amount of any payments to be made by the Company pursuant to this Agreement. Except as otherwise provided herein, the payments provided pursuant to this Agreement shall not be reduced by any compensation earned by the Executive as the result of employment by another employer after the termination of the Executive's employment or otherwise.

7. Non-Disclosure of Confidential Information.

(i) Confidential Information. For purposes of this Agreement, the term "**Confidential Information**" means any and all of the Group's trade secrets, confidential and proprietary information and all other non-public information and data of or about the Group and its business, including, without limitation, lists of customers, information pertaining to customers, marketing plans and strategies, information pertaining to suppliers, pricing information, engineering and technical information, software codes, cost information, data compilations, research and development information, business plans, financial information, personnel information, information received from third parties that the Group has agreed to keep confidential, and information about prospective customers or prospective products and services, whether or not reduced to writing or other tangible medium of expression, including, without limitation, work product created by the Executive in rendering services for the Group; provided, however, that "**Confidential Information**" shall not include information that (a) is or becomes generally available to the public by use, publication or the like, through no fault of the Executive; (b) is obtained without restriction by the Executive after termination of the Executive's employment with the Company from a third party who had the legal right to disclose such information to the Executive; (c) the Executive possessed prior to the Executive's employment with the Company; or (d) is independently developed by the Executive without the use of any of the Group's Confidential Information after the termination of his employment with the Company.

(ii) Non-Disclosure Obligations. During the Executive's employment with the Company and thereafter, the Executive will not use or disclose to others any of the Confidential Information, except (a) in the course of the Executive's work for and on behalf of the Group, (b) with the prior written consent of the Company, (c) as required by law or judicial process, provided the Executive promptly notifies the Company in writing of any subpoena or other judicial request for disclosure involving Confidential Information or trade secrets, and cooperates with any effort by the Group to obtain a protective order preserving the confidentiality of the Confidential Information or trade secrets, or (d) in connection with reporting possible violations of law or regulations to any governmental agency or from making other disclosures protected under any applicable whistleblower laws. The Executive agrees that the Group owns the Confidential Information and the Executive has no rights, title or interest in any of the Confidential Information. Additionally, the Executive will abide by APGL or the Company's policies protecting the Confidential Information, as such policies may exist from time to time. At the Company's request or upon termination of the Executive's employment with the Company for any reason, the Executive will immediately deliver to the Company any and all materials (including all copies and electronically stored data) containing any Confidential Information in the Executive's possession, custody or control. Upon termination of the Executive's employment with the Company for any reason, the Executive will, if

requested by the Company, provide the Company with a signed written statement disclosing whether the Executive has returned to the Company all materials (including all copies and electronically stored data) containing any Confidential Information previously in the Executive's possession, custody or control.

(iii) Whistleblower Laws. Notwithstanding anything herein or in any other agreement with or policy (including without limitation, any code of conduct or the employee manual) of APGL or the Company, nothing herein or therein is intended to or shall: (i) prohibit the Executive from making reports of possible violations of: (a) U.S. federal law or regulation (even if the Executive participated in such violations) to, and cooperating with, any governmental agency or entity in accordance with the provisions of and rules promulgated under Section 21F of the Securities Exchange Act of 1934 or Section 806 of the Sarbanes- Oxley Act of 2002 or of any other whistleblower protection provisions of U.S. state or federal law or regulation; and (b) Indian law or regulation (even if the Executive participated in such violations) to, and cooperating with, any governmental agency or entity in accordance with the provisions of the Whistle Blowers Protection Act, 2014 or of any other whistleblower protection provisions of any applicable Indian law or regulation; (ii) require notification to or prior approval by the Company or APGL of any such reporting or cooperation; or (iii) result in a waiver or other limitation of the Executive's rights and remedies as a whistleblower, including to a monetary award. Notwithstanding the foregoing, the Executive is not authorized (and the above should not be read as permitting the Executive) to disclose communications with counsel that were made for the purpose of receiving legal advice or that contain legal advice or that are protected by the attorney work product or similar privilege. Furthermore, the Executive will not be held criminally or civilly liable under any U.S. federal or state trade secret law for the disclosure of a trade secret that is made (1) in confidence to a U.S. federal, state or local government official, either directly or indirectly, or to an attorney, in each case, solely for the purpose of reporting or investigating a suspected violation of U.S. law or (2) in a complaint or other document filed in a lawsuit or proceeding, if such filings are made under seal.

(iv) Survival of Non-Disclosure Obligations. The Executive's confidentiality/non-disclosure obligations under this Agreement continue after the termination of Executive's employment with the Company. With respect to any particular trade secret information, Executive's confidentiality/non- disclosure obligations will continue as long as such information constitutes a trade secret under applicable law. With respect to any particular Confidential Information that does not constitute a trade secret, the Executive's confidentiality/non-disclosure obligations will continue as long as such information remains confidential, and will not apply to information that becomes generally known to the public through no fault or action of the Executive or others who were under confidentiality obligations with respect to such information.

8. Non-Solicitation and Non-Competition.

(i) Non-Competition. During the Term and the "**Restricted Time Period**" (as defined below), the Executive will not within the "**Restricted Geographic Area**" (as defined below) engage in (including, without limitation, being employed by, working for, or rendering services to) any "**Competitive Business**" (as defined below) in any "**Prohibited Capacity**" (as defined below). Notwithstanding the foregoing, if the Competitive Business has multiple divisions, business units, lines or segments, some of which are not competitive with the business of the Group, nothing herein will prohibit the Executive from being employed by, working for or assisting any division, business unit, line or segment of such Competitive Business that is not competitive with the business of the Group.

(ii) Customer Restrictions. During the Term and the Restricted Time Period, the Executive will not sell, market or provide, attempt to sell, market or provide, or assist any Person in the sales, marketing or provision of, any "**Competing Service/Product**" (as defined below) to any of the Group's Customers with respect to whom, at any time during the Executive's employment with the Company, the Executive had any

business contact on behalf of the Group, the Executive had any relationship, business development, sales, service or account responsibility (including, without limitation, any supervisory or managerial responsibility) on behalf of the Group, or the Executive had access to, or gained knowledge of, any Confidential Information concerning the Group's business with such customer, or otherwise solicit or communicate with any such customers for the purpose of selling, marketing or providing, attempting to sell, market or provide, or assisting in any Person in the sales, marketing or provision of, any Competing Service/Product.

(iii) Non-Interference with Contractors, Vendors, or Other Relationships. During the Restricted Time Period, the Executive will not urge, induce or seek to induce any of the Group's independent contractors, subcontractors, business partners, distributors, brokers, consultants, sales representatives, customers, referral sources, vendors, suppliers or any other Person with whom the Group has a business relationship to terminate their relationship with, or representation of, the Group or to cancel, withdraw, reduce, limit or in any manner modify any such Person's business with, or representation of, the Group.

(iv) Employee Restrictions. During the Restricted Time Period, the Executive will not: (a) solicit or recruit for employment, hire, employ, engage the services of, or attempt to hire, employ, or engage the services of, any individual who is an employee of the Group; (b) assist any Person in the recruitment, hiring or engagement of any individual who is an employee of the Group; (c) urge, induce or seek to induce any individual to terminate his/her employment with the Group; or (d) advise, suggest to or recommend to any Competitive Business that it employ, engage the services of, or seek to employ or engage or engage the services of any individual who is an employee of the Group.

(v) Non-Competition Compensation. During the Restricted Time Period, the Company will pay the Executive the Fixed Pay in effect as of the Termination Date as consideration for the Executive's undertakings in Section 8(i) and 8(ii) above (the "**Non-Competition Compensation**"). The Non-Competition Compensation will be paid monthly in accordance with the Company's normal payroll practices and be subject to the usual applicable withholdings. In the event of a breach or threatened breach of the Executive's obligations under Section 7 or this Section 8, the Company shall be entitled to: (i) immediately cease payment of any Non-Competition Compensation as of the date of such breach or threatened breach, and following the date of such breach or threatened breach, the Executive shall have no further rights to any Non-Competition Compensation, and (ii) in addition to other available remedies, seek equitable relief (by injunction, restraining order, or other similar remedy) against such breach or threatened breach from a court of competent jurisdiction without the necessity of showing actual damages and without the necessity of posting a bond or other security. In the event a court of competent jurisdiction determines that the Executive's obligations under Section 7 or this Section 8 are more restrictive than necessary to protect the Group's legitimate business interests, such court may reduce the scope of the restriction(s), or sever and remove the unenforceable provision(s), to the extent necessary to make the restriction(s) enforceable. In the event the Company is in breach of its obligation to pay the Non-Competition Compensation to the Executive pursuant to the terms of this Agreement, the Executive will be relieved from his non-compete obligations under Section 8(i) and 8(ii) above.

For purposes of this Section 8, "**Restricted Time Period**" means one year after the Termination Date; provided that this period may be extended for up to one additional year by mutual agreement of the Parties.

9. Assignment. This Agreement will be binding upon and inure to the benefit of (a) any Successor of the Company and (b) to the heirs, executors and legal representatives of the Executive upon the Executive's death as it relates to the Accrued Obligations. Any such successor of the Company will be deemed substituted for the Company under the terms of this Agreement for all purposes. For this purpose, "**Successor**" means any person, firm, corporation or other business entity which at any time, whether by purchase, merger or otherwise, directly or indirectly acquires all or substantially all of the assets or business

of the Company. None of the rights of the Executive to receive any form of compensation payable pursuant to this Agreement may be assigned or transferred except by will or the laws of descent and distribution. Any other attempted assignment, transfer, conveyance or other disposition of the Executive's right to compensation or other benefits will be null and void.

10. Notices. All notices, requests, demands and other communications called for hereunder will be in writing and will be deemed given (i) on the date of delivery if delivered personally, (ii) one day after being sent by a well-established commercial overnight service, or (iii) four days after being mailed by registered or certified mail, return receipt requested, prepaid and addressed to the Parties or their successors at the following addresses, or at such other addresses as the Parties may later designate in writing:

If to the Company:

Azure Power India Private Limited Worldmark 3, Asset 301-
304 & 307, 3rd Floor, Aerocity,
New Delhi – 110037 India
Attention: Chairman, Board of Directors If to the Executive:
A-24, Sector 51, NOIDA
Uttar Pradesh - 201301 India
Attention: Ranjit Gupta

11. Severability. In the event that any provision hereof becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, this Agreement will continue in full force and effect without said provision.

12. Governing Law and Arbitration. This Agreement shall, in all respects, be governed and interpreted by and construed in accordance with the laws of India. Any dispute arising out of or in connection with this Agreement, including any question regarding the existence, validity or termination of this Agreement, shall be referred to and finally resolved by arbitration in accordance with the Arbitration Rules of the Mumbai Centre for International Arbitration (MCIA Rules), which rules are deemed to be incorporated by reference in this section. The seat of the arbitration shall be New Delhi. The arbitral tribunal shall consist of one (1) arbitrator, jointly appointed by the Parties. In the event the Parties are unable to appoint such sole arbitrator, then, the Executive and the Company (collectively) will appoint one (1) arbitrator each, and the two (2) arbitrators so appointed shall appoint the third arbitrator. The law governing the contract shall be Indian law. The language of the arbitration shall be English. Subject to the foregoing, the Parties agree to be subject to the exclusive jurisdiction of the courts in New Delhi.

13. Works. All work performed by the Executive and all inventions, discoveries, developments, work product, processes, improvements, creations, deliverables and all written, graphic or recorded material and works of authorship fixed in any tangible medium of expression made, created or prepared by the Executive, alone or jointly with others, during the Executive's employment with the Company and relating to the Group's business (collectively, the "**Works**") shall be the Company's exclusive property, shall be deemed a work made for hire, and all rights, title and interest in the Works shal vest in the Company. To the extent that the title or rights to any such Works may not, by operation of law,

vest in the Company, all rights, title and interest to such Works are hereby irrevocably assigned to the Company. All Works shall belong exclusively to the Company, and the Company shall have the right to obtain and hold in its own name, any patents, copyrights, registrations or such other intellectual property protections as may be appropriate to the subject matter. The Executive will sign documents of assignment, declarations and other documents and take all other actions reasonably required by the Company, at the Company's expense, to perfect and enforce any of its proprietary rights and to vest all right, title and interest to the Works in the Company. This section does not apply to an invention for which no equipment, supplies, facility, or Confidential Information of the Group was used and which was developed entirely on the Executive's own time, unless (a) the invention relates (1) directly to the business of the Group, or (2) to the Group's actual or demonstrably anticipated research or development, or (b) the invention results from any work performed by the Executive for the Group. To the extent that the title or rights to any such Works may not, by operation of law, vest in the Company, all rights, title and interest to such Works are hereby irrevocably, absolutely and perpetually assigned to the Company for worldwide territory. Notwithstanding the provisions of Section 19(4) of the Copyright Act, 1957, any assignment in so far as it relates to copyrightable material shall not lapse nor the rights transferred therein revert to the Executive, even if the Company does not exercise the rights under the assignment within a period of one year from the date of assignment. The Executive hereby agrees to waive any right to and agrees to refrain from raising any objection or claims to the Copyright Board with respect to any assignment, pursuant to Section 19A of the Copyright Act, 1957. The Executive also waives all moral rights in relation to the Work developed or conceived by the Executive. The Executive acknowledges that the Fixed Pay payable under this Agreement is good and valuable consideration for the assignment of the Works, the sufficiency of which is hereby acknowledged.

14. Definitions. For purposes of this Agreement, the following terms have the following meanings, unless the context requires otherwise or unless otherwise stated.

"**Affiliate**" means any entity that directly, or indirectly through one or more intermediaries, is owned or controlled by, owns or controls, or is under common ownership or control with, the Company; for this purpose, "control" of an entity means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of the entity, whether through the ownership of voting securities, by contract or otherwise.

"**Appraiser**" means any of these independent accounting firms: Ernst & Young, PwC, KPMG or Deloitte, including their successor entity as applicable, chosen by the Board.

"**Cause**" means the occurrence of one or more of the following: (i) an act of fraud or dishonesty made by the Executive against the Group in connection with the Executive's responsibilities which the Company reasonably believes will damage its business; (ii) the Executive's conviction of, or plea of no contest to, a felony (excluding traffic offenses) which the Board reasonably believes had or will have a detrimental effect on the reputation or business of the Company or its affiliates; (iii) the Executive's intentional or gross misconduct; (iv) the Executive's intentional improper disclosure of confidential information; (v) the Executive's continued violations of material Company or APGL policies or provisions of the Executive's agreements with the Company or APGL, after written notice from the Company or one of its affiliates, and a reasonable opportunity of not less than 30 days to cure (to the extent capable of cure) such violations; (vi) the Executive's failure to cooperate with the Company in any investigation or formal proceeding; or (vii) the Executive's continued violations of the Executive's duties, or repeated failures or inabilities to perform any reasonably assigned duties, after written notice from the Company or one of its affiliates, and a reasonable opportunity of not less than 30 days to cure (to the extent capable of cure) such violations, failures or inabilities.

"Competing Service/Product" means (i) any service or product that is similar to and competitive with any of the services and/or related services offered or provided by the Group as of the Termination Date and/or
(ii) any service or product that is similar to and competitive with any of the types of services or products that are offered or provided by the Group during, and as of the time of the termination of, Executive's employment with the Company.

"**Competitive Business"** means any company engaged in the renewable power business, wind, solar or hydro, energy storage or any other business of the Group as of the Termination Date in the Restricted Geographic Area.

"**Exercise Price**" means the relevant exercise price per SAR for the relevant tranche of SARs.

"**Garden Leave**" means the Company's right to place the Executive on "garden leave" during the Notice Period. The Company may, in its sole discretion, during the Garden Leave to: (a) suspend or terminate, in whole or in part, any powers, duties or work exercised by or provided to the Executive; (b) change the Executive's designation or duties as the Company decides appropriate; (c) prevent the Executive from contacting or communicating with any current, former or proposed clients, customers, employees, or vendors of the Group; (d) exclude the Executive from the premises of the Group; (e) announce to employees, clients, customers, vendors and other relevant persons of the Group that Executive has been given notice of termination or that the Executive has resigned; and/or (f) ask the Executive to resign so the Company can appoint a new Chief Executive Officer, Managing Director and/or Director prior to the end of the Notice Period, provided that in such event the last date of the Notice Period shall be deemed the Termination Date.

"**Good Reason**" means the (i) completion of 60 months of employment from Effective Date, or (ii) any reduction in the amount of Fixed Pay that will result in the Fixed Pay materially falling below the Initial Fixed Pay or (iii) the death or permanent disability of the Executive. Permanent disability with respect to the Executive means a disability where as a result of the Executive's incapacity due to physical or mental illness or injury, the Executive to perform the essential duties of his employment with reasonable accommodation for a continuous period of ninety (90) days or an aggregate of one hundred-twenty (120) days in any one hundred-eighty (180) calendar-day period. The existence of the Executive's permanent disability shall be determined by the Company on the advice of a physician chosen by the Company at the Company's expense.

"**Group**" means any of the Company, its subsidiaries and its Affiliates, unless the context otherwise requires.

"Group's Customer" or **"Group Customer**" means (i) any Person to whom the Group is selling or providing any service or product as of the Termination Date;
(ii) any Person to whom the Group provided or sold any service or product at any time during the one (1) year preceding the Termination Date; and/or
(iii) any Person with whom the Group has contracted or otherwise entered into an arrangement to provide any service or product as of the time of the Termination Date.

"**Person**" means any individual or entity (including without limitation a corporation, partnership, limited liability company, trust, joint venture, or governmental entity or agency).

"**Prohibited Capacity**" means (i) the same or similar capacity or function to that in which the Executive worked for the Group at any time during his employment;
(ii) any executive or officer capacity or function;
(iii) any business development capacity or function; (iv) any ownership capacity (except the Executive may
own as a passive investment up to two percent of any class of securities of a company regularly traded on a national stock exchange or other public market); (v) any business consulting or advising capacity of

function; (vi) any director or similar capacity or function; (vii) any capacity or function in which the Executive likely would inevitably use or disclose any of the Group's trade secrets and/or Confidential Information; (viii) any capacity or function in which the customer goodwillthe Executive helped to develop on behalf of the Group would facilitate or support the Executive's work for a Competitive Business; and/or
(ix) any other capacity or function in which the Executive's knowledge of the Confidential Information would facilitate or assist the Executive's work for the Competitive Business.

"**Restricted Geographic Area**" means India, and each country the Group is doing business in as of the Termination Date.

"**Restructuring Event**" means the occurrence of any one or more of the following:

(A) any acquisition by any person or persons of more than 50% of the voting power of APGL's equity shares or the Company's equity shares in a single transaction or series of related transactions; or

(B) the consummation of a merger or consolidation of APGL or the Company with or into any other entity pursuant to which the holders of outstanding equity shares of APGL or the Company, as the case may be, immediately prior to such merger or consolidation, hold directly or indirectly 50% or less of the voting power of the equity shares of the surviving entity; or

(C) the sale or other disposition of all or substantially all of the Company's or APGL's assets, including but not limited to in connection with any merger, acquisition or takeover; or

(D) a delisting of the APGL's shares from the New York Stock Exchange.

15. Integration. This Agreement represents the entire agreement and understanding between the Parties as to the subject matter herein and supersedes the offer letter dated July 16, 2019 and all prior or contemporaneous agreements whether written or oral. This Agreement may be modified only by agreement of the Parties by a written instrument executed by the Parties that is designated as an amendment to this Agreement.

16. Waiver of Breach. The waiver of a breach of any term or provision of this Agreement, which must be in writing, will not operate as or be construed to be a waiver of any other previous or subsequent breach of this Agreement.

17. Headings. All captions and section headings used in this Agreement are for convenient reference only and do not form a part of this Agreement.

18. Tax Withholding. All payments made pursuant to this Agreement will be subject to withholding of applicable taxes.

19. Acknowledgment. The Executive acknowledges that he has had the opportunity to discuss this matter with and obtain advice from his private attorney, has had sufficient time to, and has carefully read and fully understands all the provisions of this Agreement, and is knowingly and voluntarily entering into this Agreement.

20. Counterparts. This Agreement may be executed in counterparts, and each counterpart wil have the same force and effect as an original and will constitute an effective, binding agreement on the part of each of the undersigned.

IN WITNESS WHEREOF, each of the Parties has executed this Agreement, in the case of the Company by its duly authorized officer as of the day and year first above written.

COMPANY:

Azure Power India Private Limited

Name:
Title:

EXECUTIVE:

Ranjit Gupta

Exhibit A

Name of Company	Timeline	Area of Business	Business Description	Shareholding %	Level of Involvement	Directorship
Ranjit Gupta ("RG")						
Aleo Manali Hydropower Pvt Ltd	2003 - Present	Small Hydropower Projects - 3 MW, 4.8 MW, 5 MW	AMHPL builds & buys Small Hydro Projects and operates them. I invested in AMHPL in 2003.	25% owned from 2003 to 2016. Transferred half each to Mother & father in Oct 2016. Now retain approx. 0.68% ownership.	Passive.AttendBoard Meetings.	Director since 2003
EACIIT Vyasa Pte Ltd	Since 2013	BigDataand Analytics	www.eaciit.com	< 1%	Nil	Director since 2014
Daksh Power & Infra Pvt Ltd	Since 2010	Family investment vehicle. Owns a plot of land and some MF investments. Initial investment in Orange was done through this company.		100%	Passive investment.	Director Since 2011
Murali Subramanian ("MS") and Ranjit Gupta ("RG")						
Fortuna Geo Pte Ltd	Since 2010	Singapore investmentvehicle for MS and RG	Owns about 30% Equity Stake and Additional 10% Carry, in Orange Holding Pte Ltd, which in turn holds 100% of Orange Powergen Pvt Ltd.	RG & MS - 50% each	Almost Nil	Yes: MS and RG
			Investment in an early stage thermal project in Myanmar		Attempting to sell	
Kasari Solar Pvt Ltd	Since 2013	Solar Project under development	50 MW solar power project under development in Maharashtra	Around 20% each with MSand RG,rest friends and family	Projectlandpaperwork getting completed. **To be disposed.**	Yes: MS and RG
Cuddalore Bioenergy Pvt Ltd	Since 2011	Wind Project under development	Development of 150 MW wind project in Pavagada (Karnataka)	50% each by MS and RG	**To be disposed.**	Yes: MS and RG
Solitaire Buildwell Pvt Ltd	Since 2009	Ownership of land of about 20 acres land	RG (~25%) / MS (~ 25%) / Family and Friends (balance ~ 50%) owned	RG (~25%) / MS (~ 25%)	Nil	Yes: MS and RG
Orange Powergen Pvt Ltd, and its subsidiaries as described	Since 2011	Biomass Projects	**100% ownership of 10 MW Dharwad Bioenergy Pvt Ltd**	Through Fortuna Geo Pte Ltd, and Pref shares through Daksh Power and Kashyap Energy	**Dharwad & Haveri projects are Non-Performing Assets. There is a One Time Settlement in place with banks to sell them. Haveri has been contracted for sale which should consummate by Aug 2019. Dharwad is in process - no contract yet. Process on to sell land in Bihar project and wind down company after that.**	Yes: MS and RG
	Since 2011		**100% ownership of 10 MW Haveri Bioenergy Pvt Ltd**			Yes: MS and RG
	Since 2011		74% ownership of Greenhorse Hydro Pvt Ltd: Biz Dev vehicle			Yes: MS and RG
	Since 2011		100% ownership of SPV for development of another biomass project in Bihar			Yes: MS and RG

RANJIT IS A DIRECTOR IN THE FOLLOWING COMPANIES:	
NEARA GROUP COMPANIES	
NEARA ENERGY PRIVATE LIMITED	Plan will be to dispose development assets and wind down the companies as soon as possible.
NEARA MADHYA ENERGY PRIVATE LIMITED	
NEARA PAVAGADA PRIVATE LIMITED	
NEARA KHANDWA ENERGY PRIVATE LIMITED	
KASARI SOLAR PRIVATE LIMITED	
CUDDALORE BIOENERGY PRIVATE LIMITED	
ORANGE GROUP COMPANIES	
ORANGE POWERGEN PRIVATE LIMITED	Haveri project in process of being sold. Dharwad has to be sold. Land in Rohtas has to be sold. Rest we will attempt to wind down.
ROHTASBIOMASS PRIVATE LIMITED	
GREEN HORSE HYDROPRIVATE LIMITED	
HAVERI BIOENERGYPRIVATE LIMITED	
DHARWAD BIOENERGY PRIVATE LIMITED	
GENERAL	
SOLITAIRE BUILDWELL PRIVATE LIMITED	Passive investment in land
FORTUNA GEO PTE LTD	Singapore investment vehicle.
XING-XING EXPORTSPRIVATE LIMITED	Owns office space in partnership with cousins. Passive investment.
DAKSH POWER & INFRA PRIVATE LIMITED	Family investment vehicle
ALEO MANALI HYDROPOWER PRIVATE LIMITED	Small Hydropower company
EACIIT Vyasa Pte Ltd	Big Data Analytics

Exhibit 4.29

AZURE POWER INDIA PRIVATE LIMITED EXECUTIVE EMPLOYMENT AGREEMENT

This Executive Employment Agreement (the "**Agreement**") is entered into as of November 18, 2019 (the "**Execution Date**") by and between Azure Power India Private Limited (the "**Company**") and Murali Subramanian (the "**Executive**" and together with the Company, the "**Parties**").

WHEREAS, the Company desires the Executive to perform the role of President;

WHEREAS the Parties are desirous of entering into this Agreement to set forth the terms and conditions of the Executive's employment with the Company;

NOW, THEREFORE, in consideration of the foregoing and the mutual provisions contained herein and for other good and valuable consideration, the Parties agree as follows:

1. Duties and Scope of Employment.

(i) Positions and Duties. Commencing July 18, 2019 or such other later date as agreed to by the Parties ("**Effective Date**"), and conditioned upon the execution of this Agreement, the Company agrees to employ the Executive, and the Executive agrees to be employed by the Company pursuant to the terms and conditions of this Agreement. The Executive will serve as President of the Company and Azure Power Global Limited ("**APGL**"), and in such additional positions as the Company may designate from time to time. In his capacity as the Company's and APGL's President, the Executive will (a) report to the Company's Board of Directors ("**Board**") and APGL's Board of Directors ("**APGL Board**"), (b) perform such duties and responsibilities normally attendant to such positions and such other additional and different duties as the Company may from time to time assign which are consistent with the Executive's position, and (c) act in compliance with APGL and the Company's constituent documents, applicable law and regulations, and any directives or policies established by the Board and the APGL Board. The Executive's principal place of employment shall be at the Company's corporate office in Delhi, India.

(ii) Employment Term. The employment term (the "**Term**") of the Executive shall commence on the Effective Date and end upon the effective date of his termination or resignation from employment with the Company for any reason (the "**Termination Date**"). The Executive undertakes not to resign other than for Good Reason from the Company within six (months) of the effective date of Ranjit Gupta's resignation from the Company. For the avoidance of doubt, the effective date of termination shall not be earlier than the last day of the applicable required notice period provided for in this Agreement unless the Parties agree otherwise.

(iii) Notice. Each Party agrees to provide the other with ninety (90) days' notice ("**Notice Period**") prior to terminating this Agreement for reasons other than "**Cause**" (as defined below). The Company may, in its sole and exclusive discretion, (x) place the Executive on "**Garden Leave**" (as defined below) for up to the duration of the Notice Period or (y) in lieu of providing notice within the prescribed period, satisfy its Notice Period obligation under this Section by providing the Executive with the equivalent of (x)(a) ninety (90) days of his Fixed Pay (as defined herein), (b) an amount equal to 25% of "**Target Variable Pay**" (as defined below). and (c) other compensation and benefits that Executive would have earned during the Notice Period had the Executive remained employed during such Notice Period, including continued vesting of SARs previously granted to the Executive as "**Long Term Incentive Compensation**" (as defined

below) during the Notice Period. The Executive shall have no right to satisfy his Notice Period obligations by providing the Company with any consideration.

(iv) Executive Position. The Executive's position will be President of the Company and APGL or in such other additional position or positions as the Company may designate from time to time. The Executive will have such duties, authorities and responsibilities as are commensurate with his position. All of the Executive's duties, responsibilities and powers with respect to the Company, will, at all times, be subject to the order, direction and supervision of the Chairperson of the Board or any other designee, who is a non- executive member of the Board, as the Board may determine. During the Executive's employment with the Company, the Executive: (a) will devote his full vocational time and best efforts to the furtherance of the business of the "**Group**" (as defined below) on a full-time basis; (b) will exercise the highest degree of loyalty and the highest standards of conduct in the performance of his duties; (c) will comply with all applicable laws and regulations; (d) will not, except as noted herein or as required for furtherance of the Executive's duties with the Group, engage in any other business activity, whether or not such business activity is pursued for gain, profit or other pecuniary advantage, without the express written consent of the Board, which consent shall be at the sole discretion of the Board; (e) will not engage, directly or indirectly, in any activity, employment or business venture, whether or not for remuneration, that is competitive with the Group's business in any respect or make any preparations to engage in any competitive activities; and (f) will not take any action or make any omission that deprives the Group of any business opportunities or otherwise act in a manner that conflicts with the best interest of the Group or is detrimental to the business of the Group; provided, however, that the Executive may continue to conduct the external activities listed in Exhibit A hereto. If the Executive wishes to engage in an outside activity not expressly permitted under the terms of this Section, the Executive shall first propose such activity to the Board for its determination as to whether such activities are permissible. Even if the Board consents to the Executive's engagement in an outside activity, the Board shall have the right to revoke its consent at any time, and upon notice to the Executive of such revocation of consent, the Executive shall terminate such outside activity at the earliest practicable opportunity.

(v) Representations by the Executive. The Executive's employment with the Company is conditioned on the Executive's representation that:

(a) he is not disqualified or prevented from acting as President of the Company or as President of APGL under applicable law or regulation;

(b) his execution, delivery and performance of his duties under this Agreement will not violate, conflict with, result in a breach of the terms, conditions or provisions of, result in the creation of any encumbrances or constitute a default (or an event that, with the giving of notice or lapse of time or both, would constitute a default) or an event creating rights of acceleration, modification, termination, cancellation or a loss of rights under any contract to which the Executive is a party, including any non-compete or non-solicitation agreement or obligation, any approval, order, judgment, decree or award to which the Executive is a party or by which he is bound or any law applicable to the Executive;

(c) this Agreement has been duly and validly executed by the Executive and upon execution and delivery, this Agreement will constitute, legal, valid and binding obligations of the Executive, enforceable against him in accordance with its terms.

2. Compensation.

(i) Fixed Pay. During the Term, the Company will pay the Executive the salary set forth in the table below as compensation for his services (the "**Fixed Pay**"). The Fixed Pay will be paid monthly in

accordance with the Company's normal payroll practices and be subject to the usual applicable withholdings.

Period	Salary
Effective Date to the end of the one year period from Effective Date ("**Year 1 End Date**").	Annual salary of INR 28,000,000 (the "**Initial Fixed Pay**")
Day after Year 1 End Date to March 31, 2021	Salary for the period to be determined by the Board
April 1, 2021 to March 31, 2022, and 12 month periods thereafter	Annual salary for the coming 12 month period (April 1 to March 31 of each year) to be determined by the Board

(vi) Variable Pay. In addition to the Fixed Pay, with respect to each fiscal year of the Company during the Term, the Executive shall be eligible to earn a variable pay (the "**Variable Pay**"), with a target Variable Pay of 50% of Fixed Pay (the "**Target Variable Pay**"). The actual amount of Variable Pay will be determined in accordance with the Company's policy, and based on the achievement of annual individual and Company performance objectives established by the Board, subject to the Executive's employment with the Company through the applicable payment date for any such Variable Pay. The Variable Pay shall be paid, less any applicable withholdings, no later than the 15th day of the third month following the close of the fiscal year to which the Variable Pay relates. The Company and individual performance objectives used in determining Variable Pay will be established by the Company prior to the commencement of the financial year to which the Variable Pay relates. For the fiscal year ended March 31, 2020, the Executive's Target Variable Pay shall be an amount equal to his Target Variable Pay prorated for the period from the Effective Date through March 31, 2020.

(ii) Long Term Incentive Compensation.

(a) The Executive shall be entitled to long term incentive compensation (the "**Long Term Incentive Compensation**") as set forth below. All such compensation shall be in the form of Stock Appreciation Rights ("**SARs**"), as defined in APGL's 2016 Equity Incentive Plan, as amended (the "**Plan**"). For the avoidance of any doubt, the SARs shall not have any voting rights.

(x) Tranche 1 SARs. On the Joining Date i.e. July 18, 2019 (such date, the "**Grant Date**"), the Company shall grant to the Executive a one-time nonrecurring grant of 100,000 SARs. The exercise price per SAR for Tranche 1 SARs will be USD 10.485 (the "**Initial Exercise Price**"). The 100,000 Tranche 1 SARs will vest upon the occurrence of the "**Restructuring Event**" (as defined below) and may be exercised, at the Executive's option, within sixty (60) days from the occurrence of the Restructuring Event (the "**Restructuring Event Exercise**") or, if there is no Restructuring Event Exercise, after the occurrence of the Restructuring Event in accordance with the terms of this Section 2 (iii); provided that if the Restructuring Event does not occur by December 31, 2020, then (i) 25,000 Tranche 1 SARs will vest on March 31, 2021 and 12,500 Tranche 1 SARs will vest on March 31 of each of the six (6) years subsequent to March 31, 2021, and (ii) vested Tranche 1 SARs may be exercised after March 31, 2024.

(y) Tranche 2 SARs. On the Grant Date, the Company shall grant to the Executive a one-time nonrecurring grant of 800,000 SARs. The exercise price per SAR for Tranche 2 SARs will be the Initial Exercise Price. 75,000 Tranche 2 SARs will vest on March 31, 2020, 100,000 Tranche 2 SARs will vest on March 31, 2021, 100,000 Tranche 2 SARs will vest on March 31 of each of the six (6) years subsequent to March 31, 2021, and the final 25,000 Tranche 2 SARs will vest on July 31, 2027. Vested Tranche 2 SARs may be exercised after March 31, 2024; provided however, that if (i) a Change of Control (as defined in APGL's Change of Control Policy dated February 5, 2018, as may be amended from time to time ("**Change of Control Policy**")) occurs prior to March 31, 2024, (ii) *Caisse de dépôt et placement du Québec* (CDPQ) no longer has a nominee on the APGL Board, and (iii) the Executive is not entitled to any Change of Control Severance Benefits (as defined in the Change of Control Policy), then vested Tranche 2 SARs may be exercised upon the earlier of March 31, 2024 and the one year anniversary of such Change of Control. For the avoidance of doubt, nothing herein changes the vesting schedule of Tranche 2 SARs as set forth above.

(z) Tranche 3 SARs. The Company shall grant to the Executive (i) a minimum of 70,000 SARs on March 31, 2020 and (ii) a minimum of 40,000 SARs on March 31 of each subsequent year. The number of SARs granted each year may be increased by the Board taking into consideration the Company, APGL and the Executive's performance. The exercise price per SAR for Tranche 3 SARs will be the Fair Market Value per share as of the date of the grant of the subject SAR. Tranche 3 SARs will vest over a period of four
(4) years beginning twelve months after the date of grant in the proportion of 25% of such SARs per year, and may be exercised upon vesting.

(b) SAR Value: The value of SARs payable to the Executive in cash upon exercise of vested SARs (the "**SAR Cash Payment**") will be (i) the "**Fair Market Value per share**" as of the exercise date less the "**Exercise Price**" (as defined below) multiplied by (ii) the number of SARs being exercised. All cash payments related to the SARs shall be in INR and the SAR value shall be calculated from USD to INR at the noon buying rate in New York City for cable transfer in non-U.S. currencies as certified for customs purposes by the Federal Reserve Bank of New York on the exercise date of the SARs.

For purposes of this Section 2 and Section 5, Fair Market Value per share means:

(i) If APGL's shares (the "**Shares**") are listed and traded on any stock exchange as of the exercise date, the closing price per share (or the closing bid, if no sales were reported) on the stock exchange where the Shares are traded during the regular trading session (and excluding pre-market and after-hours trading) on the day the subject SARs are exercised; provided that for the Restructuring Event Exercise, it will be the per share price at which the Restructuring Event is undertaken.

(ii) If the Shares are not listed and publicly traded on any stock exchange as of the exercise date, the fair market value per Share determined by the "**Appraiser**" (as defined below) using generally recognized methodologies, including discounted cash flow and multiples of earnings or EBITDA of comparable companies, and also considering any recent fund raising or liquidity event undertaken by APGL. The Board shall retain the Appraiser to prepare the fair market valuation report (the "**FMV Report**") for each fiscal year after the audited full year financial statements for the subject fiscal year of APGL are finalized and approved by the APGL Board of Directors.

(c) SAR Exercise Period General Terms. Notwithstanding anything to the contrary in this Agreement, if APGL is no longer a publicly traded company, vested exercisable SARs must be exercised within sixty (60) days from the date the Company receives and approves the FMV Report during any fiscal year when the Executive exercises his SARs.

(d) Stock Splits and Dividends. (i) If the Company declares a stock split, the Company will adjust the number of outstanding vested or unvested SARs granted such that there will be no diminution or enlargement in the percentage such SARs represent as a proportion of all outstanding shares prior to the effective date of the stock split. (ii) If the Company declares cash dividends on the Shares, it will grant additional SARs ("**Additional SARs**") to the Executive calculated as follows:

(A X B)/current FMV = C Where:
A = Amount of cash dividend declared per Share B = Number of outstanding vested SARs
C = Number of additional SARs

Current FMV = the Fair Market Value per share as of the record date of the cash dividend, which will be deemed the exercise date for purposes of calculating additional SARs to be granted

The Additional SARs will vest immediately upon grant and may be exercised at an exercise price of zero ($0.00) upon vesting; provided that if APGL is no longer a publicly traded company, outstanding Additional SARs must be exercised within sixty (60) days from the date the Company receives and approves the FMV Report during any fiscal year when the Executive exercises his SARs.

(iii) Other. During the Term, for so long as the Executive meets the eligibility requirements of the applicable plan, practice, policy or program of APGL and the Company: (i) except as specifically provided herein, the Executive shall be entitled to participate in all savings and retirement plans, practices, policies and programs of APGL and/or the Company that are made available generally to other executive officers of APGL and/or the Company, and (ii) except as specifically provided herein, the Executive and/or the Executive's family, as the case may be, shall be entitled to participate in, and shall receive all benefits under, all welfare benefit plans, practices, policies and programs (including APGL and/or the Company's health insurance and disability plans) provided by APGL and/or the Company that are made available to other executive officers of APGL and/or the Company (for the avoidance of doubt, such plans, practices, policies or programs shall not include any plan, practice, policy or program which provides benefits in the nature of severance or continuation pay). Each of the Company and APGL may change, amend or discontinue any of its employee benefit plans, practices, policies and programs at any time during the Executive's employment with the Company or APGL, and nothing contained herein will obligate the Company or APGL to institute, maintain or refrain from changing, amending or discontinuing any employee benefit plan, practice, policy or program.

(iv) Clawback. The Executive agrees that the compensation and benefits provided under this Agreement will be subject to forfeiture, cancellation, recoupment or clawback as required by applicable laws, government regulations and stock exchange requirements. The Executive further agrees that any

incentive compensation paid or payable under this Agreement (including any Variable Pay and Long Term Incentive Compensation) will be subject to forfeiture, cancellation, recoupment or clawback in accordance with the terms of applicable law or the U.S. Dodd Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**") and rules and regulations thereunder in the event the Company or APGL is required to restate its financial statements, regardless of whether the Company or APGL is then subject to the Dodd-Frank Act. For the avoidance of doubt, the Executive's agreement to clawback under this Section 2(v) will not apply to restatements of the Company or APGL's financial statements due to acts, omissions or events that occurred prior to July 18, 2019.

3. Vacation. The Executive will be entitled to paid vacation in accordance with APGL's vacation policy as applicable to other executive officers of the Company or APGL, with the timing and duration of specific days off mutually and reasonably agreed to by the Parties hereto.

4. Expenses. The Company will reimburse the Executive for reasonable travel, entertainment or other expenses incurred by the Executive in the furtherance of or in connection with the performance of the Executive's duties hereunder, in accordance with APGL's expense reimbursement policy for executive officers of APGL in effect from time to time.

5. Severance.

(i) Termination other than for Cause and Resignation for Good Reason. If during the Term, (a) the Company terminates the Executive's employment with the Company other than for Cause (excluding as a result of the Executive's death or disability), or the Executive resigns from the Company, for "**Good Reason**" (as defined below), subject to Section 6 and applicable law and regulation, the Executive will be entitled to the SAR Cash Payment of the SARs that vested prior to the Termination Date (the "**Severance Compensation**"); provided such SARs are exercised within ninety (90) days from the Termination Date, and the Termination Date shall be deemed the exercise date for purposes of calculating the SAR Cash Payment, in which event, the Company shall have the option to pay (i) 100% of the SAR Cash Payment within thirty (30) days from the exercise date (the "**SAR Payment Date**") or (ii) 50% of the SAR Cash Payment on the SAR Payment Date and the remaining 50% of the SAR Cash Payment (the "**DeferredSAR Cash Payment**") within one (1) year from the exercise date, provided that the Executive shall be entitled to payment of interest on the Deferred SAR Cash Payment at the rate equal to the 1 year MCLR rate set by the State Bank of India, calculated from the SAR Payment Date until the date of payment of the Deferred SAR Cash Payment. For the avoidance of doubt, the Executive shall not be entitled to the Severance Compensation under this Section if he is entitled to any "**Change of Control Severance Benefits**" (as defined in APGL's Change of Control Policy dated February 5, 2018, as it may be amended from time to time ("**Change of Control Policy**"). Other than as may be otherwise provided in the Change of Control Policy, all unvested SARs as of the Termination Date shall be forfeited and cancelled in their entirety. The Executive is also entitled to payment of: (a) any Fixed Pay due but unpaid as of the Termination Date; (b) vested benefits other than SARs, if any, to which the Executive is entitled under any employee benefit plans as of the Termination Date pursuant to such plans (except any severance plan); (c) reimbursement of business expenses for which the Executive is entitled to reimbursement under Section 4 but for which Executive has not been reimbursed as of the Termination Date "); and (d) Variable Pay, if any, due but unpaid as of the Termination Date; provided that if the Termination Date falls on a date prior to the end of the financial year to which the Variable Pay relates, such Variable Pay shall be calculated on a pro-rata basis based on the Target Variable Pay for the period from April 1 of the financial year to which the Variable Pay relates to the Termination Date (collectively, the "**Other Accrued Obligations**").

(ii) Change of Control Severance. If the Executive is entitled to Change of Control Severance Benefits pursuant to the Change of Control Policy, (i) 100% of unvested outstanding Tranche 3 SARs will vest as

provided in the Change of Control Policy, and (ii) the Executive agrees that, notwithstanding anything to the contrary in the Change of Control Policy, the vesting schedule of unvested outstanding Tranche 2 SARs will be as follows:(x) 100,000 unvested outstanding Tranche 2 SARs will vest once the Executive is entitled to Change of Control Severance Benefits, and (y) pro-rata vesting of Tranche 2 SARs scheduled to vest on the March 31st immediately succeeding the Change of Control. For the avoidance of doubt, the vesting of any other unvested outstanding Tranche 2 SARs not referred to in Section 5(ii) (x) or (y) will not be accelerated and these unvested outstanding Tranche 2 SARs will be forfeited and cancelled.

(iii) Termination for Cause or Resignation other than for Good Reason. If the Executive's employment with the Company is terminated for Cause by the Company, or the Executive resigns other than for Good Reason, then all payments of compensation by the Company to the Executive hereunder will terminate immediately, and all vested SARs and unvested SARs as of the Termination Date and SARs scheduled to vest on or after the Termination Date shall be forfeited and cancelled in their entirety, except the Company will pay the Executive: (a) any Fixed Pay earned but unpaid as of the Termination Date; (b) vested benefits other than SARs, if any, to which the Executive is entitled under any employee benefit plans as of the Termination Date pursuant to such plans (except any severance plan); and (c) reimbursement of business expenses for which the Executive is entitled to reimbursement under Section 4 but for which Executive has not been reimbursed as of the Termination Date (collectively the "**Accrued Obligations**"). Other than the foregoing the Company or APGL shall have no further obligations to the Executive under this Agreement.

(iv) Exclusive Remedy. In the event of a termination of the Executive's employment with the Company, the provisions of this Section 5 are intended to be and are exclusive and in lieu of any other rights or remedies to which the Executive or the Company may otherwise be entitled, whether at law, tort or contract, in equity, or under this Agreement. Other than gratuity payments under the Payment of Gratuity Act, 1972 that the Executive may be eligible to receive pursuant to such law, the Executive will not be entitled to any severance or other benefits upon termination of employment with respect to acceleration of award vesting or severance pay other than those benefits expressly set forth in this Section 5.

6. Conditions to Receipt of Severance; No Duty to Mitigate.

(i) Separation Agreement and Release of Claims. The Executive acknowledges and agrees that the Company's payment of the Severance Compensation and Other Accrued Obligations or the Accrued Obligations, as the case may be, pursuant to Section 5 will be deemed to constitute a full settlement and discharge of any and all obligations of the Company and its Affiliates to the Executive arising out of this Agreement, the Executive's employment with the Company and its Affiliates and/or the termination of the Executive's employment with the Company and its Affiliates. The Executive further acknowledges and agrees that as a condition to receiving any of the Severance Compensation and Other Accrued Obligations or the Accrued Obligations, as the case may be, pursuant to Section 5, the Executive will execute, deliver to the Company, and not revoke a release agreement in a form prepared by, and satisfactory to, the Company (the "**Executive Release Agreement**") pursuant to which Executive will release and waive, to the fullest extent permitted by law, all claims against the Company, its Affiliates, and all of its and their present and/or former owners, officers, directors, employees, agents, attorneys, insurers, representatives, employee benefit plans and their fiduciaries, both individually and in their representative capacities, including, without limitation, all claims arising out of this Agreement, the Executive's employment with the Company and/or its Affiliates, and/or the termination of Executive's employment with the Company and/or its Affiliates;. The Severance Compensation described in Section 5(i) is in lieu of any severance benefits under any severance policy or plan the Company or APGL may have now or in the future, and the Executive acknowledges that the Executive is not entitled to any other severance benefits.

(ii) Confidential Information, Non-solicitation, and Non-Competition. The receipt of any Severance Benefits pursuant to Section 5(i) will be subject to the Executive not violating the provisions of Sections 7

and 8. In the event the Executive breaches the provisions of Sections 7 and 8, all continuing payments and benefits to which the Executive may otherwise be entitled pursuant to Section 5(i) will immediately cease, and the Executive shall return to the Company any benefits paid by the Company to the Executive pursuant to Section 5(i).

(iii) No Duty to Mitigate. Except as expressly provided herein, the Executive shall not be required to seek other employment or otherwise mitigate the amount of any payments to be made by the Company pursuant to this Agreement. Except as otherwise provided herein, the payments provided pursuant to this Agreement shall not be reduced by any compensation earned by the Executive as the result of employment by another employer after the termination of the Executive's employment or otherwise.

7. Non-Disclosure of Confidential Information.

(i) Confidential Information. For purposes of this Agreement, the term "**Confidential Information**" means any and all of the Group's trade secrets, confidential and proprietary information and all other non- public information and data of or about the Group and its business, including, without limitation, lists of customers, information pertaining to customers, marketing plans and strategies, information pertaining to suppliers, pricing information, engineering and technical information, software codes, cost information, data compilations, research and development information, business plans, financial information, personnel information, information received from third parties that the Group has agreed to keep confidential, and information about prospective customers or prospective products and services, whether or not reduced to writing or other tangible medium of expression, including, without limitation, work product created by the Executive in rendering services for the Group; provided, however, that "**Confidential Information**" shall not include information that (a) is or becomes generally available to the public by use, publication or the like, through no fault of the Executive; (b) is obtained without restriction by the Executive after termination of the Executive's employment with the Company from a third party who had the legal right to disclose such information to the Executive; (c) the Executive possessed prior to the Executive's employment with the Company; or (d) is independently developed by the Executive without the use of any of the Group's Confidential Information after the termination of his employment with the Company.

(ii) Non-Disclosure Obligations. During the Executive's employment with the Company and thereafter, the Executive will not use or disclose to others any of the Confidential Information, except (a) in the course of the Executive's work for and on behalf of the Group, (b) with the prior written consent of the Company, (c) as required by law or judicial process, provided the Executive promptly notifies the Company in writing of any subpoena or other judicial request for disclosure involving Confidential Information or trade secrets, and cooperates with any effort by the Group to obtain a protective order preserving the confidentiality of the Confidential Information or trade secrets, or (d) in connection with reporting possible violations of law or regulations to any governmental agency or from making other disclosures protected under any applicable whistleblower laws. The Executive agrees that the Group owns the Confidential Information and the Executive has no rights, title or interest in any of the Confidential Information. Additionally, the Executive will abide by APGL or the Company's policies protecting the Confidential Information, as such policies may exist from time to time. At the Company's request or upon termination of the Executive's employment with the Company for any reason, the Executive will immediately deliver to the Company any and all materials (including all copies and electronically stored data) containing any Confidential Information in the Executive's possession, custody or control. Upon termination of the Executive's employment with the Company for any reason, the Executive will, if requested by the Company, provide the Company with a signed written statement disclosing whether the Executive has returned to the Company all materials (including all copies and electronically stored data) containing any Confidential Information previously in the Executive's possession, custody or control.

(iii) Whistleblower Laws. Notwithstanding anything herein or in any other agreement with or policy (including without limitation, any code of conduct or the employee manual) of APGL or the Company, nothing herein or therein is intended to or shall: (i) prohibit the Executive from making reports of possible violations of: (a) U.S. federal law or regulation (even if the Executive participated in such violations) to, and cooperating with, any governmental agency or entity in accordance with the provisions of and rules promulgated under Section 21F of the Securities Exchange Act of 1934 or Section 806 of the Sarbanes- Oxley Act of 2002 or of any other whistleblower protection provisions of U.S. state or federal law or regulation; and (b) Indian law or regulation (even if the Executive participated in such violations) to, and cooperating with, any governmental agency or entity in accordance with the provisions of the Whistle Blowers Protection Act, 2014 or of any other whistleblower protection provisions of any applicable Indian law or regulation; (ii) require notification to or prior approval by the Company or APGL of any such reporting or cooperation; or (iii) result in a waiver or other limitation of the Executive's rights and remedies as a whistleblower, including to a monetary award. Notwithstanding the foregoing, the Executive is not authorized (and the above should not be read as permitting the Executive) to disclose communications with counsel that were made for the purpose of receiving legal advice or that contain legal advice or that are protected by the attorney work product or similar privilege. Furthermore, the Executive will not be held criminally or civilly liable under any U.S. federal or state trade secret law for the disclosure of a trade secret that is made (1) in confidence to a U.S. federal, state or local government official, either directly or indirectly, or to an attorney, in each case, solely for the purpose of reporting or investigating a suspected violation of U.S. law or (2) in a complaint or other document filed in a lawsuit or proceeding, if such filings are made under seal.

(iv) Survival of Non-Disclosure Obligations. The Executive's confidentiality/non-disclosure obligations under this Agreement continue after the termination of Executive's employment with the Company. With respect to any particular trade secret information, Executive's confidentiality/non- disclosure obligations will continue as long as such information constitutes a trade secret under applicable law. With respect to any particular Confidential Information that does not constitute a trade secret, the Executive's confidentiality/non-disclosure obligations will continue as long as such information remains confidential, and will not apply to information that becomes generally known to the public through no fault or action of the Executive or others who were under confidentiality obligations with respect to such information.

8. Non-Solicitation and Non-Competition.

(i) Non-Competition. During the Term and the "**Restricted Time Period**" (as defined below), the Executive will not within the "**Restricted Geographic Area**" (as defined below) engage in (including, without limitation, being employed by, working for, or rendering services to) any "**Competitive Business**" (as defined below) in any "**Prohibited Capacity**" (as defined below). Notwithstanding the foregoing, if the Competitive Business has multiple divisions, business units, lines or segments, some of which are not competitive with the business of the Group, nothing herein will prohibit the Executive from being employed by, working for or assisting any division, business unit, line or segment of such Competitive Business that is not competitive with the business of the Group.

(ii) Customer Restrictions. During the Term and the Restricted Time Period, the Executive will not sell, market or provide, attempt to sell, market or provide, or assist any Person in the sales, marketing or provision of, any "**Competing Service/Product**" (as defined below) to any of the Group's Customers with respect to whom, at any time during the Executive's employment with the Company, the Executive had any business contact on behalf of the Group, the Executive had any relationship, business development, sales, service or account responsibility (including, without limitation, any supervisory or managerial responsibility) on behalf of the Group, or the Executive had access to, or gained knowledge of, any

Confidential Information concerning the Group's business with such customer, or otherwise solicit or communicate with any such customers for the purpose of selling, marketing or providing, attempting to sell, market or provide, or assisting in any Person in the sales, marketing or provision of, any Competing Service/Product.

(iii) Non-Interference with Contractors, Vendors, or Other Relationships. During the Restricted Time Period, the Executive will not urge, induce or seek to induce any of the Group's independent contractors, subcontractors, business partners, distributors, brokers, consultants, sales representatives, customers, referral sources, vendors, suppliers or any other Person with whom the Group has a business relationship to terminate their relationship with, or representation of, the Group or to cancel, withdraw, reduce, limit or in any manner modify any such Person's business with, or representation of, the Group.

(iv) Employee Restrictions. During the Restricted Time Period, the Executive will not: (a) solicit or recruit for employment, hire, employ, engage the services of, or attempt to hire, employ, or engage the services of, any individual who is an employee of the Group; (b) assist any Person in the recruitment, hiring or engagement of any individual who is an employee of the Group; (c) urge, induce or seek to induce any individual to terminate his/her employment with the Group; or (d) advise, suggest to or recommend to any Competitive Business that it employ, engage the services of, or seek to employ or engage or engage the services of any individual who is an employee of the Group.

(v) Non-Competition Compensation. During the Restricted Time Period, the Company will pay the Executive the Fixed Pay in effect as of the Termination Date as consideration for the Executive's undertakings in Section 8(i) and 8(ii) above (the "**Non-Competition Compensation**"). The Non-Competition Compensation will be paid monthly in accordance with the Company's normal payroll practices and be subject to the usual applicable withholdings. In the event of a breach or threatened breach of the Executive's obligations under Section 7 or this Section 8, the Company shall be entitled to: (i) immediately cease payment of any Non-Competition Compensation as of the date of such breach or threatened breach, and following the date of such breach or threatened breach, the Executive shall have no further rights to any Non-Competition Compensation, and (ii) in addition to other available remedies, seek equitable relief (by injunction, restraining order, or other similar remedy) against such breach or threatened breach from a court of competent jurisdiction without the necessity of showing actual damages and without the necessity of posting a bond or other security. In the event a court of competent jurisdiction determines that the Executive's obligations under Section 7 or this Section 8 are more restrictive than necessary to protect the Group's legitimate business interests, such court may reduce the scope of the restriction(s), or sever and remove the unenforceable provision(s), to the extent necessary to make the restriction(s) enforceable. In the event the Company is in breach of its obligation to pay the Non-Competition Compensation to the Executive pursuant to the terms of this Agreement, the Executive will be relieved from his non-compete obligations under Section 8(i) and 8(ii) above.

For purposes of this Section 8, "**Restricted Time Period**" means one year after the Termination Date; provided that this period may be extended for up to one additional year by mutual agreement of the Parties.

9. Assignment. This Agreement will be binding upon and inure to the benefit of (a) any Successor of the Company and (b) to the heirs, executors and legal representatives of the Executive upon the Executive's death as it relates to the Accrued Obligations. Any such successor of the Company will be deemed substituted for the Company under the terms of this Agreement for all purposes. For this purpose, "**Successor**" means any person, firm, corporation or other business entity which at any time, whether by purchase, merger or otherwise, directly or indirectly acquires all or substantially all of the assets or business of the Company. None of the rights of the Executive to receive any form of compensation payable pursuant to this Agreement may be assigned or transferred except by will or the laws of descent and distribution.

Any other attempted assignment, transfer, conveyance or other disposition of the Executive's right to compensation or other benefits will be null and void.

10. Notices. All notices, requests, demands and other communications called for hereunder will be in writing and will be deemed given (i) on the date of delivery if delivered personally, (ii) one day after being sent by a well-established commercial overnight service, or (iii) four days after being mailed by registered or certified mail, return receipt requested, prepaid and addressed to the Parties or their successors at the following addresses, or at such other addresses as the Parties may later designate in writing:

If to the Company:

Azure Power India Private Limited Worldmark 3, Asset 301-
304 & 307, 3rd Floor, Aerocity,
New Delhi – 110037 India
Attention: Chairman, Board of Directors

If to the Executive:

F 142, Richmond Park, DLF Phase 4 Gurgaon 122002
Haryana, India
Attention: Murali Subramanian

11. Severability. In the event that any provision hereof becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, this Agreement will continue in full force and effect without said provision.

12. Governing Law and Arbitration. This Agreement shall, in all respects, be governed and interpreted by and construed in accordance with the laws of India. Any dispute arising out of or in connection with this Agreement, including any question regarding the existence, validity or termination of this Agreement, shall be referred to and finally resolved by arbitration in accordance with the Arbitration Rules of the Mumbai Centre for International Arbitration (MCIA Rules), which rules are deemed to be incorporated by reference in this section. The seat of the arbitration shall be New Delhi. The arbitral tribunal shall consist of one (1) arbitrator, jointly appointed by the Parties. In the event the Parties are unable to appoint such sole arbitrator, then, the Executive and the Company (collectively) will appoint one (1) arbitrator each, and the two (2) arbitrators so appointed shall appoint the third arbitrator. The law governing the contract shall be Indian law. The language of the arbitration shall be English. Subject to the foregoing, the Parties agree to be subject to the exclusive jurisdiction of the courts in New Delhi.

13. Works. All work performed by the Executive and all inventions, discoveries, developments, work product, processes, improvements, creations, deliverables and all written, graphic or recorded material and works of authorship fixed in any tangible medium of expression made, created or prepared by the Executive, alone or jointly with others, during the Executive's employment with the Company and relating to the Group's business (collectively, the "**Works**") shall be the Company's exclusive property, shall be deemed a work made for hire, and all rights, title and interest in the Works shal vest in the Company. To the extent that the title or rights to any such Works may not, by operation of law, vest in the Company, all rights, title and interest to such Works are hereby irrevocably assigned to the Company. All Works shall belong exclusively to the Company, and the Company shall have the right to obtain and hold in its own name, any patents, copyrights, registrations or such other intellectual property protections as may be appropriate to the subject matter. The Executive will sign documents of assignment,

declarations and other documents and take all other actions reasonably required by the Company, at the Company's expense, to perfect and enforce any of its proprietary rights and to vest all right, title and interest to the Works in the Company. This section does not apply to an invention for which no equipment, supplies, facility, or Confidential Information of the Group was used and which was developed entirely on the Executive's own time, unless (a) the invention relates (1) directly to the business of the Group, or (2) to the Group's actual or demonstrably anticipated research or development, or (b) the invention results from any work performed by the Executive for the Group. To the extent that the title or rights to any such Works may not, by operation of law, vest in the Company, all rights, title and interest to such Works are hereby irrevocably, absolutely and perpetually assigned to the Company for worldwide territory. Notwithstanding the provisions of Section 19(4) of the Copyright Act, 1957, any assignment in so far as it relates to copyrightable material shall not lapse nor the rights transferred therein revert to the Executive, even if the Company does not exercise the rights under the assignment within a period of one year from the date of assignment. The Executive hereby agrees to waive any right to and agrees to refrain from raising any objection or claims to the Copyright Board with respect to any assignment, pursuant to Section 19A of the Copyright Act, 1957. The Executive also waives all moral rights in relation to the Work developed or conceived by the Executive. The Executive acknowledges that the Fixed Pay payable under this Agreement is good and valuable consideration for the assignment of the Works, the sufficiency of which is hereby acknowledged.

14. Definitions. For purposes of this Agreement, the following terms have the following meanings, unless the context requires otherwise or unless otherwise stated.

"**Affiliate**" means any entity that directly, or indirectly through one or more intermediaries, is owned or controlled by, owns or controls, or is under common ownership or control with, the Company; for this purpose, "control" of an entity means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of the entity, whether through the ownership of voting securities, by contract or otherwise.

"**Appraiser**" means any of these independent accounting firms: Ernst & Young, PwC, KPMG or Deloitte, including their successor entity as applicable, chosen by the Board.

"**Cause**" means the occurrence of one or more of the following: (i) an act of fraud or dishonesty made by the Executive against the Group in connection with the Executive's responsibilities which the Company reasonably believes will damage its business; (ii) the Executive's conviction of, or plea of no contest to, a felony (excluding traffic offenses) which the Board reasonably believes had or will have a detrimental effect on the reputation or business of the Company or its affiliates; (iii) the Executive's intentional or gross misconduct; (iv) the Executive's intentional improper disclosure of confidential information; (v) the Executive's continued violations of material Company or APGL policies or provisions of the Executive's agreements with the Company or APGL, after written notice from the Company or one of its affiliates, and a reasonable opportunity of not less than 30 days to cure (to the extent capable of cure) such violations; (vi) the Executive's failure to cooperate with the Company in any investigation or formal proceeding; or (vii) the Executive's continued violations of the Executive's duties, or repeated failures or inabilities to perform any reasonably assigned duties, after written notice from the Company or one of its affiliates, and a reasonable opportunity of not less than 30 days to cure (to the extent capable of cure) such violations, failures or inabilities.

"**Competing Service/Product**" means (i) any service or product that is similar to and competitive with any of the services and/or related services offered or provided by the Group as of the Termination Date and/or

(ii) any service or product that is similar to and competitive with any of the types of services or products that are offered or provided by the Group during, and as of the time of the termination of, Executive's employment with the Company.

"**Competitive Business**" means any company engaged in the renewable power business, wind, solar or hydro, energy storage or any other business of the Group as of the Termination Date in the Restricted Geographic Area.

"**Exercise Price**" means the relevant exercise price per SAR for the relevant tranche of SARs.

"**Garden Leave**" means the Company's right to place the Executive on "garden leave" during the Notice Period. The Company may, in its sole discretion, during the Garden Leave to: (a) suspend or terminate, in whole or in part, any powers, duties or work exercised by or provided to the Executive; (b) change the Executive's designation or duties as the Company decides appropriate; (c) prevent the Executive from contacting or communicating with any current, former or proposed clients, customers, employees, or vendors of the Group; (d) exclude the Executive from the premises of the Group; (e) announce to employees, clients, customers, vendors and other relevant persons of the Group that Executive has been given notice of termination or that the Executive has resigned; and/or (f) ask the Executive to resign so the Company can appoint a new President and/or Director prior to the end of the Notice Period, provided that in such event the last date of the Notice Period shall be deemed the Termination Date.

"**Good Reason**" means the (i) completion of 60 months of employment from Effective Date, or (ii) any reduction in the amount of Fixed Pay that will result in the Fixed Pay materially falling below the Initial Fixed Pay or (iii) the death or permanent disability of the Executive. Permanent disability with respect to the Executive means a disability where as a result of the Executive's incapacity due to physical or mental illness or injury, the Executive to perform the essential duties of his employment with reasonable accommodation for a continuous period of ninety (90) days or an aggregate of one hundred-twenty (120) days in any one hundred-eighty (180) calendar-day period. The existence of the Executive's permanent disability shall be determined by the Company on the advice of a physician chosen by the Company at the Company's expense.

"**Group**" means any of the Company, its subsidiaries and its Affiliates, unless the context otherwise requires.

"**Group's Customer**" or "**Group Customer**" means (i) any Person to whom the Group is selling or providing any service or product as of the Termination Date; (ii) any Person to whom the Group provided or sold any service or product at any time during the one (1) year preceding the Termination Date; and/or
(iii) any Person with whom the Group has contracted or otherwise entered into an arrangement to provide any service or product as of the time of the Termination Date.

"**Person**" means any individual or entity (including without limitation a corporation, partnership, limited liability company, trust, joint venture, or governmental entity or agency).

"**Prohibited Capacity**" means (i) the same or similar capacity or function to that in which the Executive worked for the Group at any time during his employment; (ii) any executive or officer capacity or function;
(iii) any business development capacity or function; (iv) any ownership capacity (except the Executive may own as a passive investment up to two percent of any class of securities of a company regularly traded on a national stock exchange or other public market); (v) any business consulting or advising capacity of function; (vi) any director or similar capacity or function; (vii) any capacity or function in which the Executive likely would inevitably use or disclose any of the Group's trade secrets and/or Confidential Information; (viii) any capacity or function in which the customer goodwill the Executive helped to develop on behalf of the Group would facilitate or support the Executive's work for a Competitive Business; and/or
(ix) any other capacity or function in which the Executive's knowledge of the Confidential Information would facilitate or assist the Executive's work for the Competitive Business.

"**Restricted Geographic Area**" means India, and each country the Group is doing business in as of the Termination Date.

"**Restructuring Eve nt**" means the occurrence of any one or more of the following:

(A) any acquisition by any person or persons of more than 50% of the voting power of APGL's equity shares or the Company's equity shares in a single transaction or series of related transactions; or

(B) the consummation of a merger or consolidation of APGL or the Company with or into any other entity pursuant to which the holders of outstanding equity shares of APGL or the Company, as the case may be, immediately prior to such merger or consolidation, hold directly or indirectly 50% or less of the voting power of the equity shares of the surviving entity; or

(C)the sale or other disposition of all or substantially all of the Company's or APGL's assets, including but not limited to in connection with any merger, acquisition or takeover; or

(D) a delisting of the APGL's shares from the New York Stock Exchange.

15. Integration. This Agreement represents the entire agreement and understanding between the Parties as to the subject matter herein and supersedes the offer letter dated July 16, 2019 and all prior or contemporaneous agreements whether written or oral. This Agreement may be modified only by agreement of the Parties by a written instrument executed by the Parties that is designated as an amendment to this Agreement.

16. Waiver of Breach. The waiver of a breach of any term or provision of this Agreement, which must be in writing, will not operate as or be construed to be a waiver of any other previous or subsequent breach of this Agreement.

17. Headings. All captions and section headings used in this Agreement are for convenient reference only and do not form a part of this Agreement.

18. Tax Withholding. All payments made pursuant to this Agreement will be subject to withholding of applicable taxes.

19. Acknowledgment. The Executive acknowledges that he has had the opportunity to discuss this matter with and obtain advice from his private attorney, has had sufficient time to, and has carefully read and fully understands all the provisions of this Agreement, and is knowingly and voluntarily entering into this Agreement.

20. Counterparts. This Agreement may be executed in counterparts, and each counterpart wil have the same force and effect as an original and will constitute an effective, binding agreement on the part of each of the undersigned.

IN WITNESS WHEREOF, each of the Parties has executed this Agreement, in the case of the Company by its duly authorized officer, as of the day and year first above written.

COMPANY:

Azure Power India Private Limited

Name:
Title:

EXECUTIVE:

Murali Subramanian

Name of Company	Timeline	Area of Business	Business Description	Shareholding %	Level of Involvement	Directorship
Murali Subramanian ("MS")						
Kashyap Energy and Infra Pvt Ltd	Since 2010	Investmentvehicle for MS	Initial Investments inOrange PowergenthroughPreference Shares	100%	Minor	Yes
			Part Investment in two residential properties			
Zen Privex Pte Ltd	Since 2016	BitCoin + Platform for Trading in Illiquid Equities	Start-Up	< 1% (MS)	Nil	No
Start-Ups		Varied	Varied	Nil	Mentorship	No
Murali Subramanian ("MS") and Ranjit Gupta ("RG")						
Fortuna Geo Pte Ltd	Since 2010	Singapore investmentvehicle for MS and RG	Owns about 30% Equity Stake and Additional 10% Carry, in Orange Holding Pte Ltd, which in turn holds 100% of Orange Powergen Pvt Ltd.	RG & MS - 50% each	Almost Nil	Yes: MS and RG
			Investment in an early stage thermal project in Myanmar		Attempting to sell	
Kasari Solar Pvt Ltd	Since 2013	Solar Project under development	50 MW solar power project under development in Maharashtra	Around 20% each with MS and RG, rest friends and family	Project land paperwork getting completed. **To be disposed.**	Yes: MS and RG
Cuddalore Bioenergy Pvt Ltd	Since 2011	Wind Project under development	Development of 150 MW wind project in Pavagada (Karnataka)	50% each by MS and RG	**To be disposed.**	Yes: MS and RG
Solitaire Buildwell Pvt Ltd	Since 2009	Ownership of land of about 20 acres land	RG (~25%) / MS (~ 25%) / Family and Friends (balance ~ 50%) owned	RG (~25%) / MS (~ 25%)	Nil	Yes: MS and RG
Orange Powergen Pvt Ltd, and its subsidiaries as described	Since 2011	Biomass Projects	**100% ownershipof10 MW Dharwad Bioenergy Pvt Ltd**	Through Fortuna Geo Pte Ltd, and Pref shares through Daksh Power and Kashyap Energy	**Dharwad & Haveri projects are Non-Performing Assets. There is a One Time Settlement in place with banks to sell them. Haveri has been contracted for sale which should consummate by Aug 2019. Dharwad is in process - no contract yet. Process on to sell land in Bihar project and wind down company after that.**	Yes: MS and RG
	Since 2011		**100% ownership of 10 MW Haveri Bioenergy Pvt Ltd**			Yes: MS and RG
	Since 2011		74% ownershipof Greenhorse Hydro Pvt Ltd: Biz Dev vehicle			Yes: MS and RG
	Since 2011		100% ownership of SPV for development of another biomass project in Bihar			Yes: MS and RG

MURALI IS A DIRECTOR IN THE FOLLOWING COMPANIES:	
NEARA GROUP COMPANIES	
NEARA ENERGY PRIVATE LIMITED	Plan will be to dispose development assets and wind down the companies as soon as possible.
NEARA MADHYA ENERGY PRIVATE LIMITED	
NEARA PAVAGADA PRIVATE LIMITED	
NEARA KHANDWA ENERGY PRIVATE LIMITED	
KASARI SOLAR PRIVATE LIMITED	
CUDDALORE BIOENERGY PRIVATE LIMITED	
ORANGE GROUP COMPANIES	
ORANGE POWERGEN PRIVATE LIMITED	Haveri project in process of being sold. Dharwad has to be sold. Land in Rohtas has to be sold. Rest we will attempt to wind down.
ROHTASBIOMASS PRIVATE LIMITED	
GREEN HORSE HYDROPRIVATE LIMITED	
HAVERI BIOENERGYPRIVATE LIMITED	
DHARWAD BIOENERGY PRIVATE LIMITED	
GENERAL	
SOLITAIRE BUILDWELL PRIVATE LIMITED	Passive investment in land
FORTUNA GEO PTE LTD	Singapore investment vehicle.
KASHYAP ENERGY & INFRA PRIVATE LIMITED	Family investment vehicle

SUBSCRIPTION AGREEMENT

This subscription agreement (this "***Agreement***") is entered into as of November 6, 2019, by and between Azure Power Global Limited, a public company limited by shares incorporated under the laws of Mauritius (the "***Company***"), and CDPQ Infrastructures Asia Pte Ltd., a company organized and existing under the laws of Singapore (the "***Purchaser***").

WHEREAS, the Company intends to offer, issue and sell 6,493,506 equity shares (the "***Shares***"), par value $0.000625 per equity share, of the Company (the "***Equity Shares***").

WHEREAS, the Purchaser wishes to further invest in the Company in a transaction exempt from registration pursuant to Regulation S ("***Regulation S***") of the U.S. Securities Act of 1933, as amended (the "***Securities Act***"), by subscribing to the Shares at a subscription price of $11.55 per Share (the "***Subscription Price***"), pursuant to and in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the foregoing, the representations, warranties, covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

1. Representations, Warranties and Agreements of the Company. The Company represents, warrants and agrees that:

(a)The Company and each of its subsidiaries have been duly organized, is validly existing and in good standing (where such concept is applicable) as a corporation or other business entity under the laws of its jurisdiction of organization and is duly qualified to do business and in good standing as a foreign corporation or other business entity in each jurisdiction in which its ownership or lease of property or the conduct of its businesses requires such qualification, except where the failure to be so qualified or in good standing would not, in the aggregate, reasonably be expected to have a material adverse effect on the condition (financial or otherwise), results of operations, stockholders' equity, properties, business or prospects of the Company and its subsidiaries taken as a whole (a "***Material Adverse Effect***"). The Company and each of its subsidiaries have all power and authority necessary to own or hold its properties and to conduct the businesses in which it is engaged. None of the subsidiaries of the Company (other than those disclosed as significant subsidiaries (collectively, the "***Significant Subsidiaries***") in the Company's annual report on Form 20-F filed on June 10, 2019 (the "***Annual Report***")) is a "significant subsidiary" (as defined in Rule 405 under the Securities Act).

(b)The Company has an authorized capitalization as set forth in the Annual Report, and all of the issued shares of capital stock of the Company have been duly authorized and validly issued, are fully paid and non-assessable, conform in all material respects to the description thereof contained in the Annual Report and were issued in compliance with U.S. federal and state and foreign securities laws and not in violation of any preemptive right, resale right, right of first refusal or similar right. All of the Company's options, warrants and other rights to purchase or exchange any securities for shares of the Company's capital stock have been duly authorized and validly

issued, conform in all material respects to the description thereof contained in the Annual Report and were issued in compliance with U.S. federal and state securities laws. Except as disclosed in the Annual Report, all of the issued shares of capital stock or other ownership interest of each subsidiary of the Company have been duly authorized and validly issued, are fully paid and non-assessable and are owned directly or indirectly by the Company, free and clear of all liens, encumbrances, equities or claims, except for such liens, encumbrances, equities or claims as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(c)Subject to obtaining the Requisite Shareholder Approvals, the Shares to be issued and sold by the Company to the Purchaser hereunder have been duly authorized and, upon payment and delivery in accordance with this Agreement, will be validly issued, fully paid and non-assessable, will conform in all material respects to the description thereof contained in the Annual Report, will be issued in compliance with U.S. federal and state securities laws and the laws of Mauritius and will be free of statutory and contractual preemptive rights, rights of first refusal and similar rights. "**Requisite Shareholder Approval**" means (i) the approval by at least a simple majority of the votes cast at a duly called meeting of holders of the Equity Shares for the issuance of Equity Shares comprising more than 10% of the share capital of the Company and (ii) the approval by at least 75% of the votes cast at a duly called meeting of holders of the Equity Shares for the non-application of Section 55 of the Mauritius Companies Act to such issuance.

(d)Subject to obtaining the Requisite Shareholder Approvals, the Company has all requisite corporate power and authority to execute, deliver and perform its obligations under this Agreement. This Agreement has been duly and validly authorized, executed and delivered by the Company and, when executed and delivered by the Purchaser, will constitute valid and legally binding obligations of the Company, enforceable in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and any other laws of general application affecting enforcement of creditors' rights generally, and as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies, and except to the extent Section 8 is found to violate public policy.

(e)Subject to obtaining the Requisite Shareholder Approvals, the issue and sale of the Shares, the execution, delivery and performance of this Agreement by the Company and the consummation of the transactions contemplated hereby will not (i) conflict with or result in a breach or violation of any of the terms or provisions of, impose any lien, charge or encumbrance upon any property or assets of the Company and its subsidiaries, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement, license, lease, or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any of the property or assets of the Company or any of its subsidiaries is subject (including any agreement between the Company and any of its shareholders); (ii) result in any violation of the provisions of the certificate of incorporation, constitution, memorandum and articles of association (or similar organizational documents) of the Company or any of its subsidiaries; or (iii) result in any violation of any statute or any judgment, order, decree, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any of its subsidiaries or any of their properties or assets, except, with respect to clauses (i) and (iii), conflicts or violations that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(f)No consent, approval, authorization or order of, or filing, registration or qualification with, any court, governmental agency or body having jurisdiction over the Company or any of its subsidiaries or any of their properties or assets is required for the issue and sale of the Shares, the execution, delivery and performance of this Agreement by the Company and the consummation of the transactions contemplated hereby.

(g)The historical financial statements (including the related notes and supporting schedules) included in the Annual Report comply as to form in all material respects with the applicable requirements of Regulation S-X under the Securities Act and present fairly in all material respects the financial condition, results of operations and cash flows of the entities purported to be shown thereby at the dates and for the periods indicated and have been prepared in conformity with accounting principles generally accepted in the United States applied on a consistent basis throughout the periods involved.

(h)Ernst & Young Associates LLP, a member firm of Ernst & Young LLP, who have certified certain financial statements of the Company and its consolidated subsidiaries, whose report appears in the Annual Report are independent public accountants as required by the Securities Act and the rules and regulations thereunder.

(i)The Company and each of its subsidiaries maintain internal accounting controls sufficient to provide reasonable assurances regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles in the United States, including, but not limited to, internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorization, (ii) transactions are recorded as necessary to permit preparation of the Company's financial statements in conformity with accounting principles generally accepted in the United States and to maintain accountability for its assets, (iii) access to the Company's assets is permitted only in accordance with management's general or specific authorization, and (iv) the recorded accountability for the Company's assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

(j) (i) The Company and each of its subsidiaries maintain disclosure controls and procedures (as such term is defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended (the "***Exchange Act***")), (ii) such disclosure controls and procedures are designed to ensure that the information is accumulated and communicated to management of the Company and its subsidiaries, including their respective principal executive officers and principal financial officers, as appropriate and (iii) such disclosure controls and procedures are effective in all material respects to perform the functions for which they were established.

(k)Since the date of the most recent balance sheet of the Company and its consolidated subsidiaries reviewed or audited by Ernst & Young Associates LLP, a member firm of Ernst & Young LLP, (i) the Company has not been advised of or become aware of (A) any significant deficiencies in the design or operation of internal controls that could adversely affect the ability of the Company or any of its subsidiaries to record, process, summarize and report financial data, or any material weaknesses in internal controls, and (B) any fraud, whether or not material, that involves management or other employees who have a significant role in the internal controls of

the Company and each of its subsidiaries; and (ii) there have been no significant changes in internal controls or in other factors that could significantly adversely affect internal controls, including any corrective actions with regard to significant deficiencies and material weaknesses.

(l)Since the date of the latest audited financial statements included in the Annual Report, and, except as disclosed in the Annual Report or the Company's Form 6-Ks furnished to the Securities and Exchange Commission on August 12, 2019, September 9, 2019 and September 18, 2019 (the "***6-Ks***"), neither the Company nor any of its subsidiaries has (i) sustained any loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, (ii) issued or granted any securities, except as set forth or contemplated in the Annual Report or the 6-Ks, (iii) incurred any material liability or obligation, direct or contingent, other than liabilities and obligations that were incurred in the ordinary course of business or otherwise set forth or contemplated in the Annual Report or the 6-Ks, (iv) entered into any material transaction not in the ordinary course of business, except as set forth or contemplated in the Annual Report or the 6-Ks, or (v) declared or paid any dividend on its capital stock, and since such date, there has not been any change in the capital stock (other than the issuance of equity shares, if any, pursuant to employee incentive plans described in the Annual Report) or long-term debt of the Company or any of its subsidiaries or any adverse change, or any development involving a prospective adverse change, in or affecting the condition (financial or otherwise), results of operations, stockholders' equity, properties, management, business or prospects of the Company and its subsidiaries taken as a whole, in each case except as would not, in the aggregate, reasonably be expected to have a Material Adverse Effect.

(m)The Company and each of its subsidiaries have good and marketable title in fee simple to all real property and good and marketable title to all personal property owned by them, that are material to the business of the Company, in each case free and clear of all liens, encumbrances and defects, except such liens, encumbrances and defects as are described in the Annual Report or such as do not materially affect the value of such property and do not materially interfere with the use made and proposed to be made of such property by the Company and its subsidiaries. All assets held under lease by the Company and its subsidiaries, that are material to the business of the Company, are held by them under valid, subsisting and enforceable leases, with such exceptions as do not materially interfere with the use made and proposed to be made of such assets by the Company and its subsidiaries.

(n)The Company and each of its subsidiaries have such permits, licenses, patents, franchises, certificates of need and other approvals or authorizations of governmental or regulatory authorities ("***Permits***") as are necessary under applicable law to own their properties and conduct their businesses in the manner described in the Annual Report, except for any of the foregoing that would not, in the aggregate, reasonably be expected to have a Material Adverse Effect. Neither the Company nor any of its subsidiaries is in violation of, or in default under, any of the Permits, except as would not, in the aggregate, reasonably be expected to have a Material Adverse Effect. Neither the Company nor any of its subsidiaries has received notice of any revocation or modification of any Permits, which, individually or in the aggregate, if revoked or modified, would reasonably be expected to have a Material Adverse Effect.

(o)The Company and each of its subsidiaries own or possess adequate rights to use all material patents, patent applications, trademarks, service marks, trade names, trademark registrations, service mark registrations, copyrights, licenses, know-how, software, systems and technology (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures) necessary for the conduct of their respective businesses and have no reason to believe that the conduct of their respective businesses will conflict with, and have not received any notice of any claim of conflict with, any such rights of others.

(p)There are no legal or governmental proceedings pending to which the Company or any of its subsidiaries is a party or of which any property or assets of the Company or any of its subsidiaries is the subject that would, in the aggregate, reasonably be expect to have a Material Adverse Effect or would, in the aggregate, reasonably be expected to have a material adverse effect on the performance of this Agreement or the consummation of the transactions contemplated hereby; and to the Company's knowledge, no such proceedings are threatened or contemplated by governmental authorities or others.

(q)There are no contracts or other documents required to be described in the Annual Report, that are not described and filed as required. The statements made in the Annual Report, insofar as they purport to constitute summaries of the terms of the contracts and other documents described and filed, constitute accurate summaries of the terms of such contracts and documents in all material respects. Neither the Company nor any of its subsidiaries has knowledge that any other party to any such contract or other document has any intention not to render full performance in all material respects as contemplated by the terms thereof.

(r)The statements in the Annual Report made under the caption "Regulation," insofar as it purports to constitute summaries of the terms of statutes, rules or regulations, legal or governmental proceedings or contracts and other documents, constitute accurate summaries of the terms of such statutes, rules and regulations, legal and governmental proceedings and contracts and other documents in all material respects.

(s)Except as would not reasonably be expected to have a Material Adverse Effect, the Company and each of its subsidiaries carry, or are covered by, insurance from insurers of recognized financial responsibility in such amounts and covering such risks as is adequate for the conduct of their respective businesses and the value of their respective properties and as is customary for companies engaged in similar businesses in similar industries. All policies of insurance of the Company and its subsidiaries are in full force and effect; the Company and each of its subsidiaries are in compliance with the terms of such policies in all material respects; and neither the Company nor any of its subsidiaries has received notice from any insurer or agent of such insurer that capital improvements or other expenditures are required or necessary to be made in order to continue such insurance; there are no material claims by the Company or any of its subsidiaries under any such policy or instrument as to which any insurance company is denying liability or defending under a reservation of rights clause; and neither the Company nor any such subsidiary has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not reasonably be expected to have a Material Adverse Effect.

(t)No relationship, direct or indirect, exists between or among the Company, on the one hand, and the directors, officers, stockholders, customers or suppliers of the Company, on the other hand, that is required to be described in the Annual Report which is not so described.

(u)No labor disturbance by or dispute with the employees of the Company or any of its subsidiaries exists or, to the knowledge of the Company, is imminent that could reasonably be expected to have a Material Adverse Effect.

(v)Neither the Company nor any of its subsidiaries (i) is in violation of its certificate of incorporation, constitution, memorandum and articles of association (or similar organizational documents), (ii) is in default, and no event has occurred that, with notice or lapse of time or both, would constitute such a default, in the due performance or observance of any term, covenant, condition or other obligation contained in any indenture, mortgage, deed of trust, loan agreement, license or other agreement or instrument to which it is a party or by which it is bound or to which any of its properties or assets is subject, or (iii) is in violation of any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over it or its property or assets or has failed to obtain any license, permit, certificate, franchise or other governmental authorization or permit necessary to the ownership of its property or to the conduct of its business, except in the case of clauses (ii) and (iii), to the extent any such conflict, breach, violation or default would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(w)The Company and each of its subsidiaries (i) are, and at all times prior hereto were, in compliance with all laws, regulations, ordinances, rules, orders, judgments, decrees, permits or other legal requirements of any governmental authority, including without limitation any international, foreign, national, state, provincial, regional, or local authority, relating to pollution, the protection of human health or safety, the environment, or natural resources, or to use, handling, storage, manufacturing, transportation, treatment, discharge, disposal or release of hazardous or toxic substances or wastes, pollutants or contaminants ("***Environmental Laws***") applicable to such entity, which compliance includes, without limitation, obtaining, maintaining and complying with all permits and authorizations and approvals required by Environmental Laws to conduct their respective businesses, and (ii) have not received notice or otherwise have knowledge of any actual or alleged violation of Environmental Laws, or of any actual or potential liability for or other obligation concerning the presence, disposal or release of hazardous or toxic substances or wastes, pollutants or contaminants, except in the case of clause (i) or (ii) where such non-compliance, violation, liability, or other obligation would not, in the aggregate, reasonably be expected to have a Material Adverse Effect. Except as described in the Annual Report, (x) there are no proceedings that are pending, or known to be contemplated, against the Company or any of its subsidiaries under Environmental Laws in which a governmental authority is also a party, other than such proceedings regarding which it is reasonably believed no monetary sanctions of $100,000 or more will be imposed and (y) the Company and its subsidiaries are not aware of any issues regarding compliance with Environmental Laws, including any pending or proposed Environmental Laws, or liabilities or other obligations under Environmental Laws or concerning hazardous or toxic substances or wastes, pollutants or contaminants, that could reasonably be expected to have a Material Adverse Effect.

(x)The Company and each of its subsidiaries have filed all U.S. federal, state, local and foreign tax returns required to be filed through the date hereof, subject to permitted extensions, and have paid all taxes due, and no tax deficiency has been determined adversely to the Company or any of its subsidiaries, nor does the Company have any knowledge of any tax deficiencies that have been, or would reasonably be expected to be asserted against the Company, that would, in the aggregate, reasonably be expected to have a Material Adverse Effect.

(y)Except as described in the Annual Report or provided under this Agreement, there are no contracts, agreements or understandings between the Company and any person granting such person the right to require the Company to file a registration statement under the Securities Act with respect to any securities of the Company owned or to be owned by such person.

(z)Neither the Company nor any of its subsidiaries is a party to any contract, agreement or understanding with any person (other than this Agreement) that would give rise to a valid claim against the Purchaser for a brokerage commission, finder's fee or like payment in connection with the offering and sale of the Shares.

(aa)The Company has not sold or issued any securities that would be integrated with the offering of the Shares contemplated by this Agreement pursuant to the Securities Act, the rules and regulations thereunder or the interpretations thereof by the Commission.

(bb)The Company and its affiliates have not taken, directly or indirectly, any action designed to or that has constituted or that could reasonably be expected to cause or result in the stabilization or manipulation of the price of any security of the Company in connection with the offering of the equity shares of the Shares.

(cc)Neither the Company nor any subsidiary is in violation of or has received notice of any violation with respect to any U.S. federal or state or foreign law relating to discrimination in the hiring, promotion or pay of employees, nor any applicable U.S. federal or state or foreign wage and hour laws, the violation of any of which could reasonably be expected to have a Material Adverse Effect.

(dd)Neither the Company nor any of its subsidiaries, nor, to the knowledge of the Company, after due inquiry, any director, officer, agent, employee or other person associated with or acting on behalf of the Company or any of its subsidiaries, has in the course of its actions for, or on behalf of, the Company or any of its subsidiaries: (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) made any direct or indirect payment to any foreign or domestic government official from corporate funds in violation of the U.S. Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (collectively, the "***FCPA***"); (iii) violated or is in violation of any applicable provision of the FCPA, U.K. Bribery Act 2010, as amended, or any other applicable anti-bribery statute or regulation; or (iv) made any bribe, rebate, payoff, influence payment, kickback or other unlawful payment to any domestic government official, foreign official or employee, which, individually or in the aggregate, would reasonably be expected to result in a Material Adverse Effect; and the Company and its subsidiaries and, to the knowledge of the Company, the Company's affiliates have conducted their respective businesses in compliance with the FCPA, and except as would reasonably be expected to result in a Material Adverse Effect, all

other applicable anti-bribery statutes and regulations, and currently maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance with the FCPA and other applicable anti-bribery statutes and regulations therewith.

(ee)The operations of the Company and its subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any applicable related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "***Money Laundering Laws***") and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Money Laundering Laws is pending or, to the knowledge of the Company, threatened.

(ff)Neither the Company nor any of its subsidiaries nor, to the knowledge of the Company, after due inquiry, any director, officer, agent, employee or affiliate of the Company or any of its subsidiaries is (i) currently subject to or the target of any sanctions administered or enforced by the Office of Foreign Assets Control of the U.S. Treasury Department ("***OFAC***"), the U.S. Department of State, the United Nations Security Council ("***UNSC***"), the European Union ("***EU***"), Her Majesty's Treasury ("***HMT***"), or other relevant sanctions authority (collectively, "***Sanctions***"); or (ii) located, organized or resident in a country that is the subject of Sanctions (including, without limitation, Cuba, Iran, North Korea, Sudan, and Syria); and the Company will not directly or indirectly use the proceeds of the offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity, for the purpose of financing the activities of any person, or in any country or territory, that currently is the subject or target of Sanctions or in any other manner that will result in a violation by any person (including any person participating in the transaction whether as an underwriter, advisor, investor or otherwise) of Sanctions. The Company and its subsidiaries have not knowingly engaged in for the past five years, are not now knowingly engaged in, and will not engage in, any dealings or transactions with any individual or entity, or in any country or territory, that at the time of the dealing or transaction is or was the subject or target of Sanctions.

(gg)To ensure the legality, validity, enforceability or admissibility into evidence in a legal or administrative proceeding in Mauritius of this Agreement, it is not necessary that this Agreement be filed or recorded with any court or other government authority or regulatory body in Mauritius or that any registration tax, stamp duty or similar tax be paid in Mauritius on or in respect of any of this Agreement or any other document to be furnished hereunder, other than court costs, including (without limitation) filing fees and deposits to guarantee judgment required by a court of law in Mauritius.

(hh)Under the laws of Mauritius, each registered holder of Equity Shares shall be entitled to seek enforcement of its rights in a direct suit, action or proceeding against the Company. It is not necessary in order to enable any owner of Equity Shares to enforce any of its rights that such owner of Equity Shares be licensed, qualified or entitled to do business in Mauritius.

(ii)No stamp or other issuance or transfer taxes or duties and no withholding taxes are or will be payable by or on behalf of the Purchaser in connection with the execution, delivery or performance of this Agreement.

(jj)Except as described in the Annual Report, no approvals are currently required in Mauritius in order for the Company to pay dividends or other distributions declared by the Company to holders of Equity Shares. Except as described in the Annual Report under current laws and regulations of Mauritius and any political subdivision thereof, any amounts payable with respect to the Equity Shares upon liquidation of the Company or upon redemption thereof and dividends and other distributions declared and payable on the Equity Shares may be paid by the Company in U.S. dollars that may be converted into foreign currency and freely transferred out of Mauritius, and, except as described in the Annual Report, no such payments made to holders thereof or therein who are non-residents of Mauritius will be subject to income, withholding or other taxes under laws and regulations of Mauritius or any political subdivision or taxing authority thereof or therein and will otherwise be free and clear of any other tax, duty, withholding or deduction in Mauritius or any political subdivision or taxing authority thereof or therein and without the necessity of obtaining any governmental authorization in Mauritius or any political subdivision or taxing authority thereof or therein.

(kk)The Company is a "foreign issuer" (as defined in Regulation S under the Securities Act).

(ll)Neither the Company nor any of its affiliates (as defined in Regulation 501 under the Securities Act) nor any person acting on its or their behalf has engaged or will engage in any directed selling efforts (as defined in Regulation S under the Securities Act) in connection with the offering of the Shares.

(mm)None of the information provided by the Company to the Purchaser in connection with the transactions contemplated hereby together or alone constitutes material non-public information of the Company.

Any certificate signed by any officer of the Company and delivered to the Purchaser pursuant to this Agreement in connection with the offer and sale of the Shares shall be deemed a representation and warranty by the Company, as to matters covered thereby, to the Purchaser.

2. Representations, Warranties and Agreements of the Purchaser. The Purchaser represents, warrants and agrees that:

(a)The Purchaser has all requisite power and authority to execute, deliver and perform its obligations under this Agreement. This Agreement has been duly and validly authorized, executed and delivered by the Purchaser and, when executed and delivered by the Company, will constitute valid and legally binding obligations of the Purchaser, enforceable in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and any other laws of general application affecting enforcement of creditors' rights generally, and as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

(b)The Shares to be acquired by the Purchaser hereunder will be acquired for investment for the Purchaser's own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof. The Purchaser does not have any direct or indirect arrangement, or understanding with any other person to distribute, or regarding the distribution, of the Shares in violation of the Securities Act or any other applicable state securities law.

(c)The Purchaser understands that the Shares have not been, and will not be, registered under the Securities Act, and are being offered and sold by the Company pursuant to the exemption from registration afforded by Rule 903 under the Securities Act.

(d)The Purchaser is not a U.S. person (as such term is defined in Regulation S under the Securities Act). At the time of the origination of discussion regarding the offer and sale of the Shares and the date of the execution and delivery of this Agreement, the Purchaser was at all times outside of the United States.

(e)The Purchaser has sufficient knowledge and experience in financial and business matters so as to be capable of evaluating the merits and risks of its investment in the Shares. The Purchaser is capable of bearing the economic risks of such investment, including a complete loss of its investment in the Shares.

(f)Each certificate, instrument, or book entry representing (i) the Shares and (ii) any other securities issued in respect of the Shares upon any stock split, stock dividend, recapitalization, merger, consolidation, or similar event, shall be notated with a legend substantially in the following form:

> THIS SECURITY WAS ISSUED IN AN OFFSHORE TRANSACTION TO PERSONS WHO WERE NOT U.S. PERSONS AND WERE NOT PURCHASING FOR THE ACCOUNT OR BENEFIT OF U.S. PERSONS PURSUANT TO REGULATION S UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE ACT, OR UNDER THE SECURITIES LAWS OF ANY STATE. THIS SECURITY MAY NOT BE TRANSFERRED, SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED: (A) IN THE ABSENCE OF (1) AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT, (2) AN EXEMPTION OR QUALIFICATION UNDER THE ACT AND OTHER APPLICABLE SECURITIES LAWS OR (3) DELIVERY TO THE COMPANY OF AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED; ANY ATTEMPT TO TRANSFER, SELL, PLEDGE OR HYPOTHECATE THIS SECURITY IN VIOLATION OF THESE RESTRICTIONS SHALL BE VOID.

The Purchaser consents to the Company making a notation in its records and giving instructions to any transfer agent of the Shares or such securities in order to implement the restrictions on transfer set forth in this Agreement. The foregoing legend shall be removed from the certificate, instrument or book entry evidencing the Shares and the Company shall, or shall cause its transfer agent to, issue, no later than three Business Days after receipt of a request and

the required documents and information from the Purchaser, a certificate or certificates evidencing all or a portion of the Shares, as requested by the Purchaser, without such legend if: (i) such Shares have been resold under an effective registration statement under the Securities Act, (ii) such Shares have been transferred in compliance with Rule 144, (iii) all of such Shares are eligible for resale pursuant to Rule 144 under the Securities Act without restriction, or (iv) the Purchaser shall have provided the Company with an opinion of counsel reasonably acceptable to the Company, the form and substance of which opinion shall be reasonably satisfactory to the Company, stating that such Shares may lawfully be transferred without registration under the Securities Act and that the foregoing legend may be removed following such transfer.

3. Purchase of the Shares by the Purchaser. On the basis of the representations, warranties and covenants contained in, and subject to (i) obtaining the Requisite Shareholder Approvals and (ii) the terms and conditions of this Agreement, the Company agrees to sell the Shares to the Purchaser, and the Purchaser agrees to purchase the Shares from the Company. The Company is not obligated to deliver any of the Shares to be delivered on the Closing Date, except upon payment for all such Shares to be purchased on the Closing Date as provided herein. "**Closing Date"** means 10:00 A.M., New York City time on the seventh Business Day after the Requisite Shareholder Approvals are obtained or such other date determined by mutual agreement of the parties.
4. Delivery of and Payment for the Shares. On the Closing Date, the Purchaser shall pay and deliver the total subscription price of the Shares amounting to $74,999,994.30 (the "**Total Subscription Price**") to the Company in U.S. dollars by wire transfer, or by such other method mutually agreeable to the Company and the Purchaser, of immediately available funds to such bank account designated in writing by the Company. Delivery of the Shares to the Purchaser shall be made by the Company against payment of the Total Subscription Price as described herein. The Company shall deliver the Shares by book entry through the facilities of Computershare.
5. Expenses. The Company agrees, whether or not the transactions contemplated by this Agreement are consummated or this Agreement is terminated, to pay all of its expenses, costs, fees and taxes incident to and in connection with this Agreement, including any stamp taxes due in relation to the issuance of the Shares.
6. Additional Covenants.

(a)The Purchaser agrees that it will not, directly or indirectly, (i) offer for sale, sell, pledge, or otherwise dispose of (or enter into any transaction or device that is designed to, or could be expected to, result in the disposition by any person at any time in the future of) Equity Shares, (ii) enter into any swap or other derivatives transaction that transfers to another, in whole or in part, any of the economic benefits or risks of ownership of Equity Shares, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Equity Shares or other securities, in cash or otherwise, (iii) make any demand for or exercise any right or cause to be filed a registration statement, including any amendments thereto, with respect to the registration of any Equity Shares or securities convertible into or exercisable or exchangeable for Equity Shares or any other securities of the Company, or (iv) publicly disclose the intention to do any of the foregoing for a period commencing on the date hereof and ending on the 90th day after the Closing

Date (the "***Lock-up Period***"). The foregoing sentence shall not apply to (1) transactions relating to Equity Shares or other securities acquired in the open market after the Closing Date, (2) sales, transfers or other dispositions to affiliates of the Purchaser; provided that (x) it shall be a condition to any transfer pursuant to clause (2) that the transferee agrees to be bound by the terms of this Section 6 to the same extent as if the transferee were a party hereto; (y) each party (transferor or transferee) shall not be required by law (including without limitation the disclosure requirements of the Securities Act and the Exchange Act) to make, and shall agree to not voluntarily make, any filing or public announcement of the transfer or disposition prior to the expiration of the Lock-up Period (other than a filing on a Schedule 13D or 13G to the extent required by law), and (z) the Purchaser notifies the Company at least two Business Days prior to the proposed transfer or disposition.

(b)The Company shall use its best efforts to cause two persons designated by the Purchaser (each a "***Purchaser Designee***" and collectively the "***Purchaser Designees***") to be nominated, appointed and elected to the board of directors of the Company (the "***Company Board***") and the board of directors of Azure Power India Private Limited (the "***AZI Boards***" and together with the Company Board, the "***Boards***") on the Closing Date. Subject to applicable law, regulation and the approval of the applicable Board to the extent such approval is required by law, which the Company will use its best efforts to obtain, the Purchaser Designees shall be entitled to sit as members of any committee of the Company Board and the AZI Board. As of the Closing Date, the Company shall use its best efforts to cause the Company Board and the AZI Board to include (i) two Purchaser Designees so long as the Purchaser and/or its affiliates (excluding the Company or any of its subsidiaries) beneficially own at least 30% of the outstanding Equity Shares, (ii) one Purchaser Designee so long as the Purchaser and/or its affiliates (excluding the Company or any of its subsidiaries) beneficially own any Equity Shares, unless earlier termination is required by applicable law or the rules of the New York Stock Exchange. Subject to applicable law (including the rules of the New York Stock Exchange), any of the Purchaser Designees may only be removed from the Company Board or the AZI Board by request from the Purchaser. In the event that a vacancy is created at any time by the death, disability, retirement, resignation or removal (with or without cause) of a Purchaser Designee and the Purchaser has a right to designate a person to be nominated, appointed and elected to the Company Board pursuant to the preceding sentence, the remaining directors of the Company Board and the AZI Board and the Company shall, subject to applicable law (including the rules of the New York Stock Exchange), cause the vacancy created thereby to be filled by a new designee of the Purchaser. The Company shall enter into an indemnification agreement with the Purchaser Designees in form and substance reasonably satisfactory to the Purchaser. Subject to the approval of the applicable Board to the extent such approval is required by applicable law (including the rules of the New York Stock Exchange), which the Company will use its best efforts to obtain, if at any time a Purchaser Designee is not a member of the Company Board or the AZI Board, the Purchaser shall be entitled to designate a non-voting observer to the Company Board or the AZI Board, as applicable. The Company shall reimburse the Purchaser Designees or non-voting observer, as applicable, for his or her reasonable out-of-pocket expenses incurred in connection with his or her service as a member or non-voting observer of the Company Board, the AZI Board or any committee thereof. The Purchaser Designees or non-voting observer shall be permitted to provide non-privileged information he or she receives in his or her capacity as a member of the Company Board or the AZI Board to the Purchaser, its affiliates or its or their respective directors, officers and employees (the "***CDPQ Personnel***") solely for the purposes of monitoring and managing the Purchaser's investments;

provided that, the Purchaser and CDPQ Personnel will (i) keep the Company information strictly confidential, (ii) not disclose any of the Company information in any manner whatsoever without the prior written consent of the Company and (iii) not use the Company information for any purpose other than monitoring and managing the Purchaser's investment in the Company and in compliance with applicable insider trading laws and regulations. The Company acknowledges that the Purchaser and CDPQ Personnel may invest in or have general knowledge with respect to the industry in which the Company operates and the topics generally covered in information provided by the Company (including, without limitation, any confidential information). Subject to the restrictions set forth in this Agreement, neither the execution of this Agreement nor receipt of Company confidential information shall restrict or preclude such activities or use of such general knowledge. The parties acknowledge and agree that, as of the Closing Date, this Section 6(b) supersedes and replaces Section 6(a) of the Share Purchase Agreement, dated as of September 30, 2016, by and between the Company and the Purchaser.

7. Conditions of the Purchaser's Obligations. The obligations of the Purchaser hereunder are subject to the accuracy, when made and on the Closing Date, of the representations and warranties of the Company contained herein, to the performance by the Company of its obligations hereunder, and to each of the following additional terms and conditions:

(a)On or prior to the Closing Date, the Requisite Shareholder Approvals shall have been obtained and all corporate proceedings and other legal matters incident to the authorization, form and validity of this Agreement and all other legal matters relating to this Agreement and the transactions contemplated hereby, shall be reasonably satisfactory in all material respects to counsel for the Purchaser, and the Company shall have furnished to such counsel all documents and information that they may reasonably request to enable them to pass upon such matters.

(b)Appleby, outside Mauritius counsel for the Company shall have furnished to the Purchaser its written opinion, as counsel to the Company, addressed to the Purchaser and dated the Closing Date, in form and substance reasonably satisfactory to the Purchaser.

(c)Cleary Gottlieb Steen & Hamilton LLP, special United States counsel to the Company for this transaction shall have furnished to the Purchaser its written opinion, as such special United States counsel, addressed to the Purchaser and dated the Closing Date, in form and substance reasonably satisfactory to the Purchaser, to the effect that the offer and sale of the Shares is exempt from the registration requirements of the Securities Act.

(d)The Company shall have furnished to the Purchaser a certificate, dated the Closing Date, of its Chief Executive Officer and its Chief Financial Officer as to such matters as the Purchaser may reasonably request, including, without limitation, a statement that the representations, warranties and agreements of the Company in Section 1 are true and correct on and as of the Closing Date (modified as necessary to reflect the increase in the Company's capital stock after obtaining the Requisite Shareholder Approvals and the other matters described in Section 7(a) being obtained), and that the Company has complied with all its agreements contained herein and satisfied all the conditions on its part to be performed or satisfied hereunder on or prior to the Closing Date.

(e)As of the Closing Date, (i) neither the Company nor any of its subsidiaries shall have sustained, since March 31, 2019 any loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, in each case except such loss or interference as would not, in the aggregate, reasonably be expected to have a Material Adverse Effect, or (ii) since March 31, 2019, and except as disclosed or contemplated in the Annual Report, the 6-Ks or the Company's quarterly results announcement for the quarter ended September 30, 2019 furnished to the Securities and Exchange Commission on Form 6-K, there shall not have been any change in the capital stock or long-term debt of the Company or any of its subsidiaries or any change, or any development involving a prospective change, in or affecting the condition (financial or otherwise), results of operations, stockholders' equity, properties, management, business or prospects of the Company and its subsidiaries taken as a whole, the effect of which, in any such case described in clause (i) or (ii), is, individually or in the aggregate, in the reasonable judgment of the Purchaser, so material and adverse as to make it impracticable or inadvisable to proceed with the delivery of the Shares being delivered on the Closing Date on the terms and in the manner contemplated in this Agreement.

(f)As of the Closing Date, no governmental authority of competent jurisdiction shall have enacted, issued, promulgated, enforced or entered any law (whether temporary, preliminary or permanent) that is in effect and restrains, enjoins, prevents, prohibits or otherwise makes illegal the consummation of the transactions contemplated by this Agreement with respect to the Purchaser; and no action, suit, proceeding or investigation shall have been instituted by a governmental authority of competent jurisdiction or threatened that seeks to restrain, enjoin, prevent, prohibit or otherwise make illegal the consummation of the transactions contemplated by this Agreement with respect to the Purchaser, or imposes any damages or penalties in connection with the transactions contemplated by this Agreement with respect to the Purchaser that are substantial in relation to the Company.

(g)The Company shall have delivered an executed counterpart of the Amended and Restated Registration Rights Agreement in the form attached hereto as Exhibit A-1.

All opinions, letters, evidence and certificates mentioned above or elsewhere in this Agreement shall be deemed to be in compliance with the provisions hereof only if they are in form and substance reasonably satisfactory to counsel for the Purchaser.

8. Indemnification.

(a)The Company hereby agrees that its shall indemnify, defend and hold harmless the Purchaser, its affiliates and each of their respective, directors, officers, employees, shareholders, representatives and agents ("***Indemnified Parties***") from, against and in respect of any damages, losses, charges, liabilities, claims demands, actions, suits, proceedings, payments, judgments, settlements, assessments, deficiencies, interest and costs and expenses ("***Losses***") imposed on, sustained, incurred or suffered by or asserted against any of the Indemnified Parties (whether in respect of third party claims, claims between the parties hereto, or otherwise) directly or indirectly relating to or arising out of any breach by the Company of any of representations, warranty or agreement made by it in this Agreement. The indemnity set forth in this Section 8 will not be prejudiced, adversely affected or deemed waived by:

(i) reason of any investigation made by or on behalf of an Indemnified Party (including by any of its representatives or advisors) or by reason of the fact that an Indemnified Party or any of its representatives or advisors knew or should have known that any representation, warranty or agreement is, was or might be inaccurate or by reason of an Indemnified Party's waiver of any condition set forth in Section 7; or

(ii) the execution, delivery or the performance of this Agreement; or

(iii) any other act or thing which may be done by or on behalf of any Indemnified Party in connection with this Agreement and which might, apart from this clause, prejudice or adversely affect such rights or remedies.

(b)The Company further agrees to indemnify each of the Indemnified Parties against any all Losses incurred by such Indemnified Party related to or arising from to efforts to enforce or protect its rights under this Agreement, or the exercise of its rights or powers consequent upon or arising out of any breach of this Agreement.

(c)The remedies set forth in this Section 8 shall be without prejudice to all other rights and remedies that an Indemnified Party may have under applicable law and shall not be the sole and exclusive remedies of any Indemnified Party for any Loss suffered hereunder. Each Indemnified Party shall be entitled to pursue any remedy that is available to it under applicable law.

(d)Notwithstanding the foregoing, the Company shall have no liability (for indemnification or otherwise) with respect to any Losses in excess of the Total Subscription Price. The Indemnified Parties shall not be entitled to collect twice from the Company for the same Loss suffered.

9. Termination.

(a)The obligations of the Purchaser hereunder may be terminated by the Purchaser by notice given to and received by the Company prior to delivery of and payment for the Shares if, (i) prior to that time, any of the events described in Sections 7(d) or 7(e) shall have occurred or (ii) if the Purchaser shall decline to purchase the Shares for any reason permitted under Section 7 of this Agreement.

(b)In the event that the Requisite Shareholder Approvals are not obtained by December 31, 2019 or such later date mutually agreed between the parties, either the Company or the Purchaser may terminate this Agreement upon written notice to the other party. Upon such termination, this Agreement shall have no further force or effect, except for the provisions of Section 8, which shall survive any termination under this Section 9(b), provided that no party who is then in material breach of this Agreement shall be entitled to terminate this Agreement.

10. 2016 Share Purchase Agreement. The Share Purchase Agreement dated as of September 30, 2016, by and between the Company and the Purchaser shall remain in full force and effect except as set forth herein.

11. Notices, etc. All statements, requests, notices and agreements hereunder shall be in writing, and:

(a)if to the Purchaser, shall be delivered or sent by mail or email to:

CDPQ Infrastructures Asia Pte Ltd.
One Raffles Quay
#21-01 North Tower
Singapore 048583
Email: ccabanes@cdpq.com
Attention: Cyril Cabanes

With a copy (which shall not constitute notice) to:

Caisse de dépôt et placement du Québec
Édifice Jacques-Parizeau, 1000, place Jean-Paul-Riopelle
Montréal, Québec H2Z 2B3
Email: affairesjuridiques@cdpq.com
Attention: Legal Affairs Department

and

Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas
New York, NY 10019
Email: agivertz@paulweiss.com
Attention: Adam M. Givertz

(b)if to the Company, shall be delivered or sent by mail or email to:

Azure Power Global Limited
3rd Floor, Asset 301-304 and 307 Worldmark 3
Aerocity, New Delhi – 110037, India
Email: ranjit.gupta@azurepower.com
Attention: Ranjit Gupta

With a copy (which shall not constitute notice) to:

Cleary Gottlieb Steen & Hamilton LLP
37/F Hysan Place, 500 Hennessy Road
Causeway Bay, Hong Kong
Attention: Shuang Zhao, Attn: Robert K. Williams
Email: szhao@cgsh.com; rwilliams@cgsh.com

Any such statements, requests, notices or agreements shall take effect at the time of receipt thereof.

12. Persons Entitled to Benefit of Agreement. This Agreement shall inure to the benefit of and be binding upon the Purchaser, the Company and their respective successors. This Agreement and the terms and provisions hereof are for the sole benefit of only those persons, except that the representations, warranties, indemnities and agreements of the Company contained in this Agreement shall also be deemed to be for the benefit of the Indemnified Parties. Nothing in this Agreement is intended or shall be construed to give any person, other than the persons referred to in this Section 12, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision contained herein.

13. Survival. The respective indemnities, representations, warranties and agreements of the Company and the Purchaser contained in this Agreement pursuant to this Agreement, shall survive the delivery of and payment for the Shares and shall remain in full force and effect, regardless of any investigation made by or on behalf of any of them or any person controlling any of them.

14. Public Announcements. Each party and its respective affiliates shall consult with each other before issuing, and provide each other the opportunity to review and comment upon, any press release or other public statement with respect to the transactions contemplated by this Agreement and shall not issue any such press release or make any such public statement with respect to such matters without the advance approval of the other party following such consultation (such approval not to be unreasonably withheld, delayed or conditioned), except as may be required by applicable law or by the requirements of any securities exchange; provided that, in the event that either party is required by applicable law or the requirements of any securities exchange to issue any such press release or make any public statement and it is not feasible to obtain the advance approval of the other party hereto as required by this Section 14, the party that issues such press release or makes such public statement shall provide the other party with notice and a copy of such press release or public statement as soon as reasonably practicable.

15. Definition of the Terms "Business Day", "Affiliate" and "Subsidiary". For purposes of this Agreement, (a) "**business day**" means each Monday, Tuesday, Wednesday, Thursday or Friday that is not a day on which banking institutions in New York, Quebec City, New Delhi or Port Louis are generally authorized or obligated by law or executive order to close, and (b) "**affiliate**" and "**subsidiary**" have the meanings set forth in Rule 405 under the Securities Act.

16. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York without regard to conflict of laws principles (other than Section 5-1401 of the General Obligations Law).

17. Submission to Jurisdiction, Etc. The Company hereby submits to the non-exclusive jurisdiction of the U.S. federal and New York state courts in the Borough of Manhattan, The City of New York in any suit or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby. The parties hereby irrevocably and unconditionally waive any objection to the laying of venue of any lawsuit, action or other proceeding in such courts, and hereby further irrevocably and unconditionally waive and

agree not to plead or claim in any such court that any such lawsuit, action or other proceeding brought in any such court has been brought in an inconvenient forum. The Company irrevocably appoints CT Corporation System, 28 Liberty St., New York, NY 10005, as its authorized agent in the Borough of Manhattan, The City of New York, New York upon which process may be served in any such suit or proceeding, and agrees that service of process upon such agent, and written notice of said service to the Company by the person serving the same to the address provided in Section 11 shall be deemed in every respect effective service of process upon the Company in any such suit or proceeding. The Company further agrees to take any and all actions as may be necessary to maintain such designation and appointment of such agent in full force and effect for a period of seven years from the date of this Agreement.

18. Waiver of Immunity. With respect to any suit or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby, each party irrevocably waives, to the fullest extent permitted by applicable law, all immunity (whether on the basis of sovereignty or otherwise) from jurisdiction, service of process, attachment (both before and after judgment) and execution to which it might otherwise be entitled, and with respect to any such suit or proceeding, each party waives any such immunity in any court of competent jurisdiction, and will not raise or claim or cause to be pleaded any such immunity at or in respect of any such suit or proceeding, including, without limitation, any immunity pursuant to the U.S. Foreign Sovereign Immunities Act of 1976, as amended.

19. Judgment Currency. The obligation of the Company in respect of any sum due to the Purchaser or any other Indemnified Party under this Agreement shall, notwithstanding any judgment in a currency other than U.S. dollars or any other applicable currency (the "**Judgment Currency**"), not be discharged until the first business day, following receipt by such Indemnified Party of any sum adjudged to be so due in the Judgment Currency, on which (and only to the extent that) such Indemnified Party may in accordance with normal banking procedures purchase U.S. dollars or any other applicable currency with the Judgment Currency; if the U.S. dollars or other applicable currency so purchased are less than the sum originally due to such Indemnified Party hereunder, the Company agrees, as a separate obligation and notwithstanding any such judgment, to indemnify such Indemnified Party against such Loss. If the U.S. dollars or other applicable currency so purchased are greater than the sum originally due to such Indemnified Party hereunder, such Indemnified Party agrees to pay to the Company an amount equal to the excess of the U.S. dollars or other applicable currency so purchased over the sum originally due to such Indemnified Party hereunder.

20. Waiver of Jury Trial. The Company and the Purchaser hereby irrevocably waive, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

21. Counterparts. This Agreement may be executed in one or more counterparts and, if executed in more than one counterpart, the executed counterparts shall each be deemed to be an original but all such counterparts shall together constitute one and the same instrument.

22. Headings. The headings herein are inserted for convenience of reference only and are not intended to be part of, or to affect the meaning or interpretation of, this Agreement.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the date first above written.

AZURE POWER GLOBAL LIMITED

By:
Name:
Title:

Signature Page to Subscription Agreement

CDPQ INFRASTRUCTURES ASIA PTE LTD.

By:
Name:
Title: Authorized Representative

By:
Name:
Title: Authorized Representative

Signature Page to Subscription Agreement

EXHIBIT A-1

FORM OF REGISTRATION RIGHTS AGREEMENT

AMENDED AND RESTATED REGISTRATION RIGHTS AGREEMENT, dated as of , 2019 (this "Agreement"), by and between Azure Power Global Limited, a company incorporated under the laws of Mauritius (the "Company"), and CDPQ Infrastructures Asia Pte Ltd., a company organized and existing under the laws of Singapore (the "Investor").

WHEREAS, on July 14, 2016, the Company entered into a Registration Rights Agreement (the "First Registration Rights Agreement") with the Investors listed thereunder (the "Early Investors").

WHEREAS, the Company and the Investor entered into that certain Registration Rights Agreement, dated as of October 17, 2016, by and between the Company and the Investor (the "Investor Registration Rights Agreement") in connection with the Investor's initial purchase of Equity Shares (as defined in Section 1(a) below).

WHEREAS, on the date hereof the Investor has purchased 6,493,506 additional Equity Shares (the "Additional Shares").

WHEREAS, in connection with the purchase of the Additional Shares by the Investor, the Company and the Investor wish to amend and restate the Investor Registration Rights Agreement and replace it in its entirety with the rights and obligations set forth in this Agreement.

NOW, THEREFORE, in consideration of the premises and the covenants hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, it is agreed as follows:

1.Definitions.

(a) Unless otherwise defined herein, the terms below shall have the following meanings (such meanings being equally applicable to both the singular and plural form of the terms defined):

"Agreement" shall mean this Amended and Restated Registration Rights Agreement, including all amendments, modifications and supplements and any exhibits or schedules to any of the foregoing.

"Business Day" shall mean any day that is not a Saturday, a Sunday or a day on which commercial banks are required or permitted by law to be closed in New York City, Quebec City, New Delhi or Port Louis.

"Equity Shares" shall mean the equity shares, par value US$0.000625 per share, of the Company.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended, and all rules and regulations promulgated thereunder.

"FINRA" shall mean the Financial Industry Regulatory Authority or any successor entity thereof.

"Holder" shall mean the Investor, and any transferee of the Investor to whom Registrable Securities are permitted to be transferred in accordance with the terms of this Agreement and to whom the registration rights with respect to such Registrable Securities have been transferred, and, in each case, who continues to be entitled to the rights of a Holder hereunder.

"Issuer Free Writing Prospectus" means an issuer free writing prospectus, as defined in Rule 433 under the Securities Act.

"Person" shall mean any individual, corporation, partnership, joint venture, firm, trust, unincorporated organization, government or any agency or political subdivision thereof or other entity.

"Registrable Securities" shall mean (a) any and all Equity Shares held by a Holder at any time on or after the date hereof, including any and all Equity Shares held prior to the date hereof by a Holder, the Additional Shares and any and all Equity Shares acquired after the date hereof from the Company, through secondary market purchases or otherwise and (b) any securities issuable or issued or distributed in respect of any of the Equity Shares identified in clause (a) by way of stock dividend or stock split or in connection with a combination of shares, recapitalization, reorganization, merger, consolidation or otherwise. For purposes of this Agreement, (i) Registrable Securities shall cease to be Registrable Securities when a Registration Statement covering such Registrable Securities has been declared effective under the Securities Act by the SEC and such Registrable Securities have been disposed of pursuant to such effective Registration Statement and (ii) the Registrable Securities of a Holder shall not be deemed to be Registrable Securities at any time when the entire amount of Registrable Securities held by such Holder, in the opinion of counsel satisfactory to the Company and such Holder, each in their reasonable judgment, may be, distributed to the public pursuant to Rule 144 (or any successor provision then in effect) under the Securities Act in a single sale or after such Registrable Securities have been sold in a sale made pursuant to Rule 144 of the Securities Act.

"Registration Statement" shall mean a Demand Registration Statement, a Piggy-Back Registration Statement and/or a Shelf Registration Statement, as the case may be.

"Securities Act" shall mean the Securities Act of 1933, as amended, and all rules and regulations promulgated thereunder.

"SEC" shall mean the Securities and Exchange Commission or any successor thereto.

"Selling Holder" shall mean a Holder who is selling Registrable Securities pursuant to a Registration Statement under the Securities Act pursuant to the terms hereof.

(b)The following terms have the meanings set forth in the Section set forth opposite such term:

Term	**Section**
Additional Shares	Recitals
Blackout Period	6
Company	Recitals
Demand for Registration	2(d)
Demand Registration	2(a)
Demand Registration Statement	2(a)
Early Investors	Recitals
Equity Shares	Recitals
First Registration Rights Agreement	Recitals

Indemnified Party	8(d)
Indemnifying Party	8(d)
Investor Registration Rights Agreement	Recitals
Maximum Number of Securities	2(a)
Participating Demand Holders	2(a)
Participating Piggy-Back Holders	3(b)
Piggy-Back Registration	3(a)
Piggy-Back Registration Statement	3(a)
Shelf Registration	2(c)
Shelf Registration Statement	2(c)

(c)This Agreement amends, restates and replaces in its entirety the Investor Registration Rights Agreement.

2.Demand Registration.

(a)After receipt of a written request from the Investor (or any other Holder) requesting that the Company effect a registration (a "Demand Registration") under the Securities Act covering all or part of the Registrable Securities held by the Investor (or such other Holder) which specifies the intended method or methods of disposition thereof, the Company shall promptly notify all Holders in writing of the receipt of such request and each such Holder, in lieu of exercising its rights under Section 3 hereof may elect (by written notice sent to the Company within ten (10) Business Days from the date of such Holder's receipt of the aforementioned notice from the Company) to have all or part of such Holder's Registrable Securities included in such registration thereof pursuant to this Section 2, and such Holder shall specify in such notice the number of Registrable Securities that such Holder elects to include in such registration. Thereupon the Company shall, as expeditiously as is reasonably possible, but in any event no later than (i) forty-five (45) days (excluding any days which occur during a permitted Blackout Period under Section 4 below) after receipt of a written request for a Demand Registration or (ii) if, as of such forty-fifth (45th) day the Company does not have audited financial statements required to be included in a registration statement, thirty (30) days after receipt by the Company from its independent public accountants of such audited financial statements but in no event later than ninety (90) days after receipt of a written request for a Demand Registration Statement, file with the SEC and use its reasonable efforts to cause to be declared effective, a registration statement (a "Demand Registration Statement") relating to all shares of Registrable Securities which the Company has been so requested to register by such Holders ("Participating Demand Holders") for sale, to the extent required to permit the disposition (in accordance with the intended method or methods thereof, as aforesaid) of the Registrable Securities so registered, provided, however, that the aggregate value of the Registrable Securities requested to be registered (i) be at least US$25 million, based on the closing trading price of the Equity Shares on the date the demand to file such Demand Registration Statement is made or (ii) include all Registrable Securities of the Investor (or other Holder) requesting the Demand Registration which remain outstanding at such time.

(b)(1) If the Investor (or other Holder) requesting the Demand Registration or the Participating Demand Holders holding a majority of the shares being so registered in a Demand Registration relating to a public offering so request that the offering be underwritten with a managing underwriter selected in the manner set forth in Section 12 below and such managing underwriter of such Demand Registration advises the Company in writing that, in its opinion, the number of securities to be included in such offering is greater than the total number of securities which can be sold therein without having a material adverse effect on the distribution of such securities or otherwise having a material adverse effect on the marketability thereof (the "Maximum Number of Securities"), then the Company shall include in such Demand Registration the Registrable Securities that the Participating Demand Holders have requested to be registered thereunder only to the extent the number of such Registrable

Securities does not exceed the Maximum Number of Securities. If such amount exceeds the Maximum Number of Securities, the number of Registrable Securities included in such Demand Registration shall be allocated among all the Participating Demand Holders on a pro rata basis (based on the number of Registrable Securities held by each Participating Demand Holder). If the amount of such Registrable Securities does not exceed the Maximum Number of Securities, the Company may include in such Registration any Equity Shares of the Company and other Equity Shares held by other security holders of the Company, as the Company may in its discretion determine or be obligated to allow, in an amount which together with the Registrable Securities included in such Demand Registration shall not exceed the Maximum Number of Securities.

(2) If any Early Investor (or any Holder as defined in the First Registration Rights Agreement) requests pursuant to its piggy-back registration rights under the First Registration Rights Agreement to participate in a Demand Registration (the "Piggy-Back Holders") and the managing underwriter of such Demand Registration advises the Company in writing that, in its opinion, the number of Registrable Securities (including, for this section only, the registrable securities held by the Piggy-Back Holders) to be included in such offering is greater than the Maximum Number of Securities, then the Company shall include in such Demand Registration the Registrable Securities that the Piggy-Back Holders have requested to be registered thereunder only to the extent the number of such Registrable Securities does not exceed the Maximum Number of Securities. If such amount exceeds the Maximum Number of Securities, the number of Registrable Securities included in such Demand Registration shall be allocated among all the Participating Demand Holders and the Piggy-Back Holders on a pro rata basis (based on the number of Registrable Securities held by each Participating Demand Holder or Piggy-Back Holder, as the case may be); provided that (x) the Piggy-Back Holders of Registrable Securities constituting Equity Shares issuable upon conversion of the Series H CCPSs (as defined in the First Registration Rights Agreement) shall have the right upon not more than one occasion to have their Registrable Securities included in such Demand Registration prior to any other Participating Demand Holders or Piggy-Back Holders and (y) if any of International Finance Corporation, DEG-Deutsche Investitions – und Entwicklungsgesellschaft mbH, IFC GIF Investment Company I or Société de Promotion et de Participation pour la Coopération Économique have notified the Company of a Policy Breach (as defined in the First Registration Rights Agreement), and such Policy Breach is not rectified within 120 days after such notice, such Piggy-Back Holders shall have the right to include their Registrable Securities in such Demand Registration prior to any other Participating Demand Holders or Piggy-Back Holders. If the amount of such Registrable Securities does not exceed the Maximum Number of Securities, the Company may include in such Demand Registration any Equity Shares of the Company and other Equity Shares held by other security holders of the Company, as the Company may in its discretion determine or be obligated to allow, in an amount which together with the Registrable Securities included in such Demand Registration shall not exceed the Maximum Number of Securities.

(c)At any time when the Company meets the requirements for the use of Form F-3 (or successor form) or Form S-3 (or successor form) under the Securities Act for registration of a secondary offering of equity securities (a "shelf registration statement"), any Demand Registration Statement may be required by the Investor (or other Holder) requesting the demand therefor, to be in an appropriate form under the Securities Act (a "Shelf Registration Statement") relating to any or all of the Registrable Securities in accordance with the methods and distribution set forth in the Shelf Registration Statement and Rule 415 under the Securities Act (the "Shelf Registration"). In the event an Investor (or other Holder) so requests a Shelf Registration, the Company shall (x) notify all Holders in writing of the receipt of such request and each such Holder may elect (by written notice sent to the Company within fifteen (15) Business Days from the date of such Holder's receipt of the aforementioned notice from the Company) to have all or part of such Holder's Registrable Securities included in such registration thereof pursuant to this Section 2(c), and such Holder shall specify in such notice the number of Registrable Securities that such Holder elects to include in such registration and (y) use its reasonable efforts to (a)

file the Shelf Registration Statement with the SEC and have the Shelf Registration Statement declared effective, (b) subject to Section 4, prepare and file with the SEC such amendments and supplements to the Shelf Registration Statement and the prospectus used in connection therewith (including filing such additional registration statements as necessary and using reasonable efforts to have such registration statements be declared effective so that a Shelf Registration Statement remains continuously effective as set forth below) as may be necessary to comply with the provisions of the Securities Act, and the rules thereunder with respect to the disposition of all securities covered by such Shelf Registration Statement and to keep a shelf registration statement continuously effective with respect to such Registrable Securities, until the earlier of (i) the date on which all Registrable Securities covered by the Shelf Registration Statement have been sold by the Holders, or (ii) the date on which either all such Registrable Securities are distributed to the public pursuant to Rule 144 (or any successor provision then in effect), and (c) comply with the provisions of the Securities Act with respect to the disposition of all securities covered by the Shelf Registration Statement during such period in accordance with the intended methods of disposition by the Holders as set forth in the Shelf Registration Statement. Any offering under a Shelf Registration Statement shall be underwritten at the request of Holders of Registrable Securities under such Registration Statement that hold an aggregate value of the Registrable Securities at least equal to US$10 million, based on the closing trading price of the Equity Shares on a date no earlier than three (3) days prior to such request; provided that the Company shall not be obligated to effect, or take any action to effect, an underwritten offering within six months following the last date on which an underwritten offering was effected pursuant to this Section 2(c) or Section 2(b). Any request for an underwritten offering hereunder shall be made to the Company in accordance with the notice provisions of this Agreement and the managing underwriter for such offering shall be selected in the manner set forth in Section 12 below. If the managing underwriter of an offering described in this Section 2(c) advises the Company and the Selling Holders of the Registrable Securities included in such offering that the size of the intended offering is such that the success of the offering or price per share of the securities sold would be adversely affected by inclusion of all the Registrable Securities requested to be included, then the amount of securities to be offered for the accounts of Holders shall be reduced pro rata (according to the Registrable Securities requested for inclusion) to the extent necessary to reduce the total amount of securities to be included in such offering to the amount recommended by such managing underwriter.

(d)Each Holder shall be entitled to request up to five (5) registrations of Registrable Securities pursuant to this Section 2 (each, a "Demand for Registration"); provided that no more than one (1) Demand for Registration may be made by the Holders per six-month period; and provided further, that a registration requested pursuant to this Section 2 shall not be deemed to have been effected for purposes of this Section 2(d) unless (i) it has been declared effective by the SEC, (ii) it has remained effective for the period set forth in Section 5(a), (iii) Holders of Registrable Securities included in such registration have not withdrawn sufficient shares from such registration such that the remaining holders requesting registration would not have been able to request registration under the provisions of Section 2 and (iv) the offering of Registrable Securities pursuant to such registration is not subject to any stop order, injunction or other order or requirement of the SEC (other than any such stop order, injunction, or other requirement of the SEC prompted by act or omission of Holders of Registrable Securities); and provided further that, in the event a Holder revokes a Demand for Registration (which revocation may only be made prior to the Company requesting acceleration of effectiveness of the applicable Registration Statement), then such Demand for Registration shall count as having been effected unless such Holder pays all the Registration Expenses in connection with such revoked Demand for Registration within thirty (30) days of written request therefor by the Company. Notwithstanding the foregoing, a Holder may revoke a Demand for Registration without being required to reimburse the Company for any of the Registration Expenses and without such demand counting toward the number of Demand for Registrations permitted under this Section 2, if such revocation occurs during a Blackout Period or if there has been a material adverse change in the business of the Company.

(e)Notwithstanding anything to the contrary contained herein, the Company shall not be required to prepare and file any Demand Registration Statement within 90 days following an underwritten offering pursuant to a Demand Registration Statement.

(f)Each Holder agrees that, in connection with any offering pursuant to this Agreement, it will not prepare or use or refer to, any "free writing prospectus" (as defined in Rule 405 of the Securities Act) without the prior written authorization of the Company (which authorization shall not be unreasonably withheld), and will not distribute any written materials in connection with the offer or sale of the Registrable Securities pursuant to any registration statement hereunder other than the prospectus included in a Registration Statement and any such free writing prospectus so authorized.

3.Piggy-Back Registration.

(a)If the Company, proposes to file on its behalf and/or on behalf of any holder of its securities a registration statement under the Securities Act on any form (other than a registration statement on Form S-4 or S-8 or any successor form for securities to be offered in a transaction of the type referred to in Rule 145 under the Securities Act or to employees of the Company pursuant to any employee benefit plan, respectively) for the registration of Equity Shares or preferred stock that is convertible to Equity Shares (a "Piggy-Back Registration"), it will give written notice to all Holders at least twenty (20) days before the initial filing with the SEC of such piggy-back registration statement (a "Piggy-Back Registration Statement"), which notice shall set forth the intended method of disposition of the securities proposed to be registered by the Company or such other holder. The notice shall offer to include in such filing the aggregate number of shares of Registrable Securities as such Holders may request.

(b)Each Holder desiring to have Registrable Securities registered under this Section 3 ("Participating Piggy-Back Holders") shall advise the Company in writing within ten (10) days after the date of receipt of such offer from the Company, setting forth the amount of such Registrable Securities for which registration is requested. The Company shall thereupon include in such filing the number or amount of Registrable Securities for which registration is so requested, subject to paragraph (c) below, and shall use its reasonable efforts to effect registration of such Registrable Securities under the Securities Act.

(c)If the Piggy-Back Registration relates to an underwritten public offering and the managing underwriter of such proposed public offering advises in writing that, in its opinion, the number of Registrable Securities requested to be included in the Piggy-Back Registration in addition to the securities being registered by the Company or such other holder would be greater than the, Maximum Number of Securities (having the same meaning as defined in Section 2 but replacing the term "Demand Registration" with "Piggy-Back Registration"), then:

(i)in the event Company initiated the Piggy-Back Registration, the Company shall include in such Piggy-Back Registration first, the securities the Company proposes to register and second, the securities of all other selling security holders, including the Participating Piggy-Back Holders, to be included in such Piggy-Back Registration in an amount which together with the securities the Company proposes to register, shall not exceed the Maximum Number of Securities, such amount to be allocated among such selling security holders on a pro rata basis (based on the number of securities of the Company held by each such selling security holder);

(ii)in the event any holder of securities of the Company initiated the Piggy-Back Registration, the Company shall include in such Piggy-Back Registration first, the securities such initiating security holder proposes to register, and the securities of any other selling security holders (including Participating Piggy-Back Holders), in an amount which together with the securities the initiating security holder proposes to register, shall not exceed the Maximum Number of Securities, such amount to be allocated among such selling security holders on a pro rata basis (based on the number of securities of the Company held by each such selling security holder) and second, any securities the Company proposes to register, in an amount which together with the securities the initiating security holder and the other selling security holders propose to register, shall not exceed the Maximum Number of Securities;

(d)The Company will not hereafter enter into any agreement, which is inconsistent with the rights of priority provided in paragraph (c) above.

4.Blackout Periods.

The Company shall have the right to delay the filing or effectiveness of a Registration Statement required pursuant to Section 2 or 3 hereof during no more than two (2) periods aggregating to not more than 60 days in any twelve-month period (a "Blackout Period") in the event that (i) the Company would, in accordance with the advice of its counsel, be required to disclose in the prospectus information not otherwise then required by law to be publicly disclosed and (ii) in the judgment of the Company's Board of Directors, there is a reasonable likelihood that such disclosure, or any other action to be taken in connection with the prospectus, would materially and adversely affect or interfere with any financing, acquisition, merger, disposition of assets (not in the ordinary course of business), corporate reorganization or other similar transaction in which the Company is engaged or in respect of which the Company proposes to engage in discussions or negotiations with respect to, or has proposed or taken a substantial step to commence, or there is an event or state of facts relating to the Company which is material to the Company the disclosure of which would, in the reasonable judgment of the Company be adverse to its interests; provided, however, that the Company shall delay during such Blackout Period the filing or effectiveness of any Registration Statement required pursuant to the registration rights of the holders of any securities of the Company. The Company shall promptly give the Holders written notice of such determination; however the Company shall have no obligation to include in any such notice any reference to or description of the facts based upon which the Company is delivering such notice.

5.Registration Procedures.

If the Company is required by the provisions of Section 2 or 3 to use its reasonable efforts to effect the registration of any of its securities under the Securities Act, the Company will, as expeditiously as is reasonably possible:

(a)prepare and file with the SEC a Registration Statement with respect to such securities and use its reasonable efforts to cause such Registration Statement promptly to become and remain effective for a period of time required for the disposition of such Securities by the holders thereof but not to exceed 60 days (except with respect to a Shelf Registration Statement which shall remain effective as set forth in Section 2(c)); provided, however, that before filing such registration statement or any amendments thereto (for purposes of this subsection, amendments shall not be deemed to include any filing that the Company is required to make pursuant to the Exchange Act), the Company shall furnish the Selling Holders and the representatives referred to in Section 5(n) copies of all documents proposed to be filed, which documents will be subject to the review of such counsel. The Company shall not be deemed to have used its reasonable efforts to keep a Registration Statement effective during the applicable period if it voluntarily takes any action that would result in the Holders of such Registrable Securities not being able to sell such Registrable Securities during that period, unless such action is required under applicable law;

(b)prepare and file with the SEC such amendments and supplements to such Registration Statement (or additional Registration Statements as provided in Section 2(c)) and the prospectus used in connection therewith as may be necessary to keep such Registration Statement effective and to comply with the provisions of the Securities Act with respect to the sale or other disposition of all securities covered by such Registration Statement until the earlier of such time as all of such securities have been disposed of in a public offering or the expiration of 60 days

(except with respect to the Shelf Registration Statement, for which such period is set forth in Section 2(c));

(c)furnish to each Selling Holder such number of conformed copies of the applicable Registration Statement and each such amendment and supplement thereto (including in each case all exhibits), and of a summary prospectus or other prospectus, including a preliminary prospectus, in conformity with the requirements of the Securities Act, and such number of copies of any Issuer Free Writing Prospectus and such other documents, as such Selling Holders may reasonably request;

(d)use its reasonable efforts to register or qualify the securities covered by such Registration Statement under such other securities or blue sky laws of such jurisdictions within the United States and Puerto Rico as any Selling Holder or underwriter of such securities shall reasonably request (in light of the intended plan of distribution of such securities), to keep such registration or qualification in effect for so long as such Registration Statement remains in effect or until all Registrable Securities have been sold (whichever is earlier), and to take any other action which may be reasonably necessary to enable such Selling Holder to consummate the disposition in such jurisdictions of the securities owned by such Selling Holder (provided, however, that the Company shall not be required in connection therewith or as a condition thereto to qualify to do business, subject itself to taxation in or to file a general consent to service of process in any jurisdiction wherein it would not but for the requirements of this paragraph (d) be obligated to do so; and provided, further, that the Company shall not be required to qualify such Registrable Securities in any jurisdiction in which the securities regulatory authority requires that any Selling Holder submit any shares of its Registrable Securities to the terms, provisions and restrictions of any escrow, lockup or similar agreement(s) for consent to sell Registrable Securities in such jurisdiction unless such Holder agrees to do so), and do such other reasonable acts and things as may be required of it to enable such Holder to consummate the disposition in such jurisdiction of the securities covered by such Registration Statement;

(e)in connection with an underwritten offering, obtain for each underwriter:

(i)an opinion of independent legal counsel for the Company, covering the matters customarily covered in opinions requested in underwritten offerings and such other matters as may be reasonably requested by such underwriters, and

(ii)a "comfort" letter signed by the independent registered public accountants who have certified the Company's financial statements included in such registration statement (and, if necessary, any other independent registered public accountant of any subsidiary of the Company or any business acquired by the Company from which financial statements and financial data are, or are required to be, included in the registration statement);

(f)use its reasonable efforts to furnish, at the request of any Holder requesting registration of Registrable Securities pursuant to Section 2 or 3, if such Registrable Securities are not being sold through underwriters, on the date that the registration statement with respect to such shares of Registrable Securities becomes effective, (1) an opinion, dated such date, of the independent legal counsel for the Company for the purpose of such registration, addressed as to such matters as the Holders holding a majority of the Registrable Securities included in such registration may reasonably request; and (2) letters dated such date and the date the offering is priced from the independent registered public accountants who have certified the Company's financial statements included in such registration statement (and, if necessary, any other independent registered public accountant of any subsidiary of the Company or any business acquired by the Company from which financial statements and financial data are, or are required to be, included in the registration statement), addressed to the Holders making such request and,

if such accountants refuse to deliver such letters to such Holders, then to the Company (i) stating that they are independent certified public accountants within the meaning of the Securities Act and that, in the opinion of such accountants, the financial statements and other financial data of the Company included in the Registration Statement or the prospectus, or any amendment or supplement thereto, comply as to form in all material respects with the applicable accounting requirements of the Securities Act and (ii) covering such other financial matters (including information as to the period ending not more than five (5) Business Days prior to the date of such letters) with respect to the registration in respect of which such letter is being given as such Holders may reasonably request;

(g)enter into customary agreements (including if the method of distribution is by means of an underwriting, an underwriting agreement in customary form) and take such other actions as are reasonably required in order to expedite or facilitate the disposition of such Registrable Securities;

(h)otherwise use its reasonable efforts to comply with all applicable rules and regulations of the SEC, and make earnings statements satisfying the provisions of Section 11(a) of the Securities Act generally available to the Holders no later than 45 days after the end of any twelve-month period (or 90 days, if such period is a fiscal year) (i) commencing at the end of any fiscal quarter in which Registrable Securities are sold to underwriters in an underwritten public offering, or (ii) if not sold to underwriters in such an offering, beginning with the first month of the Company's first fiscal quarter commencing after the effective date of the Registration Statement, which statements shall cover said twelve-month periods;

(i)use its reasonable efforts to cause all such Registrable Securities to be listed on each securities exchange or quotation system on which similar securities issued by the Company are listed or traded;

(j)give written notice to the Holders:

(i)when such Registration Statement or any amendment thereto has been filed with the SEC and when such Registration Statement or any post-effective amendment thereto has become effective;

(ii)of any request by the SEC for amendments or supplements to such Registration Statement or the prospectus included therein or for additional information;

(iii)of the issuance by the SEC of any stop order suspending the effectiveness of such Registration Statement or the initiation of any proceedings for that purpose;

(iv)of the receipt by the Company or its legal counsel of any notification with respect to the suspension of the qualification of the Equity Shares for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose; and

(v)of the happening of any event that requires the Company to make changes in such Registration Statement or the prospectus in order to make the statements therein not misleading (which notice shall be accompanied by an instruction to suspend the use of the prospectus until the requisite changes have been made);

(k)use its reasonable efforts to prevent the issuance or obtain the withdrawal of any order suspending the effectiveness of such Registration Statement at the earliest possible time;

(l)furnish to each Holder, without charge, at least one copy of such Registration Statement and any post-effective amendment thereto, including financial statements and

schedules, and, if the Holder so requests in writing, all exhibits (including those, if any, incorporated by reference);

(m) upon the occurrence of any event contemplated by Section 5(j)(v) above, promptly prepare a post-effective amendment to such Registration Statement or a supplement to the related prospectus or file any other required document so that, as thereafter delivered to the Holders, the prospectus will not contain an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. If the Company notifies the Holders in accordance with Section 5(j)(v) above to suspend the use of the prospectus until the requisite changes to the prospectus have been made, then the Holders shall suspend use of such prospectus and use their reasonable efforts to return to the Company all copies of such prospectus (at the Company's expense) other than permanent file copies then in such Holder's possession, and the period of effectiveness of such Registration Statement provided for above shall be extended by the number of days from and including the date of the giving of such notice to the date Holders shall have received such amended or supplemented prospectus pursuant to this Section 5(m);

(n)subject to the execution of customary confidentiality agreements satisfactory in form and substance to the Company, pursuant to the reasonable request of the Selling Holders or applicable underwriters, make reasonably available for inspection by any Selling Holders, any underwriter participating in any disposition pursuant to such Registration Statement and any attorney, accountant or other agent retained by the Selling Holders or any representative of the Selling Holders or any such underwriter all relevant financial and other records, pertinent corporate documents and properties of the Company and cause the Company's officers, directors and employees to supply all relevant information reasonably requested by such representative or any such underwriter, attorney, accountant or agent in connection with the registration; provided that any such inspection shall be done in a manner so as not to disrupt the operation of the Company's business.

(o)in connection with any underwritten offering pursuant to which Registrable Securities are offered by Holders in accordance with Section 2 or 3 hereof, make appropriate officers of the Company available to the Selling Holders (and, in connection with any underwritten offering, the underwriters) for diligence and for meetings with prospective purchasers of the Registrable Securities and prepare and present to potential investors customary "road show" material in each case in accordance with the recommendations of the underwriters and in all respects in a manner consistent with other new issuances of securities in an offering of a similar size to such offering of the Registrable Securities, in connection with any proposed sale of the Registrable Securities; and

(p)use reasonable efforts to procure the cooperation of the Company's transfer agent in settling any offering or sale of Registrable Securities, including with respect to the transfer of physical stock certificates into book-entry form in accordance with any procedures reasonably requested by the Selling Holders or the underwriters.

It shall be a condition precedent to the obligation of the Company to take any action pursuant to this Agreement in respect of the Registerable Securities which are to be registered at the request of any Holder that such Holder shall furnish to the Company such information regarding the Registrable Securities held by such Holder and the intended method of disposition thereof as the Company shall reasonably request and as shall be required in connection with the action taken by the Company.

6.Expenses.

All expenses incurred in connection with each registration pursuant to Sections 2 and 3 of this Agreement, excluding underwriters' discounts and commissions, but including without limitation all registration, filing and qualification fees, word processing, duplicating, printers' and accounting fees (including the expenses of any special audits or "comfort" letters required by or incident to such performance and compliance), all fees and expenses of counsel to the Company, all expenses and application fees incurred in connection with any filing with, and clearance of the offering by, FINRA, all fees and expenses incurred in connection with the listing of the Registrable Securities, the reasonable fees and expenses of any special experts retained by the Company in connection with any such registration, messenger and delivery expenses, all fees and expenses of complying with state securities or blue sky laws, fees and disbursements of counsel for the Company, fees and expenses of the Company and the underwriters relating to "road show" investor presentations, including the cost of any aircraft chartered for such purpose, and the fees and disbursements of one counsel for the Selling Holders (which counsel shall be selected by the Holders holding a majority in interest of the Registrable Securities being registered), (collectively the "Registration Expenses") shall be paid by the Company. The Holders shall bear and pay (i) the underwriting commissions and discounts, brokerage commissions and transfer taxes and stamp duties, in each case applicable to securities offered for their account in connection with any registrations, filings and qualifications made pursuant to this Agreement and (ii) except as specifically set forth in this Section 6, all fees and expenses of advisors to the Holders and other out-of-pocket expenses of the Holders.

7.Rule 144 Information.

With a view to making available the benefits of certain rules and regulations of the SEC which may at any time permit the sale of the Registrable Securities to the public without registration, at all times after ninety (90) days after any registration statement covering securities of the Company shall have become effective, the Company agrees to:

(i)make and keep public information available, as those terms are understood and defined in Rule 144 under the Securities Act;

(ii)use its reasonable best efforts to file with the SEC in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act; and

(iii)furnish to each Holder of Registrable Securities forthwith upon request a written statement by the Company as to its compliance with the reporting requirements of such Rule 144 and of the Securities Act and the Exchange Act, a copy of the most recent annual or quarterly report of the Company, and such other reports and documents so filed by the Company as such Holder may reasonably request in availing itself of any rule or regulation of the SEC allowing such Holder to sell any Registrable Securities without registration; provided that the Company shall not be required to furnish to any Holder any document that is publicly available at the time of such request.

8.Indemnification and Contribution.

(a)The Company shall indemnify and hold harmless each Selling Holder, such Selling Holder's directors and officers, each person who participates in the offering of such Registrable Securities, including underwriters (as defined in the Securities Act), and each person, if any, who controls such Selling Holder or participating person within the meaning of the Securities Act, against any losses, claims, damages or liabilities, joint or several, to which they may become subject under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or proceedings in respect thereof) arise out of or are based on any untrue or alleged untrue statement of any material fact

contained in such registration statement on the effective date thereof (including any prospectus filed under Rule 424 under the Securities Act or any amendments or supplements thereto) or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and shall reimburse each such Selling Holder, such Selling Holder's directors and officers, such participating person or controlling person for any legal or other expenses reasonably incurred by them (but not in excess of expenses incurred in respect of one counsel for all of them unless there is an actual conflict of interest between any indemnified parties, which indemnified parties may be represented by separate counsel) in connection with investigating or defending any such loss, claim, damage, liability or action; provided, that the Company shall not be liable to any Selling Holder, such Selling Holder's directors and officers, participating person or controlling person in any such case for any such loss, claim, damage, liability or action to the extent that it arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in connection with such registration statement, preliminary prospectus, final prospectus or amendments or supplements thereto, in reliance upon and in conformity with written information furnished expressly for use in connection with such registration by any such Selling Holder, such Selling Holder's directors and officers, participating person or controlling person. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of any such Selling Holder, such Selling Holder's directors and officers, participating person or controlling person, and shall survive the transfer of such securities by such Selling Holder.

(b)Each Selling Holder requesting or joining in a registration severally and not jointly shall indemnify and hold harmless the Company, each of its directors and officers, each person, if any, who controls the Company within the meaning of the Securities Act, and each agent and any underwriter for the Company (within the meaning of the Securities Act) against any losses, claims, damages or liabilities, joint or several, to which the Company or any such director, officer, controlling person, agent or underwriter may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or proceedings in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in such registration statement on the effective date thereof (including any prospectus filed under Rule 424 under the Securities Act or any amendments or supplements thereto) or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in such registration statement, preliminary or final prospectus, or amendments or supplements thereto, in reliance upon and in conformity with written information relating to such Selling Holder furnished by or on behalf of such Selling Holder expressly for use in connection with such registration, in which case such Selling Holder shall reimburse any documented legal or other expenses reasonably incurred by the Company or any such director, officer, controlling person, agent or underwriter in connection with investigating or defending any such loss, claim, damage, liability or action; provided, that the liability of a Selling Holder hereunder shall be limited to the aggregate net proceeds received by such Selling Holder in the offering giving rise to such liability.

(c)If the indemnification provided for in this Section 8 from the indemnifying party is unavailable to an indemnified party hereunder in respect of any losses, claims, damages, liabilities or expenses referred to therein, then the indemnifying party, in lieu of indemnifying such indemnified party, shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages, liabilities or expenses in such proportion as is appropriate to reflect the relative fault of the indemnifying party and indemnified parties in connection with the actions which resulted in such losses, claims, damages, liabilities or expenses, as well as any other relevant equitable considerations. The relative fault of such indemnifying party and indemnified parties shall be determined by reference to, among other things, whether any action in question, including any untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact, has been made by, or relates to information supplied by, such indemnifying party or indemnified parties, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such action. The amount

paid or payable by a party as a result of the losses, claims, damages, liabilities and expenses referred to above shall be deemed to include any legal or other fees or expenses reasonably incurred by such party in connection with any investigation or proceeding.

The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 8(c) were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in the immediately preceding paragraph. No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation.

(d)Any Person entitled to indemnification hereunder (the "Indemnified Party") agrees to give prompt written notice to the indemnifying party (the "Indemnifying Party") after the receipt by the Indemnified Party of any written notice of the commencement of any action, suit, proceeding or investigation or threat thereof made in writing for which the Indemnified Party intends to claim indemnification or contribution pursuant to this Agreement; provided, that the failure so to notify the Indemnified Party shall not relieve the Indemnifying Party of any liability that it may have to the Indemnifying Party hereunder unless such failure is materially prejudicial to the Indemnifying Party. If notice of commencement of any such action is given to the Indemnifying Party as above provided, the Indemnifying Party shall be entitled to participate in and, to the extent it may wish, to assume the defense of such action at its own expense, with counsel chosen by it and reasonably satisfactory to such Indemnified Party. The Indemnified Party shall have the right to employ separate counsel in any such action and participate in the defense thereof, but the fees and expenses of such counsel shall be paid by the Indemnified Party unless (i) the Indemnifying Party agrees to pay the same, (ii) the Indemnifying Party fails to assume the defense of such action within thirty (30) days' notice of a request to do so, or (iii) the named parties to any such action (including any impleaded parties) have been advised by such counsel that either (A) representation of such Indemnified Party and the Indemnifying Party by the same counsel would be inappropriate under applicable standards of professional conduct or (B) there are one or more legal defenses available to it which are substantially different from or additional to those available to the Indemnifying Party. Notwithstanding any other provision of this Agreement, no Indemnifying Party shall be liable for any settlement entered into without its written consent, which consent shall not be unreasonably withheld.

(e)The agreements contained in this Section 8 shall survive the transfer of the Registrable Securities by any Selling Holder and sale of all the Registrable Securities pursuant to any registration statement and shall remain in full force and effect, regardless of any investigation made by or on behalf of any Selling Holder or such director, officer or participating or controlling Person.

9.Certain Additional Limitations on Registration Rights.

(a)Notwithstanding the other provisions of this Agreement, the Company shall not be obligated to register the Registrable Securities of any Holder (i) if such Holder or any underwriter of such Registrable Securities shall fail to furnish to the Company necessary information in respect of the distribution of such Registrable Securities, or (ii) if such registration involves an underwritten offering, such Registrable Securities are not included in such underwritten offering on the same terms and conditions as shall be applicable to the other Registrable Securities being sold through underwriters in the registration or such Holder fails to enter into an underwriting agreement in customary form with the underwriter or underwriters selected for such underwritten offering.

(b)Each Selling Holder selling Equity Shares in an underwritten offering under a Registration Statement agrees to enter into a customary lock-up agreement with the managing underwriter for such offering agreeing not to effect any public sale or distribution of any Registrable Securities or of any securities convertible into or exchangeable or exercisable for such Registrable Securities, including a sale pursuant to Rule 144 under the Securities Act during the 90-day period

beginning on the date of such underwritten offering (except as part of such registration), and the Company agrees to use its reasonable efforts to cause its directors and executive officers to enter into a lock-up agreement of the same term, in each case if and to the extent requested by the managing underwriter for such offering.

(c)The Investor (or any other Holder) agrees that it will not, directly or indirectly make any demand for or exercise any right or cause to be filed a Registration Statement, including any amendments thereto, with respect to the registration of any Registrable Securities or publicly disclose the intention to do the foregoing for the period ending on the 180th day after the date hereof.

10.Limitations on Registration of Other Securities; Representation.

From and after the date of this Agreement, the Company shall not, without the prior written consent of a majority in interest of the Holders, enter into any agreement with any holder or prospective holder of any securities of the Company giving such holder or prospective holder any registration rights the terms of which are more favorable taken as a whole than the registration rights granted to the Holders hereunder unless the Company shall also give such rights to the Holders hereunder.

11.No Inconsistent Agreements.

The Company will not hereafter enter into any agreement with respect to its securities, which is inconsistent in any material respects with the rights granted to the Holders in this Agreement.

12.Selection of Managing Underwriters.

In the event the Investor requesting a Demand Registration has, or the Participating Demand Holders have, requested an underwritten offering, or the Holders of Registrable Securities covered by a Shelf Registration Statement have requested an underwritten offering, the underwriter or underwriters shall be selected by the Investor, the Participating Demand Holders holding a majority of the shares being so registered, or the Selling Holders requesting an underwritten offering under the Shelf Registration (as the case may be) and shall be approved by the Company, which approval shall not be unreasonably withheld or delayed, provided, (i) that all of the representations and warranties by, and the other agreements on the part of, the Company to and for the benefit of such underwriters shall also be made to and for the benefit of such Holders of Registrable Securities, to the extent applicable, (ii) that any or all of the conditions precedent to the obligations of such underwriters under such underwriting agreement shall be conditions precedent to the obligations of such Holders of Registrable Securities, and (iii) that no Holder shall be required to make any representations or warranties to or agreements with the Company or the underwriters other than representations, warranties or agreements regarding such Holder, the Registrable Securities of such Holder and such Holder's intended method of distribution and any other representations required by law or reasonably required by the underwriter. Subject to the foregoing, all Holders proposing to distribute Registrable Securities through such underwritten offering shall enter into an underwriting agreement in customary form with the underwriter or underwriters. If any Holder of Registrable Securities disapproves of the terms of the underwriting, such Holder may elect to withdraw all its Registrable Securities by written notice to the Company, the managing underwriter and the other Holders participating in such registration. The securities so withdrawn shall also be withdrawn from registration.

13.Miscellaneous.

(a)Specific Performance. The parties hereto agree that irreparable damage would occur in the event any provision of the Agreement was not performed in accordance with the terms hereof and

that the parties hereto shall be entitled to specific performance of the terms hereof, in addition to any other remedy at law or in equity.

(b)Amendments and Waivers; Assignment. (i) Any provision of this Agreement may be amended or waived if, and only if, such amendment or waiver is in writing and signed, in the case of an amendment, by the Company and a majority in interest of the Holders or, in the case of a waiver, by the party or parties against whom the waiver is to be effective; provided, however, that waiver by the Holders shall require the consent of a majority in interest of the Holders.

(ii)No failure or delay by any party in exercising any right, power or privilege hereunder (other than a failure or delay beyond a period of time specified herein) shall operate as a waiver thereof and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

(c)Notice Generally. All notices, request, claims, demands and other communications hereunder shall be in writing and shall be given (and shall be deemed to have been duly given upon receipt) by delivery in person, by courier service, by fax or by registered or certified mail (postage prepaid, return receipt requested) to the respective parties at the following addresses (or at such other address for a party as shall be specified by notice given in accordance with this Section 13(c):

(i)If to the Investor, at such address set forth on the signature page hereto or at such other address as may be substituted by notice given as herein provided.

(ii)If to any other Holder, at its last known address appearing on the books of the Company maintained for such purpose.

(iii)If to the Company, at

Azure Power Global Limited
3rd Floor, Asset 301-304 and 307 Worldmark 3
Aerocity, New Delhi – 110037, India
Email: ranjit.gupta@azurepower.com
Attention: Ranjit Gupta

or at such other address as may be substituted by notice given as herein provided.

(d)Successors and Assigns; Third Party Beneficiaries. This Agreement shall inure to the benefit of and be binding upon the successors and permitted assigns of the parties hereto as hereinafter provided. The registration rights of any Holder with respect to any Registrable Securities may be transferred to any Person who is the transferee of such Registrable Securities; provided that the Company shall have received, as a condition to the effectiveness of such transfer, notice of such transfer and a written agreement of the transferee to be bound by the provisions of this Agreement. All of the obligations of the Company hereunder shall survive any such transfer. Except as provided in Section 8, no Person other than the parties hereto and their successors and permitted assigns is intended to be a beneficiary of this Agreement.

(e)Headings. The headings and subheadings in this Agreement are included for convenience and identification only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof.

(f)Governing Law; Jurisdiction. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

(i)Any claim, action, suit or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby may be heard and determined in any New York state or federal court sitting in The City of New York, County of Manhattan, and each of the parties hereto hereby consents to the nonexclusive jurisdiction of such courts (and of the appropriate appellate courts therefrom in any such claim, action, suit or proceeding) and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of venue of any such claim, action, suit or proceeding in any such court or that any such claim, action, suit or proceeding that is brought in any such court has been brought in an inconvenient forum.

(ii)Subject to applicable law, process in any such claim, action, suit or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court. Without limiting the foregoing and subject to applicable law, each party agrees that service of process on such party as provided in (g) below shall be deemed effective service of process on such party. Nothing herein shall affect the right of any party to serve legal process in any other manner permitted by law or at equity. WITH RESPECT TO ANY SUCH CLAIM, ACTION, SUIT OR PROCEEDING IN ANY SUCH COURT, EACH OF THE PARTIES IRREVOCABLY WAIVES AND RELEASES TO THE OTHER ITS RIGHT TO A TRIAL BY JURY, AND AGREES THAT IT WILL NOT SEEK A TRIAL BY JURY IN ANY SUCH PROCEEDING.

(g)Agent for Service of Process. As long as any of the Registrable Securities remain outstanding, the Company will at all times have an authorized agent in the City of New York, upon whom process may be served in any legal action or proceeding arising out of or relating to this Agreement. Service of process upon such agent and written notice of such service mailed or delivered to the Company shall to the fullest extent permitted by applicable law be deemed in every respect effective service of process upon the Company in any such legal action or proceeding. The Company hereby appoints CT Corporation System as its agent for such purpose, and covenants and agrees that service of process in any suit, action or proceeding may be made upon it at the office of such agent at 28 Liberty St., New York, NY 10005. Notwithstanding the foregoing, the Company may, with prior written notice to the Holders, terminate the appointment of CT Corporation System and appoint another agent for the above purposes so that the Company shall at all times have an agent for the above purposes in the City of New York.

(h)Severability. If any term or other provision of this Agreement is held to be invalid, illegal or incapable of being enforced by any rule, law, or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions is not affected in any manner materially adverse to any party. Upon a determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

(i)Entire Agreement. This Agreement constitutes the entire agreement among the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements and understandings pertaining thereto.

(j)Cumulative Remedies. The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive its right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

(k)Construction. Each party hereto acknowledges and agrees it has had the opportunity to draft, review and edit the language of this Agreement and that no presumption for or against any party

arising out of drafting all or any part of this Agreement will be applied in any dispute relating to, in connection with or involving this Agreement. Accordingly, the parties hereto hereby waive the benefit of any rule of law or any legal decision that would require, in cases of uncertainty, that the language of a contract should be interpreted most strongly against the party who drafted such language.

(l)Shareholding. If the Purchaser or its affiliates do not have a Schedule 13D with respect to the Equity Shares on file with the SEC, upon the written request of the Company, each Holder agrees to promptly advise the Company in writing as to the number of Registrable Securities then beneficially owned by such Holder.

(m)Certain Termination. Sections 2, 3 and 10 of this Agreement shall terminate with respect to any Holder when (a) such Holder no longer holds any Registrable Securities and (b) the Company is no longer obligated to take any action at the request of such Holder pursuant to Sections 2 and 3; provided that all other provisions of this Agreement shall survive any such termination.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

AZURE POWER GLOBAL LIMITED

By:
Name:
Title:

CDPQ INFRASTRUCTURES ASIA PTE LTD.

By:
Name:
Title:

By:
Name:
Title:

Address for Notice:

CDPQ Infrastructures Asia Pte Ltd.
1 Raffles Quay #21-01
Singapore 048583
Email: ccabanes@cdpq.com
Attention: Cyril Cabanes
With a copy (which shall not constitute notice) to:

Caisse de dépôt et placement du Québec
Édifice Jacques-Parizeau
1000, place Jean-Paul Riopelle
Montréal, Québec H2Z 2B3
Email: fduquette@cdpq.com
Attention: François Duquette

and

Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas
New York, NY 10019
Email: agivertz@paulweiss.com
Attention: Adam M. Givertz

Exhibit 4.31

AZURE POWER SOLAR ENERGY PRIVATE LIMITED
as Company

AZURE POWER GLOBAL LIMITED
as Parent

HSBC BANK USA, NATIONAL ASSOCIATION
as Trustee, Notes Collateral Agent and Common Collateral Agent

INDENTURE

Dated as of September 24, 2019

5.65% SENIOR NOTES DUE 2024

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INDENTURE dated as of September 24, 2019 among Azure Power Solar Energy Private Limited, a public company with limited liability incorporated under the laws of Mauritius (the "*Company*"), Azure Power Global Limited, a public company with limited liability incorporated under the laws of Mauritius (the "*Parent*") and HSBC Bank USA, National Association, as trustee (the "*Trustee*"), notes collateral agent (the "*Notes Collateral Agent*") and common collateral agent (the "*Common Collateral Agent*" and together with the Notes Collateral Agent, the "*Collateral Agents*").

The Company, the Parent and the Trustee agree as follows for the benefit of each other and for the equal and ratable benefit of the Holders (as defined herein) of the Initial Notes and any Additional Notes (as defined herein) issued under this Indenture (collectively, the "*Notes*").

ARTICLE 1
DEFINITIONS

Section 1.01 *Definitions*.

"*144A Definitive Note*" means the Definitive Note issued in exchange for beneficial interests in the 144A Global Note.

"*144A Global Note*" means a Global Note substantially in the form of Exhibit A bearing the Global Note Legend and the Private Placement Legend and deposited with or on behalf of, and registered in the name of, the Depositary or its nominee that will be issued in a denomination equal to the outstanding principal amount of the Notes sold in reliance on Rule 144A.

"*Additional Notes*" means additional Notes (other than the Initial Notes) issued under this Indenture in accordance with Sections 2.02 and 4.09, as part of the same series as the Initial Notes; *provided that* any Additional Notes that are not fungible with the Notes for U.S. federal income tax purposes shall have a separate CUSIP number than any previously issued Notes, unless the Notes and the Additional Notes are issued with no more than a *de minimus* amount of original issue discount for U.S. federal income tax purposes, but shall otherwise be treated as a single class with all other Notes issued under this Indenture.

"*Affiliate*" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control," as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise. For purposes of this definition, the terms "controlling," "controlled by" and "under common control with" have correlative meanings.

"*Agent*" *or* "*Agents*" means any Registrar, Transfer Agent, Paying Agent and/or additional paying agent.

"*Authorized Officer*" means, with respect to the Company, the Parent or a Guarantor, as applicable, any one person, officer, a director, who, in each case, is authorized to represent the Company, the Parent or a Guarantor, as the case may be, as designated in the Authorization Certificate furnished to the Trustee.

"*Applicable Premium*" means, with respect to a Note at any redemption date, the greater of (1) 1.00% of the principal amount of such Note and (2) the excess of (a) the present value at such redemption date of the redemption price of such Note at September 24, 2022 (such redemption price being set forth in the table appearing in Section 3.07(c)), plus all required remaining scheduled interest payments due on such Note through September 24, 2022 (but excluding accrued and unpaid interest, if any, to (but not including)

the redemption date), computed using a discount rate equal to the Treasury Rate plus 50 basis points, over
(b) the principal amount of such Note on such redemption date.

"*Asset Acquisition*" means an acquisition by any Restricted Subsidiary of the property and assets of any Person (other than a Restricted Subsidiary) that constitute substantially all of a division or line of business of such Person.

"*Asset Disposition*" means the sale or other disposition by any Restricted Subsidiary (other than to another Restricted Subsidiary) of all or substantially all of the assets that constitute a division or line of business of any Restricted Subsidiary.

"*Asset Sale*" means the sale, lease, conveyance or other disposition of any assets or rights (including by way of merger, consolidation or Sale and Leaseback Transaction and including any sale or issuance of the Capital Stock of any Restricted Subsidiary) in one transaction or a series of related transactions by the Company or any other Restricted Subsidiary to any Person; *provided that* "Asset Sale" shall not include:

(1) the sale, lease, transfer or other disposition of inventory, products, services, accounts receivable or other current assets in the ordinary course of business;

(2) Restricted Payments permitted to be made under Section 4.07 or any Permitted Investment;

(3) sales, transfers or other dispositions of assets with a Fair Market Value not in excess of US$1.0 million (or the Dollar Equivalent thereof);

(4) any sale or other disposition of damaged, worn-out or obsolete or permanently retired assets (including the abandonment or other disposition of property that is no longer economically practicable to maintain or useful in the conduct of the business of the Restricted Group II);

(5) any sale, transfer or other disposition deemed to occur in connection with creating or granting any Permitted Lien;

(6) a transaction covered by Section 4.16 or Section 5.01;

(7) any sale, transfer or other disposition of any assets by the Company or any other Restricted Subsidiary, including the sale or issuance by the Company or any other Restricted Subsidiary of any Capital Stock of any Restricted Subsidiary, to the Company or any other Restricted Subsidiary;

(8) any sale, transfer or other disposition of any national, state or foreign production tax credit, tax grant, renewable energy credit, carbon emission reductions, certified emission reductions or similar credits based on the generation of electricity from renewable resources or investment in renewable generation and related equipment and related costs, or the sale or issuance of Capital Stock entitling the holder thereof to benefit from any such items;

(9) any sale, transfer or other disposition of licenses and sublicenses of software or intellectual property in the ordinary course of business;

(10) any surrender or waiver of contract rights or settlement, release, recovery on or surrender of contract, tort or other claims in the ordinary course of business;

(11) the sale or other disposition of cash or Temporary Cash Equivalents;

(12) dispositions of receivables in connection with the compromise, settlement or collection thereof in the ordinary course of business or in bankruptcy or similar proceedings and exclusive of factoring or similar arrangements;

(13) transfers resulting from any casualty or condemnation of property;

(14) dispositions of investments in joint ventures to the extent required by or made pursuant to buy/sell arrangements between the joint parties;

(15) the unwinding of any Hedging Obligation;

(16) the sale, transfer or other disposition of Capital Stock of a Restricted Subsidiary to an offtaker or an Affiliate of an offtaker of a project owned and operated by a Restricted Subsidiary; and

(17) the sale, transfer or other disposition of contract rights, development rights or resource data obtained in connection with the initial development of a project prior to the commencement of commercial operations of such project.

"*Attributable Indebtedness*" means, in respect of a Sale and Leaseback Transaction, the present value, discounted at the interest rate implicit in the Sale and Leaseback Transaction, of the total obligations of the lessee for rental payments during the remaining term of the lease in the Sale and Leaseback Transaction.

"*Applicable Procedures*" means, with respect to any transfer or exchange of or for beneficial interests in any Global Note, the rules and procedures of the Depositary, Euroclear and Clearstream that apply to such transfer or exchange.

"*Average Life*" means, at any date of determination with respect to any Indebtedness, the quotient obtained by dividing (1) the sum of the products of (a) the number of years from such date of determination to the dates of each successive scheduled principal payment of such Indebtedness and (b) the amount of such principal payment by (2) the sum of all such principal payments.

"*Bankruptcy Law*" means the United States Bankruptcy Code of 1978 or any similar U.S. federal or state law or foreign law for the relief of debtors.

"*Board of Directors*" means:

(1) with respect to a corporation, the board of directors of the corporation;

(2) with respect to a partnership, the board of directors of the general partner of the partnership;

(3) with respect to a limited liability company, the managing member or members or any controlling committee of managing members thereof; and

(4) with respect to any other Person, the board or committee of such Person serving a similar function,

including, in each case, any committee thereof duly authorized to act on its behalf.

"*Board Resolution*" means any resolution of the Board of Directors taking an action which it is authorized to take and (i) adopted at a meeting duly called and held at which a quorum of members (if so required) was present and acting throughout or (ii) adopted by written resolution of a majority of the members of the Board of Directors.

"*Business Day*" means any day which is not a Saturday, Sunday, legal holiday or other day on which banking institutions in The City of New York, London, Mauritius, Singapore or India (or in any other place in which payments on the Notes are to be made) are authorized by law or governmental regulation to close.

"*Capital Lease Obligations*" means, at the time any determination is to be made, the amount of the liability in respect of a capital lease that would at that time be required to be capitalized on a balance sheet prepared in accordance with GAAP, and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be prepaid by the lessee without payment of a penalty; *provided that* for purposes of this Indenture, GAAP will be deemed to treat operating leases in a manner consistent with the treatment thereof under GAAP as in effect prior to the adoption of Ind-AS 116 – Leases, notwithstanding any modification or interpretative changes thereto, and not as a Capital Lease Obligation.

"*Capital Stock*" means:

(1) in the case of a corporation, corporate stock;

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership interests (whether general or limited) or membership interests; and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person, but excluding from all of the foregoing any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with Capital Stock.

"*Capital Subsidies*" means the central financial assistance for rooftop solar projects provided to certain Restricted Subsidiaries as set forth and further described in the guidelines or schemes issued by the Indian Ministry of New and Renewable Energy.

"*Change of Control*" means the occurrence of any of the following events:

(1) the direct or indirect sale, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of either (a) for so long as the Parent Guarantee is outstanding, the Parent and the Restricted Group II, taken as a whole, or (b) the Restricted Group II, taken as a whole, in each case to any "person" (within the meaning of Section 13(d) of the Exchange Act), other than one or more Permitted Holders, (for the avoidance of doubt, any sale, transfer, conveyance or other disposition of all or substantially all of the Restricted Group II required by applicable law, rule, regulation or order will constitute a Change of Control under this definition);

(2) if either of the Parent or the Company consolidates with, or merges with or into, any Person (other than one or more Permitted Holders), or any Person (other than one or more Permitted Holders) consolidates with, or merges with or into, the Parent or the Company, in any such event pursuant to a transaction in which any of the outstanding Voting Stock of the Parent or the Company, as the case may be, or such other Person is converted into or exchanged for cash, securities or other property, other than any such transaction where the Voting Stock of the Parent or the Company, as the case may be, outstanding immediately prior to such transaction is converted into or exchanged for (or continues as) Voting Stock (other than Disqualified Stock) of the surviving or transferee Person constituting a majority of the outstanding shares of Voting Stock of such surviving or transferee Person (immediately after giving effect to such issuance);

(3) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act), other than the Permitted Holders, is or becomes the "beneficial owner" (as such term is used in Rule 13d-3 of the Exchange Act), directly or indirectly, of more than 50% of the total voting power of the Voting Stock of the Parent;

(4) the adoption of a plan relating to the liquidation or dissolution of the Parent or the Company (other than a liquidation or dissolution of the Parent or the Company, respectively, undertaken in compliance with Section 5.01; or

(5) the Parent ceasing to be the "beneficial owner" (as such term is used in Rule 13d-3 of the Exchange Act), directly or indirectly, of more than 50% of the total voting power of the Voting Stock of any Restricted Subsidiary.

"*Change of Control Triggering Event*" means the occurrence of a Change of Control and, if the Notes are rated, a Rating Decline.

"*Clearstream*" means Clearstream Banking, S.A.

"*Collateral Documents*" means the security agreements, pledge agreements, agency agreements and other instruments and documents executed and delivered pursuant to this Indenture or any of the foregoing, as the same may be amended, supplemented or otherwise modified from time to time and pursuant to which Collateral is pledged, assigned or granted to or on behalf of the Collateral Agent for the ratable benefit of the Holders and the Trustee, including the Pari Passu Collateral Document and the Notes Collateral Document.

"*Combined Indebtedness*" means, as of any date of determination, the aggregate amount of (a) Indebtedness of the Restricted Group II on such date on a combined basis, to the extent appearing as a liability upon the combined balance sheet (excluding the footnotes thereto) of the Restricted Group II prepared in accordance with GAAP (excluding callable loans to Affiliates), as adjusted for any gain or loss in respect of Hedging Obligations of the Restricted Group II (to the extent appearing as a gain or loss upon the combined balance sheet (excluding the footnotes thereto) of the Restricted Group II prepared in accordance with GAAP), *plus* (b) an amount equal to the greater of the liquidation preference or the maximum fixed redemption or repurchase price of all Disqualified Stock of the Company and all Preferred Stock of Restricted Subsidiaries, in each case, determined on a combined basis in accordance with GAAP.

"*Combined Interest Expense*" means, with respect to the Restricted Group II for any period, the amount that would be included in gross interest expense (excluding any interest on Subordinated Shareholder Debt accrued during such period) on a combined income statement prepared in accordance with GAAP for such period of the Restricted Group II (*provided,* for the avoidance of doubt, that such gross

interest expense shall not be net of interest income), plus, to the extent not included in such gross interest expense, and to the extent accrued or payable during such period by the Restricted Group II, without duplication, (1) interest expense attributable to Capital Lease Obligations, (2) amortization of debt issuance costs and original issue discount expense and non-cash interest payments in respect of any Indebtedness,
(3) the interest portion of any deferred payment obligation, (4) all commissions, discounts and other fees and charges with respect to letters of credit or similar instruments issued for financing purposes or in respect of any Indebtedness, (5) the net costs associated with Hedging Obligations with respect to Indebtedness (including the amortization of fees), (6) interest accruing on Indebtedness of any other Person that is Guaranteed by, or secured by a Lien on any asset of, the Restricted Group II and (7) any capitalized interest. Notwithstanding any of the foregoing, Combined Interest Expenses shall not include any payments on any operating leases, including without limitation any payments on any lease, concession or license of property (or Guarantee thereof) which would be considered an operating lease under GAAP as in effect prior to the adoption of Ind-As 116 – Leases.

"*Combined Leverage Ratio*" means, with respect to the Restricted Group II as of any date of determination, the ratio of:

(1) Combined Indebtedness on such date to;

(2) Stated EBITDA for the then most recently concluded period of two semi-annual fiscal periods for which financial statements are available (the "*Reference Period*"); *provided, however, that* in making the foregoing calculation:

(a) acquisitions of any Person, business or group of assets that constitutes an operating unit or division of a business that have been made by the Restricted Group II, including through mergers, consolidations, amalgamations or otherwise, or by any acquired Person, and including any related financing transactions and including increases in ownership of Restricted Subsidiaries, during the Reference Period or subsequent to such Reference Period and on or prior to the date on which the event for which the calculation of the Combined Leverage Ratio is made (the "*Calculation Date*") (including transactions giving rise to the need to calculate such Combined Leverage Ratio) will be given pro forma effect as if they had occurred on the first day of the Reference Period; and

(b) the Stated EBITDA attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses (and ownership interests therein) disposed of on or prior to the Calculation Date (including transactions giving rise to the need to calculate such Combined Leverage Ratio), will be excluded.

For purposes of this definition, whenever pro forma effect is to be given to a transaction referred to in clause (a) or (b) including, the amount of Stated EBITDA associated therewith, the pro forma calculation shall be based on the Reference Period immediately preceding the calculation date. In determining the amount of Indebtedness outstanding on any date of determination, pro forma effect will be given to any incurrence, repayment, repurchase, defeasance or other acquisition, retirement or discharge of Indebtedness, Disqualified Stock or Preferred Stock of any Restricted Subsidiary on such date.

"*Combined Net Income*" means, for any period, the aggregate of the net income of the Restricted Group II for such period, on a combined basis, determined in accordance with GAAP; *provided that:*

(1) the net income (or loss) of any Person other than a Restricted Subsidiary or that is accounted for by the equity method of accounting will be included only to the extent of the amount of dividends or similar distributions paid in cash to the Restricted Group II;

(2) the cumulative effect of a change in accounting principles will be excluded;

(3) any translation gains or losses due solely to fluctuations in currency values and related tax effects will be excluded; and

(4) noncash (a) equity-based compensation expense and (b) unrealized gain or loss in respect of Hedging Obligations will be excluded.

"*Combined Net Worth*" means, as of any date, the sum of:

(1) the total equity of the Restricted Group II as of such date; plus

(2) the respective amounts reported on the Restricted Group II's combined balance sheet as of such date with respect to any series of preferred stock (other than Disqualified Stock) that by its terms is not entitled to the payment of dividends unless such dividends may be declared and paid only out of net earnings in respect of the year of such declaration and payment.

"*Commodity Hedging Agreement*" means any spot, forward, commodity swap, commodity cap, commodity floor or option commodity price protection agreements or other similar agreement or arrangement.

"*Common Collateral Agent*" has the meaning set forth in the preamble of this Indenture and any successor thereto under the Collateral Documents.

"*Common Stock*" means, with respect to any Person, any and all shares, interests or other participations in, and other equivalents (however designated and whether voting or non-voting) of such Person's common stock or ordinary shares, whether or not outstanding on the Original Issue Date, and includes all series and classes of such common stock or ordinary shares.

"*Company*" has the meaning set forth in the preamble of this Indenture and its successors and assigns, until released in accordance with the provisions of this Indenture, and shall thereafter refer to the successor.

"*Corporate Trust Office*" means the principal office of the Trustee at which at any time its corporate trust business shall be administered, which office at the date hereof is located at 452 Fifth Avenue, New York, New York 10018, or such other address as the Trustee may designate from time to time by notice to the Holders and the Company, or the principal corporate trust office of any successor Trustee (or such other address as such successor Trustee may designate from time to time by notice to the Holders and the Company).

"*Credit Facilities*" means, one or more debt or commercial paper facilities, in each case, with banks or other institutional lenders or other lenders (including any direct or indirect shareholder of the Restricted Subsidiary Incurring Indebtedness under such Credit Facility) providing for revolving credit loans, term

loans, receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables) or letters of credit, in each case, as amended, restated, modified, renewed, refunded, replaced (whether upon or after termination or otherwise) or refinanced (including by means of sales of debt securities to institutional investors) in whole or in part from time to time; *provided that* any Credit Facility with a direct or indirect shareholder of the Restricted Subsidiary Incurring Indebtedness under such Credit Facility will, by its terms or by the terms of any agreement or instrument under which such Indebtedness is issued, not provide for any cash payment of interest (or premium, if any).

"*Currency Hedging Agreement*" means any currency swap agreement, currency cap agreement, currency floor agreement, currency futures agreement, currency option agreement or any other similar agreement or arrangement.

"*Custodian*" means a custodian of the Global Notes for DTC under a custody agreement or any similar successor agreement, which will initially be Cede & Co.

"*Debt Service*" means, for any period, the sum of (i) all principal and interest payments payable or accrued in such period in respect of Indebtedness of the Restricted Group II (other than Indebtedness owing to a member of the Restricted Group II); (ii) all fees, expenses and other charges payable or accrued in such period in respect of all such Indebtedness (other than Indebtedness owing to a member of the Restricted Group II), calculated without duplication for Guarantees with respect to such Indebtedness; (iii) all Obligations payable or accrued in such period under Hedging Obligations Incurred by the Restricted Group II; and (iv) the amortized portion of any original issue discount or any premium accrued in respect of any such Indebtedness (including upon the Stated Maturity thereof) in such period.

"*Debt Service Coverage Ratio*" means, for any period, the ratio of (x) Stated EBITDA (net of all taxes as recorded in the combined statement of profit and loss of the Restricted Group II) for such period to (y) Debt Service for such period. In making the foregoing calculation:

(1) pro forma effect will be given to any Indebtedness Incurred, and interest with respect to any Indebtedness repaid, repurchased, defeased or redeemed, since the beginning of such period, in each case as if such Indebtedness had been Incurred, repaid, repurchased, defeased or redeemed on the first day of such period (other than Indebtedness Incurred or repaid under a revolving credit or similar arrangement or any predecessor revolving credit or similar arrangement);

(2) interest expense attributable to interest on any Indebtedness (whether existing or being Incurred) computed on a pro forma basis and bearing a floating interest rate will be computed as if the rate in effect on the date of determination (taking into account any Interest Rate Hedging Agreement applicable to such Indebtedness if such Interest Rate Hedging Agreement has a remaining term in excess of 12 months or, if shorter, at least equal to the remaining term of such Indebtedness) had been the applicable rate for the entire period; and

(3) pro forma effect will be given to Asset Dispositions and Asset Acquisitions (including giving pro forma effect to the application of proceeds of any Asset Disposition) that occur during such period as if they had occurred and such proceeds had been applied on the first day of such period;

provided that to the extent that clause (3) of this sentence requires that pro forma effect be given to an Asset Acquisition or Asset Disposition (or asset acquisition or asset disposition), such pro forma calculation will

be based upon the then most recent two semi-annual periods immediately preceding the date of determination of the Person, or division or line of business of the Person, that is acquired or disposed for which financial information is available.

"*Default*" means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

"*Definitive Note*" means a certificated Note registered in the name of the Holder thereof and issued in accordance with Section 2.06, substantially in the form of Exhibit A except that such Note shall not bear the Global Note Legend and shall not have the "Schedule of Exchanges of Interests in the Global Note" attached thereto.

"*Depositary*" means, with respect to the Notes issuable or issued in whole or in part in global form, the Person specified in Section 2.03 as the Depositary with respect to the Notes, and any and all successors thereto appointed as depositary hereunder and having become such pursuant to the applicable provision of this Indenture.

"*Determination Agent*" means the Parent, an accounting, appraisal or investment banking firm of internationally recognized standing (or a local affiliate thereof), or a consulting firm of internationally recognized standing (or a local affiliate thereof) so long as the principals of such firm involved in the preparation of such opinion are experienced professionals in accounting, appraisal or investment banking.

"*Disqualified Stock*" means, with respect to any Person, any Capital Stock of such Person which by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable) or upon the happening of any event:

(1) matures or is mandatorily redeemable for cash or in exchange for Indebtedness pursuant to a sinking fund obligation or otherwise;

(2) is convertible or exchangeable at the option of the holder thereof for Indebtedness or Disqualified Stock; or

(3) is or may become (in accordance with its terms) upon the occurrence of certain events or otherwise redeemable or repurchasable for cash or in exchange for Indebtedness at the option of the holder of the Capital Stock in whole or in part,

in each case on or prior to the earlier of (a) the Stated Maturity of the Notes or (b) the date on which there are no Notes outstanding; *provided, however, that* (i) only the portion of Capital Stock which so matures or is mandatorily redeemable, is so convertible or exchangeable or is so redeemable at the option of the holder thereof prior to such date will be deemed to be Disqualified Stock and (ii) any Capital Stock that would constitute Disqualified Stock solely because the holders thereof have the right to require the Parent or the Company, as applicable, to repurchase such Capital Stock upon the occurrence of a change of control or asset sale (howsoever defined or referred to) shall not constitute Disqualified Stock if any such redemption or repurchase obligation is not prohibited by Section 4.07.

"*Dollar Equivalent*" means, with respect to any monetary amount in a currency other than U.S. dollars, at any time for the determination thereof, the amount of U.S. dollars obtained by converting such foreign currency involved in such computation into U.S. dollars at the noon buying rate for U.S. dollars in New York City for cable transfers as certified for customs purposes by the Federal Reserve Bank of New York on the date of determination.

"*EDC Loan*" means the loan in the principal amount of US$70 million Incurred by the Company from Export Development Canada pursuant to a facility agreement dated June 1, 2018.

"*Equity Interests*" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"*Equity Offering*" means a public or private sale either (1) of Equity Interests of the Parent by the Parent (other than Disqualified Stock and other than to a Subsidiary of the Parent) or (2) of Equity Interests of a direct or indirect parent entity of the Parent (other than to the Parent or a Subsidiary of the Parent) to the extent that the net proceeds therefrom are contributed to the common equity capital of the Parent; *provided that* following the release of the Parent Guarantee, any such public or private sale of Equity Interests will only be deemed to be an "Equity Offering" to the extent the net proceeds therefrom are contributed to the common equity capital of a Restricted Subsidiary.

"*Escrowed Proceeds*" means the proceeds from the offering of any debt securities incurred in accordance with Section 4.09 paid into an escrow account with an independent escrow agent on the date of the applicable offering pursuant to escrow arrangements that permit the release of amounts on deposit in such escrow account upon satisfaction of certain conditions or the occurrence of certain events, and shall include any interest earned on the amounts held in escrow.

"*Escrow Account Bank*" means The Hongkong and Shanghai Banking Corporation Limited. "*Escrow Funds*" means all moneys from time to time deposited in the Escrow Account by the
Company together with any interest accrued thereon from time to time.

"*Exchange Act*" means the U.S. Securities Exchange Act of 1934, as amended.

"*Existing Rupee ECB*" means the Rupee denominated external commercial borrowings in the principal amount of Rs.4,690 million extended by the Company to Azure Power Thirty Three Private Limited.

"*Fair Market Value*" means the value that would be paid by a willing buyer to an unaffiliated willing seller, determined in good faith by senior management of the Company or if the relevant value exceeds US$5.0 million (or the Dollar Equivalent thereof), the Board of Directors of the Parent or of the Company (unless otherwise provided in this Indenture), in each case whose determination shall be conclusive.

"*Fitch*" means Fitch Ratings, Ltd. and its successors and assigns.

"*Force Majeure Event*" means any event (including but not limited to an act of God, fire, epidemic, explosion, floods, earthquakes, typhoons; riot, civil commotion or unrest, insurrection, terrorism, war, strikes or lockouts; nationalization, expropriation or other governmental actions; any law, order or regulation of a governmental, supranational or regulatory body; regulation of the banking or securities industry including changes in market rules, currency restrictions, devaluations or fluctuations; market conditions affecting the execution or settlement of transactions or the value of assets; and breakdown, failure or malfunction of any telecommunications, computer services or systems, or other causes) beyond the control of any party which restricts or prohibits the performance of the obligations of such party contemplated by this Indenture.

"*GAAP*" means (a) with respect to the Parent, the generally accepted accounting principles adopted in the United States of America published by the Financial Accounting Standards Board or any successor

Board or agency as in effect from time to time and (b) with respect to the Restricted Group II, the Indian Accounting Standards as in effect from time to time ("Ind-AS"), in each case as modified by commonly used carve-out principles as in effect on the date of such report or financial statement (or otherwise on the basis of such GAAP as then in effect). All ratios and computations contained or referred to in this Indenture will be computed in conformity with GAAP applied in a consistent basis. Notwithstanding the foregoing, for purposes of any ratios, calculations and amounts to be determined pursuant to this Indenture (but not for purposes of the financial statements required to be delivered pursuant to Section 4.03), GAAP will be deemed to treat operating leases in a manner consistent with the treatment thereof under GAAP as in effect prior to the adoption of Ind-AS 116 - Leases, notwithstanding any modifications or interpretative changes thereto.

"*Global Note Legend*" means the legend set forth in Section 2.06(f)(2), which is required to be placed on all Global Notes issued under this Indenture.

"*Global Notes*" means, individually and collectively, each of the 144A Global Notes and the Unrestricted Global Notes deposited with or on behalf of and registered in the name of the Depository or its nominee, substantially in the form of Exhibit A and that bears the Global Note Legend and that has the "Schedule of Exchanges of Interests in the Global Note" attached thereto, issued in accordance with Sections 2.01, 2.06(b)(3), 2.06(b)(4), 2.06(d)(2) or 2.06(f).

"*Government Securities*" means direct obligations of, or obligations Guaranteed by, the United States of America, and the payment for which the United States of America pledges its full faith and credit.

"*Guarantee*" means a guarantee other than by endorsement of negotiable instruments for collection in the ordinary course of business, direct or indirect, in any manner including, without limitation, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take or pay or to maintain financial statement conditions or otherwise).

"*Guarantor*" means each of:

(1) the Parent until the Parent Guarantee has been released in accordance with the provisions of this Indenture; and

(2) any Restricted Subsidiary that executes a Note Guarantee in accordance with the provisions of this Indenture, and their respective successors and assigns, in each case, until the Guarantee of such Person has been released in accordance with the provisions of this Indenture.

"*Hedging Obligations*" means, with respect to any specified Person, the obligations of such Person pursuant to Commodity Hedging Agreements, Currency Hedging Agreement or Interest Rate Hedging Agreements.

"*Holder*" means the Person in whose name a Note is registered in the Note register.

"*Incur*" means, with respect to any Indebtedness, Subordinated Shareholder Debt or Disqualified Stock, to incur, create, issue, assume, Guarantee or otherwise become liable for or with respect to, or become responsible for, the payment of, contingently or otherwise, such Indebtedness, Subordinated Shareholder Debt or Disqualified Stock; *provided that* the accretion of original issue discount, the accrual of interest, the accrual of dividends, the payment of interest in the form of additional Indebtedness or

Subordinated Shareholder Debt and the payment of dividends on Disqualified Stock in the form of additional shares of Disqualified Stock (to the extent provided for when the Indebtedness, Subordinated Shareholder Debt or Disqualified Stock on which such interest or dividend is paid was originally issued) will not be considered an Incurrence of Indebtedness. The terms "Incurrence," "Incurred" and "Incurring" have meanings correlative with the foregoing.

"*Indian Restricted Subsidiary*" means any Restricted Subsidiary other than the Company. "*Indebtedness*" means, with respect to any Person at any date of determination (without duplication):

(1) all indebtedness of such Person for borrowed money;

(2) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments;

(3) all obligations of such Person in respect of letters of credit, bankers' acceptances or other similar instruments;

(4) all obligations of such Person to pay the deferred and unpaid purchase price of property or services, except Trade Payables;

(5) all Capital Lease Obligations and Attributable Indebtedness;

(6) all Indebtedness of other Persons secured by a Lien on any asset of such Person, whether or not such Indebtedness is assumed by such Person; *provided that* the amount of such Indebtedness will be the lesser of (a) the Fair Market Value of such asset at such date of determination and (b) the amount of such Indebtedness;

(7) all Indebtedness of other Persons Guaranteed by such Person to the extent such Indebtedness is Guaranteed by such Person; and

(8) to the extent not otherwise included in this definition, Hedging Obligations.

provided that, the term "Indebtedness" shall not include (i) Subordinated Shareholder Debt or (ii) any lease obligations of any asset which would be considered an operating lease under GAAP as in effect prior to the adoption of Ind-As 116 – Leases.

The amount of Indebtedness of any Person at any date will be the outstanding balance at such date of all unconditional obligations as described above and, with respect to contingent obligations, the maximum liability upon the occurrence of the contingency giving rise to the obligation; *provided that:*

(1) the amount outstanding at any time of any Indebtedness issued with original issue discount is the face amount of such Indebtedness less the remaining unamortized portion of the original issue discount of such Indebtedness at such time as determined in conformity with GAAP;

(2) money borrowed and set aside at the time of the Incurrence of any Indebtedness in order to prefund the payment of the interest on such Indebtedness will not be deemed to be "Indebtedness" so long as such money is held to secure the payment of such interest;

(3) the amount of Indebtedness with respect to any Hedging Obligation at any time will be equal to the net amount, if any, payable if the Commodity Hedging Agreement, Currency Hedging Agreement or Interest Rate Hedging Agreement giving rise to such Hedging Obligation terminated at that time; and

(4) without duplication for clause (3) above, the amount of any Indebtedness for which there is a related Currency Hedging Agreement or Interest Rate Hedging Agreement at any time shall be calculated after giving effect to such Currency Hedging Agreement or Interest Rate Hedging Agreement.

"*Indirect Participant*" means a Person who holds a beneficial interest in a Global Note through a Participant.

"*Initial Notes*" means the US$350,101,000 aggregate principal amount of Notes issued under this Indenture on the date hereof.

"*INR*" means Indian Rupees.

"*Interest Payment Date*" means June 24 and December 24 of each year, commencing June 24, 2020.

"*Indirect Participant*" means a Person who holds a beneficial interest in a Global Note through a Participant.

"*Interest Rate Hedging Agreement*" means any interest rate protection agreement, interest rate future agreement, interest rate option agreement, interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate hedge agreement, option or future contract or other similar agreement or arrangement.

"*Investment Grade*" means a rating of "AAA," "AA," "A" or "BBB," as modified by a "+" or "-" indication, or an equivalent rating representing one of the four highest rating categories, by Fitch, or a rating of "Aaa," "Aa," "A" or "Baa," as modified by a "1," "2" or "3" indication, or an equivalent rating representing one of the four highest rating categories, by Moody's, or the equivalent ratings of any Nationally Recognized Statistical Rating Organization or Organizations, as the case may be, which will have been designated by the Parent or the Company as having been substituted for Fitch or Moody's or both, as the case may be.

"*Investments*" means, with respect to any Person, all direct or indirect investments by such Person in other Persons (including Affiliates) in the forms of loans (including Guarantees or other obligations), advances (excluding commission, travel and similar advances to officers and employees made in the ordinary course of business), capital contributions, purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP. If the Company or any other Restricted Subsidiary sells or otherwise disposes of any Equity Interests of any Restricted Subsidiary such that, after giving effect to any such sale or disposition, such Person is no longer a Subsidiary of the Company or such Restricted Subsidiary, the Company or such Restricted Subsidiary will be deemed to have made an Investment on the date of any such sale or disposition equal to the Fair Market Value of the Company's or such Restricted Subsidiary's Investments in such Subsidiary that were not sold or disposed of in an amount determined as provided in Section 4.07(c). The acquisition by the Company or any other Restricted Subsidiary of the Company of a Person that holds an Investment in a third Person will be deemed to be an Investment by the Company or such Restricted Subsidiary in such third Person in an amount equal to the

Fair Market Value of the Investments held by the acquired Person in such third Person in an amount determined as provided in Section 4.07(c). The amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value.

"*Lien*" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction.

"*Minimum Onshore Debt Amount*" means, with respect to any Restricted Subsidiary that issued Original Onshore Debt, 50% of the aggregate principal amount of such Restricted Subsidiary's Original Onshore Debt outstanding on the SMR Measurement Date; *provided, that* such amount will be reduced proportionately to reflect any redemption, repurchase, defeasance, acquisition or other reduction in the principal amount of Notes outstanding (including, for the avoidance of doubt, any Special Mandatory Redemption) since the Original Issue Date.

"*Moody's*" means Moody's Investors Service, Inc. and its successors and assigns.

"*Nationally Recognized Statistical Rating Organization*" has the meaning assigned to that term in Section 3(a)(62) of the Exchange Act.

"*Net Cash Proceeds*" means with respect to any Asset Sale, the proceeds of such Asset Sale in the form of cash or cash equivalents, including payments in respect of deferred payment obligations (to the extent corresponding to the principal, but not interest, component thereof) when received in the form of cash or cash equivalents and proceeds from the conversion of other property received when converted to cash or cash equivalents, net of:

(1) brokerage commissions and other fees and expenses (including fees and expenses of counsel and investment bankers) related to such Asset Sale;

(2) provisions for all taxes (whether or not such taxes will actually be paid or are payable) as a result of such Asset Sale without regard to the consolidated results of operations of the Parent or any of its Subsidiaries, taken as a whole;

(3) payments made to repay Indebtedness or any other obligation outstanding at the time of such Asset Sale that either (x) is secured by a Lien on the property or assets sold or (y) is required to be paid as a result of such sale; and

(4) appropriate amounts to be provided by the Parent or any Restricted Subsidiary as a reserve against any liabilities associated with such Asset Sale, including, without limitation, pension and other post-employment benefit liabilities, liabilities related to environmental matters and liabilities under any indemnification obligations associated with such Asset Sale, all as determined in conformity with GAAP and reflected in an Officer's Certificate delivered to the Trustee.

"*Note*" has the meaning set forth in the preamble of this Indenture. "*Note Guarantee*" means each guarantee from a Guarantor.

"*Notes Collateral Agent*" has the meaning set forth in the preamble of this Indenture and any successor thereto under the Collateral Documents.

"*Note Holders Representative*" means the representative of the Holders as appointed by the Company pursuant to the Mauritius Companies Act 2001 and the Note Holders Representative Appointment Letter or any successor Person thereto and shall initially be Dushyant Ramdhur, attorney at law, of Appleby (JV) Ltd & Cie, 7th Floor Happy World House, 37, Sir William Newton Street, Port Louis, Republic of Mauritius.

"*Note Holders Representative Appointment Letter*" means the appointment letter appointing a note holders representative in Mauritius, substantially in the form of Exhibit H.

"*Obligations*" means any principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities payable under the documentation governing any Indebtedness.

"*Offering Memorandum*" means the offering memorandum dated September 17, 2019, in connection with the offering of the Notes.

"*Officer*" means one of the directors or executive officers of the Parent or, in the case of the Company or any other Restricted Subsidiary, one of the directors or officers of the Company or such other Restricted Subsidiary, as the case may be.

"*Officer's Certificate*" means a certificate signed by an Officer.

"*Onshore Debt*" means the Rupee ECBs, the Rupee NCDs and the Existing Rupee ECB. "*Original Issue Date*" means the date on which the Notes are originally issued under this Indenture.
"*Original Onshore Debt*" means Onshore Debt subscribed for or loaned by the Company on or prior to the SMR Measurement Date.

"*Opinion of Counsel*" means a written opinion from external legal counsel selected by the Parent or the Company, provided that such counsel will be acceptable to the Trustee in its sole discretion.

"*Parent*" has the meaning set forth in the preamble of this Indenture and its successors and assigns until released in accordance with the provisions of this Indenture and thereafter shall refer to the successor.

"*Parent Loan*" means any debt instrument (which, for the avoidance of doubt, is non-convertible) made by the Restricted Subsidiaries to the Parent or Azure Power India Private Limited; *provided, that*, (i) such debt instrument is unsecured, (ii) such debt instrument bears interest of at least 10.0% per annumand is payable no less frequently than semi-annually (subject to a five Business Day cure period) and in cash,
(iii) the applicable Restricted Subsidiary agrees that it shall not waive any right to receive any payment of such interest and (iv) such debt instrument is made in accordance with the applicable Trust and Retention Account Agreement (to the extent such agreement has been executed and is in effect).

"*Pari Passu Collateral*" means a first-priority fixed charge by the Parent as chargor over the Capital Stock of the Company.

"*Participant*" means, with respect to the Depositary, Euroclear or Clearstream, a Person who has an account with the Depositary, Euroclear or Clearstream, respectively (and, with respect to DTC, shall include Euroclear and Clearstream).

"*Permitted Business*" means any business, service or activity engaged in by the Restricted Group II on the Original Issue Date and any other businesses, services or activities that are related, complementary, incidental, ancillary or similar to any of the foregoing or any expansions, extensions or developments thereof, including the ownership, acquisition, development, financing, operation and maintenance of power generation or power transmission or distribution facilities.

"*Permitted Holders*" means any or all of the following:

(1) (a) International Finance Corporation and (b) Caisse de dépôt et placement du Québec;

(2) any Affiliate of any of the Persons referred to in clause (1) above; and

(3) any group of which one or more Persons referred to in clauses (1) or (2) above is a member so long as such Person or Persons collectively are the beneficial owners (without giving effect to the existence of such group) of at least a majority of the Voting Stock collectively owned by the members of such group.

"*Permitted Investments*" *means*:

(1) any Investment in the Company or another Restricted Subsidiary;

(2) any Investment in Temporary Cash Equivalents;

(3) any Investment made as a result of the receipt of non-cash consideration from an Asset Sale that was made pursuant to and in compliance with Section 4.10;

(4) any acquisition of assets or Capital Stock solely in exchange for the issuance of Equity Interests (other than Disqualified Stock) of the Company or the Parent or contributed by the Parent to the common equity capital of a Restricted Subsidiary;

(5) any Investments received in compromise or resolution of (A) obligations of trade creditors or customers that were incurred in the ordinary course of business of the Restricted Group II, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer; or (B) litigation, arbitration or other disputes with Persons who are not Affiliates;

(6) Investments represented by Hedging Obligations;

(7) loans or advances to employees made in the ordinary course of business of the Parent or any Restricted Subsidiary in an aggregate principal amount not to exceed US$1.0 million (or the Dollar Equivalent thereof) at any one time outstanding;

(8) repurchases of the Notes;

(9) pledges or deposits (x) with respect to leases or utilities provided to third parties in the ordinary course of business or (y) otherwise described in the definition of "Permitted Liens" or made in connection with Liens permitted under Section 4.12;

(10) (x) receivables, trade credits or other current assets owing to any Restricted Subsidiary, if created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms, including such concessionary trade terms as the

Parent or such Restricted Subsidiary considers reasonable under the circumstances and (y) advances or extensions of credit for purchases and acquisitions of assets, supplies, material or equipment from suppliers or vendors in the ordinary course of business; and

(11) Investments existing at the Original Issue Date and described in the Offering Memorandum and any Investment that amends, extends, renews, replaces or refinances such Investment; provided, however, that such new Investment is on terms and conditions no less favorable to the applicable Restricted Subsidiary than the Investment being amended, extended, renewed, replaced or refinanced.

"*Permitted Liens*" means:

(1) Liens in favor of the Collateral Agents created pursuant to this Indenture and the Collateral Documents with respect to the Notes (including any Additional Notes) and the Note Guarantees, including Liens granted in respect of the Escrow Account;

(2) Liens in favor of a Restricted Subsidiary (including in favor of any trustee or agent on behalf thereof);

(3) Liens on property (including Capital Stock) existing at the time of acquisition of the property by any Restricted Subsidiary; *provided that* such Liens were in existence prior to such acquisition, and not incurred in contemplation of, such acquisition;

(4) Liens to secure the performance of statutory obligations, surety or appeal bonds, performance bonds or other obligations of a like nature incurred in the ordinary course of business;

(5) Liens existing on the Original Issue Date;

(6) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently concluded; *provided that* any reserve or other appropriate provision as is required in conformity with GAAP has been made therefor;

(7) Liens imposed by law, such as suppliers', carriers', warehousemen's, landlord's and mechanics' Liens, in each case, incurred in the ordinary course of business;

(8) survey exceptions, easements or reservations of, or rights of others for, licenses, rights-of- way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of real property that were not incurred in connection with Indebtedness and that do not in the aggregate materially adversely affect the value of said properties or materially impair their use in the operation of the business of such Person;

(9) Liens created to secure the Notes or any Note Guarantee;

(10) Liens securing Indebtedness which is Incurred to refinance secured Indebtedness which is permitted to be Incurred under clause (a)(4) of Section 4.09; *provided that* such Liens do not extend to or cover any property or assets of a Restricted Subsidiary other than the property or assets securing the Indebtedness being refinanced;

(11) (x) Liens on property or assets securing Indebtedness used or to be used to defease or satisfy and discharge the Notes; *provided that* (a) the Incurrence of such Indebtedness was not prohibited by this Indenture and (b) such defeasance or satisfaction and discharge is not prohibited by this Indenture and (y) Liens on cash and Temporary Cash Equivalents arising in connection with the defeasance, discharge or redemption of Indebtedness;

(12) Liens on Pari Passu Collateral securing Permitted Pari Passu Secured Indebtedness;

(13) Liens the assets and with the priority as set forth in Appendix B to the Offering Memorandum securing Indebtedness permitted to be Incurred under Section 4.09(a)(10); *provided that* such Indebtedness is not owed to any direct or indirect shareholder of the Restricted Subsidiary Incurring such Indebtedness;

(14) Liens incurred or pledges or deposits made in the ordinary course of business (x) to a public utility or any municipality or governmental or other public authority when required by such utility or municipality or governmental or other authority in connection with the operations of the Restricted Subsidiaries or (y) in connection with workers' compensation, unemployment insurance and other types of social security and employee health and disability benefits;

(15) Liens on Escrowed Proceeds for the benefit of the related holders of debt securities incurred in accordance with Section 4.09 or on cash set aside at the time of the incurrence of such Indebtedness or on Temporary Cash Equivalents purchased with such cash, in either case to the extent such cash or Temporary Cash Equivalents prefund the payment of interest, premium or penalties on such Indebtedness and are held in an escrow account or similar arrangement to be applied for such purpose;

(16) Liens securing Indebtedness Incurred by a Restricted Subsidiary (other than the Company) under Section 4.09(a)(12); *provided* that the Onshore Debt of such Restricted Subsidiary is equally and ratably secured; and

(17) Liens in favor of Solar Energy Corporation of India Ltd., as the provider of Viability Gap Funding (including in favor of any trustee or agent on behalf of such provider), if required under the Viability Gap Funding securitization agreements;

provided that, the only Liens permitted on Notes Collateral are (1), (6), (7) and (9) and the only Liens permitted on Pari Passu Collateral are (1), (6), (7), (9) and (12). Liens permitted under clause (12) to secure Currency Hedging Agreements related to the Notes or Permitted Pari Passu Secured Indebtedness may have super priority status as described under Section 4.24.

"*Person*" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company or government or other entity.

"*Preferred Stock*" as applied to the Capital Stock of any Person means Capital Stock of any class or classes that by its term is preferred as to the payment of dividends, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over shares of Capital Stock of any other class of such Person.

"*Private Placement Legend*" means the legend set forth in Section 2.06(f)(1) to be placed on all Notes issued under this Indenture except where otherwise permitted by the provisions of this Indenture.

"*QIB*" means a "qualified institutional buyer" as defined in Rule 144A.

"*Rating Agencies*" means (1) Fitch and (2) Moody's; provided that if Fitch or Moody's shall not make a rating of the Notes publicly available, one or more Nationally Recognized Statistical Rating Organizations, as the case may be, selected by the Company or the Parent, which will be substituted for Fitch or Moody's or both, as the case may be.

"*Rating Category*" means (i) with respect to Fitch, any of the following categories: "BB," "B," "CCC," "CC," "C" and "D" (or equivalent successor categories); (ii) with respect to Moody's, any of the following categories: "Ba," "B," "Caa," "Ca," "C" and "D" (or equivalent successor categories); and (iii) the equivalent of any such category of Fitch or Moody's used by another Rating Agency. In determining whether the rating of the Notes has decreased by one or more gradations, gradations within Rating Categories ("+" and "—" for Fitch; "1," "2" and "3" for Moody's; or the equivalent gradations for another Rating Agency) will be taken into account (e.g., with respect to Fitch, a decline in a rating from "BB+" to "BB," as well as from "BB-" to "B+," will constitute a decrease of one gradation).

"*Rating Date*" means that date which is 60 days prior to the earlier of (x) a Change of Control and
(y) a public notice of the occurrence of a Change of Control or of the intention by the Parent or any other Person or Persons to effect a Change of Control.

"*Rating Decline*" means the occurrence on or within six months after the date of a Change of Control, or of public notice of the occurrence of a Change of Control or the intention by the Parent or any other Person or Persons to effect a Change of Control, (which period will be extended so long as the rating of the Notes is under publicly announced consideration for possible downgrade by any of the Rating Agencies) of any of the events listed below:

(1) if the Notes are rated by one or more Rating Agencies on the Rating Date as Investment Grade, the rating of the Notes by any such Rating Agency shall be below Investment Grade; or

(2) if the Notes are rated below Investment Grade by one or more Rating Agencies on the Rating Date, the rating of the Notes by any such Rating Agency shall be decreased by one or more gradations (including gradations within Rating Categories as well as between Rating Categories).

"*Regulation S*" means Regulation S promulgated under the Securities Act.

"*Regulation S Global Note*" means a Global Note substantially in the form of Exhibit A bearing the Global Note Legend and deposited with or on behalf of and registered in the name of the Depositary or its nominee, issued in a denomination equal to the outstanding principal amount of Notes sold in reliance of Rule 903 of Regulation S.

"*Required Hedging Arrangements*" means Currency Hedging Agreements pursuant to customary ISDA documentation and hedging arrangements in place thereunder that comprise (i) a coupon swap on the interest payments due under the Notes on each Interest Payment Date to fully protect the Company against any depreciation in the Indian Rupee to the U.S. Dollar occurring after the date of each Incurrence of Original Onshore Debt; and (ii) a call spread option on the principal amount of the Notes that (a) will fully protect the Company against any depreciation in the Indian Rupee to the U.S. Dollar occurring after the date of each Incurrence of Original Onshore Debt if the Indian Rupee to U.S. Dollar spot rate is between the current spot rate in effect on the date of such Incurrence and the strike rate (which is at least up to the at the money forward), and (b) partially protect the Company (by receiving the same fixed payment) against

any depreciation in the Indian Rupee occurring after the date of each Incurrence of Original Onshore Debt if the Indian Rupee to U.S. Dollar spot rate is above the strike rate (which is at least up to the at the money forward), in each case on the payment of principal due under the Notes at maturity.

"*Responsible Officer*" shall mean, when used with respect to the Trustee, any managing director, vice president, trust associate, relationship manager, transaction manager, client service manager, any trust officer or any other officer located at the Corporate Trust Office of the Trustee who customarily performs functions similar to those performed by any persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of such person's knowledge of and familiarity with the particular subject and in each such case, who shall have direct responsibility for the day to day administration of this Indenture.

"*Restricted Group II*" means the Company and the other Restricted Subsidiaries.

"*Restricted Subsidiary*" means each of the Company, Azure Power Uranus Private Limited, Azure Power Makemake Private Limited, Azure Power Venus Private Limited, Azure Power Thirty Six Private Limited, Azure Power Forty Four Private Limited, Azure Power Saturn Private Limited, Azure Power Mercury Private Limited, Azure Power Thirty Three Private Limited, Azure Power Earth Private Limited and Azure Power Thirty Four Private Limited.

"*Rule 144*" means Rule 144 promulgated under the Securities Act. "*Rule 144A*" means Rule 144A
promulgated under the Securities Act. "*Rule 903*" means Rule 903 promulgated under the Securities Act.
"*Rule 904*" means Rule 904 promulgated under the Securities Act.
"*Rupee ECB*" means Rupee denominated external commercial borrowings to be extended by the Company to other Restricted Subsidiaries as described in the Offering Memorandum under the heading "Use of Proceeds" and any future Rupee denominated external commercial borrowings to be extended by the Company to another Restricted Subsidiary.

"*Rupee NCDs*" means the Rupee denominated senior secured non-convertible debentures to be issued by the Restricted Subsidiaries, other than the Company, and subscribed for by the Company in an aggregate principal amount equal to the net proceeds of the offering of Notes and any future Rupee denominated non-convertible debentures issued by a Restricted Subsidiary and subscribed for by the Company.

"*S&P*" means Standard & Poor's Ratings Group and its successors or assigns.

"*Sale and Leaseback Transaction*" means any direct or indirect arrangement relating to property (whether real, personal or mixed), now owned or hereafter acquired whereby any Restricted Subsidiary transfers such property to another Person and any Restricted Subsidiary leases it from such Person.

"*SEC*" means the U.S. Securities and Exchange Commission. "*Securities Act*" means the U.S. Securities
Act of 1933, as amended.
"*Senior Indebtedness*" means, with respect to any Person, all obligations of such Person, whether outstanding on the Original Issue Date or thereafter created, incurred or assumed, without duplication,

consisting of principal and premium, if any, accrued and unpaid interest on, and fees and other amounts relating to, all Indebtedness of such Person, including interest accruing on or after the filing of any petition in bankruptcy or for reorganization relating to such Person, regardless of whether post-filing interest is allowed in such proceeding.

"*SMR Measurement Date*" means the date that is three months after the Original Issue Date. "*Stated EBITDA*" means, for any period, Combined Net Income for such period plus, to the extent
such amount was deducted in calculating such Combined Net Income:

(1) Combined Interest Expense;

(2) income taxes (on a combined basis) (other than income taxes attributable to extraordinary gains (or losses) or sales of assets outside the ordinary course of business) as recorded in the combined statement of profit and loss of the Restricted Group II;

(3) depreciation expense, amortization expense and all other non-cash items (including impairment charges and write-offs) reducing Combined Net Income (other than non-cash items in a period which reflect cash expenses paid or to be paid in another period), less all non-cash items increasing Combined Net Income (other than the accrual of revenues in the ordinary course of business);

(4) any gains or losses arising from the acquisition of any securities or extinguishment, repurchase, cancellation or assignment of Indebtedness or Subordinated Shareholder Debt as permitted by this Indenture; and

(5) any unrealized gains or losses in respect of Hedging Obligations or other derivative instruments or forward contracts or any ineffectiveness recognized in earnings related to a qualifying hedge transaction or the fair value of changes therein recognized in earnings for derivatives that do not qualify as hedge transactions, in each case, in respect of Hedging Obligations;

all as determined on a combined basis for the Restricted Group II.

"*Stated Maturity*" means, with respect to any installment of interest or principal on any series of Indebtedness, the date on which the payment of interest or principal was scheduled to be paid in the documentation governing such Indebtedness as of the date it was first Incurred in compliance with this Indenture, and will not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

"*Subordinated Shareholder Debt*" means any indebtedness Incurred by any Restricted Subsidiary (other than the Company) owed to its direct or indirect shareholders which, by its terms or by the terms of any agreement or instrument pursuant to which such indebtedness is issued or remains outstanding, (i) is expressly made subordinate to the prior payment in full of the Onshore Debt issued by such Restricted Subsidiary (including upon any default, bankruptcy, reorganization, liquidation, winding up or other disposition of assets of the Restricted Subsidiary), (ii) does not mature or require any amortization and is not required to be repaid, redeemed, repurchased or otherwise retired, pursuant to a sinking fund obligation, event of default or otherwise (including any redemption, retirement or repurchase which is contingent upon events or circumstance but excluding any retirement required by virtue of acceleration of such indebtedness upon an event of default) in whole or in part, on or prior to six months after the earlier of (a) the first date no Notes are outstanding and (b) the final Stated Maturity of the Notes, (iii) does not provide for any cash

payment of interest (or premium, if any) prior to six months after the earlier of (a) the first date no Notes are outstanding and (b) the final Stated Maturity of the Notes, (iv) is not secured by a Lien on any assets of the Restricted Subsidiary and is not guaranteed by any Restricted Subsidiary and (v) does not (including upon the happening of any event) restrict the payment of amounts due in respect of the Onshore Debt or compliance by the Restricted Subsidiary with its obligations under the Onshore Debt; *provided, however,* that upon any event or circumstance that results in such indebtedness ceasing to qualify as Subordinated Shareholder Debt, such indebtedness shall constitute an Incurrence of Indebtedness by the Restricted Subsidiary.

"*Subsidiary*" means, with respect to any specified Person:

(1) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency and after giving effect to any voting agreement or stockholders' agreement that effectively transfers voting power) to vote in the election of directors, managers or trustees of the corporation, association or other business entity is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(2) any partnership (a) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person or (b) the only general partners of which are that Person or one or more Subsidiaries of that Person (or any combination thereof).

"*Temporary Cash Equivalents*" means any of the following:

(1) United States dollars, Indian rupees, Euros or, in the case of any Restricted Subsidiary, local currencies held by such Restricted Subsidiaries from time to time in the ordinary course of the Permitted Business;

(2) direct obligations of the United States of America, Canada, a member of the European Union, India or any agency of any of the foregoing or obligations fully and unconditionally Guaranteed by any of the foregoing or any agency of any of the foregoing, in each case maturing within one year;

(3) demand or time deposit accounts, certificates of deposit and money market deposits maturing within 365 days of the date of acquisition thereof issued by a bank or trust company that is organized under the laws of the United States of America, the United Kingdom, India, Hong Kong or Mauritius and which bank or trust company (x) has capital, surplus and undivided profits aggregating in excess of US$100.0 million (or the Dollar Equivalent thereof) and (y)(A) has outstanding debt which is rated "A" or such similar equivalent rating) or higher by at least one Nationally Recognized Statistical Rating Organization or (B) is organized under the laws of India and has a long term foreign issuer credit rating or senior unsecured debt rating equal to or higher than India's sovereign credit rating by at least one Nationally Recognized Statistical Rating Organization or (C) is a bank owned or controlled by the government of India and organized under the laws of India;

(4) repurchase obligations with a term of not more than 30 days for underlying securities of the types described in clause (2) above entered into with a bank or trust company meeting the qualifications described in clause (3) above;

(5) commercial paper, maturing not more than six months after the date of acquisition thereof, issued by a corporation (other than an Affiliate of the Parent) organized and in existence under the laws of the United States of America, any state thereof or any foreign country recognized by the United States of America with a rating at the time as of which any investment therein is made of "P-1" (or higher) according to Moody's or "A-1" (or higher) according to S&P or Fitch;

(6) securities with maturities of six months or less from the date of acquisition thereof, issued or fully and unconditionally Guaranteed by any state, commonwealth or territory of the United States of America, or by any political subdivision or taxing authority thereof, and rated at least "A" by S&P, Moody's or Fitch;

(7) any money market fund that has at least 95.0% of its assets continuously invested in investments of the types described in clauses (1) through (6) above;

(8) demand or time deposit accounts with any scheduled commercial bank organized under the laws of India; and

(9) certificates of deposit and debt mutual funds, maturing not more than one year after the date of acquisition thereof, which invest solely in companies organized under the laws of India whose long-term debt has a national credit rating of AAA/A1+.

"*Total Assets*" means, as of any date, the total assets of the Restricted Group II on a combined basis calculated in accordance with GAAP as of the last day of the most recent semi-annual period for which financial statements are available (which may be internal financial statements), calculated after giving pro forma effect to any acquisition or disposition of property, plant or equipment subsequent to such date and after giving pro forma effect to the application of the proceeds of any Indebtedness, including the proposed Incurrence of which has given rise to the need to make such calculation of Total Assets; *provided that* for purposes of this Indenture, GAAP will be deemed to treat operating leases in a manner consistent with the treatment thereof under GAAP as in effect prior to the adoption of Ind-AS 116 – Leases, notwithstanding any modification or interpretative changes thereto.

"*Trade Payables*" means, with respect to any Person, any accounts payable or any other indebtedness or monetary obligation to trade creditors created, assumed or Guaranteed by such Person or any of its Restricted Subsidiaries arising in the ordinary course of business in connection with the acquisition of goods or services and payable within one year.

"*Transfer Amount*" means the amount specified in a Transfer Notice as being the amount to be transferred, with such additions or modifications requested by the Escrow Account Bank for the Escrow Account Bank to effect the requested transfer.

"*Transfer Notice*" means a notice substantially in the form contained in Exhibit G signed by the Notes Collateral Agent and delivered to the Escrow Account Bank.

"*Treasury Rate*" means, as of any redemption date, the yield to maturity as of the earlier of (a) such redemption date or (b) the date on which such Notes are defeased or satisfied and discharged, of the most recently issued United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days prior to such date (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to September 24, 2022; *provided, however*, that if the period from the redemption date to September 24, 2022

is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted

to a constant maturity of one year will be used. Any such Treasury Rate shall be obtained by the Company.

"*Viability Gap Funding*" means the funding provided or to be provided by Solar Energy Corporation of India Ltd. to certain Restricted Subsidiaries accordance with the VGF securitization agreements executed between Solar Energy Corporation of India Ltd. and such Restricted Subsidiaries.

"*Voting Stock*" of any specified Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

"*Unrestricted Definitive Note*" means a Definitive Note that does not bear and is not required to bear the Private Placement Legend.

"*Unrestricted Global Note*" means a Global Note, including a Regulation S Global Note, that does not bear and is not required to bear the Private Placement Legend.

"*Wholly Owned Restricted Subsidiary*" means (i) the Company or (ii) any other Restricted Subsidiary, all of the outstanding Capital Stock of which (other than any director's qualifying shares, Investments by foreign nationals mandated by applicable law or Investments by an off taker or an affiliate of an offtaker of a project owned and operated by such Restricted Subsidiary) is owned or controlled by either (x) the Parent or the Company or (y) one or more Wholly Owned Restricted Subsidiaries of the Parent or the Company.

Section 1.02 *Other Definitions*.

Term	Defined in Section
"*Affiliate Transaction*"	4.11
"*Asset Sale Offer*"	3.09
"*Authentication Order*"	2.02
"*Certificate of Redemption Calculation*"	3.08
"*Change of Control Offer*"	4.16
"*Change of Control Payment*"	4.16
"*Change of Control Payment Date*"	4.16
"*Collateral*"	10.01
"*Collateral Agents*"	10.03
"*Common Collateral Agent*"	4.25
"*Contractual Currency*"	4.31
"*Covenant Defeasance*"	8.03
"*DTC*"	2.03
"*Early Parent Guarantee Release*"	11.09
"*Event of Default*"	6.01
"*Escrow Account*"	4.28
"*Excess Proceeds*"	4.10
"*Excess Proceeds Repurchase Offer*"	4.10
"*Existing Indebtedness*"	4.09
"*Guaranteed Obligations*"	11.01
"*Intercreditor Agreement*"	4.25
"*Legal Defeasance*"	8.02
"*Note Collateral*"	10.01
"*Notes Collateral Agent*"	4.28
"*Notes Collateral Document*"	10.01

"*Offer Amount*"	3.09
"*Offer Period*"	3.09
"*Paying Agent*"	2.03
"*Pari Passu Collateral*"	10.01
"*Pari Passu Collateral Documents*"	10.01
"*Pari Passu Secured Parties*"	4.25
"*Permitted Indebtedness*"	4.09
"*Permitted Pari Passu Secured Indebtedness*"	4.24
"*Permitted Refinancing Indebtedness*"	4.09
"*Previously Refinanced Indebtedness*"	4.09
"*Purchase Date*"	3.09
"*Reference Period*"	1.01
"*Reinstatement Date*"	4.32
"*Replacement Assets*"	4.10
"*Relevant Taxing Jurisdiction*"	2.13
"*Registrar*"	2.03
"*Restricted Payments*"	4.07
"*Shortfall Amount*"	3.08
"*Special Mandatory Redemption*"	3.08
"*Special Mandatory Redemption Price*"	3.08
"*Subordinated Indebtedness*"	4.07
"*Suspension Event*"	4.32
"*Suspension Period*"	4.32
"*Surviving Person*"	5.01
"*Total Mandatory Redemption Threshold*"	3.08
"*Trustee*"	8.05
Trust and Retention Agreement"	4.36

Section 1.03 *Rules of Construction*.

Unless the context otherwise requires or except as otherwise expressly provided:

(1) a term has the meaning assigned to it;

(2) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP;

(3) "herein", "hereof" and other words of similar import refer to in this Indenture as a whole and not to any particular Section, Article or other subdivision;

(4) "or" is not exclusive;

(5) words in the singular include the plural, and in the plural include the singular;

(6) "will" shall be interpreted to express a command;

(7) provisions apply to successive events and transactions;

(8) references to Sections or Articles or Exhibits refer to Sections or Articles or Exhibits of or to this Indenture;

(9) references to sections of or rules under the Securities Act will be deemed to include substitute, replacement of successor sections or rules adopted by the SEC from time to time; and

(10) references to agreements or instruments, or to statutes or regulations, are to such agreements or instruments, or statutes or regulations as amended from time to time (or to successor statutes and regulations).

ARTICLE 2 THE NOTES

Section 2.01 *Form and Dating*.

(a) *General*. The Notes and the certificate of authentication from the Trustee will be substantially in the form of Exhibit A. The Notes may have notations, legends or endorsements required by law, stock exchange rule or usage. Each Note will be dated the date of its authentication. The Notes shall be in minimum denominations of US$200,000 or integral multiples of US$1,000 in excess thereof.

The terms and provisions contained in the Notes will constitute, and are hereby expressly made, a part of this Indenture and the Company, the Parent and the Trustee, by their execution and delivery of this Indenture, expressly agree to such terms and provisions and to be bound thereby. However, to the extent any provision of any Note conflicts with the express provisions of this Indenture, the provisions of this Indenture shall govern and be controlling.

(b) *Global Notes*. Notes issued in global form will be substantially in the form of Exhibit A (including the Global Note Legend thereon and the "Schedule of Exchanges of Interests in the Global Note" attached thereto). Notes issued in definitive form will be substantially in the form of Exhibit A (but without the Global Note Legend thereon and without the "Schedule of Exchanges of Interests in the Global Note" attached thereto). Each Global Note will represent such of the outstanding Notes as will be specified therein and each shall provide that it represents the aggregate principal amount of outstanding Notes from time to time endorsed thereon and that the aggregate principal amount of outstanding Notes represented thereby may from time to time be reduced or increased, as appropriate, to reflect exchanges and redemptions. Any endorsement of a Global Note to reflect the amount of any increase or decrease in the aggregate principal amount of outstanding Notes represented thereby will be made by the Registrar or the Custodian, at the direction of the Trustee, in accordance with instructions given by the Holder thereof as required by Section 2.06.

(c) *Euroclear and Clearstream Procedures Applicable.* The provisions of the "Operating Procedures of the Euroclear System" and "Terms and Conditions Governing Use of Euroclear" and the "General Terms and Conditions of Clearstream Banking" and "Customer Handbook" of Clearstream will be applicable to transfers of beneficial interests in the Regulation S Global Note that are held by Participants through Euroclear or Clearstream.

Section 2.02 *Execution and Authentication*.

At least one Officer must sign the Notes for the Company by manual or facsimile signature.

If an Officer whose signature is on a Note no longer holds that office at the time a Note is authenticated, the Note will nevertheless be valid.

A Note will not be valid until authenticated by the manual signature of the Trustee. The signature will be conclusive evidence that the Note has been authenticated under this Indenture.

The Trustee will, upon receipt of a written order of the Company signed by one Officer (an "*Authentication Order*"), authenticate Notes for original issue that may be validly issued under this Indenture, including any Additional Notes. The aggregate principal amount of Notes outstanding at any time may not exceed the aggregate principal amount of Notes authorized for issuance by the Company pursuant to one or more Authentication Orders, except as provided in Section 2.07.

With the delivery of this Indenture, the Company and the Parent is furnishing, and from time to time thereafter the Company and each Guarantor may each furnish, a certificate to the Trustee substantially in the form of Exhibits F-1 and F-2 (an "Authorization Certificate") identifying and certifying the incumbency and specimen (or facsimile) signatures of the Authorized Officers. Until the Trustee receives a subsequent Authorization Certificate, the Trustee shall be entitled to conclusively rely on the last Authorization Certificate delivered to it for purposes of determining the Authorized Officers. Typographical and other minor errors or defects in any signature shall not affect the validity or enforceability of any Note which has been duly authenticated and delivered by the Trustee.

Section 2.03 *Registrar, Transfer Agent, Paying Agent and Note Holders Representative.*

The Company will maintain an office or agency where Notes may be presented for registration of transfer or for exchange (the "*Registrar*") and an office or agency where Notes may be presented for payment (the "*Paying Agent*"). The Registrar will keep a register of the Notes and of their transfer and exchange. The Company may appoint one or more co-registrars and one or more additional paying agents. The term "Registrar" includes any co-registrar and the term "Paying Agent" includes any additional paying agent. The Company may change any Paying Agent or Registrar without prior notice to any Holder and shall so notify the Trustee in writing of the name and address of any Agent not a party to this Indenture. The Company, the Parent or any other Restricted Subsidiary may act as Paying Agent or Registrar.

The Company initially appoints The Depository Trust Company ("*DTC*") to act as Depositary with respect to the Global Notes.

The Company initially appoints HSBC Bank USA, National Association to act as the Registrar, Transfer Agent and Paying Agent pursuant to the agent appointment letter as set forth in Exhibit E, and to act as Custodian with respect to the Global Notes.

The Company initially appoints Dushyant Ramdhur, attorney at law, of Appleby (JV) Ltd & Cie, 7th Floor Happy World House, 37, Sir William Newton Street, Port Louis, Republic of Mauritius to act as the Note Holders Representative, pursuant to the Note Holders Representative Appointment Letter as set forth in Exhibit H, and to act as such with respect to the Global Notes pursuant to the Mauritius Companies Act 2001.

Section 2.04 *Paying Agent to Hold Money*.

The Company will require each Paying Agent other than the Trustee to agree in writing that the Paying Agent will hold for the benefit of Holders or the Trustee all money held by the Paying Agent for the payment of principal, premium or Additional Amounts, if any, or interest on the Notes. The Company at any time may require a Paying Agent to pay all money held by it to the Trustee. Upon payment over to the Trustee, the Paying Agent (if other than the Company, the Parent or any other Restricted Subsidiary) will have no further liability for the money. If the Company, the Parent or any other Restricted Subsidiary acts

as Paying Agent, it will segregate and hold in a separate trust fund for the benefit of the Holders all money held by it as Paying Agent.

Section 2.05 *Holder Lists*.

The Trustee through the Registrar will preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of all Holders. If the Trustee is not the Registrar, the Company will furnish to the Trustee at least seven Business Days before each Interest Payment Date and at such other times as the Trustee may request in writing, a list in such form and as of such date as the Trustee may reasonably require of the names and addresses of the Holders.

Section 2.06 *Transfer and Exchange*.

(a) *Transfer and Exchange of Global Notes*. A Global Note may not be transferred except as a whole by the Depositary to a nominee of the Depositary, by a nominee of the Depositary to the Depositary or to another nominee of the Depositary, or by the Depositary or any such nominee to a successor Depositary or a nominee of such successor Depositary. All Global Notes will be exchanged by the Company for Definitive Notes if:

(1) the Company delivers to the Trustee and Registrar notice from the Depositary that it is unwilling or unable to continue to act as Depositary or that it has ceased to be a clearing agency registered under the Exchange Act and, in either case, a successor Depositary is not appointed by the Company within 120 days after the date of such notice from the Depositary;

(2) the Company, at its sole discretion, notifies the Trustee and Registrar in writing that it elects to cause the issuance of the Definitive Notes; or

(3) if a beneficial owner of a Note requests such exchange in writing through DTC following a Default or an Event of Default which has occurred and is continuing.

Upon the occurrence of any of the preceding events in (1), (2) or (3) above, Definitive Notes shall be issued in such names as the Depositary shall instruct the Registrar. Global Notes also may be exchanged or replaced, in whole or in part, as provided in Sections 2.07 and 2.10. Every Note authenticated and delivered in exchange for, or in lieu of, a Global Note or any portion thereof, pursuant to this Section 2.06 or Section 2.07 or 2.10, shall be authenticated and delivered in the form of, and shall be, a Global Note. A Global Note may not be exchanged for another Note other than as provided in this Section 2.06(a), however, beneficial interests in a Global Note may be transferred and exchanged as provided in Section 2.06(b), (c) or (f).

(b) *Transfer and Exchange of Beneficial Interests in the Global Notes*. The transfer and exchange of beneficial interests in the Global Notes will be effected through the Depositary, in accordance with the provisions of this Indenture and the Applicable Procedures. Beneficial interests in the 144A Global Notes will be subject to restrictions on transfer comparable to those set forth herein to the extent required by the Securities Act. Transfers of beneficial interests in the Global Notes also will require compliance with either subparagraph (1) or (2) below, as applicable, as well as one or more of the other following subparagraphs, as applicable:

(1) *Transfer of Beneficial Interests in the Same Global Note*. Beneficial interests in any 144A Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in the same 144A Global Note in accordance with the transfer restrictions set forth in the Private Placement Legend. Beneficial interests in any Unrestricted Global Note may be

transferred to Persons who take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note. No written orders or instructions shall be required to be delivered to the Registrar to effect the transfers described in this Section 2.06(b)(1).

(2) *All Other Transfers and Exchanges of Beneficial Interests in Global Notes.* In connection with all transfers and exchanges of beneficial interests that are not subject to Section 2.06(b)(1) above, the transferor of such beneficial interest must deliver to the Registrar either:

(A) both:

(i) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing the Depositary to credit or cause to be credited a beneficial interest in another Global Note in an amount equal to the beneficial interest to be transferred or exchanged; and

(ii) instructions given in accordance with the Applicable Procedures containing information regarding the Participant account to be credited with such increase; or

(B) both:

(i) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing the Depositary to cause to be issued a Definitive Note in an amount equal to the beneficial interest to be transferred or exchanged; and

(ii) instructions given by the Depositary to the Registrar containing information regarding the Person in whose name such Definitive Note shall be registered to effect the transfer or exchange referred to in (1) above;

provided that in no event shall Definitive Notes be issued upon the transfer or exchange of beneficial interests in the Regulation S Global Note prior to the receipt by the Registrar of any certificates required pursuant to Rule 903 or Rule 904 under the Securities Act or Rule 144 under the Securities Act (if available).

Upon satisfaction of all of the requirements for transfer or exchange of beneficial interests in Global Notes contained in this Indenture and the Notes or otherwise applicable under the Securities Act, the Registrar shall adjust the principal amount of the relevant Global Note(s) pursuant to Section 2.06(g).

(3) *Transfer of Beneficial Interests to Another 144A Global Note.* A beneficial interest in any 144A Global Note may be transferred to a Person who takes delivery thereof in the form of a beneficial interest in another 144A Global Note if the transfer complies with the requirements of Section 2.06(b)(2) above and the Registrar receives a certificate from the transferor in the form of Exhibit B, including the certifications in item (1) thereof.

(4) *Transfer and Exchange of Beneficial Interests in a 144A Global Note for Beneficial Interests in an Unrestricted Global Note.* A beneficial interest in any 144A Global Note may be exchanged by any Holder thereof for a beneficial interest in an Unrestricted Global Note or

transferred to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note if the exchange or transfer complies with the requirements of Section 2.06(b)(2) above and the Registrar receives the following:

(A) if the holder of such beneficial interest in a 144A Global Note proposes to exchange such beneficial interest for a beneficial interest in an Unrestricted Global Note, a certificate from such holder in the form of Exhibit C, including the certifications in item (1)(a) thereof; or

(B) if the holder of such beneficial interest in a 144A Global Note proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note, a certificate from such holder in the form of Exhibit B, including the certifications in item (4) thereof;

and, in each such case set forth in this Section 2.06(b)(4), if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

If any such transfer is effected pursuant to the above at a time when an Unrestricted Global Note has not yet been issued, the Company shall issue and, upon receipt of an Authentication Order in accordance with Section 2.02, the Trustee shall authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the aggregate principal amount of beneficial interests transferred pursuant to the above.

Beneficial interests in an Unrestricted Global Note cannot be exchanged for, or transferred to Persons who take delivery thereof in the form of, a beneficial interest in a 144A Global Note.

(c) *Transfer or Exchange of Beneficial Interests for Definitive Notes*.

(1) *Beneficial Interests in 144A Global Notes to 144A Definitive Notes.* If following the occurrence of an event described in Section 2.06(a), any holder of a beneficial interest in a 144A Global Note proposes to exchange such beneficial interest for a 144A Definitive Note or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a 144A Definitive Note, then, upon receipt by the Registrar of the following documentation:

(A) if the holder of such beneficial interest in a 144A Global Note proposes to exchange such beneficial interest for a 144A Definitive Note, a certificate from such Holder in the form of Exhibit C, including the certifications in item (2)(a) thereof;

(B) if such beneficial interest is being transferred to a QIB in accordance with Rule 144A, a certificate to the effect set forth in Exhibit B, including the certifications in item (1) thereof;

(C) if such beneficial interest is being transferred in an offshore transaction in accordance with Rule 903 or Rule 904, a certificate to the effect set forth in Exhibit B, including the certification in item (2) thereof;

(D) if such beneficial interest is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144, a

certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(a) thereof;

(E) if such beneficial interest is being transferred to the (Company or any of its Subsidiaries), a certificate to the effect set forth in Exhibit B, including the certifications in item (3)(b) thereof; or

(F) if such beneficial interest is being transferred pursuant to an effective registration statement under the Securities Act, a certificate to the effect set forth in Exhibit B, including the certifications in item (3)(c) thereof, the Registrar shall cause the aggregate principal amount of the applicable Global Note to be reduced accordingly pursuant to Section 2.06(g), and the Company shall execute and the Trustee shall authenticate and deliver to the Person designated in the instructions a Definitive Note in the appropriate principal amount. Any Definitive Note issued in exchange for a beneficial interest in a 144A Global Note pursuant to this Section 2.06(c) shall be registered in such name or names and in such authorized denomination or denominations as the holder of such beneficial interest shall instruct the Registrar through instructions from the Depositary and the Participant or Indirect Participant. The Registrar shall deliver such Definitive Notes to the Persons in whose names such Notes are so registered. Any Definitive Note issued in exchange for a beneficial interest in a 144A Global Note pursuant to this Section 2.06(c)(1) shall bear the Private Placement Legend and shall be subject to all restrictions on transfer contained therein.

(2) *Beneficial Interests in 144A Global Notes to Unrestricted Definitive Notes.* Following the occurrence of an event described in Section 2.06(a), a holder of a beneficial interest in a 144A Global Note may exchange such beneficial interest for an Unrestricted Definitive Note or may transfer such beneficial interest to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note only if the Registrar receives the following:

(A) if the holder of such beneficial interest in a 144A Global Note proposes to exchange such beneficial interest for an Unrestricted Definitive Note, a certificate from such holder in the form of Exhibit C, including the certifications in item (1)(b) thereof; or

(B) if the holder of such beneficial interest in a 144A Global Note proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Note, a certificate from such holder in the form of Exhibit B, including the certifications in item (4) thereof;

and, in such case set forth in this paragraph, if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

(3) *Beneficial Interests in Unrestricted Global Notes to Unrestricted Definitive Notes.* If any holder of a beneficial interest in an Unrestricted Global Note proposes to exchange such beneficial interest for a Definitive Note or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Definitive Note, then, upon satisfaction of the conditions set forth in Section 2.06(b)(2), the Registrar will cause the aggregate principal amount of the applicable Global Note to be reduced accordingly pursuant to Section 2.06(g), and the Company will execute and the Trustee will authenticate and deliver to the Person designated in the instructions a Definitive

Note in the appropriate principal amount. Any Definitive Note issued in exchange for a beneficial interest pursuant to this Section 2.06(c)(3) and will be registered in such name or names and in such authorized denomination or denominations as the holder of such beneficial interest requests through instructions to the Registrar from or through the Depositary and the Participant or Indirect Participant. The Trustee will deliver such Definitive Notes to the Persons in whose names such Notes are so registered. Any Definitive Note issued in exchange for a beneficial interest pursuant to this Section 2.06(c)(3) will not bear the Private Placement Legend.

(d) *Transfer and Exchange of Definitive Notes for Beneficial Interests*.

(1) *144A Definitive Notes to Beneficial Interests in 144A Global Notes.* If any Holder of a 144A Definitive Note proposes to exchange such Note for a beneficial interest in a 144A Global Note or to transfer such 144A Definitive Notes to a Person who takes delivery thereof in the form of a beneficial interest in a 144A Global Note, then, upon receipt by the Registrar of the following documentation:

(A) if the Holder of such 144A Definitive Note proposes to exchange such Note for a beneficial interest in a 144A Global Note, a certificate from such Holder in the form of Exhibit C, including the certifications in item (2)(b) thereof;

(B) if such 144A Definitive Note is being transferred to a QIB in accordance with Rule 144A, a certificate to the effect set forth in Exhibit B, including the certifications in item (1) thereof;

(C) if such 144A Definitive Note is being transferred in an offshore transaction in accordance with Rule 903 or Rule 904, a certificate to the effect set forth in Exhibit B, including the certifications in item (2) thereof;

(D) if such 144A Definitive Note is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144, a certificate to the effect set forth in Exhibit B, including the certifications in item (3)(a) thereof;

(E) if such 144A Definitive Note is being transferred to the Parent or any of its Subsidiaries, a certificate to the effect set forth in Exhibit B, including the certifications in item (3)(b) thereof; or

(F) if such 144A Definitive Note is being transferred pursuant to an effective registration statement under the Securities Act, a certificate to the effect set forth in Exhibit B, including the certifications in item (3)(c) thereof,

the Registrar will cancel the 144A Definitive Note, increase or cause to be increased the aggregate principal amount of, in the case of clause (A) above, the appropriate 144A Global Note.

(2) *144A Definitive Notes to Beneficial Interests in Unrestricted Global Notes.* A Holder of a 144A Definitive Note may exchange such Note for a beneficial interest in an Unrestricted Global Note or transfer such 144A Definitive Note to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note only if the Registrar receives the following:

(A) if the Holder of such Definitive Notes proposes to exchange such Notes for a beneficial interest in the Unrestricted Global Note, a certificate from such Holder in the form of Exhibit C, including the certifications in item (1)(c) thereof; or

(B) if the Holder of such Definitive Notes proposes to transfer such Notes to a Person who shall take delivery thereof in the form of a beneficial interest in the Unrestricted Global Note, a certificate from such Holder in the form of Exhibit B, including the certifications in item (4) thereof; and, in such case set forth above in this paragraph, if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

Upon satisfaction of the conditions of Section 2.06(d)(2), the Registrar will cancel the Definitive Notes and increase or cause to be increased the aggregate principal amount of the Unrestricted Global Note.

(3) *Unrestricted Definitive Notes to Beneficial Interests in Unrestricted Global Notes.* A Holder of an Unrestricted Definitive Note may exchange such Note for a beneficial interest in an Unrestricted Global Note or transfer such Definitive Notes to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note at any time. Upon receipt of a request for such an exchange or transfer, the Registrar will cancel the applicable Unrestricted Definitive Note and increase or cause to be increased the aggregate principal amount of one of the Unrestricted Global Notes.

If any such exchange or transfer from a Definitive Note to a beneficial interest is effected pursuant to (3) above at a time when an Unrestricted Global Note has not yet been issued, the Company will issue and, upon receipt of an Authentication Order in accordance with Section 2.02, the Trustee will authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the principal amount of Definitive Notes so transferred.

(e) *Transfer and Exchange of Definitive Notes for Definitive Notes.* Upon request by a Holder of Definitive Notes and such Holder's compliance with the provisions of this Section 2.06(e), the Registrar will register the transfer or exchange of Definitive Notes. Prior to such registration of transfer or exchange, the requesting Holder must present or surrender to the Registrar the Definitive Notes duly endorsed or accompanied by a written instruction of transfer in form satisfactory to the Registrar duly executed by such Holder or by its attorney, duly authorized in writing. In addition, the requesting Holder must provide any additional certifications, documents and information, as applicable, required pursuant to the following provisions of this Section 2.06(e).

(1) *144A Definitive Notes to 144A Definitive Notes.* Any 144A Definitive Note may be transferred to and registered in the name of Persons who take delivery thereof in the form of a 144A Definitive Note if the Registrar receives the following:

(A) if the transfer will be made pursuant to Rule 144A, then the transferor must deliver a certificate in the form of Exhibit B, including the certifications in item (1) thereof; and

(B) if the transfer will be made pursuant to any other exemption from the registration requirements of the Securities Act, then the transferor must deliver a certificate

in the form of Exhibit B, including the certifications, certificates and (Opinion of Counsel) required by item (3) thereof, if applicable.

(2) *144A Definitive Notes to Unrestricted Definitive Notes.* Following the occurrence of an event described in Section 2.06(a), any 144A Definitive Note may be exchanged by the Holder thereof for an Unrestricted Definitive Note or transferred to a Person or Persons who take delivery thereof in the form of an Unrestricted Definitive Note if the Registrar receives the following:

(A) if the Holder of such 144A Definitive Notes proposes to exchange such Notes for an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit C, including the certifications in item (1)(d) thereof; or

(B) if the Holder of such 144A Definitive Notes proposes to transfer such Notes to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit B, including the certifications in item (4) thereof;

and, in such case set forth above in this paragraph if the Registrar so requests, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

(3) *Unrestricted Definitive Notes to Unrestricted Definitive Notes.* A Holder of Unrestricted Definitive Notes may transfer such Notes to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note. Upon receipt of a request to register such a transfer, the Registrar shall register the Unrestricted Definitive Notes pursuant to the instructions from the Holder thereof.

(f) *Legends.* The following legends will appear on the face of all 144A Global Notes and 144A Definitive Notes issued under this Indenture unless specifically stated otherwise in the applicable provisions of this Indenture.

(1) *Private Placement Legend.*

(A) Except as permitted by subparagraph (B) below, each Global Note and each 144A Definitive Note (and all Notes issued in exchange therefor or substitution thereof) shall bear the legend in substantially the following form:

"THIS NOTE AND THE NOTE GUARANTEE HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") AND, ACCORDINGLY, THIS NOTE AND THE NOTE GUARANTEE MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE HOLDER (1) REPRESENTS THAT (A) IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) (A "QIB") OR (B) IT IS ACQUIRING THIS NOTE IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH REGULATION S UNDER THE SECURITIES

ACT, (2) AGREES THAT IT WILL NOT, WITHIN THE TIME PERIOD REFERRED TO UNDER RULE 144(d) UNDER THE SECURITIES ACT AS IN EFFECT ON THE DATE OF THE TRANSFER OF THIS NOTE, RESELL OR OTHERWISE TRANSFER THIS NOTE EXCEPT (A) TO AZURE POWER GLOBAL LIMITED (THE "PARENT") OR ANY SUBSIDIARY THEREOF, (B) TO A PERSON WHOM THE HOLDER REASONABLY BELIEVES IS A QIB PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QIB IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT (IF AVAILABLE), (C) OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH RULE 904 UNDER THE SECURITIES ACT (IF AVAILABLE), (D) PURSUANT TO THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE) OR (E) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND, IN EACH CASE, IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, AND (3) AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS NOTE OR AN INTEREST HEREIN IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. IN CONNECTION WITH ANY TRANSFER OF THIS NOTE OR ANY INTEREST HEREIN, INCLUDING PARENT GUARANTEE RELATING TO THIS NOTE, WITHIN THE TIME PERIOD REFERRED TO ABOVE, THE HOLDER MUST CHECK THE APPROPRIATE BOX SET FORTH ON THE REVERSE HEREOF RELATING TO THE MANNER OF SUCH TRANSFER AND SUBMIT THIS CERTIFICATE TO THE TRANSFER AGENT. AS USED HEREIN, THE TERMS "OFFSHORE TRANSACTION" AND "UNITED STATES" HAVE THE MEANINGS GIVEN TO THEM BY RULE 902 OF REGULATION S UNDER THE SECURITIES ACT. THE INDENTURE CONTAINS A PROVISION REQUIRING THE TRANSFER AGENT TO REFUSE TO REGISTER ANY TRANSFER OF THIS NOTE IN VIOLATION OF THE FOREGOING RESTRICTIONS."

(B) Notwithstanding the foregoing, any Global Note or Definitive Note issued pursuant to subparagraphs (b)(4), (c)(2), (c)(3), (d)(2), (d)(3), (e)(2) or (e)(3) of this Section 2.06 (and all Notes issued in exchange therefor or substitution thereof) will not bear the Private Placement Legend.

(2) *Global Note Legend*. Each Global Note will bear a legend in substantially the following form:

"THIS GLOBAL NOTE IS HELD BY THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS NOTE) OR ITS NOMINEE IN CUSTODY FOR THE BENEFIT OF THE BENEFICIAL OWNERS HEREOF, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES EXCEPT THAT (1) THE REGISTRAR MAY MAKE SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO SECTION 2.06 OF THE INDENTURE, (2) THIS GLOBAL NOTE MAY BE EXCHANGED IN

WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.06(a) OF THE INDENTURE, (3) THIS GLOBAL NOTE MAY BE DELIVERED TO THE REGISTRAR FOR CANCELLATION PURSUANT TO SECTION 2.11 OF THE INDENTURE AND (4) THIS GLOBAL NOTE MAY BE TRANSFERRED TO A SUCCESSOR DEPOSITARY WITH THE PRIOR WRITTEN CONSENT OF THE COMPANY. UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR NOTES IN DEFINITIVE FORM, THIS NOTE MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY. UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (55 WATER STREET, NEW YORK, NEW YORK) ("DTC"), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR SUCH OTHER ENTITY AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN."

(g) *Cancellation and/or Adjustment of Global Notes*. At such time as all beneficial interests in a particular Global Note have been exchanged for Definitive Notes or a particular Global Note has been redeemed, repurchased or cancelled in whole and not in part, each such Global Note will be returned to or retained and cancelled by the Registrar in accordance with Section 2.11. At any time prior to such cancellation, if any beneficial interest in a Global Note is exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note or for Definitive Notes, the principal amount of Notes represented by such Global Note will be reduced accordingly and an endorsement will be made on such Global Note by the Registrar or by the Depositary at the direction of the Registrar to reflect such reduction; and if the beneficial interest is being exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note, such other Global Note will be increased accordingly and an endorsement will be made on such Global Note by the Registrar or by the Depositary at the direction of the Registrar to reflect such increase.

(h) *General Provisions Relating to Transfers and Exchanges*.

(1) To permit registrations of transfers and exchanges, the Company will execute and the Trustee will authenticate Global Notes and Definitive Notes upon receipt of an Authentication Order in accordance with Section 2.02 or at the Registrar's request.

(2) No service charge will be made to a Holder of a beneficial interest in a Global Note or to a Holder of a Definitive Note for any registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any transfer tax or other similar governmental charge payable in connection therewith (other than any such transfer taxes or similar governmental

charge payable upon exchange or transfer pursuant to Sections 2.10, 3.06, 3.09, 4.10, 4.16 and 9.05).

(3) The Registrar will not be required to register the transfer of or exchange of any Note selected for redemption in whole or in part, except the unredeemed portion of any Note being redeemed in part.

(4) All Global Notes and Definitive Notes issued upon any registration of transfer or exchange of Global Notes or Definitive Notes will be the valid obligations of the Company, evidencing the same debt, and entitled to the same benefits under this Indenture, as the Global Notes or Definitive Notes surrendered upon such registration of transfer or exchange.

(5) Neither the Registrar nor the Company will be required:

(A) to issue, to register the transfer of or to exchange any Notes during a period beginning at the opening of business 15 days before the day of any selection of Notes for redemption under Section 3.02 and ending at the close of business on the day of selection;

(B) to register the transfer of or to exchange any Note selected for redemption in whole or in part, except the unredeemed portion of any Note being redeemed in part; or

(C) to register the transfer of or to exchange a Note between a record date and the next succeeding Interest Payment Date.

(6) Prior to due presentment for the registration of a transfer of any Note, the Trustee, any Agent and the Company may deem and treat the Person in whose name any Note is registered as the absolute owner of such Note for the purpose of receiving payment of principal of and interest on such Notes and for all other purposes, and none of the Trustee, any Agent or the Company shall be affected by notice to the contrary.

(7) The Trustee will authenticate Global Notes and Definitive Notes in accordance with the provisions of Section 2.02.

(8) Notwithstanding anything contained herein to the contrary, neither the Trustee nor any Agent will be responsible for ascertaining whether any transfer complies with, or for otherwise monitoring or determining compliance with, the registration provisions of or any exemptions from the Securities Act or any other securities laws or the applicable laws of any jurisdiction.

(9) All certifications, certificates and Opinions of Counsel required to be submitted to the Registrar pursuant to this Section 2.06 to effect a registration of transfer or exchange may be submitted by facsimile.

Section 2.07 *Replacement Notes*.

If any mutilated Note is surrendered to the Trustee or the Company and the Registrar receives evidence to its satisfaction of the destruction, loss or theft of any Note, the Company will issue and the Trustee, upon receipt of an Authentication Order, will authenticate a replacement Note if the Trustee's requirements are met. If required by the Trustee, any Agent or the Company, an indemnity bond must be supplied by the Holder that is sufficient in the judgment of the Trustee, any Agent and the Company to protect the Company, the Trustee and any Agent from any loss that any of them may suffer if a Note is replaced. The Company may charge for its expenses in replacing a Note.

Every replacement Note is an additional obligation of the Company and will be entitled to all of the benefits of this Indenture equally and proportionately with all other Notes duly issued hereunder.

Section 2.08 *Outstanding Notes*.

The Notes outstanding at any time are all the Notes authenticated by the Trustee except for those cancelled by it, those delivered to it for cancellation, those reductions in the interest in a Global Note effected by the Registrar in accordance with the provisions hereof, and those described in this Section 2.08 as not outstanding. All Notes that are purchased, acquired or otherwise redeemed by the Company or the Parent will be cancelled in accordance with Section 2.11. Except as set forth in Section 2.09, a Note does not cease to be outstanding because an Affiliate of the Company or any Guarantor holds the Note; however, Notes held by an Affiliate of the Company or any Guarantor shall not be deemed to be outstanding for purposes of Section 3.07(a).

If a Note is replaced pursuant to Section 2.07, it ceases to be outstanding unless the Registrar receives proof satisfactory to it that the replaced Note is held by a protected purchaser.

If the principal amount of any Note is considered paid under Section 4.01, it ceases to be outstanding and interest on it ceases to accrue.

If the Paying Agent (other than the Company, the Parent, any other Restricted Subsidiary or an Affiliate of any thereof) holds, on a redemption date or maturity date, money sufficient to pay Notes payable on that date, then on and after that date such Notes will be deemed to be no longer outstanding and will cease to accrue interest.

Section 2.09 *Treasury Notes*.

In determining whether the Holders of the required principal amount of Notes have concurred in any direction, waiver or consent, Notes owned by any Person directly or indirectly controlling or controlled by or under direct or indirect common control with the Company or any Guarantor will be considered as not outstanding, except that for the purposes of determining whether the Trustee and each Agent will be protected in relying on any such direction, waiver or consent, only Notes for which the Trustee and each Agent has received an Officer's Certificate from the Company or an Affiliate of the Company evidencing such ownership or beneficial holding will be so disregarded.

Section 2.10 *Temporary Notes*.

Until certificates representing Notes are ready for delivery, the Company may prepare and the Trustee, upon receipt of an Authentication Order, will authenticate temporary Notes. Temporary Notes will be substantially in the form of certificated Notes but may have variations that the Company considers appropriate for temporary Notes and as may reasonably be acceptable to the Registrar. Without unreasonable delay, the Company will prepare and the Trustee will authenticate definitive Notes in exchange for temporary Notes.

Holders of temporary Notes will be entitled to all of the benefits of this Indenture. Section 2.11 *Cancellation*.

The Company at any time may deliver Notes, and the Company and the Parent shall promptly deliver all Notes that are purchased, acquired or otherwise redeemed by the Company or the Parent, to the Paying Agent for cancellation and the Paying Agent shall cancel such Notes. The Registrar and Trustee

will forward to the Paying Agent any Notes surrendered to them for registration of transfer, exchange or payment. The Paying Agent and no one else will cancel all Notes surrendered for registration of transfer, exchange, payment, replacement or cancellation and will destroy cancelled Notes (subject to the record retention requirement of the Exchange Act). Certification of the destruction of all cancelled Notes will be delivered to the Company upon prior written request of the Company. The Company may not issue new Notes to replace Notes that it has paid or that have been delivered to the Paying Agent for cancellation.

Section 2.12 *Defaulted Interest*.

If the Company defaults in a payment of interest on the Notes, it will pay the defaulted interest in any lawful manner plus, to the extent lawful, interest payable on the defaulted interest, to the Persons who are Holders on a subsequent special record date, in each case at the rate provided in the Notes and in Section
4.01. The Company will notify the Paying Agent in writing of the amount of defaulted interest proposed to be paid on each Note and the date of the proposed payment. The Company will fix or cause to be fixed each such special record date and payment date; *provided that* no such special record date may be less than 10 days prior to the related payment date for such defaulted interest. At least 15 days before the special record date, the Company (or, upon the written request, the Trustee or the Registrar in the name and at the expense of the Company) will mail or cause to be mailed to Holders a notice that states the special record date, the related payment date and the amount of such interest to be paid.

Section 2.13 *Additional Amounts*.

All payments of principal of, and premium, if any, and interest on the Notes or under the Note Guarantee will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or within India, Mauritius or any other jurisdiction in which the Company, a Surviving Person or any Guarantor is or was organized or resident for tax purposes or any political subdivision or taxing authority thereof or therein (each, as applicable, a "*Relevant Taxing Jurisdiction*") or any jurisdiction through which payment is made by or on behalf of the Company, the Guarantors or a Surviving Person, or any political subdivision or taxing authority thereof or therein (together with the Relevant Taxing Jurisdictions, the "*Relevant Jurisdictions*"), unless such withholding or deduction is required by law or by regulation or governmental policy having the force of law. If any such withholding or deduction is so required, the Company, the Guarantors or a Surviving Person, as the case may be, will pay such additional amounts (the "*Additional Amounts*") as will result in receipt of such amounts as would have been received had no such withholding or deduction been required, except that no Additional Amounts will be payable:

(a) for or on account of:

(1) any tax, duty, assessment or governmental charge that would not have been imposed but for:

(A) the existence of any present or former connection between the Holder or beneficial owner of such Note and the Relevant Jurisdiction other than merely holding such Note or the receipt of payments thereunder or under the Note Guarantee, or the enforcement of such Notes or the Note Guarantee, including, without limitation, such Holder or beneficial owner being or having been a national, domiciliary or resident of such Relevant Jurisdiction or treated as a resident thereof or being or having been physically present or engaged in a trade or business therein or having or having had a permanent establishment therein;

(B) the presentation of such Note (in cases in which presentation is required) more than 30 days after the later of the date on which the payment of the principal of, premium, if any, and interest on, such Note became due and payable pursuant to the terms thereof or was made or duly provided for, except to the extent that the Holder thereof would have been entitled to such Additional Amounts if it had presented such Note for payment on any date within such 30-day period;

(C) the presentation of such Note (in cases in which presentation is required) for payment in the Relevant Jurisdiction, unless such Note could not have been presented for payment elsewhere; or

(D) the failure of the Holder or beneficial owner to comply with a timely request of the Company, any Guarantor or a Surviving Person, addressed to the Holder, to provide any applicable information concerning such Holder's or beneficial owner's nationality, residence, identity or connection with any Relevant Jurisdiction, if and to the extent that it is legally entitled to do so and due and timely compliance with such request is required under the statutes, regulations or official administrative guidance having a force of law of the Relevant Jurisdiction in order to reduce or eliminate any withholding or deduction as to which Additional Amounts would have otherwise been payable to such Holder.

(2) any estate, inheritance, gift, sale, transfer, personal property or similar tax, assessment or other governmental charge;

(3) any tax, duty, assessment or other governmental charge which is payable other than by deduction or withholding from payments of principal of or interest or any premium on the Note or payments under the Note Guarantee;

(4) any tax, assessment, withholding or deduction required by Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended ("*FATCA*"), any current or future Treasury Regulations or rulings promulgated thereunder, any law, regulation or other official guidance enacted in any jurisdiction implementing FATCA, any intergovernmental agreement between the United States and any other jurisdiction to implement FATCA, or any agreement with the U.S. Internal Revenue Service under FATCA; or

(5) any combination of taxes, duties, assessments or governmental charges referred to in the preceding clauses (1), (2), (3) and (4); or

(b) to a Holder that is a fiduciary, partnership or person other than the sole beneficial owner of any payment to the extent that such payment would be required to be included in the income under the laws of a Relevant Jurisdiction, for tax purposes, of a beneficiary or settlor with respect to the fiduciary, or a member of that partnership or a beneficial owner who would not have been entitled to such Additional Amounts had that beneficiary, settlor, partner or beneficial owner been the Holder thereof.

(c) The Company, any applicable Guarantor or a Surviving Person, as the case may be, will (i) make such withholding or deduction and (ii) remit the full amount deducted or withheld to the relevant authority in accordance with applicable law. The Company, any applicable Guarantor or a Surviving Person, as the case may be, will make reasonable efforts to obtain original tax receipts or certified copies thereof evidencing the payment of any taxes, duties, assessment or governmental charges so deducted or withheld and paid to the Relevant Jurisdiction. The Company, any applicable Guarantor or a Surviving Person, as the case may be, will furnish to the Trustee, within 60 days after the date of the payment of any

taxes, duties, assessment or governmental charges so deducted or withheld is due pursuant to applicable law, either original tax receipts or certified copies thereof evidencing such payment or, if such receipts are not obtainable, other evidence of such payments.

(d) At least 30 days prior to each date on which any payment under or with respect to the Notes is due and payable, if the Company, a Guarantor or a Surviving Person, as the case may be, will be obligated to pay Additional Amounts with respect to such payment, the Company, a Guarantor or a Surviving Person, as the case may be, will deliver to the Trustee an Officer's Certificate stating the fact that such Additional Amounts will be payable and the amounts so payable and will set forth such other information necessary to enable the Paying Agent to pay such Additional Amounts to the Holders on such payment date.

(e) The Paying Agent and the Trustee will make payments free of withholdings or deductions on account of taxes unless required by applicable law. If such a deduction or withholding is required, the Paying Agent or the Trustee will not be obligated to pay any Additional Amount to the recipient unless such an Additional Amount is received by the Paying Agent or the Trustee. The Company, any Guarantor or Surviving Person shall give notice to the Paying Agent and the Trustee of withholding or deduction as soon as it becomes aware of the requirement to make the withholding or deduction and shall give to the Paying Agent and the Trustee such information as the Paying Agent and the Trustee may require to enable them to assess and comply with the requirement.

(f) Each of the Company, each Guarantor and any Surviving Person agrees to provide to the Paying Agent and the Trustee, and consents to the collection and processing by the Paying Agent and the Trustee of, any authorisations, waivers, forms, documentation and other information, relating to its status (or the status of its direct or indirect owners or Holders) or otherwise required to be reported, under the FATCA (the "FATCA Information"). Each of the Company, each Guarantor and any Surviving Person further consents to the disclosure, transfer and reporting of such FATCA Information to any relevant government or taxing authority, any affiliate of the Paying Agent or Trustee, any sub-contractors, service providers or associates of the Paying Agent, the Trustee or any of their affiliates, and any person making payments to the Paying Agent, the Trustee or any of their affiliates, including transfers to jurisdictions which do not have strict data protection or similar laws, to the extent that the Paying Agent and the Trustee reasonably determines that such disclosure, transfer or reporting is necessary or warranted to facilitate compliance with FATCA. Each of the Company, each Guarantor and any Surviving Person agrees to inform the Paying Agent and the Trustee promptly, and in any event, within 30 days, in writing if there are any changes to the FATCA Information supplied to the Paying Agent and the Trustee from time to time. Each of the Company, each Guarantor and any Surviving Person warrants that each person whose FATCA Information it provides (or has provided) to the Paying Agent and the Trustee has been notified of and agreed to, and has been given such other information as may be necessary to permit, the collection, processing, disclosure, transfer and reporting of their information as set out in this paragraph. The parties hereto agree that either of them may request the other, from time to time, to make such changes to this agreement as may be necessary or desirable to ensure that payments can be made to or to the order of a common depositary or common safekeeper without any deduction, whether under FATCA or otherwise and/or to enable the Company or the Trustee to comply with any legal obligations that may apply to it pursuant to FATCA. On such request, the parties shall negotiate such changes in good faith for 30 days. Failing agreement, at the end of such period, if the Trustee made the request, the Trustee may resign, whether or not a substitute Trustee has been appointed.

(g) In addition, the Company, a Guarantor or a Surviving Person, as the case may be, will pay any stamp, issue, registration, documentary, value added or other similar taxes and other duties (including interest and penalties) payable in any Relevant Jurisdiction in respect of the creation, issue, offering, execution or enforcement of, or the receipt of payments under, the Notes, the Note Guarantee or any documentation with respect thereto. Whenever there is mentioned in any context the payment of principal

of, and any premium or interest on, any Note or under the Note Guarantee, such mention will be deemed to include payment of Additional Amounts provided for in this Indenture to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

ARTICLE 3 REDEMPTION AND PREPAYMENT

Section 3.01 *Notices to Trustee*.

Unless the Company has delivered an Officer's Certificate to the Trustee pursuant to the third paragraph of Section 3.03, if the Company elects to redeem Notes pursuant to the optional redemption provisions of Section 3.07, it must furnish to the Trustee, at least 30 days but not more than 60 days before a redemption date, an Officer's Certificate setting forth:

(a) the clause of this Indenture pursuant to which the redemption shall occur;

(b) the redemption date;

(c) the principal amount of Notes to be redeemed; and

(d) the redemption price.

Section 3.02 *Selection of Notes to Be Redeemed or Purchased*.

If less than all of the Notes are to be redeemed or purchased in an offer to purchase at any time, the Trustee will select Notes for redemption or purchase on a pro rata basis to the extent practicable or pursuant to another method in accordance with the procedures of the Depositary, unless otherwise required by law or applicable stock exchange requirements.

No Notes of a principal amount of US$200,000 or less can be redeemed or purchased in part, and if Notes are redeemed or purchased in part, the remaining outstanding amount must be at least equal to US$200,000 and integral multiples of US$1,000 in excess thereof. Notices of redemption will be mailed by first class mail at least 30 but not more than 60 days before the redemption date to each Holder of Notes to be redeemed at its registered address, except that redemption notices may be mailed more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or the satisfaction and discharge of this Indenture.

If any Note is to be redeemed in part only, the notice of redemption that relates to that Note will state the portion of the principal amount of that Note that is to be redeemed. Notes called for redemption become due on the date fixed for redemption. On and after the redemption date, interest ceases to accrue on Notes or portions of Notes called for redemption.

In the event of partial redemption or purchase by lot, the particular Notes to be redeemed or purchased will be selected, unless otherwise provided herein, not less than 30 nor more than 60 days prior to the redemption or purchase date by the Trustee from the outstanding Notes not previously called for redemption or purchase. A new Note in principal amount equal to the unredeemed portion of the original Note will be issued in the name of the Holder upon cancellation of the original Note.

The Trustee will as soon as reasonably practicable notify the Company in writing of the Notes selected for redemption or purchase and, in the integral of any Note selected for partial redemption or purchase, the principal amount thereof to be redeemed or purchased. Notes and portions of Notes selected

will be in amounts of US$200,000 or integral multiples of US$1,000 in excess thereof; except that if all of the Notes of a Holder are to be redeemed or purchased, the entire outstanding amount of Notes held by such Holder, shall be redeemed or purchased. Except as provided in the preceding sentence, provisions of this Indenture that apply to Notes called for redemption or purchase also apply to portions of Notes called for redemption or purchase.

Section 3.03 *Notice of Redemption*.

Subject to the provisions of Section 3.09, at least 30 days but not more than 60 days before a redemption date, the Company will mail or cause to be mailed, by first class mail, a notice of redemption to each Holder whose Notes are to be redeemed at its registered address, except that redemption notices may be mailed more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or a satisfaction and discharge of this Indenture pursuant to Articles 8 or 12 hereof.

The notice will identify the Notes to be redeemed and will state:

(a) the redemption date;

(b) the redemption price;

(c) if any Note is being redeemed in part, the portion of the principal amount of such Note to be redeemed and that, after the redemption date upon surrender of such Note, a new Note or Notes in principal amount equal to the unredeemed portion will be issued upon cancellation of the original Note; *provided that* the unredeemed portion has a minimum denomination of US$200,000;

(d) the name and address of the Paying Agent;

(e) that Notes called for redemption must be surrendered to the Paying Agent to collect the redemption price;

(f) that, unless the Company defaults in making such redemption payment, interest on Notes called for redemption ceases to accrue on and after the redemption date;

(g) the paragraph of the Notes and/or Section of this Indenture pursuant to which the Notes called for redemption are being redeemed; and

(h) that no representation is made as to the correctness or accuracy of the CUSIP number, if any, listed in such notice or printed on the Notes.

At the Company's request, the Trustee will give the notice of redemption in the Company's name and at its expense; *provided however*, that the Company has delivered to the Trustee, at least 45 days prior to the redemption date, an Officer's Certificate requesting that the Trustee give such notice and setting forth the information to be stated in such notice as provided in the preceding paragraph.

At least 10 days prior to mailing of any notice of redemption to the Holders under this Article 3, the Company shall provide notice of redemption to the Trustee.

Section 3.04 *Effect of Notice of Redemption*.

Except as provided in Section 3.07(c), once notice of redemption is mailed in accordance with Section 3.03, Notes called for redemption become irrevocably due and payable on the redemption date at the redemption price.

Section 3.05 *Deposit of Redemption or Purchase Price*.

No later than one Business Day prior to the redemption or purchase date, the Company will deposit with the Trustee or with the Paying Agent money sufficient to pay the redemption or purchase price of and accrued interest and Additional Amounts, if any, on all Notes to be redeemed or purchased on that date. The Trustee or the Paying Agent will as soon as reasonably practicable return to the Company any money deposited with the Trustee or the Paying Agent by the Company in excess of the amounts necessary to pay the redemption or purchase price of, and accrued interest and Additional Amounts, if any on, all Notes to be redeemed or purchased.

If the Company complies with the provisions of the preceding paragraph, on and after the redemption or purchase date, interest will cease to accrue on the Notes or the portions of Notes called for redemption or purchase. If a Note is redeemed or purchased on or after an interest record date but on or prior to the related Interest Payment Date, then any accrued and unpaid interest shall be paid to the Person in whose name such Note was registered at the close of business on such record date. If any Note called for redemption or purchase is not so paid upon surrender for redemption or purchase because of the failure of the Company to comply with the preceding paragraph, interest shall be paid on the unpaid principal, from the redemption or purchase date until such principal is paid, and to the extent lawful on any interest not paid on such unpaid principal, in each case at the rate provided in the Notes and in Section 4.01.

Section 3.06 *Notes Redeemed or Purchased in Part*.

Upon surrender of a Note that is redeemed or purchased in part, the Company will issue and, upon receipt of an Authentication Order, the Trustee will authenticate for the Holder at the expense of the Company a new Note equal in principal amount to the unredeemed or unpurchased portion of the Note surrendered.

Section 3.07 *Optional Redemptions*.

(a) At any time prior to September 24, 2022, upon not less than 30 nor more than 60 days' prior notice the Company may on any one or more occasions redeem up to 40% of the aggregate principal amount of Notes issued under this Indenture at a redemption price of 105.650% of the principal amount thereof, plus accrued and unpaid interest, if any, to (but not including) the applicable redemption date, subject to the rights of Holders on the relevant record date to receive interest due on the relevant Interest Payment Date with the net cash proceeds of one or more sales of the Capital Stock of the Parent in an Equity Offering; *provided that*:

(1) at least 60% of the aggregate principal amount of Notes issued on the Original Issue Date (excluding Notes held by the Parent or its Subsidiaries) remains outstanding immediately after the occurrence of such redemption; and

(2) the redemption occurs within 90 days of the date of the closing of such Equity Offering.

(b) At any time prior to September 24, 2022, upon not less than 30 nor more than 60 days' prior notice the Company may on any one or more occasions redeem all or any portion of the Notes, at a redemption price equal to 100% of the principal amount of the Notes, redeemed plus the Applicable Premium as of, and accrued and unpaid interest, if any, to (but not including), the applicable redemption date, subject to the rights of Holders on the relevant record date to receive interest due on the relevant Interest Payment Date. Neither the Trustee nor any of the Agents shall be responsible for verifying or calculating the Applicable Premium.

(c) On or after September 24, 2022, upon not less than 30 nor more than 60 days' prior notice, the Company may redeem all or any portion of the Notes at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid interest, if any, on the Notes redeemed to (but not including) the applicable redemption date, if redeemed during the periods indicated below, subject to the rights of Holders on the relevant record date to receive interest on the relevant Interest Payment Date:

Period	Percentage
From September 24, 2022 to September 23, 2023	102.825%
From September 24, 2023 to September 23, 2024	101.413%
On or after September 24, 2024	100.000%

Unless the Company defaults in the payment of the applicable redemption price, interest will cease to accrue on the Notes or portions thereof called for redemption on the applicable redemption date.

In connection with any redemption of Notes pursuant to this Section 3.07, any such redemption or notice may, at the Company's discretion, be subject to one or more conditions precedent. In addition, if such redemption or notice is subject to satisfaction of one or more conditions precedent, such notice may state that, in the Company's discretion, the redemption date may be delayed until such time as any or all such conditions shall be satisfied, or such redemption may not occur and such notice may be rescinded if any or all such conditions shall not have been satisfied by the redemption date, or by the redemption date so delayed.

(d) Any redemption pursuant to this Section 3.07 shall be made pursuant to the provisions of Sections 3.01 through 3.06 hereof.

Section 3.08 *Special Mandatory Redemption*.

On the SMR Measurement Date, the Company will be required to redeem Notes (a "*Special Mandatory Redemption*"), at a redemption price of 101% of their principal amount, plus accrued and unpaid interest to (but not including) the applicable redemption date (the "*Special Mandatory Redemption Price*") in the circumstances and on the basis set forth below:

(a) if total aggregate amount of (x) funds released from the Escrow Account and used by the Company to Incur Onshore Debt *plus* (y) funds from the offering of the Notes that are used by the Company to repay the EDC Loan, is less than or equal to 80% of the aggregate principal amount of the Notes originally issued (the "*Total Mandatory Redemption Threshold*"), then the Company will be required to redeem all of the Notes then outstanding at the Special Mandatory Redemption Price; and

(b) if the total aggregate amount of (x) funds released from the Escrow Account and used by the Company to Incur Onshore Debt *plus* (y) funds from the proceeds of the offering of the Notes that are used by the Company to repay the EDC Loan, is more than the Total Mandatory Redemption Threshold, but less than the aggregate total principal amount of the Notes originally issued, then the Company will be

required to use the amounts remaining in the Escrow Account to redeem Notes on a pro rata basis at the Special Mandatory Redemption Price.

If any Notes are to be redeemed as set forth above, the Company will issue, or cause to be issued, to the Notes Collateral Agent (with a copy to the Trustee) a notice of Special Mandatory Redemption not later than two Business Days after the SMR Measurement Date and the redemption date shall be no earlier than 30 calendar days and no later than 40 calendar days following the date of such notice. In addition, no later than two Business Days after the SMR Measurement Date, the Company shall also deliver to the Notes Collateral Agent, with a copy to the Trustee, an Officer's Certificate setting forth (i) the calculation of the amount of Escrow Funds, including interest and proceeds from the sale of Temporary Cash Equivalents, on deposit in the Escrow Account and (ii) the calculation of the Special Mandatory Redemption Price payable on the date of the Special Mandatory Redemption (the "*Certificate of Redemption Calculations*"). If, in connection with a redemption of all the Notes, such Certificate of Redemption Calculations reveals that the amount of cash that is available in the Escrow Account is insufficient to pay the Special Mandatory Redemption Price, then the Company shall, within one Business Day after delivery of such certificate to the Notes Collateral Agent, deposit directly into the Escrow Account Bank an amount of cash that, without reinvestment, is equal to the amount of such shortfall (the "*Shortfall Amounts*"). To the extent that the proceeds realized by the Company from liquidating the Temporary Cash Equivalents are less than the market value thereof as set forth in the Certificate of Redemption Calculations and this gives rise to a shortfall, the Company shall promptly, but in any event within one Business Day deposit cash in an amount that, without reinvestment, is equal to the amount of the Shortfall Amounts.

Any notice of redemption pursuant to this Section 3.08 shall be in the form set forth in Section 3.03. The certificate from the Notes Collateral Agent permitting release of the amounts in the Escrow Account to the Paying Agent shall be substantially in the form provided in Exhibit L.

Section 3.09 *Offer to Purchase by Application of Excess Proceeds*.

If, pursuant to Section 4.10, the Company is required to commence an offer to all Holders to purchase Notes (an "*Asset Sale Offer*"), it will follow the procedures specified below.

The Asset Sale Offer shall be made to all Holders and all Holders of other Indebtedness that is *pari passu* with the Notes containing provisions similar to those set forth in this Indenture with respect to offers to purchase or redeem with the proceeds of sales of assets. The Asset Sale Offer will remain open for a period of at least 30 days following its commencement and not more than 60 days, except to the extent that a longer period is required by applicable law (the "*Offer Period*"). No later than three Business Days after the termination of the Offer Period (the "*Purchase Date*"), the Company will apply all Excess Proceeds (the "*Offer Amount*") to the purchase of Notes and such other *pari passu* Indebtedness (on a *pro rata* basis, if applicable) or, if less than the Offer Amount has been tendered, all Notes and other Indebtedness tendered in response to the Asset Sale Offer. Payment for any Notes so purchased will be made in the same manner as interest payments are made.

If the Purchase Date is on or after an interest record date and on or before the related Interest Payment Date, any accrued and unpaid interest if any, will be paid to the Person in whose name a Note is registered at the close of business on such record date, and no additional interest will be payable to Holders who tender Notes pursuant to the Asset Sale Offer.

Upon the commencement of an Asset Sale Offer, the Company will send, by first class mail, a notice to the Trustee and each of the Holders. The notice will contain all instructions and materials necessary to enable such Holders to tender Notes pursuant to the Asset Sale Offer. The notice, which will govern the terms of the Asset Sale Offer, will state:

(a) that the Asset Sale Offer is being made pursuant to this Section 3.09 and Section 4.10 and the length of time the Asset Sale Offer will remain open;

(b) the Offer Amount, the purchase price and the Purchase Date;

(c) that any Note not tendered or accepted for payment will continue to accrue interest;

(d) that, unless the Company defaults in making such payment, any Note accepted for payment pursuant to the Asset Sale Offer will cease to accrue interest after the Purchase Date;

(e) that Holders electing to have a Note purchased pursuant to an Asset Sale Offer may elect to have Notes purchased in minimum denominations of US$200,000 and integral multiples of US$1,000 thereof only;

(f) that Holders electing to have Notes purchased pursuant to any Asset Sale Offer will be required to surrender the Note, with the form entitled "Option of Holder to Elect Purchase" attached to the Notes completed, or transfer by book-entry transfer, to the Company, a Depositary, if appointed by the Company, or a Paying Agent at the address specified in the notice at least three days before the Purchase Date;

(g) that Holders will be entitled to withdraw their election if the Company, the Depositary or the Paying Agent, as the case may be, receives, not later than the expiration of the Offer Period, an e-mail, facsimile transmission or letter setting forth the name of the Holder, the principal amount of the Note the Holder delivered for purchase and a statement that such Holder is withdrawing his election to have such Note purchased;

(h) that, if the aggregate principal amount of Notes and other *pari passu* Indebtedness surrendered by Holders thereof exceeds the Offer Amount, the Company will select the Notes and other *pari passu* Indebtedness to be purchased in accordance with Section 3.02 based on the principal amount of Notes and such other *pari passu* Indebtedness surrendered (with such adjustments as may be deemed appropriate by the Company so that only Notes in minimum denominations of US$200,000, and integral multiples of US$1,000 in excess thereof, will be purchased); and

(i) that Holders whose Notes were purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered (or transferred by book-entry transfer), *provided*, that the unpurchased portion has a minimum denomination of US$200,000.

On or before the Purchase Date, the Company will, to the extent lawful, accept for payment, on a *pro rata* basis to the extent necessary, but subject to Section 3.02, the Offer Amount of Notes or portions thereof tendered pursuant to the Asset Sale Offer, or if less than the Offer Amount has been tendered, all Notes tendered, and will deliver or cause to be delivered to the Trustee the Notes properly accepted together with an Officer's Certificate stating that such Notes or portions thereof were accepted for payment by the Company in accordance with the terms of this Section 3.09. The Company, the Depositary or the Paying Agent, as the case may be, will promptly (but in any case not later than five days after the Purchase Date) mail or deliver to each tendering Holder an amount equal to the purchase price of the Notes tendered by such Holder and accepted by the Company for purchase, and the Company will promptly issue a new Note, and the Trustee, upon written request from the Company, will authenticate and mail or deliver (or cause to be transferred by book entry) such new Note to such Holder, in a principal amount equal to any unpurchased portion of the Note surrendered, *provided*, that the unpurchased portion has a minimum denomination of US$200,000. Any Note not so accepted shall be promptly mailed or delivered by the Company to the Holder thereof. The Company will publicly announce the results of the Asset Sale Offer on the Purchase Date.

Other than as specifically provided in this Section 3.09, any purchase pursuant to this Section 3.09 shall be made pursuant to the provisions of Sections 3.01 through 3.06.

Section 3.10 *Redemption for Taxation Reasons*.

The Notes may be redeemed, at the option of the Company or a Surviving Person, as the case may be, as a whole but not in part, upon giving not less than 30 days' nor more than 60 days' notice to the Holders and the Trustee (which notice will be irrevocable), at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest (including any Additional Amounts), if any, to the date fixed by the Company or the Surviving Person, as the case may be, for redemption if, as a result of:

(a) any change in, or amendment to, the statutes, regulations or official administrative guidance having the force of law, of a Relevant Taxing Jurisdiction affecting taxation; or

(b) any change in, or amendment to, the existing official position regarding the application or interpretation of such statutes, regulations, rulings or official administrative guidance (including a holding, judgment or order by a court of competent jurisdiction),

which change or amendment or official position is announced and becomes effective (i) with respect to the Company, on or after the Original Issue Date, or (ii) with respect to a Surviving Person organized or resident for tax purposes in a jurisdiction that is not the Company's or a Guarantor's Relevant Taxing Jurisdiction as of the Original Issue Date, on or after the date such Surviving Person becomes a Surviving Person, with respect to any payment due or to become due under the Notes or the Onshore Debt, as applicable, the Company, the Guarantors, a Surviving Person, or a Restricted Subsidiary that has Incurred Onshore Debt, as the case may be, is, or on the next Interest Payment Date would be, required to pay Additional Amounts (or in the case of Onshore Debt, the Restricted Subsidiary that is the issuer or borrower of the Onshore Debt would be required to withhold or deduct any taxes, duties, assessments or government charges of whatever nature), and such requirement cannot be avoided by the taking of reasonable measures by the Company, the Guarantors, a Surviving Person or such Restricted Subsidiary, as the case may be; *provided that* no such notice of redemption will be given earlier than 90 days prior to the earliest date on which the Company, the Guarantors, a Surviving Person, or such Restricted Subsidiary, as the case may be, would be obligated to pay such Additional Amounts (or withhold or deduct an amount with respect to any payment on Onshore Debt) if a payment in respect of the Notes (or on Onshore Debt) were then due; and *provided further that* where any such requirement to pay Additional Amounts (or withhold or deduct an amount with respect to any payment on Onshore Debt) is due to taxes imposed by India or any political subdivision or taxing authority thereof or therein, the Company or the Surviving Person will be permitted to redeem the Notes in accordance with the provisions hereof only if the rate of withholding or deduction in respect of which Additional Amounts are required (or in respect of which withholding is required on Onshore Debt) is in excess of 20% (plus applicable surcharge and cess).

Prior to the mailing of any notice of redemption of the Notes pursuant to the foregoing, the Company or a Surviving Person, as the case may be, will deliver to the Trustee at least 30 days but not more than 60 days before a redemption date:

(1) an Officer's Certificate stating that such change or amendment referred to in the prior paragraph has occurred, describing the facts related thereto and stating that such requirement cannot be avoided by the Company, the Guarantor, a Surviving Person or the applicable Restricted Subsidiary, as the case may be, taking reasonable measures; and

(2) an Opinion of Counsel or an opinion of a tax consultant of recognized standing with respect to tax matters of the Company's, Guarantor's or a Surviving Person's Relevant Taxing Jurisdiction, or tax matters of India, with respect to the Restricted Subsidiaries, stating that the requirement to pay such Additional Amounts results from such change or amendment referred to in the prior paragraph.

The Trustee is and shall be entitled to accept such certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent described above without further verification, in which event it will be conclusive and binding on the Holders, and the Trustee will not be responsible for any loss occasioned by acting in reliance on such certificate and opinion.

ARTICLE 4
COVENANTS

Section 4.01 *Payment of Notes*.

The Company will pay or cause to be paid the principal of, premium, if any, and interest and Additional Amounts, if any, on, the Notes on the dates and in the manner provided in the Notes. Principal, premium, if any, and interest and Additional Amounts, if any, will be considered paid on the date due if the Paying Agent, if other than the Company, the Parent or any other Restricted Subsidiary thereof, holds as of 5:00 p.m. (London time) one Business Day prior to the due date money deposited by the Company in immediately available funds and designated for and sufficient to pay all principal, premium, if any, and interest and Additional Amounts, if any, then due.

Not later than 5:00 p.m. (London time) on the second Business Day immediately preceding each payment date, the Company shall confirm such payment, or procure confirmations by an e-mail or fax message from the bank making such payment to the Paying Agent. For the avoidance of doubt, the Paying Agent shall only be obliged to remit money to Holders if it has actually received such money from the Company.

The Company will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal and premium, if any, at the rate equal to the then applicable interest rate on the Notes to the extent lawful; it will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest and Additional Amounts, if any, (without regard to any applicable grace period) at the same rate to the extent lawful.

An installment of principal or interest will be considered paid on the date due if the Paying Agent, other than the Company or any Affiliate of the Company, holds on that date money designated for and sufficient to pay the installment. If the Company or any Affiliate of the Company acts as Paying Agent, an installment of principal or interest will be considered paid on the due date only if paid to the Holders.

Anything in this Section 4.01 to the contrary notwithstanding, the Company may at any time, for the purpose of obtaining a satisfaction and discharge of this Indenture or for any other reason, pay or cause to be paid to the Trustee all sums held in trust by the Company or any Paying Agent hereunder, as required by this Section 4.01 and such sums shall be held by the Trustee. If the Paying Agent shall pay all sums held in trust to the Trustee as required under this Section 4.01, the Paying Agent shall have no further liability for the money so paid over to the Trustee. The Paying Agent shall not be bound to make any payment until it has received the full amount due to be paid to it pursuant to this Section 4.01.

Anything in this Section 4.01 to the contrary notwithstanding, the agreements to hold sums as provided in this Section 4.01 are subject to the provisions of 8.06.

Section 4.02 *Maintenance of Office or Agency*.

The Company will maintain an office or agency where Notes may be surrendered for registration of transfer or exchange or for presentation for payment and where notices and demands by Holders to or upon the Company in respect of the Notes and this Indenture may be made. The Company hereby initially designates the specified office of the Paying Agent as such office of the Company. The Company will give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Company fails to maintain any such required office or agency or fails to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made to the Trustee.

The Company may also from time to time designate one or more other offices or agencies where the Notes may be surrendered or presented for any of such purposes and may from time to time rescind such designations; provided, however, that no such designation or rescission shall in any manner relieve the Company of its obligation to maintain an office or agency in each place where principal of, and interest on, any Notes are payable. The Company will give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

For so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, if a Global Note is exchanged for Definitive Notes, the Company will appoint and maintain a paying agent in Singapore, where the Notes may be presented or surrendered for payment or redemption, and make an announcement of such exchange through the SGX-ST that will include all material information with respect to the delivery of the Definitive Notes, including details of the paying agent in Singapore by way of an announcement through SGXNET.

If the Parent or the Company maintains a paying agent with respect to the Notes in a member state of the European Union, such paying agent will be located in a member state of the European Union that is not obligated to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of November 26-27, 2000 on the taxation of savings income, or any law implementing or complying with, or introduced in order to conform to, such Directive.

Upon written notice to the Trustee, the Company may change the Paying Agent, Registrar or Transfer Agent without prior notice to the Holders. In addition, the Company, the Parent or any of its Subsidiaries may act as Paying Agent in connection with the Notes other than for the purposes of effecting a redemption under Section 3.02 or an offer to purchase the Notes described under Section 4.10 or Section 4.16.

Section 4.03 *Provision of Financial Statements and Reports*.

(a) For so long as any Notes are outstanding, the Parent will provide to the Trustee, as soon as they are available but in any event not more than ten calendar days after they are filed with the SEC or, if the Parent does not file periodic reports with the SEC, the principal international recognized stock exchange on which the Parent's Common Stock is at any time listed for trading, true and correct copies (in English or with an English translation) of any quarterly or annual financial or other report filed with or furnished to the SEC or such exchange, as the case may be; provided, however, that if at any time the Parent does not file or furnish periodic reports with or to the SEC and the Common Stock of the Parent is not listed for trading on an internationally recognized stock exchange, the Parent will provide to the Trustee, in the English language (or accompanied by an English translation thereof),

(1) within 120 days after the end of each fiscal year of the Parent beginning with the fiscal year ending March 31, 2020, annual reports containing: (a) audited consolidated balance sheets of the Parent as of the end of the two most recent fiscal years and audited consolidated statements of income and cash flow of the Parent for the two most recent fiscal years, including footnotes to such financial statements and the audit report of a member firm of an internationally recognized accounting firm on the financial statements; and (b) an operating and financial review of the audited financial statements; and

(2) within 90 days after the end of the first semi-annual period in each fiscal year of the Parent beginning with the semi-annual period ending September 30, 2020, semi-annual reports containing an unaudited consolidated balance sheet of the Parent as of the end of such semi-annual period and unaudited condensed statements of income and cash flow of the Parent for the most recent semi-annual period ending on the unaudited consolidated balance sheet date, and the comparable prior year period.

(b) In addition, for so long as any Notes are outstanding, the Company will provide to the Trustee the following reports, in the English language:

(1) no later than 30 calendar days after the date on which the Parent provides its corresponding annual reports to the Trustee pursuant to Section 4.03(a), commencing with the annual report for the fiscal year ending March 31, 2020, annual reports containing: (a) audited combined balance sheets of the Restricted Group II as of the end as of the two most recent fiscal years and audited combined statements of income and cash flow of the Restricted Group II for the two most recent fiscal years, including footnotes to such financial statements and the audit report of a member firm of an internationally recognized accounting firm on the financial statements; and
(b) an operating and financial review of the audited financial statements; and

(2) no later than 30 calendar days after the date on which the Parent provides its corresponding semi-annual reports to the Trustee pursuant to the preceding paragraph, commencing with the semi-annual report for the semi-annual period ending September 31, 2020, semi-annual reports containing (a) an unaudited combined balance sheet of the Restricted Group II as of the end of such semi-annual period and unaudited combined statements of income and cash flow of the Restricted Group II for the most recent semi-annual period ending on the unaudited combined balance sheet date, and the comparable prior year period, together with footnotes, and a review report thereon by a member firm of an internationally recognized accounting firm; and (b) an operating and financial review of the unaudited financial statements.

(c) In addition, for so long as any Note remains outstanding, the Parent or the Company will provide to the Trustee (1) concurrently with the annual report provided under clause (b)(1) of this Section 4.03, an Officer's Certificate stating the Combined Leverage Ratio at the end of such fiscal year and the Debt Service Coverage Ratio for the two consecutive semi-annual periods ending on the last date of such fiscal year (taken as one annual period) and showing in reasonable detail the calculation of such ratios with a certificate from the Parent's or the Company's external auditors verifying the accuracy and correctness of the calculations and arithmetic computations; *provided, however,* that the Parent and the Company shall not be required to provide such auditor certification if its external auditors refuse as a general policy to provide such certification; and (2) as soon as possible and in any event within 10 Business Days after the Parent or the Company becomes aware or should reasonably became aware of the occurrence of a Default or an Event of Default, an Officer's Certificate setting forth the details of the Default or Event of Default, and the action which the Parent or the Company proposes to take with respect thereto.

(d) All financial statements of (1) the Parent will be prepared in accordance with GAAP as in effect on the date of such report or financial statement (or otherwise on the basis of GAAP as then in effect) and on a consistent basis for the periods presented and (2) the Restricted Group II will be prepared in accordance with Ind-AS (as defined in the definition of "GAAP" in Section 1.01) and on a consistent basis for the periods presented; provided, however, that the reports set forth in this covenant may, if applicable financial reporting standards change, present earlier periods on a basis that applied to such periods.

(e) Further, the Parent and the Company have agreed that, for as long as any Notes are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, during any period in which the Parent or the Company is neither subject to Section 13 or 15(d) of the Exchange Act, nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, the Parent (prior to an Early Parent Guarantee Release) or the Company, as applicable, will supply to (1) any Holder or beneficial owner of a Note or (2) a prospective purchaser of a Note or a beneficial interest therein designated by such Holder or beneficial owner, the information specified in, and meeting the requirements of Rule 144A(d)(4) under the Securities Act upon the request of any Holder or beneficial owner of a Note.

(f) Delivery of any such information to the Trustee, the Collateral Agents or the Agents is for informational purposes only and the any of their receipt of them will not constitute actual or constructive notice or knowledge of any information contained therein or determinable from information contained therein, including the Company or the Parent's compliance with any of its or their covenants hereunder (as to which the Trustee is entitled to rely exclusively on Officer's Certificates).

Section 4.04 *Compliance Certificate*.

(a) The Parent shall deliver to the Trustee, on or before a date not more than 120 days after the end of each fiscal year and within 14 days after a written request from the Trustee, an Officer's Certificate of the Parent or the Company stating that a review has been conducted of the activities of the Parent and the Restricted Subsidiaries and the Parent and the Restricted Subsidiaries' performance under this Indenture, the Notes and the Collateral Documents, and that the Parent and each Restricted Subsidiary have fulfilled all of their respective obligations thereunder, or, if there has been a default in the fulfillment of any such obligation, specifying each such Default or Event of Default and the nature and status thereof.

Section 4.05 *Taxes*.

The Parent will cause each of its Restricted Subsidiaries to pay, prior to delinquency, all material taxes, assessments, and governmental levies except such as are contested in good faith and by appropriate proceedings or where the failure to effect such payment is not adverse in any material respect to the Holders.

Section 4.06 *Stay, Extension and Usury Laws*.

The Company and each of the Guarantors covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law wherever enacted, now or at any time hereafter in force, that may affect the covenants or the performance of this Indenture; and the Company and each of the Guarantors (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it will not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law has been enacted.

Section 4.07 *Restricted Payments*.

(a) The Company will not, and the Parent will not permit any other Restricted Subsidiary to, directly or indirectly:

(1) declare or pay any dividend or make any distribution on or with respect to any Restricted Subsidiary's Capital Stock (other than dividends or distributions payable solely in shares of any Restricted Subsidiary's Capital Stock (other than Disqualified Stock or Preferred Stock) or in options, warrants or other rights to acquire shares of such Capital Stock) held by Persons other than the Company or any other Wholly Owned Restricted Subsidiary;

(2) purchase, call for redemption or redeem, retire or otherwise acquire for value any shares of Capital Stock (including options, warrants or other rights to acquire such shares of Capital Stock) of any Restricted Subsidiary or any direct or indirect parent of a Restricted Subsidiary, in each case held by any Persons other than the Company or any other Restricted Subsidiary and other than Capital Stock of any Restricted Subsidiary that is a Subsidiary of another Restricted Subsidiary;

(3) make any voluntary or optional principal payment, or voluntary or optional redemption, repurchase, defeasance, or other acquisition or retirement for value, of Subordinated Shareholder Debt or Indebtedness that is contractually subordinated in right of payment to the Notes, the Note Guarantees or any Onshore Debt ("*Subordinated Indebtedness*"), excluding any intercompany Indebtedness between or among any Restricted Subsidiaries;

(4) make any Investment, other than a Permitted Investment; or

(5) make any other payment (including for operating and maintenance expenses and capital expenditures) to the Parent or any other Affiliate of any Restricted Subsidiary (other than a Restricted Subsidiary);

(the payments or any other actions described in clauses (1) through (5) above being collectively referred to as "*Restricted Payments*") unless:

(A) such Restricted Payment is a Parent Loan;

(B) no Default has occurred and is continuing or would occur as a result of such Parent Loan;

(C) such Parent Loan is made prior to the third anniversary of the Original Issue Date;

(D) the Parent has delivered an Officer's Certificate to the Trustee within fifteen (15) Business Days of each interest payment date under each of the Parent Loans, confirming that all interest that was due and payable to the Restricted Subsidiaries from the Parent and/or Azure Power India Private Limited as of the immediately preceding interest payment date under each Parent Loan has been paid in full to the applicable Restricted Subsidiaries in cash;

(E) if the Parent Loan is made before the first date on which the audited combined financial statements of the Restricted Group II for the year ending March 31, 2020 are available, after giving pro forma effect to the Incurrence of (x) the Notes and (y)

any Indebtedness Incurred under clause (a)(12) of Section 4.09 and in either case the application of the proceeds thereof (as if the Notes and any such Indebtedness had been Incurred, and the proceeds had been applied, as of the first date of the applicable two consecutive semi-annual periods), for the most recent two consecutive semi-annual periods for which combined financial statements of the Restricted Group II are available (which, in the case of (i) any semi-annual period ending on September 30 in any year, shall be reviewed or audited, and (ii) any annual period ending on March 31 in any year, shall be audited), taken as one annual period, the Debt Service Coverage Ratio is at least 1.3 to 1.0; and

(F) if the Parent Loan is made on or after the first date on which the audited combined financial statements of the Restricted Group II for the year ending March 31, 2020 are available, after giving pro forma effect to the Incurrence of any Indebtedness Incurred under clause (a)(12) of Section 4.09 and the application of the proceeds thereof (as if such Indebtedness had been Incurred, and the proceeds had been applied, as of the first date of the applicable two consecutive semi-annual periods), to the extent not otherwise reflected in such financial statements, for the most recent two consecutive semi- annual periods for which combined financial statements of the Restricted Group II are available (which, in the case of (i) any semi-annual period ending on September 30 in any year, shall be reviewed or audited, and (ii) any annual period ending on March 31 in any year, shall be audited), taken as one annual period, the Debt Service Coverage Ratio is at least 1.3 to 1.0.

(b) The foregoing provision shall not be violated by reason of:

(1) the redemption, repurchase, defeasance or other acquisition or retirement for value of Subordinated Indebtedness or Subordinated Shareholder Debt of any Restricted Subsidiary (i) with the net cash proceeds of, or in exchange for, a substantially concurrent Incurrence of Indebtedness or Subordinated Shareholder Debt issued in exchange for, or the net cash proceeds of which are used to, refinance or refund, replace, exchange, renew, repay, redeem, defease, discharge or extend, such Subordinated Indebtedness or Subordinated Shareholder Debt; provided that such new Indebtedness or Subordinated Shareholder Debt, by its terms or by the terms of any agreement or instrument pursuant to which such new Indebtedness or Subordinated Shareholder Debt is issued or remains outstanding, is expressly made subordinate in right of payment to the Notes, the Note Guarantee, or the Onshore Debt, as applicable, at least to the extent that the Subordinated Indebtedness or Subordinated Shareholder Debt to be refinanced is subordinated to the Notes, the Note Guarantee, or the Onshore Debt, as applicable, or (ii) in exchange for, or out of the Net Cash Proceeds of, a substantially concurrent capital contribution or sale (other than to a Subsidiary of the Parent) of, shares of Capital Stock (other than Disqualified Stock) of any Restricted Subsidiary (or options, warrants or other rights to acquire such Capital Stock);

(2) the redemption, repurchase or other acquisition of Capital Stock of any Restricted Subsidiary (or options, warrants or other rights to acquire such Capital Stock) (i) in exchange for, or out of the net cash proceeds of a substantially concurrent capital contribution or sale (other than to a Subsidiary of the Parent) of, shares of Capital Stock (other than Disqualified Stock) of any Restricted Subsidiary (or options, warrants or other rights to acquire such Capital Stock), or (ii) in exchange for, or out of the net cash proceeds of a substantially concurrent Incurrence of, Subordinated Shareholder Debt or Subordinated Indebtedness of any Restricted Subsidiary;

(3) [reserved]

(4) dividends by any Restricted Subsidiary to fund the redemption, repurchase or other acquisition of Capital Stock of the Parent from employees, former employees, directors or former directors of the Parent or any of its Subsidiaries (or permitted transferees of such persons), or their authorized representatives upon the death, disability or termination of employment of such employees or directors, in an aggregate amount not to exceed US$1.0 million (or the Dollar Equivalent thereof) in any fiscal year;

(5) payments of cash, dividends, distributions, advances or other Restricted Payments to allow the payment of cash in lieu of the issuance of fractional shares upon (i) the exercise of options or warrants, (ii) the conversion or exchange of Capital Stock of any such Person or (iii) stock dividends, splits or business combinations;

(6) Restricted Payments in the amount and in the manner described under the heading "Use of Proceeds" in the Offering Memorandum and made with the proceeds from the issuance of the Original Onshore Debt and/or with existing cash and cash equivalents, less amounts applied or to be applied to (a) repay, redeem or otherwise retire Existing Indebtedness (other than shareholder loans), including any prepayment premium or penalties thereunder, (b) make existing capital expenditure related payment obligations due as of the Original Issue Date to EPC contractors of the Restricted Group II, (c) pay fees and expenses related to the issuance of the Original Onshore Debt, in each case as described under the heading "Use of Proceeds" in the Offering Memorandum, and (d) make any required Special Mandatory Redemption; provided that any such Restricted Payment made under this clause (6) may only be made (x) after amounts have been satisfied, whether with the proceeds of the Original Onshore Debt or existing cash and cash equivalents as described under the heading "Use of Proceeds" in the Offering Memorandum, as described in (a), (b), (c) and, if required, (d) of this clause (6), and (y) if (i) the total aggregate amount of (A) funds released from the Escrow Account and used by the Company to Incur Onshore Debt plus (B) funds from the offering of the Notes that are used by the Company to repay the EDC Loan, is not less than the aggregate total principal amount of the Notes originally issued or (ii) the Company has made a Special Mandatory Redemption;

(7) payments of operations and maintenance expenses not exceeding Rs.480 million (or the equivalent thereof in any other currency) in any one year; provided that any unused amounts under this clause (7) may be carried forward and used in subsequent periods;

(8) Parent Loans made with cash proceeds received from Viability Gap Funding and Capital Subsidies, in each case which were receivable during the first three years after the Original Issue Date and that are not included in Stated EBITDA for such period; provided that such Parent Loans are made within 90 days of receiving such proceeds; and

(9) prior to the third anniversary of the Original Issue Date, the making of any other Parent Loans in an aggregate amount, together with all other Parent Loans made under this clause (9), not exceeding US$25.0 million (or the Dollar Equivalent thereof);

provided that, in the case of clauses (7), (8) and (9) above, no Default shall have occurred and be continuing or would occur as a consequence of the actions or payments set forth therein.

(c) The amount of any Restricted Payments (other than cash) will be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the Company or any other Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. The value of any assets or securities that are required to be valued by this covenant will be the Fair Market Value. The Board of Directors' determination of the Fair Market Value of a Restricted Payment or any such

assets or securities must be based upon an opinion or appraisal issued by an accounting, appraisal or investment banking firm of recognized international standing (or a local affiliate thereof) if the Fair Market Value exceeds US$10.0 million (or the Dollar Equivalent thereof).

Section 4.08 *Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries*.

(a) The Parent will not permit any Restricted Subsidiary (other than the Company) to, create or otherwise cause or permit to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to:

(1) pay dividends or make any other distributions on any Capital Stock of such Restricted Subsidiary owned by the Parent (prior to an Early Parent Guarantee Release), the Company or any other Restricted Subsidiary;

(2) pay any Indebtedness or other obligation owed to the Parent (prior to an Early Parent Guarantee Release), the Company or any other Restricted Subsidiary;

(3) make loans or advances to the Parent (prior to an Early Parent Guarantee Release), the Company or any other Restricted Subsidiary; or

(4) sell, lease or transfer any of its property or assets to the Parent (prior to an Early Parent Guarantee Release), the Company or any other Restricted Subsidiary;

provided that it being understood that (i) the priority of any Preferred Stock in receiving dividends or liquidating distributions prior to dividends or liquidating distributions being paid on Common Stock; (ii) the subordination of loans or advances made to any Restricted Subsidiary to other Indebtedness Incurred by any Restricted Subsidiary; and (iii) provisions requiring transactions to be on fair and reasonable terms or on an arm's length basis, in each case, shall not be deemed to constitute such an encumbrance or restriction.

(b) The foregoing restrictions will not apply to encumbrances or restrictions:

(1) existing in agreements as in effect on the Original Issue Date and any extensions, refinancings, renewals, supplements, amendments or replacements of any of the foregoing agreements; *provided that* the encumbrances and restrictions in any such extension, refinancing, renewal, supplement, amendment or replacement are not materially more restrictive, taken as a whole, than those encumbrances or restrictions that are then in effect and that are being extended, refinanced, renewed or replaced, as determined in good faith by the Board of Directors of the Parent or of the Company;

(2) in the Notes, the Note Guarantees, this Indenture, the Onshore Debt, the Collateral Documents and any agreements pursuant to which security interests or Guarantees are granted for the benefit of the holder of any Onshore Debt;

(3) existing under or by reason of applicable law, rule, regulation or order;

(4) with respect to the property or assets that are acquired by any Restricted Subsidiary, existing at the time of such acquisition and not incurred in contemplation thereof, and any extensions, refinancings, renewals or replacements thereof; *provided that* the encumbrances and restrictions in any such extension, refinancing, renewal or replacement are not materially more restrictive, taken as a whole, than those encumbrances or restrictions that are then in effect and that

are being extended, refinanced, renewed or replaced, as determined in good faith by the Board of Directors of the Parent or of the Company;

(5) if they arise, or are agreed to in the ordinary course of business, and that (x) restrict in a customary manner the subletting, assignment or transfer of any property or asset that is subject to a lease, license or similar contract, (y) exist by virtue of any Lien on, or agreement to transfer, option or similar right with respect to any property or assets of the Company or any other Restricted Subsidiary not otherwise prohibited by this Indenture or that limit the right of the debtor to dispose of assets subject to a Lien not otherwise prohibited by this Indenture (z) do not relate to any Indebtedness, and that do not, individually or in the aggregate, detract from the value of property or assets of any Restricted Subsidiary in any manner material to any Restricted Subsidiary;

(6) arising from provisions in joint venture agreements and other similar agreements entered into in the ordinary course of business if the encumbrances or restrictions (i) are customary for such types of agreements and (ii) would not, at the time agreed to, be expected to materially adversely affect the ability of the Company or any Guarantor to make required payments on the Notes or any Note Guarantee, as determined in good faith by the Board of Directors of the Parent or the Company;

(7) with respect to any Indebtedness that is permitted by Section 4.09 *provided that* the encumbrances or restrictions are (i) customary for such types of agreements and (ii) would not, at the time agreed to, be expected to materially adversely affect the ability of the Company or any Guarantor to make required payments on the Notes or any Note Guarantee, as determined in good faith by the Board of Directors of the Parent or of the Company; or

(8) encumbrances or restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business

Section 4.09 *Incurrence of Indebtedness and Issuance of Preferred Stock.*

(a) The Company will not, and the Parent will not permit any other Restricted Subsidiary to, Incur any Indebtedness, and the Company will not, and the Parent will not permit any other Restricted Subsidiary to issue any Preferred Stock; *provided that* the Company or any other Restricted Subsidiary may Incur each and all of the following ("*Permitted Indebtedness*"):

(1) Indebtedness of the Company under the Notes (excluding Additional Notes), Indebtedness under any Note Guarantee and Indebtedness of any Restricted Subsidiary under any Onshore Debt;

(2) Indebtedness outstanding on the Original Issue Date (excluding Indebtedness permitted under clause (3) below) (the "*Existing Indebtedness*");

(3) Indebtedness of any Restricted Subsidiary owed to the Company or any other Restricted Subsidiary; *provided that* any event which results in any such Restricted Subsidiary to which such Indebtedness is owed ceasing to be a Restricted Subsidiary or any subsequent transfer of such Indebtedness (other than to the Company or any other Restricted Subsidiary) shall be deemed, in each case, to constitute an Incurrence of such Indebtedness not permitted by this clause (a)(3); and if any Restricted Subsidiary is the obligor on such Indebtedness, such Indebtedness must be unsecured and be expressly subordinated in right of payment to the Notes, in the case of the Company, the Note Guarantee, in the case of a Guarantor, or the Onshore Debt, in the case of

another Restricted Subsidiary to the extent such Restricted Subsidiary is the obligor under Onshore Debt;

(4) Indebtedness of any Restricted Subsidiary ("*Permitted Refinancing Indebtedness*") issued in exchange for, or the net proceeds of which are used to refinance or refund, replace, exchange, renew, repay, redeem, defease, discharge or extend (collectively, "refinance" and "refinances" and "refinanced" shall have a correlative meaning), then outstanding Indebtedness (or Indebtedness that is no longer outstanding (such Indebtedness which is no longer outstanding, the "*Previously Refinanced Indebtedness*") but that is refinanced substantially concurrently with but in any case before the Incurrence of such Permitted Refinancing Indebtedness) Incurred under clause (a)(1), (2), (4) or (12) of this Section 4.09 and any refinancings thereof in an amount not to exceed the amount so refinanced (plus premiums, accrued interest, fees and expenses); *provided that*

(A) the Indebtedness to be refinanced is fully and irrevocably repaid no later than 30 days after the Incurrence of the Permitted Refinancing Indebtedness;

(B) Indebtedness the proceeds of which are used to refinance the Notes, or Indebtedness that is *pari passu* with, or subordinated in right of payment to, the Notes, will only be permitted under this clause (a)(4) if (x) in case the Notes are refinanced in part or the Indebtedness to be refinanced is *pari passu* with the Notes, such new Indebtedness, by its terms or by the terms of any agreement or instrument pursuant to which such new Indebtedness is outstanding, is expressly made *pari passu* with, or subordinate in right of payment to, the remaining Notes or (y) in case the Indebtedness to be refinanced is subordinated in right of payment to the Notes, such new Indebtedness, by its terms or by the terms of any agreement or instrument pursuant to which such new Indebtedness is issued or remains outstanding, is expressly made subordinate in right of payment to the Notes, at least to the extent that the Indebtedness to be refinanced is subordinated to the Notes; and

(C) such new Indebtedness, determined as of the date of Incurrence of such new Indebtedness, does not mature prior to the Stated Maturity of the Indebtedness to be refinanced, and the Average Life of such new Indebtedness is at least equal to the remaining Average Life of the Indebtedness to be refinanced; *provided that* such new Indebtedness under this clause (a)(4) that refinances Existing Indebtedness will be permitted as long as
(x) such new Indebtedness does not mature prior to the Stated Maturity of the Notes and the Average Life of such new Indebtedness is at least equal to the remaining Average Life of the Notes and (y) such Existing Indebtedness is refinanced from the net proceeds of an Incurrence of Onshore Debt which will not mature prior to the Stated Maturity of the Notes and will have an Average Life at least equal to the remaining Average Life of the Notes;

(5) Indebtedness Incurred by the Company pursuant to Hedging Obligations under Currency Hedging Agreements entered into for the purpose of protecting the Company from fluctuations in currencies under the Notes or the Onshore Debt and not for speculation;

(6) Indebtedness Incurred by any Restricted Subsidiary constituting reimbursement obligations with respect to workers' compensation claims or self-insurance obligations or bid, performance, surety or appeal bonds or payment obligations in connection with insurance premiums or similar obligations, security deposits and bank overdrafts (and letters of credit in connection with or in lieu of each of the foregoing) in the ordinary course of business (in each case other than for an obligation for borrowed money);

(7) Indebtedness Incurred by any Restricted Subsidiary constituting letters of credit, trade guarantees or reimbursement obligations with respect to letters of credit or trade guarantees, in each case issued in the ordinary course of business to the extent that such letters of credit or trade guarantees are not drawn upon or, if drawn upon, to the extent such drawing is reimbursed no later than the 60 days following receipt by such Restricted Subsidiary of a demand for reimbursement;

(8) Indebtedness arising from agreements providing for indemnification, adjustment of purchase price, earn-outs or similar obligations, or from guarantees or letters of credit, surety bonds or performance bonds securing any obligation of any Restricted Subsidiary, in any case, Incurred in connection with the acquisition or disposition of any business, assets or Restricted Subsidiary (other than guarantees of Indebtedness Incurred by any Person acquiring all or any portion of such business, assets or Restricted Subsidiary for the purpose of financing such acquisition); *provided that* the maximum aggregate liability of a Restricted Subsidiary in respect of all such Indebtedness Incurred in connection with a disposition shall at no time exceed the gross proceeds actually received by such Restricted Subsidiary from the disposition of such business, assets or Restricted Subsidiary;

(9) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds; provided, however, that such Indebtedness is extinguished within ten Business Days of Incurrence;

(10) Indebtedness Incurred by any Restricted Subsidiary (other than the Company) under Credit Facilities for its working capital purposes, including refinancings thereof, in each case with a maturity of one year or less; *provided that* the aggregate principal amount outstanding of all such Indebtedness Incurred under this clause (10) at any time does not exceed US$25.0 million (or the Dollar Equivalent thereof);

(11) Indebtedness Incurred by any Restricted Subsidiary to the extent the net cash proceeds thereof are promptly and irrevocably deposited with the Trustee to defease or to satisfy and discharge the Notes as described in Article 8 and Article 12;

(12) Indebtedness Incurred by any Restricted Subsidiary no later than the first anniversary of the Original Issue Date in an amount not exceeding US$350.0 million (or the Dollar Equivalent thereof), *less* the principal amount of (x) the Notes issued on the Original Issue Date and (y) the Existing Indebtedness (other than any Existing Indebtedness that is refinanced as described under the heading "Use of Proceeds" in the Offering Memorandum and Existing Indebtedness Incurred under clause (a)(3) above); *provided, that* (i) such Indebtedness (other than Additional Notes) does not mature or require any amortization and is not required to be repaid, redeemed, repurchased or otherwise retired, pursuant to a sinking fund obligation, event of default or otherwise (including any redemption, retirement or repurchase which is contingent upon events or circumstance), and in whole or in part, prior to the earlier of (I) the final Stated Maturity of the Notes and (II) the first date on which there are no Notes outstanding; (ii) if the obligee of any such Indebtedness is the Parent, such Indebtedness must be Subordinated Indebtedness; and (iii) within 30 days after the Incurrence of any such Indebtedness, the Parent shall deliver to the Trustee an Officer's Certificate or an opinion issued by a Determination Agent certifying that the Company has sufficient contracted cash flows to satisfy all scheduled payment obligations under such Indebtedness, any related hedging arrangements, the Notes and the Required Hedging Arrangements (with such Officer's Certificate or opinion being in substantially the form as attached to this Indenture as Exhibit I-B or Exhibit I-A, as applicable, which may include language limiting or excluding the liability of any Determination Agent in providing such opinion).

(b) For purposes of determining compliance with this covenant, if an item of Indebtedness meets the criteria of more than one type of Permitted Indebtedness, the Parent or the Company, in its sole discretion, shall classify, and from time to time may reclassify, such item of Indebtedness.

(c) The accrual of interest, the accretion or amortization of original issue discount and the payment of interest on any Indebtedness in the form of additional Indebtedness with the same terms, will not be deemed to be an incurrence of Indebtedness for purposes of this covenant; provided that, in each such case, the amount of any such accrual, accretion, amortization or payment is included in the Combined Interest Expense and Debt Service of the Restricted Group II as accrued.

(d) Notwithstanding any other provision of this covenant, the maximum amount of Indebtedness that may be Incurred pursuant to this covenant will not be deemed to be exceeded solely as a result of fluctuations in the exchange rates of currencies. For purposes of determining compliance with any

U.S. dollar-denominated restriction on the Incurrence of Indebtedness, the U.S. dollar equivalent principal amount of Indebtedness denominated in a foreign currency shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was incurred (or first committed, in the case of revolving credit debt); *provided that* if such Indebtedness is Incurred to refinance other Indebtedness denominated in a foreign currency, and such refinancing would cause the applicable U.S. dollar- denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such U.S. dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such refinancing Indebtedness does not exceed the principal amount of such Indebtedness being refinanced (plus premiums, accrued interest, fees and expenses). The maximum amount of Indebtedness permitted to be incurred under clauses (a)(10) and (a)(12) shall not be deemed to have been exceeded in connection with refinancing of such Indebtedness pursuant to such clause so long as the principal amount of such refinancing Indebtedness does not exceed the principal amount of such Indebtedness being refinanced plus premiums, accrued interest, fees and expenses. The principal amount of any Indebtedness Incurred to refinance other Indebtedness, if Incurred in a different currency than the Indebtedness being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such respective Indebtedness is denominated that is in effect on the date of such refinancing.

(e) Notwithstanding the foregoing, the Parent will: (i) not permit Azure Power Forty Four Private Limited to Incur any Indebtedness from any Person qualifying as or who would qualify as a "Senior Lender" (as such term is defined under the power purchase agreements entered into by Azure Power Forty Four Private Limited with divisions of Indian Railways); and (ii) ensure that any Subordinated Indebtedness and Subordinated Shareholder Debt Incurred by Azure Power Forty Four Private Limited:

(1) (a) is expressly made subordinate to the prior payment in full of the Onshore Debt issued by Azure Power Forty Four Private Limited (including upon any default, bankruptcy, reorganization, liquidation, winding up or other disposition of assets of Azure Power Forty Four Private Limited), (b) does not mature or require any amortization and is not required to be repaid, redeemed, repurchased or otherwise retired, pursuant to a sinking fund obligation, event of default or otherwise (including any redemption, retirement or repurchase which is contingent upon events or circumstance but excluding any retirement required by virtue of acceleration of such indebtedness upon an event of default) in whole or in part, on or prior to six months after the earlier of (I) the first date no Notes are outstanding and (II) the final Stated Maturity of the Notes, (c) does not provide for any cash payment of interest (or premium, if any) prior to six months after the earlier of (I) the first date no Notes are outstanding and (II) the final Stated Maturity of the Notes,
(d) is not secured by a Lien on any assets of any Restricted Subsidiary and is not guaranteed by any Restricted Subsidiary and (e) does not (including upon the happening of any event) restrict the

payment of amounts due in respect of the Onshore Debt or compliance by Azure Power Forty Four Private Limited with its obligations under the Onshore Debt.

Section 4.10 *Asset Sales*.

(a) The Company will not, and the Parent will not permit any other Restricted Subsidiary to, consummate any Asset Sale, unless:

(1) no Default shall have occurred and be continuing or would occur as a result of such Asset Sale;

(2) the consideration received by the Company or such other Restricted Subsidiary is at least equal to the Fair Market Value of the assets sold or disposed of;

(3) in the case of an Asset Sale that constitutes an Asset Disposition, the Combined Leverage Ratio does not exceed 5.5 to 1.0 on a pro forma basis; and

(4) at least 75% of the consideration received consists of cash, Temporary Cash Equivalents or Replacement Assets (as defined below) or any combination thereof.

For purposes of this provision, each of the following will be deemed to be cash:

(A) any liabilities, as shown on the most recent combined statement of financial position of the Restricted Group II (other than contingent liabilities and liabilities that are by their terms subordinated to the Notes) that are assumed by the transferee of any such assets pursuant to a customary assumption, assignment, novation or similar agreement that irrevocably and unconditionally releases the Company or such other Restricted Subsidiary from further liability; and

(B) any securities, notes or other obligations received by the Company or any other Restricted Subsidiary from such transferee that are promptly, but in any event within 30 days of closing, converted by the Company or such other Restricted Subsidiary into cash, to the extent of the cash received in that conversion.

Within 360 days after the receipt of any Net Cash Proceeds from an Asset Sale, such Net Cash Proceeds must be applied (a) to repay Senior Indebtedness (and if such Indebtedness is revolving credit Indebtedness, to permanently reduce such commitments) of a Restricted Subsidiary, (b) to make capital expenditures for a Permitted Business, (c) to acquire properties and assets (other than current assets) that are used or will be used in a Permitted Business, acquire all, or substantially all of the assets of, or the Capital Stock of, a Person, or a line of business, which is a Permitted Business, or (d) any combination of the foregoing ((b) and (c) (collectively, "*Replacement Assets*"); *provided that* any such reinvestment in Replacement Assets made pursuant to a definitive binding agreement or a commitment approved by the Board of Directors of the Parent or of the Company that is executed or approved within such time will satisfy this requirement, so long as such reinvestment is consummated within 180 days after such 360th day. Pending application of any Net Cash Proceeds in accordance with this covenant, Net Cash Proceeds may be invested or used for any purpose not otherwise prohibited under this Indenture.

Any Net Cash Proceeds from Asset Sales that are not applied or invested in accordance with the immediately preceding paragraph will constitute "Excess Proceeds". When the aggregate amount of Excess Proceeds exceeds US$5.0 million, within ten days thereof, the Company must make an offer (an "*Excess Proceeds Repurchase Offer*") to purchase the Notes at a purchase price of 100% of the principal amount of

the Notes and any *pari passu* Indebtedness similarly required to be repaid, redeemed or tendered for in connection with the Asset Sale, plus accrued and unpaid interest, if any, to (but not including) the applicable date of purchase. If the aggregate principal amount of Notes and *pari passu* Indebtedness tendered into such Excess Proceeds Repurchase Offer exceeds the amount of Excess Proceeds, the Notes and such *pari passu* Indebtedness will be purchased on a pro rata basis. Any remaining proceeds after such Excess Proceeds Repurchase Offer may be used for any purpose not otherwise prohibited under this Indenture. Upon completion of each Excess Proceeds Repurchase Offer, the amount of Excess Proceeds will be reset at zero.

The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of an Asset Sale. To the extent that the provisions of any securities laws or regulations conflict with the Asset Sale provisions of this Indenture, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the Asset Sale provisions of this Indenture by virtue of such compliance.

Section 4.11 *Transactions with Shareholders and Affiliates*.

(a) The Parent will not permit any Restricted Subsidiary to enter into any transaction or series of related transactions involving aggregate consideration in excess of US$2.0 million (or the Dollar Equivalent thereof) with (a) any holder of 10% or more of any class of Capital Stock of the Parent or (b) any Affiliate of the Parent or any Restricted Subsidiary (each an "*Affiliate Transaction*"), unless:

(1) the Affiliate Transaction is on terms that are no less favorable to such Restricted Subsidiary than those that would have been obtained in a comparable arm's-length transaction by such Restricted Subsidiary with a Person that is not such a holder or Affiliate of the Parent or such Restricted Subsidiary; and

(2) the Parent or the Company delivers to the Trustee:

(A) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of US$5.0 million (or the Dollar Equivalent thereof), a Board Resolution of the Parent or of the Company set forth in an Officer's Certificate certifying that such Affiliate Transaction complies with this covenant and such Affiliate Transactions has been approved by a majority of the disinterested members of the Board of Directors of the Parent or of the Company; and

(B) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of US$10.0 million (or the Dollar Equivalent thereof), an opinion issued by an accounting, appraisal or investment banking firm of internationally recognized standing (or a local affiliate thereof) stating either (i) that such Affiliate Transaction is, or series of related Affiliate Transactions are, fair to the Restricted Subsidiary from a financial point of view or (ii) that the terms of such Affiliate Transaction is, or series of related Affiliate Transactions are, not materially less favorable to such Restricted Subsidiary than those that would have been obtained in a comparable arm's length transaction by such Restricted Subsidiary with a Person that is not such a holder or Affiliate of the Parent or such Restricted Subsidiary.

(b) The foregoing limitation does not limit, and will not apply to:

(1) directors' fees, indemnification, expense reimbursement and similar arrangements (including the payment of directors and officers insurance premiums), employee salaries, bonuses,

employment agreements and arrangements, compensation or employee benefit arrangements, including stock options or legal fees and fees and compensation paid to consultants and agents;

(2) transactions between or among the Parent and its Restricted Subsidiaries or between or among Restricted Subsidiaries; provided that following an Early Parent Guarantee Release, such transactions between the Parent, on the one hand, and one or more Restricted Subsidiaries, on the other hand, will be subject to clauses (1) and (2)(A) of Section 4.11(a); *provided, further* that for purposes of such clause (2)(A) the Parent may provide either a Board Resolution of the Parent approved by a majority of the disinterested members of the Board of Directors of the Parent or, in lieu of a Board Resolution, a certification from senior management of the Parent adopted in accordance with policies adopted by the Board of Directors of the Parent;

(3) any Restricted Payments not prohibited by Section 4.07 and Permitted Investments;

(4) transactions pursuant to agreements in effect on the Original Issue Date and described in the Offering Memorandum, or any amendment or modification or replacement thereof, so long as such amendment, modification or replacement is not more disadvantageous to the Company and the other Restricted Subsidiaries than the original agreement in effect on the Original Issue Date;

(5) transactions with a Person that is an Affiliate solely because any Restricted Subsidiary, directly or indirectly, owns Capital Stock in, or controls, such Person; *provided that* no Affiliate of any Restricted Subsidiary (other than another Restricted Subsidiary) owns Capital Stock in such Person;

(6) any payments or other transactions pursuant to tax sharing arrangements between any Restricted Subsidiary and any other Person with which such Restricted Subsidiary files a consolidated tax return or with which such Restricted Subsidiary is part of a consolidated group for tax purposes or any tax advantageous group contribution made pursuant to applicable legislation;

(7) transactions with customers, clients, contractors, purchasers or suppliers of goods (including turbines and other equipment or property) or services (including administrative, cash management, legal and regulatory, engineering, technical, financial, accounting, procurement, marketing, insurance, labor, management, operation and maintenance, power supply and other services) or insurance or lessors or lessees or providers of employees or other labor or property, in each case in the ordinary course of business and that are fair or on terms at least as favorable as arm's length as determined in good faith by the Board of Directors or senior management of the Parent or of the Company; and

(8) loans or advances to, or guarantees of obligations of, directors, promoters, officers or employees of the Parent or any Restricted Subsidiary not to exceed US$1.0 million (or the Dollar Equivalent thereof) in the aggregate at any one time outstanding.

Section 4.12 *Liens*.

The Company will not, and the Parent will not, permit any other Restricted Subsidiary to, directly or indirectly, incur, assume or permit to exist any Lien on the Collateral, other than Permitted Liens.

The Company will not, and the Parent will not, permit any other Restricted Subsidiary to incur, assume or permit to exist any Lien (other than Permitted Liens) securing Indebtedness on existing or future assets of a Restricted Subsidiary other than Collateral, unless the Notes are equally and ratably secured.

Notwithstanding the foregoing:

(a) the Parent will not permit Azure Power Forty Four Private Limited to incur, assume or permit to exist any Lien securing Indebtedness on its existing or future assets (other than Permitted Liens of the type described in clauses (5) (which shall be discharged within 90 days of the Incurrence of the applicable Onshore Debt by Azure Power Forty Four Private Limited), (6), (7) and (8) of the definition thereof), unless its Onshore Debt is equally and ratably secured; and

(b) the Parent will not permit each of Azure Power Venus Private Limited, Azure Power Thirty Six Private Limited and Azure Power Uranus Private Limited to incur, assume or permit to exist any Lien securing Indebtedness on its existing or future assets (other than Permitted Liens of the type described in clauses (5), (6), (7), (8), (13) and (17) of the definition thereof), unless its Onshore Debt is equally and ratably secured.

Section 4.13 *Restricted Group II's Business Activities*.

The Parent will not permit any Restricted Subsidiary (other than the Company) to engage in any business other than a Permitted Business.

Section 4.14 *Company's Business Activities*.

(a) Notwithstanding anything contained in this Indenture to the contrary, the Company will not, and the Parent will not permit the Company to, engage in any business activity, except (1) any activity relating to the offering, sale or issuance of the Notes or any Additional Notes or other Indebtedness issued in compliance with this Indenture, and the Incurrence of Indebtedness represented by the Notes and such Additional Notes or other Indebtedness subject to compliance with this Indenture, (2) the Incurrence of Subordinated Shareholder Debt, (3) any activity relating to using the proceeds of Subordinated Shareholder Debt or Indebtedness Incurred under clause (1) of this Section 4.14(a) to repay the EDC Loan or subscribe for, or loan, the Onshore Debt Incurred by any Restricted Subsidiary, any activity relating to the Onshore Debt, and any activity relating to making other Investments in Restricted Subsidiaries, (4) any activity undertaken with the purpose of fulfilling any obligations, or exercising any right, under the Subordinated Shareholder Debt or Indebtedness referred to in clause (1) of this Section 4.14(a) or the other provisions of this Indenture, the Collateral Documents or any indenture, trust deed or Credit Facility related to such Subordinated Shareholder Debt or Indebtedness (including maintenance of interest reserve or escrow accounts required thereby) or for purposes of any consent solicitation or tender for such Subordinated Shareholder Debt or Indebtedness or refinancing of such Subordinated Shareholder Debt or Indebtedness,
(5) using assets other than net proceeds of a debt issuance under clauses (1) or (2) of this Section 4.14(a) to acquire and hold Capital Stock or other Investments (including Onshore Debt) of a Restricted Subsidiary and using net proceeds of a debt issuance under clauses (1) or (2) of this Section 4.14(a) to acquire and hold Onshore Debt, (6) holding cash and Temporary Cash Equivalents, including any cash or Temporary Cash Equivalents acquired with the net proceeds of a debt issuance to be held in an interest account or an escrow account, (7) entering into Hedging Obligations for itself, *provided that* such Hedging Obligations are not entered into for speculative purposes, and (8) any activity directly related to the establishment and/or maintenance of the Company's corporate existence.

(b) The Parent shall at all times own all of the Capital Stock of the Company.

(c) From and after an Early Parent Guarantee Release, the Company will maintain the Required Hedging Arrangements in place at all times for so long as any Notes are outstanding or, following the termination of the Required Hedging Arrangements as a result of a breach by, or insolvency of, any hedge counterparty, cause the Required Hedging Arrangements to be in place within 30 days of any such termination. Any Required Hedging Arrangements will be entered into with hedge counterparties that have a long term debt rating of no lower than at least two of the following: (i) BBB- by Fitch, (ii) Baa3 by Moody's or (iii) BBB- by S&P, at the time such Required Hedging Arrangements are entered into.

Upon the date that is the earlier to occur of (i) 30 days after the Incurrence by the Restricted Subsidiaries of all of the Original Onshore Debt described under the heading "Use of Proceeds" in the Offering Memorandum and (ii) the date of any Special Mandatory Redemption after which any Notes remain outstanding, the Parent shall deliver to the Trustee an Officer's Certificate or an opinion issued by a Determination Agent, certifying that:

(1) the Company has entered into the Required Hedging Arrangements; and

(2) that the Company has sufficient contracted cash flows to satisfy all scheduled payment obligations under the Notes and the Required Hedging Arrangements,

with such Officer's Certificate or opinion being in substantially the form as attached to this Indenture as Exhibit I-B or Exhibit I-A, as applicable, which may include language limiting or excluding the liability of any Determination Agent in providing such opinion.

In connection with any redemption of the Notes prior to their final Stated Maturity or redemption of Onshore Debt prior to its final Stated Maturity, the Company and the Parent will furnish an Officer's Certificate to the Trustee stating the amount of any additional amounts due as a redemption premium in connection with associated redemptions of Onshore Debt and certifying that such amounts are sufficient to enable the Company to pay (i) any costs associated with terminating or unwinding any Required Hedging Arrangements, if applicable, plus (ii) any additional amounts required by the Company to satisfy its payment obligations under the Notes, including the principal, premium, if any, interest and Additional Amounts, if any, due in connection with such redemption of the Notes or Onshore Debt, respectively, or through the final Stated Maturity of the Notes, as applicable, together with calculations in reasonable detail confirming the same.

(d) The Parent will not commence or take any action to facilitate a winding-up, liquidation or other analogous proceeding in respect of the Company.

Section 4.15 *Corporate Existence*.

Subject to Article 5, the Parent shall do or cause to be done all things necessary to preserve and keep in full force and effect:

(a) its corporate existence, and the corporate, partnership or other existence of each of its Subsidiaries, in accordance with the respective organizational documents (as the same may be amended from time to time) of the Parent or any such Subsidiary; and

(b) the rights (charter and statutory), licenses and franchises of the Parent and its Subsidiaries; *provided*, *however*, that the Parent shall not be required to preserve any such right, license or franchise, or the corporate, partnership or other existence of any of its Subsidiaries, if the Board of Directors of the Parent shall determine that the preservation thereof is no longer desirable in the conduct of the business of the

Parent and its Subsidiaries, taken as a whole, and that the loss thereof is not adverse in any material respect to the Holders.

Section 4.16 *Offer to Repurchase Upon Change of Control Triggering Event*.

(a) If a Change of Control Triggering Event occurs, each Holder will have the right to require the Company to repurchase all or any part (a "*Change of Control Offer*") (equal to US$200,000 or an integral multiple of US$1,000 in excess thereof) of that Holder's Notes pursuant to a Change of Control Offer on the terms set forth herein. In the Change of Control Offer, the Company will offer a purchase price in cash equal to 101% of the aggregate principal amount of the Notes (the "*Change of Control Payment*") repurchased, plus accrued and unpaid interest, if any, on the Notes repurchased to (but not including) the applicable date of purchase, subject to the rights of Holders on the relevant record date to receive interest due on the relevant Interest Payment Date. Within ten days following any Change of Control Triggering Event, the Company will mail a notice to each Holder, describing the transaction or transactions that constitute the Change of Control and offering to repurchase Notes on the Change of Control Triggering Event payment date (the "*Change of Control Payment Date*") specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is mailed, and stating:

(1) that the Change of Control Offer is being made pursuant to this Section 4.16 and that all Notes tendered will be accepted for payment;

(2) the purchase price and the purchase date, which shall be no earlier than 30 days and no later than 60 days from the date such notice is mailed (the "*Change of Control Payment Date*");

(3) that any Note not tendered will continue to accrue interest;

(4) that, unless the Company defaults in the payment of the Change of Control Payment, all Notes accepted for payment pursuant to the Change of Control Offer will cease to accrue interest after the Change of Control Payment Date;

(5) that Holders electing to have any Notes purchased pursuant to a Change of Control Offer will be required to surrender the Notes, with the form entitled "Option of Holder to Elect Purchase" attached to the Notes completed, or transfer by book-entry transfer, to a tender agent appoints for such purpose at the address specified in the notice prior to the close of business on the third Business Day preceding the Change of Control Payment Date;

(6) that Holders will be entitled to withdraw their election if the Paying Agent or tender agent, as applicable, receives, not later than the close of business on the second Business Day preceding the Change of Control Payment Date, an e-mail, facsimile transmission or letter setting forth the name of the Holder, the principal amount of Notes delivered for purchase, and a statement that such Holder is withdrawing his election to have the Notes purchased; and

(7) that Holders whose Notes are being purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered, which unpurchased portion must be equal to US$200,000 in principal amount or an integral multiple of US$1,000 in excess thereof.

The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control Triggering Event.

To the extent that the provisions of any securities laws or regulations conflict with Section 3.09 or this Section 4.16, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under Section 3.09 or this Section 4.16 by virtue of such compliance.

(b) On the Change of Control Payment Date, the Company will, to the extent lawful:

(1) accept for payment all Notes or portions of Notes properly tendered pursuant to the Change of Control Offer;

(2) deposit with the Paying Agent or tender agent, as applicable, for such Change of Control Offer an amount equal to the Change of Control Payment in respect of all Notes or portions of Notes properly tendered; and

(3) deliver or cause to be delivered to the Paying Agent or tender agent, as applicable, for such Change of Control Offer the Notes properly accepted together with an Officer's Certificate stating the aggregate principal amount of Notes or portions of Notes being purchased by the Company.

The Paying Agent or tender agent, as applicable, for such Change of Control Offer will as soon as reasonably practicable at the expense of the Company, mail to each Holder that properly tendered the Notes the Change of Control Payment for such Notes, and the Trustee will as soon as reasonably practicable authenticate and mail (or cause to be transferred by book entry) to each Holder a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any. The Company will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

(c) The provisions described above that require the Company to make a Change of Control Offer following a Change of Control Triggering Event will be applicable whether or not any other provisions of this Indenture are applicable.

(d) Notwithstanding anything to the contrary in this Section 4.16, the Company will not be required to make a Change of Control Offer upon a Change of Control Triggering Event if (1) a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in this Section 4.16 and purchases all Notes properly tendered and not withdrawn under the Change of Control Offer, or (2) notice of redemption has been given pursuant to Section 3.07 or Section 3.10, unless and until there is a default in payment of the applicable redemption price.

(e) Notwithstanding anything to the contrary in this Section 4.16, a Change of Control Offer may be made in advance of a Change of Control Triggering Event, conditioned upon the consummation of such Change of Control, if a definitive agreement is in place for the Change of Control at the time the Change of Control Offer is made.

(f) The Trustee shall not be required to take any steps to ascertain whether a Change of Control Triggering Event has occurred or may occur, and shall be entitled to assume that no such event has occurred until it has received written notice to the contrary from the Company. The Trustee shall not be required to take any steps to ascertain whether the condition for the exercise of the rights herein has occurred. The Trustee shall not be responsible for determining or verifying whether a Note is to be accepted for redemption and will not be responsible to the Holders for any loss arising from any failure by it to do so. The Trustee shall not be under any duty to determine, calculate or verify the redemption amount payable hereunder and will not be responsible to the Holders for any loss arising from any failure by it to do so.

Section 4.17 *Anti-Layering*.

The Company will not and the Parent will not permit any Guarantor to Incur any Indebtedness if such Indebtedness is contractually subordinated in right of payment to any other Indebtedness of the Company or such Guarantor, unless such Indebtedness is also contractually subordinated in right of payment to the Notes or the applicable Note Guarantee, on substantially identical terms. This does not apply to distinctions between categories of Indebtedness that exist by reason of any Liens or Guarantee securing or in favor of some but not all of such Indebtedness or by virtue of some Indebtedness being secured on a junior priority basis.

Section 4.18 *Limitations on Redemptions or Dispositions of and Amendments to Onshore Debt*.

(a) The Parent will not permit any Restricted Subsidiary to voluntarily prepay or redeem, in whole or in part, any Original Onshore Debt and the Company will not voluntarily exercise its right of redemption in connection with any Original Onshore Debt, in whole or in part, unless the proceeds of such prepayment or redemption are applied by the Company to redeem, repurchase, defease, acquire or otherwise reduce the principal amount of the Notes outstanding; *provided that,* after giving effect to such prepayment or redemption and the application of the proceeds thereof, each Restricted Subsidiary that issued Original Onshore Debt has outstanding Original Onshore Debt in an aggregate principal amount at least equal to the Minimum Onshore Debt Amount.

(b) For so long as any of the Notes are outstanding, the Parent will not permit any Restricted Subsidiary to amend, waive or modify the terms and conditions of any Onshore Debt other than: (i) to conform to an amendment, waiver or modification of this Indenture, the Notes, any Note Guarantee or the Collateral Documents, (ii) to reflect a consolidation, merger or sale of assets permitted by Section 5.01, (iii) in any manner not materially adverse to the holders of the Onshore Debt, (iv) to conform to any provision of this Indenture, (v) in the case of the Existing Rupee ECB, to amend the Existing Rupee ECB within ten Business Days of the Original Issue Date to conform the terms thereof, in all material respects, to the terms set forth in the ECB term sheet annexed to the Offering Memorandum, (vi) as required under applicable law, rule, regulation or order, (vii) in any manner to ensure that the restrictions in any Onshore Debt applicable to the Restricted Subsidiary issuing such Onshore Debt are not inconsistent with or more restrictive than the provisions of this Indenture applicable to such Restricted Subsidiary, and (viii) to enter into any amendment or supplement to or grant any waiver under any Trust and Retention Account Agreement in order to account for the Incurrence of Subordinated Shareholder Debt and/or Permitted Indebtedness or for any other action which is permitted under or not restricted by this Indenture.

(c) For so long as the Notes are outstanding, the Company will not sell or dispose of, including but not limited to by way of transfer, assignment or sub-participation, any Onshore Debt to any Person.

(d) Any prepayment or redemption of Onshore Debt will be on a pro rata basis based on the respective principal amounts of Onshore Debt.

Section 4.19 *[Reserved]*.

Section 4.20 *Sales and Issuances of Capital Stock in Restricted Subsidiaries*.

(a) The Parent will not permit any Restricted Subsidiary to issue or sell any shares of Capital Stock of a Restricted Subsidiary, except:

(1) to the Parent, the Company or any Restricted Subsidiary;

(2) the issuance or sale of Capital Stock of a Restricted Subsidiary (which remains a Subsidiary after any such issuance or sale) to the extent such Capital Stock represents director's qualifying shares or is required by applicable law, rule, regulation or order to be held by a Person other than the Parent, the Company or a Wholly Owned Restricted Subsidiary;

(3) the issuance or sale of Capital Stock of a Restricted Subsidiary (which remains a Restricted Subsidiary after any such issuance or sale); *provided that* the Parent or such Restricted Subsidiary applies the Net Cash Proceeds of such issuance or sale in accordance with Section 4.10, if and to the extent required thereby; or

(4) the issuance or sale of Capital Stock of a Restricted Subsidiary (which does not remain a Subsidiary after any such issuance or sale) if required by any applicable law, rule, regulation or order.

(b) Notwithstanding the foregoing, a Restricted Subsidiary may issue Common Stock to its shareholders on a pro rata basis or on a basis more favorable to the Parent or to any Restricted Subsidiary.

(c) The Parent will not, and will not permit any Subsidiary of the Parent (other than a Restricted Subsidiary) to, sell any shares of Capital Stock of a Restricted Subsidiary, except:

(1) to the Parent or any Subsidiary of the Parent;

(2) if such Restricted Subsidiary remains a Restricted Subsidiary after such sale or issuance; or

(3) the issuance or sale of Capital Stock of a Restricted Subsidiary (which does not remain a Subsidiary after any such issuance or sale) if required by any applicable law, rule or regulation or order.

Section 4.21 *Issuances of Guarantees by Restricted Subsidiaries*.

The Parent will not, permit any Restricted Subsidiary (other than the Company), directly or indirectly, to Guarantee any Indebtedness of the Parent or the Company, unless (a) such Restricted Subsidiary simultaneously executes and delivers a supplemental indenture to this Indenture providing for an unsubordinated Guarantee of payment of the Notes by such Restricted Subsidiary and (b) such Restricted Subsidiary waives and will not in any manner whatsoever claim or take the benefit or advantage of, any rights of reimbursement, indemnity or subrogation as a result of any payment by such Restricted Subsidiary under its Guarantee until the Notes have been paid in full.

Any Note Guarantee of a Restricted Subsidiary will be released upon legal defeasance, covenant defeasance or satisfaction and discharge of this Indenture as provided under Article 8 and Article 12, upon repayment in full of the Notes and upon the release or discharge of the Guarantee that resulted in the creation of such Note Guarantee pursuant to this covenant except a discharge or release by or as a result of payment under such Guarantee.

Section 4.22 *No Payments for Consent*.

(a) The Company will not, and the Parent will not permit any other Restricted Subsidiaries to, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Holder for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of this Indenture or the Notes unless such consideration is offered to be paid and is paid to all Holders that consent, waive or

agree to amend in the time frame set forth in the solicitation documents relating to such consent, waiver or agreement.

(b) Notwithstanding the foregoing, in any offer or payment of consideration for, or as an inducement to, any consent, waiver or amendment of any of the terms or provisions of this Indenture or the Notes in connection with an exchange offer, the Parent and any Restricted Subsidiary may exclude (1) in connection with an exchange offer, holders or beneficial owners of the Notes that are not "qualified institutional buyers" as defined in Rule 144A under the Securities Act, and (2) in connection with any consent, waiver or amendment, holders or beneficial owners of the Notes in any jurisdiction where the inclusion of such holders or beneficial owners could, in the reasonable judgment of the Parent or the Company, require the Parent or any Restricted Subsidiary to (A) file a registration statement, prospectus or similar document or subject the Parent or any Restricted Subsidiary to ongoing periodic reporting or similar requirements under any securities laws (including but not limited to, the United States federal securities laws and the laws of the European Union or its member states), (B) qualify as a foreign corporation or other entity as a dealer in securities in such jurisdiction if it is not otherwise required to so qualify, (C) generally consent to service of process in any such jurisdiction or (D) subject the Parent or any Restricted Subsidiary to taxation in any such jurisdiction if it is not otherwise so subject, or the solicitation of such consent, waiver or amendment from, or the granting of such consent or waiver, or the approval of such amendment by, holders or beneficial owners in such jurisdiction would be unlawful, in each case as determined by the Parent or the Company in its sole discretion.

Section 4.23 *Additional Note Guarantees*.

The Parent may cause a Subsidiary to provide a Note Guarantee pursuant to a supplemental indenture in form and substance satisfactory to the Trustee and deliver an Opinion of Counsel to the Trustee to the effect that such supplemental indenture has been duly authorized, executed and delivered by that Subsidiary and constitutes a valid and binding agreement of that Subsidiary, enforceable in accordance with its terms (subject to customary exceptions).

Section 4.24 *Permitted Pari Passu Secured Indebtedness*.

On or after the Original Issue Date, the Parent will not create Liens on the Pari Passu Collateral other than (a) Liens *pari passu* with the Lien for the benefit of the Holders to secure Indebtedness of the Company, including any Additional Notes (such Indebtedness of the Company, "*Permitted Pari Passu Secured Indebtedness*"); *provided that* (1) the Company was permitted to Incur such Indebtedness under clause (a)(5) or (a)(12) of Section 4.09 and Section 4.14, (2) the holders of such Indebtedness (or their representative), other than any Additional Notes or other Indebtedness in respect of which the relevant holders or representative is already a party to the Intercreditor Agreement (as defined below), become party to the Intercreditor Agreement; (3) the agreement in respect of such Indebtedness contains provisions with respect to releases of the Lien over the Pari Passu Collateral no more restrictive on the Company than the provisions of this Indenture and the Pari Passu Collateral Document; and (4) the Company delivers to the Trustee and the Collateral Agents an Opinion of Counsel and an Officer's Certificate with respect to corporate and collateral matters in connection with the Pari Passu Collateral Document and (5) the Company delivers to the Trustee and the Collateral Agents an Opinion of Counsel and an Officer's Certificate each stating that all conditions precedent with respect to such incurrence of Indebtedness and creation of Liens and the execution of documents related thereto have been satisfied and such incurrence of Indebtedness and creation of Liens and execution of documents related thereto are authorized and permitted under this Indenture, any Collateral Documents, the Intercreditor Agreement and any other documents related to the transactions contemplated in this Indenture and (b) certain Permitted Liens. The Trustee, the Notes Collateral Agent and the Common Collateral Agent (each in conclusive reliance upon the Officer's Certificate and Opinion of Counsel delivered to them) will be permitted and authorized (and

shall incur no liability for doing so), without the consent of any Holder, to enter into any amendments to the Pari Passu Collateral Document, this Indenture and/or the Intercreditor Agreement and take any other action reasonably requested by the Company and necessary to permit the creation and registration of Liens on the Pari Passu Collateral to secure Permitted Pari Passu Secured Indebtedness in accordance with this paragraph and the terms of this Indenture (including, without limitation, the appointment of a common collateral agent under the Intercreditor Agreement referred to below to hold the Pari Passu Collateral on behalf of the Holders and the holders of Permitted Pari Passu Secured Indebtedness).

Except for certain Indebtedness for which there is a corresponding Permitted Lien and any Permitted Pari Passu Secured Indebtedness, the Company and the other Restricted Subsidiaries will not be permitted to Incur any other Indebtedness secured by all or any portion of the Pari Passu Collateral without the consent of each Holder.

Section 4.25 *Intercreditor Agreement and Priority*.

(a) On or prior to the first Incurrence of any Permitted Pari Passu Secured Indebtedness (other than Additional Notes), the Trustee and the Common Collateral Agent will enter into an intercreditor agreement substantially in the form set out in Exhibit J, or with such changes as the Trustee and the Common Collateral Agent may agree (the "*Intercreditor Agreement*"), without requiring any instruction or consent from or notice to the Holders, with the Company, the Parent, the Common Collateral Agent and the holders of such Permitted Pari Passu Secured Indebtedness (or their representative). The Intercreditor Agreement will provide for, among other things, that:

(1) the parties thereto shall share equal priority and pro rata entitlement in and to the Pari Passu Collateral, but in the event of an acceleration of certain Hedging Obligations permitted to be incurred by the Company under Section 4.09(a)(5), amounts recovered in respect of the Pari Passu Collateral are required to be turned over to the Common Collateral Agent and, subject to the payment of certain fees and expenses, paid by the Common Collateral Agent to the counterparties to such Hedging Obligations in priority to the Holders and to holders or lenders of other Permitted Pari Passu Secured Indebtedness;

(2) the conditions that are applicable to the release of or granting of any Lien on such Pari Passu Collateral; and

(3) the conditions under which the parties thereto will enforce their rights with respect to such Pari Passu Collateral and the Indebtedness secured thereby.

(b) Under the Intercreditor Agreement, the holders of any Permitted Pari Passu Secured Indebtedness (or their representative) (collectively with the Trustee, the "*Pari Passu Secured Parties*") will appoint HSBC Bank, USA, National Association (the "*Common Collateral Agent*") (or the successor Common Collateral Agent appointed under the Pari Passu Collateral Document if such a successor has been appointed) to act as the Common Collateral Agent with respect to the Pari Passu Collateral, to exercise remedies (subject to the terms of this Indenture and any document governing Permitted Pari Passu Secured Indebtedness) in respect thereof upon the occurrence of an event of default under this Indenture and any document governing Permitted Pari Passu Secured Indebtedness, and to act as provided in the Intercreditor Agreement.

(c) In connection with the Incurrence of any subsequent Permitted Pari Passu Secured Indebtedness (other than Additional Notes or Indebtedness in respect of which the holders or their representative is already a party to the Intercreditor Agreement), the holders of such Permitted Pari Passu

Secured Indebtedness (or their representative) will (a) accede to the Intercreditor Agreement and become a party to it or (b) enter into another intercreditor agreement on substantially similar terms.

(d) By accepting the Notes, each Holder shall be deemed to have consented to the execution of the Intercreditor Agreement, any supplements, amendments or modifications thereto, and any future Intercreditor Agreement required under this Indenture.

Section 4.26 *[Reserved]*. Section 4.27 *Escrow Account*.

(a) *Deposit of Funds*.

(1) On or prior to the Original Issue Date, the Company will establish a U.S. dollar account (the "*Escrow Account*") in the name of the Company with the Escrow Account Bank (the "*Escrow Account*") and on the Original Issue Date will deposit the sum of US$277,899,470.71 into such account. The Company, for the benefit of the Holders, will charge the Escrow Account to HSBC Bank USA, National Association (*the* "*Notes Collateral Agent*") on the Original Issue Date in order to secure the obligations of the Company under the Notes and this Indenture. Amounts in the Escrow Account will be released only (i) from time to time for the Company to subscribe for or lend the Onshore Debt issued or borrowed by a Restricted Subsidiary; it being understood that amounts in the Escrow Account may be released prior to the Company's receipt of the related Onshore Debt, (ii) in accordance with the provisions of Section 3.08 in respect of investments in Temporary Cash Equivalents, (iii) to fund a Special Mandatory Redemption or (iv) as described in Section 4.27(b)(2). The Company may invest amounts deposited in the Escrow Account in Temporary Cash Equivalents. Prior to the release of any amounts from the Escrow Account, the Company shall deliver to the Trustee and Notes Collateral Agent an Officer's Certificate stating that such release is authorized and permitted under this Indenture, the Notes, any Note Guarantees, the Intercreditor Agreement and any Collateral Documents and all conditions precedent to such release have been complied with.

(b) *Release of Funds for Subscription of Onshore Debt*.

(1) Upon receipt from the Company of an Officer's Certificate substantially in the form provided in Exhibit K, a transfer instruction setting forth the relevant payment and transfer details and an Officer's Certificate setting forth the subscription amount of the Onshore Debt for which it intends to subscribe, and the Dollar Equivalent amount based upon the noon buying rate for U.S. dollar in New York City for cable transfer in Indian rupee as of the most recent date prior to the date such Officer's Certificate, and the name of the issuer(s) of such Onshore Debt, the Notes Collateral Agent will instruct the Escrow Account Bank (by delivery of a Transfer Notice to the Escrow Account Bank) to release amounts from the Escrow Account to permit the Company to use the funds deposited in the Escrow Account to subscribe for such Onshore Debt. The Company shall provide the Officer's Certificate to the Notes Collateral Agent, substantially in the form provided in Exhibit K, at least three Business Days prior (or such shorter period as may be agreed by the Notes Collateral Agent) to the date on which transfer instructions are to be provided to the Escrow Account Bank.

(2) Provided that no Special Mandatory Redemption has occurred, any amounts remaining in the Escrow Account after the SMR Measurement Date will be released and refunded to the Company, subject to the deduction of any costs, fees, charges, expenses or indemnity amounts owed to the Escrow Account Bank. Upon transfer of the last remaining Escrow Funds by

the Escrow Account Bank in accordance with this Indenture, the Notes Collateral Agent will, upon receipt of an Officer's Certificate substantially in the form provided in Exhibit L (addressed to the Trustee and the Notes Collateral Agent) setting forth instructions for the termination of the Escrow Account and its release from the Notes Collateral Document from the Company, (i) instruct the Escrow Account Bank to terminate the Escrow Account and (ii) provide a written declaration to the Company (in a form to be agreed between the Notes Collateral Agent and the Company) that the Notes Collateral Document is cancelled and terminated.

(c) *Release of Funds for Special Mandatory Redemption*. Upon satisfaction of the requirements set forth in Section 3.08, the Notes Collateral Agent will instruct the Escrow Account Bank to release amounts in the Escrow Account necessary for the redemption of Notes in accordance with Section 3.08. The Notes Collateral Agent shall be entitled to conclusively rely on the Officer's Certificate and shall incur no liability for acting in accordance with the instructions set forth in the Officer's Certificate.

Section 4.28 *Subsidiaries*.

None of the Restricted Subsidiaries shall have any Subsidiaries. Section 4.29 *Amendments to Parent Loans*.

The Parent shall not, and shall not permit Azure Power India Private Limited or any Restricted Subsidiary to, amend the terms of any Parent Loan in a manner that is adverse to any Restricted Subsidiary or to any Holder.

Section 4.30 *Repayment of EDC Loan and Amendment of Existing Rupee ECB*.

The Company will repay in full all amounts due under the EDC Loan by the Original Issue Date, 2019 and will amend the Existing Rupee ECB within ten Business Days thereof to conform the terms thereof, in all material respects, to the terms set forth in the ECB term sheet annexed to the Offering Memorandum.

Section 4.31 *Use of Proceeds*.

The Company will not use the net proceeds from the sale of the Notes issued on the Original Issue Date, and the Parent will not permit any other Restricted Subsidiary to use the proceeds from the Onshore Debt acquired with such net proceeds, for any purpose other than (1) in the approximate amounts, in the order and for the purposes specified under the heading "Use of Proceeds" in the Offering Memorandum and (2) pending the application of all of such net proceeds in such manner, to invest the portion of such net proceeds not yet so applied in Temporary Cash Equivalents.

Section 4.32 *Government Approvals and Licenses; Compliance with Law*.

The Parent will cause each Restricted Subsidiary to (a) obtain and maintain in full force and effect all governmental approvals, authorizations, consents, permits, concessions and licenses as are necessary to engage in the Permitted Businesses; (b) preserve and maintain good and valid title to its properties and assets (including land-use rights); and (c) comply with all laws, regulations, orders, judgments and decrees of any governmental body, except to the extent that failure so to obtain, maintain, preserve and comply would not reasonably be expected to have a material adverse effect on (1) the business or results of operations of the Restricted Group II, taken as a whole, or (2) the ability of the Company and any Guarantor to perform its obligations under the Notes, the Note Guarantee or this Indenture.

Section 4.33 *Currency Indemnity*.

(a) The U.S. Dollar is the sole currency of account and payment for all sums payable by the Company and the Guarantors under the Notes and the Note Guarantees (the "*Contractual Currency*"). Any amount received or recovered in currency other than the Contractual Currency in respect of the Notes or the Note Guarantees (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the winding up, liquidation or dissolution of any Guarantor, any Subsidiary or otherwise) by the Holder in respect of any sum expressed to be due to it from the Company or any Guarantor will constitute a discharge of the Company or the Guarantor, as the case may be, only to the extent of the Contractual Currency amount which the recipient is able to purchase with the amount so received or recovered in other currency on the date of that receipt or recovery (or, if it is not possible to make that purchase on that date, on the first date on which it is possible to do so). If that purchased amount is less than the Contractual Currency amount expressed to be due to the recipient under any Note, the Company and the Guarantors will indemnify the recipient against any loss sustained by it as a result. For the purposes of this indemnity, it will be sufficient for the Holder to certify (indicating the sources of information used) that it would have suffered a loss had the actual purchase of Contractual Currency been made with the amount so received in that other currency on the date of receipt or recovery (or, if a purchase of Contractual Currency on such date had not been possible, on the first date on which it would have been possible).

(b) Each of the above indemnities will, to the extent permitted by law:

(1) constitute a separate and independent obligation from the other obligations of the Company or the Guarantors;

(2) give rise to a separate and independent cause of action;

(3) apply irrespective of any waiver granted by any Holder; and

(4) continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Note or any other judgment or order.

Section 4.34 *Company Representations and Warranties*. The Company represents and warrants that:

(i) it has been duly organized and is validly existing and in good standing under the laws of its jurisdiction of organization and has obtained all necessary approvals, permits, authorizations and licenses from the authorities required by it under the laws and regulations of its jurisdiction of organization to carry on its business as now conducted;

(ii) it has the requisite power and authority to execute, deliver and perform its obligations under this Indenture and has taken all necessary action to authorize the execution, delivery and performance of its obligations under this Indenture; and

(iii) this Indenture has been duly executed and delivered by it and constitutes a legal, valid and binding obligation of it, enforceable against it in accordance with the terms hereof.

Section 4.35 *Suspension of Certain Covenants*.

(a) If on any date following the Original Issue Date, the Notes have a rating of Investment Grade from both of the Rating Agencies and no Default or Event of Default has occurred and is continuing

(a "*Suspension Event*"), then, beginning on that day and continuing until such time, if any, at which the Notes cease to have a rating of Investment Grade from either of the Rating Agencies, the provisions of this Indenture in the following Sections will be suspended:

(1) Section 4.10

(2) Section 4.07;

(3) Section 4.09;

(4) Section 4.21;

(5) Section 4.11

(6) Section 4.08;

(7) Section 4.20;

(8) Section 4.13;

(9) Section 4.17;

(b) Such covenants will be reinstated and apply according to their terms as of and from the first day on which a Suspension Event ceases to be in effect (the "*Reinstatement Date*" and the period of time between the Suspension Event and the Reinstatement Date, the "*Suspension Period*"). Such covenants will not, however, be of any effect with regard to actions of the Company or any other Restricted Subsidiary properly taken in compliance with the provisions of this Indenture during the continuance of the Suspension Event, and following reinstatement all Indebtedness Incurred during the Suspension Period will be classified to have been incurred pursuant to clause (a)(2) of Section 4.09.

Section 4.36 *Trust and Retention Accounts Agreement*.

Within 90 days of borrowing or issuing the Original Onshore Debt (and in the case of Azure Power Thirty Three Private Limited, within 90 days of the date on which the terms of the Existing Rupee ECB is conformed to the terms and covenants to the terms set forth in the ECB term sheet annexed to the Offering Memorandum), the relevant Restricted Subsidiary will enter into a trust and retention account agreement with *inter alia* a domestic bank having a credit rating not less than AA+ as the account bank, the security trustee acting for benefit of the lenders of the Indebtedness Incurred under Section 4.09(a)(10) and (12) and Catalyst Trusteeship Limited as the security trustee acting for the benefit of the Company (in its capacity as lender of, or subscriber to, the Original Onshore Debt) and in the case of Azure Power Forty Four Limited, a supplementary escrow agreement will be entered into with *inter alia* State Bank of India as the escrow bank, State Bank of India as the lenders' representative (as such term is defined in the power purchase agreements entered into by Azure Power Forty Four Private Limited) and Catalyst Trusteeship Limited as the security trustee acting for the benefit of the Company (in its capacity as lender of or subscriber to the Onshore Debt) in respect of the application of amounts lying in the escrow account established in respect of each of its projects. A separate escrow account will be established in respect of each project of Azure Power Forty Four Private Limited (such trust and retention account agreement or supplementary escrow agreement, the "*Trust and Retention Account Agreement*").

ARTICLE 5
SUCCESSORS

Section 5.01 *Merger, Consolidation, and Sale of Assets*.

(a) The Parent will not permit any Restricted Subsidiary to merge or consolidate with or into another Person (other than, in relation to any Restricted Subsidiary (other than the Company), another Restricted Subsidiary *provided that* (i) such merger or consolidation does not adversely affect the enforceability, validity or priority of any Lien securing any Onshore Debt; and (ii) the Parent or the Company shall have obtained prior written confirmations from the Rating Agencies that such merger or consolidation will not result in a decrease in the ratings of the Notes), or sell all or substantially all of its assets taken as a whole, in one or more related transactions (other than, in relation to any Restricted Subsidiary (other than the Company), to another Restricted Subsidiary *provided that* (i) such sale does not adversely affect the enforceability, validity or priority of any Lien securing any Onshore Debt; and (ii) the Parent or the Company shall have obtained prior written confirmations from the Rating Agencies that such sale will not result in a decrease in the ratings of the Notes).

(b) Prior to an Early Parent Guarantee Release, the Parent will not merge or consolidate with or into another Person; or sell substantially all of its and the Restricted Subsidiaries' assets taken as a whole, in one or more related transactions, unless:

(1) either:

(A) it is the surviving entity; or

(B) the surviving entity (the "*Surviving Person*") is organized under the laws of Mauritius, The Netherlands, the Cayman Islands, the British Virgin Islands, Hong Kong, Singapore, Canada, the U.K., any member state of the European Union, Switzerland, the United States, any state of the United States or the District of Columbia and such Surviving Person expressly assumes the obligations under this Indenture, the Parent Guarantee and the Collateral Documents, as the case may be;

(2) immediately after giving effect to such transaction, no Default shall have occurred and be continuing; and

(3) the Parent delivers an Officer's Certificate and an Opinion of Counsel as to compliance with this Section 5.01.

Section 5.02 *Successor Corporation Substituted*.

Upon any consolidation or merger, or any sale, assignment, transfer, lease, conveyance or other disposition of all or substantially all of the properties or assets of the Parent in a transaction that is subject to, and that complies with the provisions of, this Section 5.01, the successor Person formed by such consolidation or into or with which the Parent is merged or to which such sale, assignment, transfer, lease, conveyance or other disposition is made shall succeed to, and be substituted for (so that from and after the date of such consolidation, merger, sale, assignment, transfer, lease, conveyance or other disposition, the provisions of this Indenture referring to the "Parent" shall refer instead to the successor Person and not to the Parent), and may exercise every right and power of the Parent under this Indenture with the same effect as if such successor Person had been named as the Parent herein and the Parent shall be released from all obligations under this Indenture and the Parent Guarantee.

ARTICLE 6 DEFAULTS AND REMEDIES

Section 6.01 *Events of Default*.

Each of the following is an "*Event of Default*":

(a) default in the payment of principal of (or premium, if any, on) the Notes when the same becomes due and payable at maturity, upon acceleration, redemption or otherwise;

(b) default in the payment of interest on any Note when it becomes due and the continuance of any such failure for 30 days;

(c) default in compliance with Section 5.01, or in respect of the Company's obligations to consummate an offer to purchase upon a Change of Control Triggering Event or Asset Sale, or in respect of its obligations to consummate a Special Mandatory Redemption;

(d) defaults under this Indenture (other than a default specified in clause (a), (b) or (c) above) and continuance for 60 consecutive days after written notice is given by Holders of 25% or more in aggregate principal amount of the Notes;

(e) any event of default occurs and is continuing with respect to any Onshore Debt (other than any default in the payment of interest);

(f) with respect to any Indebtedness of the Company or any other Restricted Subsidiary having an outstanding principal amount of US$15.0 million (or the Dollar Equivalent thereof) or more, (1) an event of default causing the holder thereof to declare such Indebtedness to be due prior to its Stated Maturity and/or (2) the failure to make a principal payment when due;

(g) passage of 60 consecutive days following entry of the final judgment or order against the Company or any other Restricted Subsidiary that causes the aggregate amount for all such final judgments or orders outstanding and not paid, discharged or stayed to exceed US$15.0 million (or the Dollar Equivalent thereof) (exclusive of any amounts for which a solvent (to the Company's best knowledge) insurance company has acknowledged liability for);

(h) an involuntary case or other proceeding is commenced against the Parent, the Company or one or more Restricted Subsidiaries representing individually or in the aggregate at least 5% of the Total Assets or Stated EBITDA of the Restricted Group II as of or for the most recently completed fiscal year of the Restricted Group II for which financial statements are available seeking the appointment of a receiver, official liquidator, administrator, trustee or corporate insolvency resolution professional and remains undismissed and unstayed for 90 consecutive days, or a final non-appealable judgment or order for relief is entered under any bankruptcy or other similar law;

(i) the Company, the Parent or one or more Restricted Subsidiaries representing individually or in the aggregate at least 5% of the Total Assets or Stated EBITDA of the Restricted Group II as of or for the most recently completed fiscal year of the Restricted Group II for which financial statements are available:

(1) commences a voluntary case, or consents to the entry of an order for relief in an involuntary case under any bankruptcy or other similar law,

(2) consents to the appointment of a receiver, liquidator, administrator, trustee or corporate insolvency professional, or

(3) effects any general assignment for the benefit of creditors;

(j) any Guarantor denies its obligations under its Note Guarantee or such Note Guarantee is determined to be unenforceable or invalid or shall for any reason cease to be in full force and effect (other than due to a release of such Note Guarantee pursuant to the terms of this Indenture);

(k) any default by the Company or the Parent in the performance of any of its obligations under the Collateral Documents, which adversely affects the enforceability, validity, perfection or priority of the applicable Lien on the Collateral or which adversely affects the condition or value of the Collateral, taken as a whole, in any material respect; or

(l) the repudiation by the Company or the Parent of any of their obligations under the Collateral Documents or a Collateral Document ceases to be or is not in full force or effect or the failure to create a first priority lien on the Collateral or the Trustee or the applicable Collateral Agent ceases to have a first priority security interest in the Collateral (subject to any Permitted Liens and in respect of the Pari Passu Collateral, any Intercreditor Agreement).

Section 6.02 *Acceleration*.

If an Event of Default (other than an Event of Default specified in clause (h) or (i) of Section 6.01 above) occurs and is continuing under this Indenture, the Holders of at least 25% in aggregate principal amount of the Notes then outstanding, by written notice to the Trustee and the Company, may, and the Trustee at the written direction of such Holders (subject to it being indemnified and/or secured and/or pre- funded to its satisfaction) will, declare the principal of, premium and Additional Amounts, if any, and accrued and unpaid interest on the Notes to be immediately due and payable. Upon a declaration of acceleration, such principal of, premium and Additional Amounts, if any, and accrued and unpaid interest will be immediately due and payable. If an Event of Default specified in clause (h) or (i) of Section 6.01 above occurs, the principal of, premium and Additional Amounts, if any, and accrued and unpaid interest on the Notes then outstanding will automatically become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Holder.

Section 6.03 *Other Remedies*.

If an Event of Default occurs and is continuing, the Trustee may pursue, in its own name or as Trustee of an express trust, any available remedy by proceeding at law or in equity to collect the payment of principal of and interest on the Notes or to enforce the performance of any provision of the Notes or this Indenture, including, but not limited to, directing a foreclosure on the Collateral in accordance with the terms of the Collateral Documents and take such further action on behalf of the Holders with respect to the Collateral in accordance with such Holders' instruction and the relevant Collateral Documents, subject to any Intercreditor Agreement in the case of Pari Passu Collateral. The Trustee may maintain a proceeding even if it does not possess any of the Notes or does not produce any of them in the proceeding. The Trustee shall have no liability for any decline in value or loss realized as a result of the sale of any Collateral in accordance with the terms of this Indenture.

Section 6.04 *Waiver of Past Defaults*.

The Holders of at least a majority in principal amount of the outstanding Notes by written notice to the Company and to the Trustee may on behalf of all the Holders waive all past defaults and rescind and annul a declaration of acceleration and its consequences if:

(a) all existing Events of Default, other than the nonpayment of the principal of, premium, if any, and interest on the Notes that have become due solely by such declaration of acceleration, have been cured or waived; and

(b) the rescission would not conflict with any judgment or decree of a court of competent jurisdiction.

Upon such waiver, the Default will cease to exist, and any Event of Default arising therefrom will be deemed to have been cured, but no such waiver will extend to any subsequent or other Default or impair any right consequent thereon.

Section 6.05 *Control by Majority*.

(a) The Holders of at least a majority in aggregate principal amount of the outstanding Notes may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee, subject to any Intercreditor Agreement in the case of Pari Passu Collateral, provided that in all cases the Trustee is indemnified and/or secured and/or prefunded to its satisfaction in advance of any such proceedings. However, the Trustee may refuse to follow any direction that conflicts with law or this Indenture, that may involve the Trustee in personal liability and may take any other action it deems proper that is not inconsistent with any such direction received from Holders.

(b) The Trustee will not be required to expend its own funds in following such direction if it does not believe that reimbursement or satisfactory indemnification and/or security and/or pre-funding is assured to it.

Section 6.06 *Limitation on Suits*.

A Holder may not institute any proceeding, judicial or otherwise, with respect to this Indenture or the Notes, or for the appointment of a receiver or trustee, or for any other remedy under this Indenture or the Notes, unless:

(a) the Holder has previously given the Trustee written notice of a continuing Event of Default;

(b) the Holders of at least 25% in aggregate principal amount of the then outstanding Notes make a written request to the Trustee to pursue the remedy;

(c) such Holder or Holders offer the Trustee and the Collateral Agents indemnity and/or security and/or pre-funding reasonably satisfactory to the Trustee and the Collateral Agents against any fees, costs, liability or expenses to be incurred in compliance with such request;

(d) the Trustee does not comply with the request within (x) 60 days after receipt of the written request pursuant to clause (b) above or (y) 60 days after the receipt of the offer of indemnity and/or security and/or pre-funding pursuant to clause (c) above, whichever occurs later; and

(e) during such 60-day period, the Holders of a majority in aggregate principal amount of the then outstanding Notes do not give the Trustee a direction that is inconsistent with such request.

However, such limitations do not apply to the contractual right of any Holder to bring suit for the enforcement of any such contractual right to payment, on or after the due date expressed in the Notes, which right will not be impaired or affected without the consent of the Holder.

Section 6.07 *Rights of Holders to Receive Payment*.

Notwithstanding any other provision of this Indenture, the right of any Holder of a Note to receive payment of principal of, premium and Additional Amounts, if any, and interest on the Note, on or after the respective due dates expressed in the Note (including in connection with an offer to purchase), or to bring suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such Holder; *provided that* a Holder shall not have the right to institute any such suit for the enforcement of payment if and to the extent that the institution or prosecution thereof or the entry of judgment therein would, under applicable law, result in the surrender, impairment, waiver or loss of the Lien of this Indenture upon any property subject to such Lien.

Section 6.08 *Collection Suit by Trustee*.

If an Event of Default specified in Section 6.01(a) or (b) occurs and is continuing, the Trustee is authorized to recover judgment in its own name and as trustee of an express trust against the Company for the whole amount of principal of, premium and Additional Amounts if any, and interest remaining unpaid on, the Notes and interest on overdue principal and, to the extent lawful, interest and such further amount as shall be sufficient to cover the costs and expenses of collection, including the compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

Section 6.09 *Trustee May File Proofs of Claim*.

The Trustee is authorized to file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and the Holders allowed in any judicial proceedings relative to the Company (or any other obligor upon the Notes), its creditors or its property and shall be entitled and empowered to collect, receive and distribute any money or other property payable or deliverable on any such claims and any custodian in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee, and if the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due to it for the compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.07. To the extent that the payment of any such compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.07 out of the estate in any such proceeding, shall be denied for any reason, payment of the same shall be secured by a Lien on, and shall be paid out of, any and all distributions, dividends, money, securities and other properties that the Holders may be entitled to receive in such proceeding whether in liquidation or under any plan of reorganization or arrangement or otherwise. Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Notes or the rights of any Holder, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

Section 6.10 *Priorities*.

If the Trustee collects any money pursuant to this Article 6, it shall pay out the money in the following order:

First: to the Trustee, the Notes Collateral Agent and the Common Collateral Agent, the Agents, and their respective agents and attorneys for amounts due under Section 7.07 and Section 10.10, including payment of all compensation, expenses, costs and liabilities properly incurred, and all advances properly made, by the Trustee, the Notes Collateral Agent, the Common Collateral Agent, the Agents and their respective agents and attorneys, and the costs and expenses of collection and all amounts for which the Trustee, the Notes Collateral Agent, the Common Collateral Agent and the Agents are entitled to indemnification under the Collateral Documents, the Intercreditor Agreement and this Indenture, for which the Trustee, the Notes Collateral Agent, the Common Collateral Agent or the Agents have made a claim pursuant to the terms of the Collateral Documents, the Intercreditor Agreement and this Indenture;

Second: to the Note Holders Representative and its respective agents and attorneys for amounts due under paragraphs (a) and (b) of the Note Holders Representative Appointment Letter, including payment of all compensation, expenses and liabilities incurred, and all advances made by it and the costs and expenses of collection;

Third: to Holders for amounts due and unpaid on the Notes for principal, premium and Additional Amount if any, and interest, ratably, without preference or priority of any kind, according to the amounts due and payable on the Notes for principal, premium, if any and interest, respectively; and

Fourth: to the Company or to such party as a court of competent jurisdiction shall direct.

The Trustee may fix a record date and payment date for any payment to Holders pursuant to this Section 6.10.

Section 6.11 *Undertaking for Costs*.

In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as a Trustee, a court in its discretion may require the filing by any party litigant in the suit of an undertaking to pay the costs of the suit, and the court in its discretion may assess properly incurred costs, including properly incurred attorneys' fees, against any party litigant in the suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section 6.11 does not apply to a suit by the Trustee, a suit by a Holder pursuant to Section 6.07, or a suit by Holders of more than 10% in aggregate principal amount of the then outstanding Notes.

ARTICLE 7
TRUSTEE

Section 7.01 *Duties of Trustee*.

(a) If an Event of Default has occurred and is continuing, the Trustee will exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in its exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(b) Except during the continuance of an Event of Default:

(1) the duties of the Trustee will be determined solely by the express provisions of this Indenture and the Trustee need perform only those duties that are specifically set forth in this Indenture and no others, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(2) in the absence of bad faith on its part, the Trustee may conclusively rely on the truth of the statements contained in and the correctness of any certificates or opinions furnished to the Trustee, and the Trustee shall not be responsible for any loss occasioned by acting in reliance on such certificates and opinions and shall not be obligated to verify any information in such certificates or opinions.

The Trustee shall not be charged with knowledge of any Default or Event of Default unless the Company has delivered written notice of such Default or Event of Default to a Responsible Officer at the Corporate Trust Office of the Trustee referencing the applicable provision of this Indenture. During the continuance of an Event of Default, the Trustee shall not be under any obligation to exercise any rights or powers conferred under this Indenture for the benefit of the Holders unless it receives the written direction of the Holders of at least 25% of the aggregate principal amount then outstanding and indemnity and/or security and/or prefunding to its satisfaction.

(c) The Trustee may not be relieved from liabilities for its own gross negligence, or its own willful misconduct, except that:

(1) this paragraph does not limit the effect of paragraph (b) of this Section 7.01;

(2) the Trustee will not be liable for any error of judgment made in good faith by a Responsible Officer, unless it is conclusively determined by the final judgment of a court of competent jurisdiction, no longer subject to appeal or review, that the Trustee was grossly negligent in ascertaining the pertinent facts; and

(3) the Trustee will not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it from the Note Holders Representative or Holders of at least 25% in aggregate principal amount of the then outstanding Notes or otherwise pursuant to the terms of this Indenture, the Notes, the Note Guarantee, the Intercreditor Agreement or any Collateral Document.

(d) Whether or not herein expressly so provided, every provision of this Indenture that in any way relates to the Trustee is subject to Article 7.

(e) No provision of this Indenture or any other documents related to the transactions contemplated herein will require the Trustee to expend or risk its own funds or incur any liability (financial or otherwise). The Trustee will be under no obligation to exercise any of its rights and powers under this Indenture or any other document, unless the Trustee has been offered security and/or indemnity and/or pre- funding satisfactory to it against any loss, liability or expense.

(f) The Trustee will not be liable for interest on any money received by it. Money held in trust by the Trustee need not be segregated from other funds except to the extent required by law.

Section 7.02 *Rights of Trustee*.

(a) In the absence of bad faith on its part, the Trustee may conclusively rely upon all instructions, notices, declarations and certificates, opinions and any other documents, including any such document sent by facsimile, e-mail or other form of electronic communication, received by it and believed by it to be genuine and to have been signed or presented by the proper Person. In conclusively relying upon any of such documents, the Trustee need not investigate any fact or matter stated therein and shall not be responsible for the accuracy, authenticity and validity thereof and may conclusively rely as to the truth of the statements and the correctness of the opinions expressed therein.

(b) Before the Trustee acts or refrains from acting, it may require an Officer's Certificate or an Opinion of Counsel or both. The Trustee will not be liable for any action it takes or omits to take in reliance on such Officer's Certificate or Opinion of Counsel. The Trustee may, at the Company's expense, consult with counsel and other professional advisors and an Opinion of Counsel will be full and complete authorization and protection from liability in respect of any action taken, suffered or omitted by it hereunder and in reliance thereon.

(c) The Trustee may act through its attorneys, delegates and agents and will not be responsible for the misconduct or negligence of any attorneys, delegates and agents appointed with due care hereunder. The Trustee shall not be obligated to monitor or supervise such attorneys, delegates and agents.

(d) The Trustee will not be liable for any action it takes or omits to take that it believes to be authorized or within the rights or powers conferred upon it by this Indenture.

(e) Unless otherwise specifically provided in this Indenture, any demand, request, direction or notice from the Company will be sufficient if signed by an Officer of the Company.

(f) The Trustee will be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders or the Note Holders Representative unless such Holders or the Note Holders Representative, as applicable, have offered to the Trustee indemnity and/or security and/or pre-funding satisfactory to it against the losses, liabilities and expenses that might be incurred by it in compliance with such request or direction. The Trustee will not be responsible for any loss, liability, cost, claim, actions, demand, expense or inconvenience which may result from its exercise or non- exercise of any of the rights or powers vested in it by this Indenture or any related document other than as caused by its own gross negligence or its own willful misconduct.

(g) In no event shall the Trustee, the Collateral Agents or Agents be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond their control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; or failure of any money transmission or SWIFT system, any laws, ordinances, regulations or the like which restrict or prohibit the performance of the obligations contemplated by this Indenture.

(h) The recitals contained herein and in the Notes are made by the Company and not by the Trustee, and the Trustee assumes no responsibility for the correctness and completeness thereof. The Trustee makes no representation as to the validity or sufficiency of this Indenture or the Notes.

(i) The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document, but the Trustee, in its

sole and absolute discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records, and premises of the Company, personally or by agent or attorney at the sole cost of the Company and shall incur no liability or additional liability of any kind by reason of such inquiry or investigation. The Trustee shall not be bound to make any investigation into (i) the occurrence of any default, or the validity, enforceability, effectiveness or genuineness of this Indenture, the Notes, any Note Guarantee, the Intercreditor Agreement, any Collateral Documents, any related document or any other agreement, instrument or document, (iii) the creation, perfection or priority of any Lien purported to be created by this Indenture, the Notes, any Note Guarantee, the Intercreditor Agreement, any Collateral Documents, or any related document, (iv) the value or the sufficiency of any Collateral or (v) the satisfaction of any condition set forth in this Indenture, the Notes, any Note Guarantee, the Intercreditor Agreement, any Collateral Documents, or any related document.

(j) Under no circumstances shall the Trustee, the Collateral Agents or Agents be responsible or liable to the Company or any other party to this Indenture for any punitive, special, indirect or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit, business, goodwill or opportunity) whether or not foreseeable and irrespective of whether the Trustee, the Collateral Agents and Agents have known about or have been advised of the likelihood of such loss or damage and regardless of the form of legal actions.

(k) The rights, privileges, indemnity, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, (i) the Trustee in each of its capacities hereunder, and, in addition to any other rights, privileges, indemnity, protections, immunities and benefits afforded to them, the Collateral Agents and the Agents, custodian and any other Person employed to act hereunder, provided, however any such agent or custodian shall not be deemed to be a fiduciary and (ii) the entity serving as the Trustee, the Collateral Agents and the Agents in each of its capacities under any related document (including the Intercreditor Agreement and any Collateral Document) whether or not specifically set forth therein and each agent, custodian and other Person employed to act hereunder and under any related document, as the case may be;

(l) The Trustee, the Collateral Agents and Agents may request that the Company deliver an Officer's Certificate setting forth the names of individuals and/or titles of officers authorized at such time to take specified actions pursuant to this Indenture; and

(m) So long as any of the Notes remains outstanding, the Company shall provide the Agents with a sufficient number of copies of this Indenture and each of the documents sent to the Trustee or which are required to be made available by stock exchange regulations or stated in the Offering Memorandum, to be available and, subject to being provided with such copies, each of the Agents will procure that such copies shall be available at its specified office during normal office hours for examination by the Holders and that copies thereof will be furnished to the Holders upon written request at their own expense.

(n) If an Event of Default occurs and is continuing, the Trustee shall be entitled to require all Agents and the Note Holders Representative to act solely in accordance with its directions. For the avoidance of doubt, the Trustee shall not be required to provide any such directions and such right shall not be construed as a duty.

(o) The Trustee shall treat all information relating to the Company as confidential, but (unless consent is prohibited by law) the Company and the Guarantors consent to the transfer and disclosure by the Trustee of any information relating to the Company and the Guarantors to and between branches, subsidiaries, representative offices, agents and affiliates of the Trustee and third parties (including service providers) selected by any of them, wherever situated, for confidential use (including without limitation in

connection with the provision of any service and for data processing, statistical and risk analysis purposes and for compliance with applicable law). The Trustee and any of its branch, subsidiary, representative office, agent, affiliate or third party may transfer and disclose any such information as required or requested by any law, court, regulator, legal process, applicable law, or authority including any auditor of the Company or the Guarantors and including any payor or payee as required by applicable law; *provided that* the Trustee shall give the Company prompt written notice of such request so that the Company may seek a protective order or other remedy protecting such confidential information from disclosure so long as the provision of such notice is not contrary to applicable law. Notwithstanding anything herein to the contrary, the foregoing shall not be construed to prohibit (i) disclosure of any and all information that is or becomes publicly known, or information obtained by the Trustee from sources other than the Company or the Guarantors, (ii) disclosure as required pursuant to this Indenture, the Intercreditor Agreement, the Notes, the Note Guarantee or the Collateral Documents, or (iii) any other disclosure authorized by the Company.

(p) The Trustee will not be responsible for the acts, omissions, misconduct default or negligence of the Note Holders Representative and shall not be obliged to monitor or supervise the Note Holders Representative for any action it takes or omits to take that the Note Holders Representative believes to be authorized or within the rights or powers conferred upon it by the Note Holders Representative Appointment Letter.

(q) If an Event of Default occurs and is continuing and the Trustee instructs the Note Holders Representative to act solely in accordance with its directions, the Trustee shall not be obliged to indemnify the Note Holders Representative or pay remuneration to the Note Holders Representative before it acts in accordance with the directions of the Trustee.

(r) Notwithstanding anything to the contrary provided for in this Indenture, the Notes and the Note Holders Representative Appointment Letter, the Note Holders Representative shall not, by any provision hereof or in the Note Holders Representative Appointment Letter, have any claim or recourse to the Trustee in connection with the Note Holders Representative's indemnification, remuneration or liabilities and acknowledges and agrees that the expenses of the Note Holders Representative shall be limited to the amounts for the time being held by the Trustee in respect of the Notes under this Indenture and after application of such sums in accordance with Section 6.10 in satisfaction of payment of relevant sums.

(s) Notwithstanding anything to the contrary in this Indenture, the Notes or in any other document the Company, Parent and the Holders, by accepting the Notes, acknowledge and understand that the:

(1) Trustee has not conducted any due diligence or investigation with respect to the Note Holders Representative or its ability to perform its required duties and accepts no responsibility or liability for any acts, omissions or defaults of the Note Holders Representative; and

(2) The Note Holders Representative is executing the Note Holders Representative Appointment Letter as an agent of the Company and not as an agent of the Trustee and there is no trustee-beneficiary or fiduciary relationship between the Note Holders Representative and the Trustee of any nature whatsoever and no principal-agent relationship between the Note Holders Representative and the Trustee of any nature whatsoever until such time an Event of Default occurs and is continuing and the Trustee requires the Note Holders Representative to act as agent of the Trustee and to act solely in accordance with its directions.

(t) The Company and the Parent hereby irrevocably waive, in favor of the Trustee, the Agents and the Collateral Agents, any conflict of interest which may arise by virtue of the Trustee and/or the Agents and/or the Collateral Agents acting in various capacities under this Indenture, the Notes, the Note Guarantees and the Collateral Documents or for other customers of the Trustee and/or the Agents and/or the Collateral Agents. The Company and the Parent acknowledge that the Trustee, the Agents and the Collateral Agents and their respective affiliates (together, the "*Agent Parties*") may have interests in, or may be providing or may in the future provide, financial or other services to other parties with interests which the Company or the Parent may regard as conflicting with their respective interests under this Indenture, the Notes, the Note Guarantees, the Intercreditor Agreement and the Collateral Documents and may possess information (whether or not material to the Company or the Parent) other than as a result of acting as Trustee and/or the Agents and/or the Collateral Agents hereunder, that the Trustee and/or the Agents and/or the Collateral Agents may not be entitled to share with the Company or the Parent. The Trustee, the Agents and the Collateral Agents will not disclose confidential information obtained from the Company and the Parent (without their respective consent) to any of the Trustee's and/or the Agent's and/or the Collateral Agent's other customers nor will any of them use on the Company's or the Parent's behalf any confidential information obtained from any other customer. Without prejudice to the foregoing, the Company and the Parent agree that the Agent Parties may deal (whether for their own respective or their respective customers' accounts) in, or advise on, securities of any party and that such dealing or giving of advice, will not constitute a conflict of interest for the purposes of this Indenture, the Notes, the Note Guarantees and the Collateral Documents.

(u) The Trustee shall have no obligation or duty to monitor, supervise, determine or inquire as to the Company's or the Parent's or any other Person's compliance with any provision of this Indenture, the Notes, any Note Guarantee, the Intercreditor Agreement or any Collateral Document.

(v) The Trustee shall not be deemed to have knowledge of any event unless it has been actually notified in writing of such event. In the exercise of its duties, the Trustee shall not be responsible for the verification of the accuracy or completeness of any certification or legal opinion submitted to it pursuant to this Indenture and is entitled to rely exclusively on, and take action based on the information contained in, such certification or legal opinion.

(w) The Trustee shall not be responsible for the performance by any other Person appointed by the Company in relation to the Notes, this Indenture, any Note Guarantee, the Intercreditor Agreement or any Collateral Document and, unless notified in writing to the contrary, shall assume that the same is duly performed. The Trustee shall not be liable to any Holders or any other person for any action taken by the Holders or the Trustee in accordance with the instructions of the Holders.

(x) In all instances in which the Trustee is called upon to exercise its discretion, such discretion shall be absolute and unfettered and the right of the Trustee to perform any discretionary act enumerated shall not be construed as a duty.

(y) Notwithstanding anything else herein contained, the Trustee may refrain without liability from doing anything that would or might in its opinion be contrary to any law of any state or jurisdiction (including but not limited to Hong Kong, the United States of America or any jurisdiction forming a part of it and England & Wales) or any directive or regulation of any agency of any such state or jurisdiction, in each case, applicable to it, and may without liability do anything which is, in its reasonable opinion, necessary to comply with any such law, directive or regulation or is not provided for in this Indenture. The Trustee shall as soon as reasonably practicable, to the extent permitted by applicable laws, notify the Company of such action or inaction related to a request or demand made by the Company to the Trustee. The Trustee shall not be required to take any action under this Indenture, the Notes, the Note Guarantee, the Intercreditor Agreement, any Collateral Document or any related document if taking such action (A)

would subject the Trustee to a tax in any jurisdiction where it is not then subject to a tax, or (B) would require the Trustee to qualify to do business in any jurisdiction where it is not then so qualified.

(z) The Trustee shall not have any duty or responsibility in respect of (i) the acquisition or maintenance of any insurance or (ii) the payment or discharge of any tax, assessment, or other governmental charge or any lien or encumbrance of any kind owing with respect to, assessed or levied against, any part of the Collateral.

(aa) If the Trustee requests instructions from the Company or the Holders with respect to any action or omission by it, the Trustee shall be entitled (without incurring any liability therefor) to refrain from taking such action and continue to refrain from acting unless and until the Trustee shall have received such written instructions with respect to such request.

(bb) The Trustee, the Collateral Agents and the Agents shall not be responsible for any loss or damage, or failure to comply or delay in complying with any duty or obligation, under or pursuant to this Indenture arising as a direct or indirect result of any Force Majeure Event or any event where, in the reasonable opinion of the Trustee, the Collateral Agents or the Agents (as the case may be), performance of any duty or obligation under or pursuant to this Indenture would or may be illegal or would result in the Trustee, the Collateral Agents or the Agents (as the case may be) being in breach of any law, rule, regulation, or any decree, order or judgment of any court, or practice, request, direction, notice, announcement or similar action (whether or not having the force of law) of any relevant government, government agency, regulatory authority, stock exchange or self-regulatory organization to which the Trustee, the Collateral Agents or the Agents (as the case may be) are subject.

Section 7.03 *Individual Rights of Trustee*.

The Trustee in its individual or any other capacity may become the owner or pledgee of Notes and may otherwise deal with the Company or any Affiliate of the Company with the same rights it would have if it were not Trustee. The Trustee is permitted to engage in other transactions, including normal banking and trustee relationships, with the Company, the Parent and their respective Affiliates and to benefit from them without being obliged to account for profits, if any; *provided*, however, that if it acquires any conflicting interest that may have a prejudicial effect upon the Holders, the Trustee must eliminate such conflict within 90 days or resign. The Trustee and the Agents may have an interest in, may be providing, or may in the future provide financial or other services to other parties. Any Agent and the Collateral Agents may do the same with like rights and duties contained in this Section 7.03. The Trustee is also subject to Section 7.10.

Section 7.04 *Trustee's Disclaimer*.

The Trustee will not be responsible for and makes no representation as to the validity or adequacy of this Indenture or the Notes; it shall not be accountable for the Company's use of the proceeds from the Notes or any money paid to the Company or upon the Company's direction under any provision of this Indenture; it will not be responsible for the use or application of any money received by any Paying Agent other than the Trustee, and it will not be responsible for any statement or recital herein or any statement in the Notes or any other document in connection with the sale of the Notes or pursuant to this Indenture other than its certificate of authentication. The Trustee shall not be deemed to be required to calculate any Treasury Rates, Additional Amounts, make-whole amount, Combined Leverage Ratio or other leverage ratio.

Section 7.05 *Notice of Defaults*.

If a Default or an Event of Default occurs and is continuing and if the Holders of 25% or more in aggregate principal amount of the Notes notified the Trustee in writing of such occurrence, the Trustee will mail to Holders, at the expense of the Company, a notice of the Default or Event of Default within 90 days after it occurs. The Trustee shall not be deemed to have notice or knowledge of a Default or an Event of Default unless and until it has received written notification of such Default or Event of Default describing the circumstances of such, and identifying the circumstances constituting such Default or Event of Default pursuant to Section 4.03(c)(2). None of the Trustee or any Agent is obligated to do anything to ascertain whether any Event of Default or Default has occurred or is continuing and will not be responsible to Holders or any other person for any loss arising from any failure by it to do so, and each of the Trustee and the Agents may assume that no such event has occurred and that the Company and the Parent are performing all of their respective obligations under this Indenture, the Notes and the Note Guarantees unless the Trustee or the Agents, as the case may be, has received written notice of the occurrence of such event or facts establishing that a Default or an Event of Default has occurred or that the Company and the Parent are not performing all of their respective obligations under this Indenture, the Notes and the Note Guarantees. The Trustee or the Agents are entitled to rely on any Opinion of Counsel or Officers' Certificate regarding whether a Default or an Event of Default has occurred.

Section 7.06 *Limitation on Duty of Trustee and Collateral Agents in Respect of Collateral; Indemnification.*

(a) The Trustee and Collateral Agents shall have no duty as to any Collateral in their possession or control or in the possession or control of any agent or bailee or any income thereon or as to preservation of rights against prior parties or any other rights pertaining thereto and the Trustee and Collateral Agents shall not be responsible for filing any financing or continuation statements or recording any documents or instruments in any public office at any time or times or otherwise perfecting or maintaining the perfection of any security interest in the Collateral.

(b) The Trustee and Collateral Agents shall not be responsible for the existence, title, genuineness, protection or value (or the protection of the diminution in value) of any of the Collateral or for the legality, genuineness, validity, perfection, priority of enforceability of the Liens in any of the Collateral, whether impaired by operation of law or by reason of any action or omission to act on its part hereunder, and shall not be responsible for taking any action to protect against any diminution in the value of any Collateral; it being understood that all such obligations shall be the obligations of the Company or the Parent, as the case may be. The Collateral Agents may decline to foreclose on the Collateral or exercise remedies available if they do not receive indemnification and/or security and/or pre-funding to its satisfaction. The Collateral Agents' ability to foreclose on the Collateral may be subject to lack of perfection, the consent of third parties, prior Liens and practical problems associated with the realization of the Collateral Agents' Liens on the Notes Collateral and/or the Pari Passu Collateral, as the case may be. Neither the Trustee, the Collateral Agents nor any of their respective officers, directors, employees, attorneys or agents will be responsible or liable for the existence, genuineness, value, adequacy or protection of the Notes Collateral and/or the Pari Passu Collateral, for the legality, genuineness, validity, perfection, priority of enforceability of the Liens, effectiveness or sufficiency of the Notes Collateral Document or the Pari Passu Collateral Document, for the creation, perfection, priority, sufficiency or protection of any of the Liens, or for any defect or deficiency as to any such matters, or for any failure to demand, collect, foreclose or realize upon or otherwise enforce any of the Liens or the Notes Collateral Document or the Pari Passu Collateral Document, as the case may be, or any delay in doing so. The Collateral Agents will not be required to expend their own funds under any circumstances. The Trustee and Collateral Agents shall have no duty to ascertain or inquire as to the performance or observance of any of the terms of this Indenture or the Collateral Documents by the Company or any Guarantor.

Section 7.07 *Compensation and Indemnity*.

(a) The Company agrees to pay to the Trustee and each Agent from time to time compensation for their acceptance of this Indenture and services hereunder pursuant to a written fee agreement. The Trustee's and each Agent's compensation will not be limited by any law on compensation of a trustee of an express trust. The Company will reimburse the Trustee and each Agent promptly upon request for all properly incurred disbursements, advances and expenses incurred or made by them in addition to the compensation for their services. Such expenses will include the properly incurred compensation, disbursements and expenses of the Trustee's and each Agent's respective agents and counsel and other Persons not regularly within their employ.

(b) The Company agrees to be responsible for and indemnify the Trustee and each Agent and their respective agents, employees, delegates, employees, officers and directors against any and all losses, liabilities or expenses (including legal fees and expenses) incurred by them arising out of or in connection with the acceptance or administration of their duties under this Indenture or any related document, including the properly incurred fees, costs and expenses of enforcing this Indenture against the Company and the Parent (including this Section 7.07) and defending themselves against any claim (whether asserted by the Company, the Parent, any Holder or any other Person) or liability in connection with the exercise or performance of any of their powers or duties hereunder, except to the extent any such loss, liability or expense may be attributable to their gross negligence or willful misconduct.

(c) The obligations of the Company under this Section 7.07 and Section 7.02(j) will survive the satisfaction and discharge of this Indenture, the redemption or maturity of the Notes, and the resignation or termination of appointment of the Trustee or each Agent.

(d) To secure the Company's payment obligations in this Section 7.07, the Trustee and each Agent will have a Lien prior to the Notes on all money or property held or collected by the Trustee, except that held in trust to pay principal of, premium on, if any, and interest on particular Notes. Such Lien will survive the satisfaction and discharge of this Indenture.

(e) For purposes of this Section 7.07, "hereunder" shall be deemed to include this Indenture, the Notes, the Note Guarantees and the Collateral Documents.

(f) If a Default or an Event of Default has occurred or if the Trustee finds it expedient or necessary after attempting to consult with the Company or is requested by the Company to undertake duties which are of an exceptional nature or otherwise outside the scope of the Trustee's normal duties under this Indenture, the Company and the Parent will pay such additional remuneration as they may agree (and which may be calculated by reference to the Trustee's normal hourly rate or such other rate or fees in place from time to time) or, failing such agreement, as determined by an independent financial institution (acting as an expert and not as an arbitrator) selected by the Trustee and, prior to the occurrence of an Event of Default that is continuing, also approved by the Company. The properly incurred expenses involved in such nomination and such financial institution's properly incurred fees will be paid by the Company and the Parent. The determination of such financial institution will be conclusive and binding on the Company, the Parent, the Trustee and the Holders.

Section 7.08 *Replacement of Trustee*.

(a) A resignation or removal of the Trustee and appointment of a successor Trustee will become effective only upon the successor Trustee's acceptance of appointment as provided in this Section 7.08.

(b) The Trustee may resign without giving any reason in writing at any time by giving 45 days' notice and be discharged from the trust hereby created by so notifying the Company. The Holders of a

majority in aggregate principal amount of the then outstanding Notes may remove the Trustee by so providing a 60-day notice to the Trustee and the Company in writing. The Company may remove the Trustee if:

(1) the Trustee fails to comply with Section 7.10;

(2) the Trustee is adjudged a bankrupt or an insolvent or an order for relief is entered with respect to the Trustee under any Bankruptcy Law;

(3) a custodian or public officer takes charge of the Trustee or its property; or

(4) the Trustee becomes incapable of acting.

(c) If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason, the Company will promptly appoint a successor Trustee. Within one year after the successor Trustee takes office, the Holders of a majority in aggregate principal amount of the then outstanding Notes may appoint a successor Trustee to replace the successor Trustee appointed by the Company.

(d) If a successor Trustee does not take office within 30 days after the retiring Trustee resigns or is removed, the retiring Trustee may, on behalf of and at the expense of, the Company appoint a successor trustee or the retiring trustee, the Company, or the Holders of at least 10% in aggregate principal amount of the then outstanding Notes may petition any court of competent jurisdiction for the appointment of a successor Trustee.

(e) If the Trustee, after written request by any Holder who has been a Holder for at least six months, fails to comply with Section 7.10, such Holder may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

(f) A successor Trustee will deliver a written acceptance of its appointment to the retiring Trustee and to the Company. Thereupon, the resignation or removal of the retiring Trustee will become effective, and the successor Trustee will have all the rights, powers and duties of the Trustee under this Indenture. The successor Trustee will mail a notice of its succession to Holders. The retiring Trustee will as soon as reasonably practicable transfer all property held by it as Trustee to the successor Trustee; *provided* all sums owing to the Trustee hereunder have been paid and subject to the Lien provided for in Section 7.07. Notwithstanding replacement of the Trustee pursuant to this Section 7.08, the Company's obligations under Section 7.07 will continue for the benefit of the retiring Trustee.

Section 7.09 *Successor Trustee by Merger, etc.*

If the Trustee consolidates, merges or converts into, or transfers all or substantially all of its corporate trust business to, another corporation, the successor corporation without any further act will be the successor Trustee without the execution or filing of any paper with any Person or any further act on the part of any Person.

Section 7.10 *Eligibility; Disqualification.*

There will at all times be a Trustee hereunder that is a corporation organized and doing business under the laws of Hong Kong, the United States of America or of any state thereof, the United Kingdom, Mauritius or India) that is authorized under such laws to exercise corporate trustee power.

Section 7.11 *Rights of Trustee in other roles; Collateral Agents*.

All rights, powers and indemnities contained in this Article 7 shall apply to the Trustee in its other roles hereunder and to the Collateral Agents and the Agents, *provided*, *however*, that the Collateral Agents are an agent.

ARTICLE 8
LEGAL DEFEASANCE AND COVENANT DEFEASANCE

Section 8.01 *Option to Effect Legal Defeasance or Covenant Defeasance*.

The Company may at any time, at the option of its Board of Directors evidenced by a resolution set forth in an Officer's Certificate, elect to have either Section 8.02 or 8.03 be applied to all outstanding Notes upon compliance with the conditions set forth below in the relevant Sections, as the case may be.

Section 8.02 *Legal Defeasance and Discharge*.

Upon the Company's exercise under Section 8.01 of the option applicable to this Section 8.02, the Company and the Guarantors (if any) will, subject to the satisfaction of the conditions set forth in Section 8.04, be deemed to have been discharged from their obligations with respect to all outstanding Notes (including the Note Guarantees if any) on the date the conditions set forth below are satisfied (hereinafter, "*Legal Defeasance*"). For this purpose, Legal Defeasance means that the Company and the Guarantors (if any) will be deemed to have paid and discharged the entire Indebtedness represented by the outstanding Notes (including the Note Guarantees, if any), which will thereafter be deemed to be "outstanding" only for the purposes of Section 8.05 and the other Sections of this Indenture referred to in clauses (a) and (b) below, and to have satisfied all their other obligations under such Notes, the Note Guarantees (if any) and this Indenture (and the Trustee, on demand of and at the expense of the Company, shall execute proper instruments acknowledging the same), except for the following provisions which will survive until otherwise terminated or discharged hereunder:

(a) the rights of Holders to receive payments in respect of the principal of, or interest or premium, if any, on, such Notes when such payments are due from the trust referred to below;

(b) the Company's obligations with respect to the Notes concerning issuing temporary Notes, registration of Notes, mutilated, destroyed, lost or stolen Notes and the maintenance of an office or agency for payment and money for security payments held in trust;

(c) the rights (including its rights to payment and indemnification), powers, trusts, duties and immunities of the Trustee, and the Company's and the Guarantors' obligations (if any) in connection therewith; and

(d) the Legal Defeasance and Covenant Defeasance provisions of this Indenture.

Subject to compliance with this Article 8, the Company may exercise its option under this Section 8.02 notwithstanding the prior exercise of its option under Section 8.03.

Section 8.03 *Covenant Defeasance*.

Upon the Company's exercise under Section 8.01 hereof of the option applicable to this Section 8.03, the Company and the Guarantors (if any) will, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, be released from their obligations under the covenants contained in Article 4

(other than Sections 4.01, 4.02, 4.05, 4.06, 4.15 (solely with respect to the Parent and the Company), 4.32 and 4.33), hereof with respect to the outstanding Notes on and after the date the conditions set forth in Section 8.04 hereof are satisfied (hereinafter, "*Covenant Defeasance*"), and the Notes will thereafter be deemed not "outstanding" for the purposes of any direction, waiver, consent or declaration or act of Holders (and the consequences of any thereof) in connection with such covenants, but will continue to be deemed "outstanding" for all other purposes hereunder (it being understood that such Notes will not be deemed outstanding for accounting purposes). For this purpose, Covenant Defeasance means that, with respect to the outstanding Notes and Note Guarantees (if any), the Company and the Guarantors (if any) may omit to comply with and will have no liability in respect of any term, condition or limitation set forth in any such covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such covenant or by reason of any reference in any such covenant to any other provision herein or in any other document and such omission to comply will not constitute a Default or an Event of Default under Section 6.01, but, except as specified above, the remainder of this Indenture and such Notes and Note Guarantees (if any) will be unaffected thereby. In addition, upon the Company's exercise under Section 8.01 of the option applicable to this Section 8.03, subject to the satisfaction of the conditions set forth in Section 8.04, Sections 6.01 (c),
(d) and (f) will not constitute Events of Default.

Section 8.04 *Conditions to Legal or Covenant Defeasance*.

In order to exercise either Legal Defeasance or Covenant Defeasance under either Section 8.02 or 8.03:

(a) the Company must irrevocably deposit with the Trustee (or such other entity designated or appointed (as agent) by it for such purpose), in trust, for the benefit of the Holders, cash in U.S. dollars, non-callable Government Securities, or a combination thereof, in such amounts as will be sufficient, in the opinion of a nationally recognized investment bank, appraisal firm, or firm of independent public accountants, to pay the principal of, premium, if any, and interest on, the outstanding Notes on the stated date for payment thereof or on the applicable redemption date, as the case may be, and any amounts payable by the Company under this Indenture and the Collateral Documents, and the Company must specify whether the Notes are being defeased to such stated date for payment or to a particular redemption date;

(b) in the case of an election under Section 8.02, the Company must deliver to the Trustee an Opinion of Counsel confirming that:

(1) the Company has received from, or there has been published by, the U.S. Internal Revenue Service a ruling; or

(2) since the Original Issue Date, there has been a change in the applicable U.S. federal income tax law,

in either case to the effect that, and based thereon such Opinion of Counsel shall confirm that, the Holders of the outstanding Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Legal Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(c) in the case of an election under Section 8.03, the Company must deliver to the Trustee an Opinion of Counsel confirming that the Holders of the outstanding Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Covenant Defeasance and will be subject to
U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(d) no Default or Event of Default shall have occurred and be continuing on the date of such deposit (other than a Default or an Event of Default resulting from the borrowing of funds to be applied to such deposit (and any similar concurrent deposit relating to other Indebtedness) and the granting of Liens securing such borrowing);

(e) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under, any material agreement or instrument (other than this Indenture and any agreements or instruments governing any other Indebtedness being defeased, discharged or replaced) to which the Company or any of its Subsidiaries is a party or by which the Company or any of its Subsidiaries is bound;

(f) the Company must deliver to the Trustee an Officer's Certificate stating that the deposit was not made by the Company with the intent of preferring the Holders over the other creditors of the Company with the intent of defeating, hindering, delaying or defrauding any creditors of the Company or others; and

(g) the Company must deliver to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that all conditions precedent relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

Section 8.05 *Deposited Money and Government Securities to be Held in Trust; Other Miscellaneous Provisions*.

Subject to Section 8.06, all money and non-callable Government Securities (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee, collectively for purposes of this Section 8.05, the "*Trustee*") pursuant to Section 8.04 in respect of the outstanding Notes will be held in trust and applied by the Trustee, in accordance with the provisions of such Notes and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as Paying Agent), to the Holders of such Notes of all sums due and to become due thereon in respect of principal, premium, if any, and interest, but such money need not be segregated from other funds except to the extent required by law.

The Company will pay and indemnify the Trustee against any tax, fee, cost or other charge imposed on or assessed against the cash or non-callable Government Securities deposited pursuant to Section 8.04 or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the Holders of the outstanding Notes.

Notwithstanding anything in this Article 8 to the contrary, the Trustee will deliver or pay to the Company from time to time upon the request of the Company any money or non-callable Government Securities held by it as provided in Section 8.04 which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee (which may be included in the opinion delivered under Section 8.04(1)), are in excess of the amount thereof that would then be required to be deposited to effect an equivalent Legal Defeasance or Covenant Defeasance.

Section 8.06 *Repayment to Company*.

Any money deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of the principal of, premium and Additional Amounts if any, or interest on, any Note and remaining unclaimed for two years after such principal, premium, if any, or interest has become due and payable shall be paid to the Company on its request or (if then held by the Company) will be discharged from such trust; and the Holder of such Note will thereafter be permitted to look only to the Company for

payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Company as trustee thereof, will thereupon cease.

Section 8.07 *Reinstatement*.

If the Trustee or Paying Agent is unable to apply any U.S. dollars or non-callable Government Securities in accordance with Section 8.02 or 8.03, as the case may be, by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the Company's and any Guarantors' obligations under this Indenture and the Notes and the Note Guarantees (if any) will be revived and reinstated as though no deposit had occurred pursuant to Section 8.02 or 8.03 until such time as the Trustee or Paying Agent is permitted to apply all such money in accordance with Section 8.02 or 8.03, as the case may be; *provided, however*, that, if the Company makes any payment of principal of, premium and Additional Amounts if any, or interest on, any Note following the reinstatement of its obligations, the Company will be subrogated to the rights of the Holders of such Notes to receive such payment from the money held by the Trustee or Paying Agent.

ARTICLE 9
AMENDMENT, SUPPLEMENT AND WAIVER

Section 9.01 *Without Consent of Holders*.

Notwithstanding Section 9.02, the Company, any Guarantor, the Collateral Agents and the Trustee may amend or supplement this Indenture, the Notes, any Note Guarantee, the Collateral Documents or the Intercreditor Agreement (if any) without the consent of any Holder:

(a) to cure any ambiguity, defect, omission or inconsistency;

(b) to provide for certificated Notes in addition to or in place of uncertificated Notes (provided, that the uncertificated Notes are issued in registered form for purposes of Section 163(f) of the U.S. Internal Revenue Code of 1986, as amended);

(c) to provide for the assumption of the Company's or a Guarantor's obligations to the Holders of the Notes or the Note Guarantees by a successor to the Company in the case of a merger or consolidation or sale of all or substantially all of the Company's or such Guarantor's assets, as applicable;

(d) to make any change that would provide any additional rights or benefits to the Holders or that does not adversely affect the legal rights hereunder of any Holder;

(e) to conform the text of this Indenture, the Notes or the Note Guarantees or the Collateral Documents to any provision of the "Description of the Notes" section of the Offering Memorandum to the extent that such provision in that "Description of the Notes" was intended to be a verbatim recitation of a provision of this Indenture, the Notes, the Note Guarantees, the Collateral Documents or the Intercreditor Agreement (if any);

(f) to provide for the issuance of Additional Notes in accordance with the covenants set forth in this Indenture;

(g) to effect any changes to this Indenture in a manner necessary to comply with the procedures of the relevant clearing system;

(h) to allow a Guarantor to execute a supplemental indenture and/or a Note Guarantee with respect to the Notes or to release a Guarantor from its Note Guarantee in accordance with the terms of this Indenture;

(i) to enter into additional or supplemental Collateral Documents or to release Collateral from the Lien of this Indenture or the Collateral Documents in accordance with the terms of this Indenture;

(j) to evidence and provide for the acceptance of appointment by a successor Trustee or Collateral Agents;

(k) to enter into any amendment or supplement to or grant any waiver under any Trust and Retention Account Agreement in order to account for the Incurrence of Subordinated Shareholder Debt and/or Permitted Indebtedness or for any other action which is permitted under or not restricted by this Indenture; or

(l) to enter into an Intercreditor Agreement.

In connection with the matters indicated above, the Trustee and each Collateral Agent shall be entitled to rely absolutely on an Opinion of Counsel and an Officer's Certificate to the effect that the entry into such amendment, supplement or waiver is authorized or permitted by this Indenture, the Notes, any Note Guarantee, the Collateral Documents and the Intercreditor Agreement.

Upon the request of the Company accompanied by a resolution of its Board of Directors authorizing the execution of any such amended or supplemental indenture, and upon receipt by the Trustee and the Collateral Agents of the documents described in this Section 9.01, the Trustee and the Collateral Agents will join with the Company and the Guarantors (if any) in the execution of any amendment or supplemental indenture authorized or permitted by the terms of this Indenture and to make any further appropriate agreements and stipulations that may be therein contained, but the Trustee and the Collateral Agents will not be obligated to enter into such amended or supplemental indenture that affects their own rights, duties or immunities under this Indenture or otherwise.

Section 9.02 *With Consent of Holders*.

Except as provided in this Section 9.02, this Indenture, the Notes, any Note Guarantee, the Collateral Documents or the Intercreditor Agreement (if any) may be amended or supplemented with the consent of the Holders of at least a majority in aggregate principal amount of the Notes then outstanding (including Additional Notes, if any) voting as a single class (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes), and any existing Default or Event of Default or compliance with any provision of this Indenture, the Notes, any Note Guarantees, the Collateral Documents or the Intercreditor Agreement (if any) may be waived with the consent of the Holders of a majority in aggregate principal amount of the Notes then outstanding (including Additional Notes, if any) voting as a single class (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes).

In connection with the matters indicated above, the Trustee and each Collateral Agent shall be entitled to rely absolutely on an Opinion of Counsel and an Officer's Certificate to the effect that the entry into such amendment, supplement or waiver is authorized or permitted by this Indenture, the Notes, any Note Guarantee, the Collateral Documents and the Intercreditor Agreement.

Upon the request of the Company accompanied by a resolution of its Board of Directors authorizing the execution of any such amended or supplemental indenture, and upon the filing with the Trustee of

evidence satisfactory to the Trustee of the consent of the Holders as aforesaid, and upon receipt by the Trustee and the Collateral Agents of the documents described in this Section 9.02, the Trustee will join with the Company and the Guarantors (if any) in the execution of such amendment or supplemental indenture unless such amended or supplemental indenture directly affects the Trustee's or the Collateral Agent's own rights, duties or immunities under this Indenture or otherwise, in which case the Trustee and the Collateral Agents may in its sole discretion, but will not be obligated to, enter into such amendment or supplemental indenture.

It is not necessary for the consent of the Holders under this Section 9.02 to approve the particular form of any proposed amendment, supplement or waiver, but it is sufficient if such consent approves the substance thereof.

After an amendment, supplement or waiver under this Section 9.02 becomes effective, the Company will mail to the Holders affected thereby a notice briefly describing the amendment, supplement or waiver; provided that the foregoing shall not be required if such amendment, supplement or waiver, or such notice, is filed with the SEC. Any failure of the Company to mail such notice, or any defect therein, will not, however, in any way impair or affect the validity of any such amended or supplemental indenture or waiver. Subject to Sections 6.04 and 6.07, the Holders of a majority in aggregate principal amount of the Notes then outstanding voting as a single class may waive compliance in a particular instance by the Company with any provision of this Indenture or the Notes or the Note Guarantees. However, without the consent of Holders holding at least 90% in principal amount of the Notes, an amendment, supplement or waiver under this Section 9.02 may not (with respect to any Notes (including Additional Notes) held by a non-consenting Holder):

(a) reduce the principal amount of Notes whose Holders must consent to an amendment, supplement or waiver;

(b) reduce the principal of or change the fixed maturity of any Note;

(c) change the redemption date or the redemption price of the Notes from that stated under Section 3.07 or Section 3.10;

(d) reduce the rate of or change the currency or change the time for payment of interest, including default interest, on any Note;

(e) waive a Default or an Event of Default in the payment of principal of, or interest or premium, if any, on, the Notes (except a rescission of acceleration of the Notes by the Holders of a majority in aggregate principal amount of the then outstanding Notes and a waiver of the payment default that resulted from such acceleration);

(f) reduce the amount payable upon a Change of Control Offer or an Excess Proceeds Repurchase Offer or change the time or manner a Change of Control Offer or an Excess Proceeds Repurchase Offer may be made or by which the Notes must be repurchased pursuant to a Change of Control Offer or an Excess Proceeds Repurchase Offer, in each case after the obligation to make such Change of Control Offer or Excess Proceeds Repurchase Offer has arisen;

(g) make any change in the provisions of this Indenture relating to waivers of past Defaults or the rights of Holders to bring suit for the enforcement of any contractual right to payment, on or after the due date expressed in the Notes;

(h) waive a redemption payment with respect to any Note (other than a payment required by Section 4.10 and Section 4.16);

(i) release any Guarantor from any of its obligations under its Note Guarantee or this Indenture, except as set forth under Section 11.09 and Section 5.01;

(j) release any Collateral from the Lien of this Indenture and the Collateral Documents, except as set forth under Section 10.04;

(k) amend, supplement or grant any waiver under any Trust and Retention Account Agreement (i) that would adversely impact the priority of payments with respect to the Onshore Debt or the right to receive payments with respect to the Onshore Debt; or (ii) relating to any action or change not permitted under the terms of this Indenture; or

(l) make any change in the preceding amendment and waiver provisions.

Section 9.03 *Supplemental Indenture*.

Every amendment or supplement to this Indenture or the Notes will be set forth in an amended or supplemental indenture.

Section 9.04 *Revocation and Effect of Consents*.

Until an amendment, supplement or waiver becomes effective, a consent to it by a Holder of a Note is a continuing consent by the Holder of a Note and every subsequent Holder of a Note or portion of a Note that evidences the same debt as the consenting Holder's Note, even if notation of the consent is not made on any Note. However, any such Holder of a Note or subsequent Holder of a Note may revoke the consent as to its Note if the Trustee receives written notice of revocation before the date the amendment, supplement or waiver becomes effective. An amendment, supplement or waiver becomes effective in accordance with its terms and thereafter binds every Holder.

Section 9.05 *Notation on or Exchange of Notes*.

The Trustee may place an appropriate notation about an amendment, supplement or waiver on any Note thereafter authenticated. The Company in exchange for all Notes may issue and the Trustee shall, upon receipt of an Authentication Order, authenticate new Notes that reflect the amendment, supplement or waiver.

Failure to make the appropriate notation or issue a new Note will not affect the validity and effect of such amendment, supplement or waiver.

Section 9.06 *Trustee to Sign Amendments, etc.*

The Trustee will sign any amendment or supplemental indenture authorized pursuant to this Article 9 if the amendment or supplement does not adversely affect the rights, duties, liabilities or immunities of the Trustee; provided that the Trustee has received an Officer's Certificate and an Opinion of Counsel pursuant to this Article 9. The Company and any Guarantor may not sign an amended or supplemental indenture until the Board of Directors of the Company and such Guarantor approves it. In executing any amended or supplemental indenture, the Trustee will be entitled to receive and (subject to Section 7.01) will be fully protected in relying upon, in addition to the documents required by Section 13.03, an Officer's Certificate and an Opinion of Counsel stating that the execution of such amendment or supplemental

indenture is authorized or permitted by this Indenture, the Notes, any Note Guarantee, the Collateral Documents and the Intercreditor Agreement.

ARTICLE 10 COLLATERAL AND SECURITY

Section 10.01 *Security*.

The Company initially appoints HSBC Bank USA, National Association to act as the Collateral Agents pursuant to the Collateral Documents.

The Parent shall, for the benefit of the Holders, the Trustee, the Agents and the Collateral Agents, charge on a first priority basis (subject to the Permitted Liens) the Capital Stock of the Company (the "*Pari Passu Collateral*" and such fixed share charge, the "*Pari Passu Collateral Document*"), and the Company shall, for the benefit of the Holders, charge on a first priority basis (subject to the Permitted Liens) funds held in the Escrow Account (the "*Notes Collateral*") pursuant to an account charge agreement (the "*Notes Collateral Document*"). The Pari Passu Collateral and the Notes Collateral together with any additional collateral provided to secure the Notes and prior to any release thereof pursuant to the terms of this Indenture are the "Collateral". The Pari Passu Collateral Document and the Notes Collateral Document are collectively the "*Collateral Documents*".

The due and punctual payment of the principal of and premium and Additional Amounts, if any, on the Notes when and as the same shall be due and payable, whether on an Interest Payment Date, at maturity, by acceleration, repurchase, redemption or otherwise, and interest on the overdue principal of and interest and Additional Amounts (to the extent permitted by law), if any, on the Notes and performance of all other obligations of the Company to the Holders or the Trustee, the Agents and the Collateral Agents under this Indenture and the Notes, according to the terms hereunder or thereunder, are secured as provided in the Collateral Documents which the Company and the Parent, the Trustee, the Note Collateral Agent and the Common Collateral Agent have entered into simultaneously with the execution of this Indenture. Each Holder, by its acceptance of a Note, consents and agrees to the terms of the Collateral Documents (including, without limitation, the provisions providing for foreclosure and release of the Collateral) as the same may be in effect or may be amended from time to time in accordance with its terms and authorizes and directs the Collateral Agents to enter into the Collateral Documents and to perform its obligations and exercise its rights thereunder in accordance therewith. The Company and the Parent will deliver to the Trustee copies of all documents delivered to the Collateral Agents pursuant to the Collateral Documents, and will do or cause to be done all such acts and things as may be necessary or proper, or as may be required by the provisions of the Collateral Documents, to assure and confirm to the Trustee and the Collateral Agents the security interest in the Collateral contemplated hereby, by the Collateral Documents or any part thereof, as from time to time constituted, so as to render the same available for the security and benefit of this Indenture and of the Notes secured hereby, according to the intent and purposes herein expressed. The Parent will take any and all actions reasonably required to cause the Collateral Documents to create and maintain, as security for the obligations of the Company hereunder, a valid and enforceable perfected first priority Lien in and on all the Collateral, in favor of the Collateral Agents for the benefit of the Holders, superior to and prior to the rights of all third Persons and subject to no other Liens than Permitted Liens.

For the avoidance of doubt, except for the safe custody and preservation of the Collateral in its possession and the accounting for monies actually received by it, each Collateral Agent shall have no other duty as to the Collateral applicable to it, except as provided in the applicable Collateral Documents. Each Collateral Agent shall be deemed to have provided safe custody and preservation of the applicable Collateral in its possession if such Collateral is accorded treatment substantially equal to that which such

Collateral Agent holds similar property as a third party agent, unless otherwise provided in the Collateral Documents.

Section 10.02 *[Reserved]*.

Section 10.03 *Priorities of Proceeds from Enforcement of Security*.

The first-priority Lien over the Notes Collateral will be granted to the Notes Collateral Agent. The Notes Collateral Agent, subject to the Notes Collateral Document and this Indenture, will hold such Lien and security interest in the Notes Collateral granted pursuant to the Notes Collateral Document with sole authority as directed by the written instruction of the Trustee (acting at the direction of the applicable Holders or otherwise pursuant to this Indenture) to exercise remedies under the Notes Collateral Document. The Notes Collateral Agent has agreed to act as secured party on behalf of the Holders under the Notes Collateral Document, to follow the instructions provided to it under this Indenture and the Notes Collateral Document and to carry out certain other duties.

The first-priority Liens over the Pari Passu Collateral will be granted to the Common Collateral Agent. The Common Collateral Agent will hold such Liens and security interests in the Pari Passu Collateral granted pursuant to the Pari Passu Collateral Document with sole authority as directed by the written instruction of the majority of the Pari Passu Secured Parties to exercise remedies under the Pari Passu Collateral Document. The Common Collateral Agent has agreed to act as secured party on behalf of the Pari Passu Secured Parties under the Pari Passu Collateral Document, to follow the instructions provided to it under the Intercreditor Agreement and the Pari Passu Collateral Document and to carry out certain other duties.

The Notes Collateral Agent and/or the Common Collateral Agent (together, the "*Collateral Agents*") may decline to foreclose on the Notes Collateral or the Pari Passu Collateral, as the case may be, or exercise remedies available if it does not receive indemnification and/or security and/or pre-funding to its satisfaction. In addition, the Collateral Agents' ability to foreclose on the Collateral may be subject to lack of perfection, the consent of third parties, prior Liens and practical problems associated with the realization of the Collateral Agents' Liens on the Notes Collateral and/or the Pari Passu Collateral, as the case may be. None of the Collateral Agents nor the Trustee, nor any of their respective officers, directors, employees, attorneys or agents will be responsible or liable for the existence, genuineness, value, adequacy or protection of the Notes Collateral and/or the Pari Passu Collateral, for the legality, enforceability, effectiveness or sufficiency of the Notes Collateral Document or the Pari Passu Collateral Document, for the creation, perfection, priority, sufficiency or protection of any of the Liens, or for any defect or deficiency as to any such matters, or for any failure to demand, collect, foreclose or realize upon or otherwise enforce any of the Liens or the Notes Collateral Document or the Pari Passu Collateral Document, as the case may be, or any delay in doing so.

Each of this Indenture, the Notes Collateral Document and the Pari Passu Collateral Document provides that the Company and the Parent will be jointly and severally responsible for and indemnify the Collateral Agents and the Trustee for all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind imposed against each of the Collateral Agents arising out of the Notes Collateral Document and the Pari Passu Collateral Document except to the extent that any of the foregoing are finally judicially determined to have resulted from the gross negligence or willful misconduct of the relevant Collateral Agent.

(a) All payments received and all amounts held by the Notes Collateral Agent in respect of the Notes Collateral under the Notes Collateral Document will be applied as follows:

first, to the Trustee, the Notes Collateral Agent, the Agents and to the extent necessary to reimburse the Trustee, the Notes Collateral Agent and the Agents for their respective unpaid fees, costs and expenses (including any fees and expenses of legal counsel) incurred in connection with this Indenture and the Notes Collateral Document and the collection or distribution of such amounts held or realized or in connection with fees, costs and expenses incurred (including, fees and expenses of legal counsel) in enforcing its remedies under the Notes Collateral Document and preserving the Notes Collateral and all amounts for which the Trustee, the Notes Collateral Agent and the Agents are entitled to indemnification under the Notes Collateral Document and this Indenture;

second, to the Trustee for the benefit of Holders; and

third, any surplus remaining after such payments will be paid to the Company or to whomever may be lawfully entitled thereto.

(b) All payments received and all amounts held by the Common Collateral Agent in respect of the Pari Passu Collateral under the Pari Passu Collateral Document will, in accordance with the terms of the Intercreditor Agreement (if in effect), be applied as follows:

first, to the Trustee, the Common Collateral Agent, the Agents and to the extent applicable, any representative of holders of any Permitted Pari Passu Secured Indebtedness, to the extent necessary to reimburse the Trustee, the Common Collateral Agent, the Agents and any such representative for any unpaid fees, costs and expenses (including any fees and expenses of legal counsel) incurred in connection with the collection or distribution of such amounts held or realized or in connection with expenses (including any fees and expenses of legal counsel) incurred in enforcing its remedies under the Pari Passu Collateral Document and preserving the Pari Passu Collateral and all amounts for which the Trustee, the Common Collateral Agent, the Agents and any such representative are entitled to indemnification under the Collateral Documents and the Intercreditor Agreement;

second, on a pro rata and pari passu basis to the counterparties under Hedging Obligations Incurred by the Company under Section 4.09(a)(5) of the definition of Permitted Indebtedness;

third, to the Trustee for the benefit of Holders and, to the extent applicable, holders of any other Permitted Pari Passu Secured Indebtedness (or their representative) on a pro rata and pari passu basis; and

fourth, any surplus remaining after such payments will be paid to the Company or whomever may be lawfully entitled thereto.

Section 10.04 *Release of Collateral*.

(a) The Liens created by this Indenture and the Collateral Documents will be released upon (1) the full and final payment and performance of the Obligations of the Company under this Indenture and the Notes, (2) legal or covenant defeasance pursuant to Article 8 or discharge of this Indenture in accordance with Article 12 or (3) in the case of the release of the Lien over the Escrow Account, in accordance with Section 4.27.

(b) The Trustee shall, if so directed by the Parent, authorize the Collateral Agents to execute, deliver or acknowledge any necessary or proper instruments of termination, satisfy or release to evidence the release of any Collateral permitted to be released pursuant to this Indenture or the Collateral Documents, as may be reasonably requested by the Parent.

(c) At any time when a Default or an Event of Default has occurred and is continuing and the maturity of the Notes has been accelerated (whether by declaration or otherwise) and the Trustee has delivered a notice of acceleration to the Collateral Agents:

(1) all rights of the Parent and the Company to receive all or claim payment of cash dividends, interest and other payments made upon or with respect to the Collateral will cease and such cash dividends, interest and other payments will be paid to the Notes Collateral Agent or the Common Collateral Agent, as applicable;

(2) all voting or other consensual rights pertaining to the Collateral will become vested solely in the Notes Collateral Agent or the Common Collateral Agent, as applicable, and the right of the Parent and the Company to exercise any such voting and consensual rights will cease; and

(3) the Notes Collateral Agent or the Common Collateral Agent, as applicable, may distribute or sell the Collateral or any part of the Collateral in accordance with the terms of the Collateral Documents, subject to the provisions of applicable law. The Notes Collateral Agent in accordance with the provisions of this Indenture will distribute all funds distributed under the Notes Collateral Documents in connection with the Notes Collateral. The Common Collateral Agent in accordance with the Intercreditor Agreement will distribute all funds distributed under the Collateral Documents in connection with the Pari Passu Collateral and received by the Common Collateral Agent for the benefit of the Permitted Pari Passu Secured Indebtedness creditors and the Holders.

(d) The release of the Collateral from the terms of this Indenture and the Collateral Documents will not be deemed to impair the security under this Indenture in contravention of the provisions hereof if and to the extent the Collateral is released pursuant to the terms of the Collateral Documents.

Section 10.05 *Certificate of the Parent*.

The Parent or the Company shall furnish to the Collateral Agents and the Trustee on or prior to any proposed releases of Collateral an Officer's Certificate certifying and an Opinion of Counsel stating that such release shall comply with the terms of this Indenture, the Intercreditor Agreement, if any, the Notes, any Note Guarantee and the relevant Collateral Documents. For the avoidance of doubt, the release of funds from the Escrow Account is not a release of Collateral notwithstanding that such released funds will not be subject to any security interest under the Notes Collateral Document upon such release from the Escrow Account.

Section 10.06 *Certificates of the Trustee*.

If the Company wishes to release the Collateral in accordance with the Collateral Documents and has delivered the certificates and documents required by the Collateral Documents and Sections 10.04,
10.05 and 10.06 to the Trustee, the Trustee will, based on such certification and, if applicable, the Opinion of Counsel delivered pursuant to Section 10.05, instruct the Collateral Agents to release the Collateral.

Section 10.07 *Authorization of Actions to Be Taken by the Trustee Under the Collateral Documents*.

The Trustee may (without obligation), in its sole discretion and without the consent of the Holders, direct, on behalf of the Holders, the Collateral Agents to, take all actions it deems necessary or appropriate in order to:

(a) enforce any of the terms of the Collateral Documents; and

(b) collect and receive any and all amounts payable in respect of the obligations of the Company hereunder.

The Trustee will have power (without obligation) to institute and maintain such suits and proceedings as it may deem expedient to prevent any impairment of the Collateral by any acts that may be unlawful or in violation of the Collateral Documents or this Indenture, and such suits and proceedings as the Trustee may deem expedient to preserve or protect its interests and the interests of the Holders in the Collateral (including power to institute and maintain suits or proceedings to restrain the enforcement of or compliance with any legislative or other governmental enactment, rule or order that may be unconstitutional or otherwise invalid if the enforcement of, or compliance with, such enactment, rule or order would impair the security interest hereunder or be prejudicial to the interests of the Holders or of the Trustee).

Section 10.08 *Authorization of Receipt of Funds by the Trustee Under the Collateral Documents*.

The Trustee is authorized to receive any funds for the benefit of the Holders distributed under the Collateral Documents, and to make further distributions of such funds to the Holders according to the provisions of this Indenture.

Section 10.09 *Termination of Security Interest*.

(a) Upon the payment in full of all Obligations of the Company under this Indenture and the Notes, or upon Legal Defeasance, Covenant Defeasance or a satisfaction and discharge pursuant to Article 12, the Company will deliver a certificate to the Collateral Agents and the Trustee stating that such Obligations have been paid in full, and direct the Trustee to instruct the Collateral Agents to release the Liens pursuant to this Indenture and the Collateral Documents.

(b) Upon the Notes Collateral Agent having distributed all of the amounts in the Escrow Account; or if the amounts in the Escrow Account is not credited to or received in accordance with the Notes Collateral Document and Section 3.08 and 4.27, the Notes Collateral Agent shall be discharged from all duties and liabilities and all security interest created in favor of such Escrow Account shall be terminated.

Section 10.10 *Certain Rights of Collateral Agents*.

(a) The Collateral Agents' duties under the respective Collateral Documents are solely mechanical and administrative in nature. The Collateral Agents shall have no other duties save as expressly provided for in the respective Collateral Documents and this Indenture.

(b) The Collateral Agents may act in relation to the Collateral Documents, respectively, through their Affiliates, officers, employees and agents and the Collateral Agents shall not be liable for any error of judgment made by any such person.

(c) The Collateral Agents are not obliged to do or omit to do anything if it would or might in their opinion constitute a breach of any law or duty of confidentiality.

(d) The Collateral Agents are not responsible for the adequacy, accuracy and/or completeness of any information supplied by the Parent, or the Company or any other person, as applicable, given in or in connection with the Collateral Documents.

(e) The Collateral Agents shall not be bound to enquire:

(1) whether or not any Default or Event of Default has occurred;

(2) as to the performance, default or any breach by any party of its obligations under any of the Collateral Documents; or

(3) whether any other event specified in any of the Collateral Documents has occurred.

(f) The Collateral Agents shall be obligated to perform such duties and only such duties as are specifically set forth in this Indenture, the Intercreditor Agreement and the other Collateral Documents to which they are a party, and no implied duties or obligation shall be read against the Collateral Agents. The Collateral Agents shall not be liable for any cost, loss or liability incurred by any person as a consequence of the Collateral Agents having taken or having omitted to take any action under or in connection with the respective Collateral Documents to which they are a party to, unless directly caused by the Collateral Agents' fraud, gross negligence or willful misconduct;

(g) The Collateral Agents shall not be liable for any failure to:

(1) require the deposit with it of any deed or document certifying, representing or constituting the title of the Parent in respect of the Pari Passu Collateral;

(2) obtain any license, consent or other authority for the execution, delivery, legality, validity, enforceability or admissibility in evidence of any of the Collateral Documents;

(3) register, file or record or otherwise protect any of the Pari Passu Collateral or the Note Collateral, as the case may be, created under any of the Collateral Documents under any applicable laws in any jurisdiction or to give notice to any person of the execution of any of the Collateral Documents;

(4) take any steps to perfect its title to any of the Pari Passu Collateral or the Note Collateral, as applicable, or to render the security effective or to secure the creation of any ancillary security under the laws of any jurisdiction; or

(5) require any further assurances in relation to any of the Collateral Documents.

(h) The Collateral Agents shall be entitled to accept without enquiry, and shall not be obliged to investigate, any right and title that the Parent or the Company may have to the Pari Passu Collateral or the Notes Collateral, respectively, and shall not be liable for or bound to require the Parent or the Company, as the case may be, to remedy any defect in its right or title.

(i) The Collateral Agents may delegate by power of attorney or otherwise to any person all or any of the rights, powers and discretions vested in them by the Collateral Documents. The Collateral Agents shall not be bound to monitor or supervise, or be in any way responsible for any loss incurred by reason of

any acts, omissions, misconduct or default on the part of any such delegate or sub-delegate selected with due care.

(j) The Collateral Agents are not responsible for and will make no investigation as to the title, ownership, value, sufficiency or existence of the Collateral.

(k) The Collateral Agents are not responsible for and will make no investigation as to the existence, accuracy or sufficiency of any legal or other opinions, searches, reports, certificates, valuations or investigations given or required in connection with the Collateral.

(l) The Collateral Agents are not responsible for the creditworthiness or solvency of the Parent or the Company.

(m) The Collateral Agents shall have no obligation or duty to monitor, supervise, determine or inquire as to the performance (financial or otherwise) of the Parent or the Company, or the Parent's or the Company's performance of, or failure to perform, the obligations, duties and covenants set forth in any of the Collateral Documents.

(n) The Collateral Agents are entitled to seek directions as to the exercise of any of their powers from the Trustee and to seek clarification of any instruction previously given and shall incur no liability for any action they take or refrains from taking in accordance with the directions of the Trustee. The Collateral Agents are entitled to refrain from acting if they receive unclear, inconsistent or conflicting instructions.

(o) Nothing in the Collateral Documents shall be construed to relieve the Collateral Agents from liability for their own fraud, gross negligence or willful misconduct.

(p) The Company and the Parent agree to jointly and severally pay to the Collateral Agents from time to time compensation for their acceptance of this Indenture and of the Collateral Documents and services under this Indenture and the Collateral Documents pursuant to a written fee agreement. The Collateral Agents' compensation will not be limited by any law on compensation of a trustee of an express trust. The Company and the Parent will jointly and severally reimburse the Collateral Agents promptly upon request for all properly incurred disbursements, advances and expenses incurred or made by them in addition to the compensation for their services. Such expenses will include the properly incurred compensation, disbursements and expenses of the Collateral Agents' agents, counsel and other Persons not regularly within their employ.

(q) The Company and the Parent agree to be jointly and severally responsible for and indemnify the Collateral Agents and their respective agents, employees, delegates, employees, officers and directors against any and all losses, liabilities or expenses (including legal fees and expenses) incurred by them arising out of or in connection with the acceptance or administration of their duties under this Indenture, the Notes, the Intercreditor Agreement and the Collateral Documents, including the properly incurred fees, costs and expenses of enforcing the Collateral Documents against the Company and the Parent and defending themselves against any claim (whether asserted by the Company, the Parent, any Holder or any other Person) or liability in connection with the exercise or performance of any of their powers or duties thereunder, except to the extent any such loss, liability or expense may be attributable to their gross negligence, fraud or willful misconduct.

(r) The obligations of the Company and the Parent under Sections 10.10(p) to (s) and Section 7.02(j) will survive the satisfaction and discharge of this Indenture, the redemption or maturity of the Notes, and the resignation or termination of appointment of the Collateral Agents.

(s) To secure the Company's and the Parent's payment obligations in Sections 10.10(p) to (s), the Collateral Agents will have a Lien prior to the Notes on all money or property held or collected by the Collateral Agents, except that held in trust to pay principal of, premium on, if any, and interest on particular Notes. Such Lien will survive the satisfaction and discharge of this Indenture.

Any Notes Collateral Agent or Common Collateral Agent may at any time resign by giving written notice of its resignation but without giving any reason to the Company and the Trustee and specifying the date on which its resignation shall become effective; *provided that* such date shall be at least 45 days after the date on which such notice is given unless the Company agrees to accept shorter notice. Upon receiving such notice of resignation, if required by this Indenture, the Company shall promptly appoint a successor collateral agent by written instrument substantially in the form hereof in triplicate signed on behalf of the Company, one copy of which shall be delivered to the resigning Notes Collateral Agent and/or Common Collateral Agent, one copy to the successor collateral agent and one copy to the Trustee. Upon the effectiveness of the appointment of a successor collateral agent, the retired Notes Collateral Agent and/or Common Collateral Agent shall have no further obligations under this Indenture.

If no successor is appointed by the Company within 30 days of the resignation of the Notes Collateral Agent and/or Common Collateral Agent, (i) the retiring Notes Collateral Agent and/or Common Collateral Agent may, on behalf of and at the expenses of the Company, appoint its successor or (ii) the retiring Notes Collateral Agent and/or Common Collateral Agent or the Company may petition any court of competent jurisdiction for the appointment of a successor collateral agent.

If the Notes Collateral Agent and/or Common Collateral Agent consolidates, merges or converts into, or transfers all or substantially all of its corporate trust business to, another corporation, the successor corporation without any further act will be the successor the Notes Collateral Agent and/or Common Collateral Agent without the execution or filing of any paper with any Person or any further act on the part of any Person.

ARTICLE 11 NOTE GUARANTEES

Section 11.01 *Guarantee*.

(a) Each Guarantor (whether originally a signatory hereto or that is added pursuant to a supplemental indenture hereafter) fully and unconditionally and jointly and severally guarantees to each Holder and to the Trustee (1) the full and punctual payment when due, whether at Stated Maturity, by acceleration, by redemption or otherwise, of all payment obligations of the Company under this Indenture (including obligations to the Trustee) and the Notes, whether for payment of principal of, interest, premium or Additional Amounts, if any, on the Notes and all other monetary obligations of the Company under this Indenture and the Notes within applicable grace periods and (2) the full and punctual performance within applicable grace periods of all other obligations of the Company whether for fees, expenses, indemnification or otherwise under this Indenture and the Notes (all the foregoing being hereinafter collectively called the "*Guaranteed Obligations*"). Each Guarantor further agrees that the Guaranteed Obligations may be extended or renewed, in whole or in part, without notice or further assent from such Guarantor, and that such Guarantor shall remain bound under this Article 11 notwithstanding any extension or renewal of any Guaranteed Obligation.

(b) Each Guarantor waives presentation to, demand of payment from and protest to the Company of any of the Guaranteed Obligations and also waives notice of protest for nonpayment. Each Guarantor waives notice of any default under the Notes or the Guaranteed Obligations. The obligations of each Guarantor hereunder shall not be affected by (1) the failure of any Holder or the Trustee to assert any

claim or demand or to enforce any right or remedy against the Company or any other Person under this Indenture, the Notes or any other agreement or otherwise; (2) any extension or renewal of any thereof; (3) any rescission, waiver, amendment or modification of any of the terms or provisions of this Indenture, the Notes or any other agreement; (4) the failure of any Holder or the Trustee to exercise any right or remedy against any other guarantor of the Guaranteed Obligations; or (5) any change in the ownership of any Guarantor.

(c) Each Guarantor hereby waives any right to which it may be entitled to have the assets of the Company first be used and depleted as payment of the Company's or their obligations hereunder prior to any amounts being claimed from or paid by such Guarantor hereunder. Each Guarantor hereby waives any right to which it may be entitled to require that the Company be sued prior to an action being initiated against such Guarantor.

(d) Each Guarantor further agrees that its Note Guarantee herein constitutes a guarantee of payment, performance and compliance when due (and not a guarantee of collection) and waives any right to require that any resort be had by any Holder or the Trustee to any security held for payment of the Guaranteed Obligations.

(e) Except as expressly set forth in Sections 8.02 and 11.02, the obligations of each Guarantor hereunder shall not be subject to any reduction, limitation, impairment or termination for any reason, including any claim of waiver, release, surrender, alteration or compromise, and shall not be subject to any defense of setoff, counterclaim, recoupment or termination whatsoever or by reason of the invalidity, illegality or unenforceability of the Guaranteed Obligations or otherwise. Without limiting the generality of the foregoing, the obligations of each Guarantor herein shall not be discharged or impaired or otherwise affected by the failure of any Holder or the Trustee to assert any claim or demand or to enforce any remedy under this Indenture, the Notes or any other agreement, by any waiver or modification of any thereof, by any default, failure or delay, willful or otherwise, in the performance of the obligations, or by any other act or thing or omission or delay to do any other act or thing which may or might in any manner or to any extent vary the risk of such Guarantor or would otherwise operate as a discharge of such Guarantor as a matter of law or equity.

(f) Except as expressly set forth in Sections 8.02 and 11.09, each Guarantor agrees that its Note Guarantee shall remain in full force and effect until payment in full of all the Guaranteed Obligations. Each Guarantor further agrees that its Note Guarantee herein shall continue to be effective or be reinstated, as the case may be, if at any time payment, or any part thereof, of principal of or interest on any Guaranteed Obligation is rescinded or must otherwise be restored by any Holder or the Trustee upon the bankruptcy or reorganization of the Company or otherwise.

(g) In furtherance of the foregoing and not in limitation of any other right which any Holder or the Trustee has at law or in equity against any Guarantor by virtue hereof, upon the failure of the Company to pay the principal of or interest on any Guaranteed Obligation when and as the same shall become due, whether at maturity, by acceleration, by redemption or otherwise, or to perform or comply with any other Guaranteed Obligation, each Guarantor hereby promises to and shall, upon receipt of written demand by the Trustee, forthwith pay, or cause to be paid, in cash, to the Holders or the Trustee an amount equal to the sum of (1) the unpaid principal amount of such Guaranteed Obligations, (2) accrued and unpaid interest on such Guaranteed Obligations (but only to the extent not prohibited by law) and (3) all other monetary obligations of the Company to the Holders and the Trustee.

(h) Each Guarantor further agrees that, as between it, on the one hand, and the Holders and the Trustee, on the other hand, (1) the maturity of the Guaranteed Obligations guaranteed hereby may be accelerated as provided in Article 6 for the purposes of any Note Guarantee herein, notwithstanding any

stay, injunction or other prohibition preventing such acceleration in respect of the Guaranteed Obligations guaranteed hereby, and (2) in the event of any declaration of acceleration of such Guaranteed Obligations as provided in Article 6, such Guaranteed Obligations (whether or not due and payable) shall forthwith become due and payable by such Guarantor for the purposes of this Section 11.01.

(i) Each Guarantor also agrees to pay any and all costs and expenses (including attorneys' fees and expenses) incurred by the Trustee in enforcing any rights under this Section 11.01.

Upon request of the Trustee, each Guarantor shall execute and deliver such further instruments and do such further acts as may be reasonably necessary or proper to carry out more effectively the purpose of this Indenture.

Section 11.02 *Limitation on Liability*.

Any term or provision of this Indenture to the contrary notwithstanding, the maximum aggregate amount of the Guaranteed Obligations guaranteed hereunder by each Guarantor shall not exceed the maximum amount that can be hereby guaranteed by such Guarantor without rendering the Note Guarantee voidable under applicable law relating to fraudulent conveyance.

Section 11.03 *Successors and Assigns*.

This Article 11 shall be binding upon each Guarantor and its successors and assigns and shall inure to the benefit of the successors and assigns of the Trustee and the Holders and, in the event of any transfer or assignment of rights by any Holder or the Trustee, the rights and privileges conferred upon that party in this Indenture and in the Notes shall automatically extend to and be vested in such transferee or assignee, all subject to the terms and conditions of this Indenture.

Section 11.04 *No Waiver*.

Neither a failure nor a delay on the part of either the Trustee or the Holders in exercising any right, power or privilege under this Article 11 shall operate as a waiver thereof, nor shall a single or partial exercise thereof preclude any other or further exercise of any right, power or privilege. The rights, remedies and benefits of the Trustee and the Holders herein expressly specified are cumulative and not exclusive of any other rights, remedies or benefits which either may have under this Article 11 at law, in equity, by statute or otherwise.

Section 11.05 *Subrogation*.

Upon making any payment with respect to any obligation of the Company under this Article, the Guarantor will be subrogated to the rights of the payee against the Company with respect to such obligation.

Section 11.06 *Modification*.

No modification, amendment or waiver of any provision of this Article 11, nor the consent to any departure by any Guarantor therefrom, shall in any event be effective unless made in accordance with Article 9 hereof and unless the same shall be in writing and signed by the Trustee, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice to or demand on any Guarantor in any case shall entitle such Guarantor to any other or further notice or demand in the same, similar or other circumstances.

Section 11.07 *Execution of Supplemental Indenture for Future Guarantors*.

The Parent and the Company shall cause each Restricted Subsidiary which is required to become a Guarantor pursuant to Section 4.21 to promptly execute and deliver to the Trustee a supplemental indenture in the form attached as Exhibit D pursuant to which such Restricted Subsidiary shall become a Guarantor under this Article 11 and shall guarantee the Guaranteed Obligations. Concurrently with the execution and delivery of such supplemental indenture, in addition to the opinions and certifications to be delivered pursuant to Article 9 hereof, the Company shall deliver to the Trustee an Opinion of Counsel and an Officer's Certificate to the effect that such supplemental indenture has been duly authorized, executed and delivered by such Restricted Subsidiary and that, subject to the application of bankruptcy, insolvency, moratorium, fraudulent conveyance or transfer and other similar laws relating to creditors' rights generally and to the principles of equity, whether considered in a proceeding at law or in equity, the Note Guarantee of such Guarantor is a legal, valid and binding obligation of such Guarantor, enforceable against such Guarantor in accordance with its terms and or to such other matters as the Trustee may reasonably request.

Section 11.08 *Non-Impairment*.

The failure to endorse a Note Guarantee on any Note shall not affect or impair the validity thereof.

Section 11.09 Releases.

(a) The Note Guarantees will be released and discharged upon any of the following events:

(1) repayment in full of the Notes;

(2) Legal Defeasance or Covenant Defeasance in accordance with Article 8 or satisfaction and discharge of this Indenture in accordance with Article 12;

(3) solely in the case of a Note Guarantee created pursuant to Section 4.21, the release or discharge of the Guarantee that resulted in the creation of such Note Guarantee pursuant to this Article 11 except a discharge or release by or as a result of payment under such Guarantee; and

(4) solely in the case of the Note Guarantee of the Parent, confirmation in an Officer's Certificate of the Parent delivered to the Trustee that the Combined Leverage Ratio does not exceed 5.5 to 1.0; *provided, however*, that no such release of the Parent Guarantee will be permitted (i) between (x) the date of repayment of any Previously Refinanced Indebtedness and (y) the date on which the applicable Permitted Refinancing Indebtedness was Incurred to refinance such Previously Refinanced Indebtedness; and (ii) prior to the SMR Measurement Date (or, if the Company is required to make a Special Mandatory Redemption, the date of such redemption) (any such release of the Note Guarantee of the Parent pursuant to this clause (4), an "*Early Parent Guarantee Release*") .

(b) No release and discharge of a Guarantor from its Note Guarantee shall be effective against the Trustee, any Agent or the Holders until the Company shall have delivered to the Trustee and the Collateral Agents an Officer's Certificate stating that all conditions precedent provided for in this Indenture, the Notes, any Note Guarantee, the Intercreditor Agreement and the Collateral Documents (other than in the case of the release of the Note Guarantee of the Parent pursuant to clause (a)(4) above) relating to such release and discharge have been complied with and that such release and discharge is authorized and permitted under this Indenture and the Collateral Documents (other than in the case of the release of the Note Guarantee of the Parent pursuant to clause (a)(4) above). At the request and expense of the Company,

the Trustee shall execute and deliver an instrument evidencing such release and discharge and do all such other acts and things necessary to release the Guarantor from its obligations hereunder.

ARTICLE 12 SATISFACTION AND DISCHARGE

Section 12.01 *Satisfaction and Discharge.*

This Indenture will be discharged and will cease to be of further effect as to all Notes issued hereunder, when:

(a) either:

(1) all Notes that have been authenticated, except lost, stolen or destroyed Notes that have been replaced or paid and Notes for whose payment money has theretofore been deposited in trust and thereafter repaid to the Company, have been delivered to the Paying Agent for cancellation; or

(2) all Notes that have not been delivered to the Paying Agent for cancellation have become due and payable by reason of the mailing of a notice of redemption or otherwise or will become due and payable within one year and the Company or any Guarantor has irrevocably deposited or caused to be deposited with the Trustee (or such other entity designated or appointed (as agent) by it for such purpose) as trust funds in trust solely for the benefit of the Holders, cash in U.S. dollars, non-callable Government Securities, or a combination of cash in U.S. dollars and non-callable Government Securities, in amounts as will be sufficient, without consideration of any reinvestment of interest, to pay and discharge the entire Indebtedness on the Notes not delivered to the Paying Agent for cancellation for principal, premium, if any, and accrued interest to the date of maturity or redemption, and any other amounts payable by the Company under this Indenture and the Collateral Documents;

(b) the deposit will not result in a breach or violation of, or constitute a default under, any other instrument to which the Company or any Guarantor is a party or by which the Company or any Guarantor is bound (other than with respect to the borrowing of funds to be applied concurrently to make the deposit required to effect such satisfaction and discharge or any similar concurrent deposit relating to other Indebtedness, and in each case the granting of Liens to secure such borrowings);

(c) the Company or any Guarantor has paid or caused to be paid all sums payable by it under this Indenture, the Notes, any Note Guarantee, the Collateral Documents and the Intercreditor Agreement; and

(d) the Company has delivered written irrevocable instructions to the Trustee under this Indenture to apply the deposited money toward the payment of the Notes at maturity or on the redemption date, as the case may be.

In addition, the Company must deliver an Officer's Certificate and an Opinion of Counsel to the Trustee stating that all conditions precedent to satisfaction and discharge have been satisfied.

Notwithstanding the satisfaction and discharge of this Indenture, if money has been deposited with the Trustee pursuant to sub clause (2) of clause (a) of this Section 12.01, the provisions of Sections 12.02 and 8.06 will survive. In addition, nothing in this Section 12.01 will be deemed to discharge those provisions of Section 7.07, that, by their terms, survive the satisfaction and discharge of this Indenture.

Section 12.02 *Application of Trust Money*.

Subject to the provisions of Section 8.06, all money deposited with the Trustee pursuant to Section 12.01 shall be held in trust and applied by it, in accordance with the provisions of the Notes and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as its own Paying Agent), to the Persons entitled thereto, of the principal and premium and Additional Amounts, if any, and interest for whose payment such money has been deposited with the Trustee; but such money need not be segregated from other funds except to the extent required by law.

If the Trustee or Paying Agent is unable to apply any money or Government Securities in accordance with this Section 12.02 by reason of any legal proceeding or by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, the Company's and any Guarantor's obligations under this Indenture and the Notes shall be revived and reinstated as though no deposit had occurred pursuant to Section 12.01; *provided that* if the Company has made any payment of principal of, premium, if any, or interest on, any Notes because of the reinstatement of its obligations, the Company shall be subrogated to the rights of the Holders of such Notes to receive such payment from the money or Government Securities held by the Trustee or Paying Agent.

ARTICLE 13
MISCELLANEOUS

Section 13.01 *Notices*.

Any notice or communication by the Company, any Guarantor or the Trustee to the others is duly given if in writing and delivered in person or by first class mail (registered or certified, return receipt requested), facsimile transmission or overnight air courier guaranteeing next day delivery, to the others' address:

If to the Company or any Guarantor:

Azure Power Solar Energy Private Limited AAA Global Services Ltd
1st Floor, The Exchange 18 Cybercity,
Ebene
Mauritius (Fax: +230 454 3202 Attention: Mr.
Eric Ng, Director

If to the Trustee:

HSBC Bank USA, National Association Issuer Services
452 Fifth Avenue New York, NY
10018
Attention: Client Services Delivery

The Company, any Guarantor or the Trustee, by notice to the others, may designate additional or different addresses for subsequent notices or communications.

All notices and communications (other than those sent to Holders) will be deemed to have been duly given: at the time delivered by hand, if personally delivered; five Business Days after being deposited

in the mail, postage prepaid, if mailed; when receipt acknowledged, if transmitted by facsimile; and the next Business Day after timely delivery to the courier, if sent by overnight air courier guaranteeing next day delivery.

Any notice or communication to a Holder will be mailed by first class mail, certified or registered, return receipt requested, or by overnight air courier guaranteeing next day delivery to its address shown on the register kept by the Registrar. Failure to mail a notice or communication to a Holder or any defect in it will not affect its sufficiency with respect to other Holders.

If a notice or communication is mailed in the manner provided above within the time prescribed, it is duly given, whether or not the addressee receives it.

If the Company mails a notice or communication to Holders, it will mail a copy to the Trustee and each Agent at the same time.

Section 13.02 *[Reserved]*.

Section 13.03 *Certificate and Opinion as to Conditions Precedent*.

Upon any request or application by the Company to the Trustee or any Collateral Agent to take any action under this Indenture, the Company shall furnish to the Trustee or any Collateral Agent, as applicable:

(a) an Officer's Certificate in form and substance reasonably satisfactory to the Trustee or any Collateral Agent, as applicable (which must include the statements set forth in Section 13.04) stating that, in the opinion of the signers, all conditions precedent and covenants, if any, provided for in this Indenture, the Notes, any Note Guarantee, any Collateral Documents and the Intercreditor Agreement relating to the proposed action have been satisfied and such action is authorized and permitted by this Indenture, the Notes, any Note Guarantee, any Collateral Documents and the Intercreditor Agreement; and

(b) an Opinion of Counsel in form and substance reasonably satisfactory to the Trustee or any Collateral Agent, as applicable (which must include the statements set forth in Section 13.04) stating that, in the opinion of such counsel, all such conditions precedent and covenants have been satisfied and such action is authorized and permitted by this Indenture, the Notes, any Note Guarantee, any Collateral Documents and the Intercreditor Agreement.

Section 13.04 *Statements Required in Certificate or Opinion*.

Each certificate or opinion furnished pursuant to Section 13.03 must include:

(a) a statement that the Person making such certificate or opinion has read such covenant or condition and documents related to such action;

(b) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(c) a statement that, in the opinion of such Person, he or she has made such examination or investigation as is necessary to enable him or her to express an informed opinion as to whether or not such covenant or condition has been satisfied and such action is authorized and permitted; and

(d) a statement as to whether or not, in the opinion of such Person, such condition or covenant has been satisfied and such action is authorized and permitted.

In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person (including in any Officer's Certificate or Opinion of Counsel), it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

Section 13.05 *Rules by Trustee and Agents*.

The Trustee may make reasonable rules for action by or at a meeting of Holders. The Registrar or Paying Agent may make reasonable rules and set reasonable requirements for its functions.

Section 13.06 *No Personal Liability of Incorporators, Promoters, Directors, Officers, Employees and Stockholders*.

No incorporator, promoter, director, officer, employee or stockholder of the Company or the Parent, as such, will have any liability for any obligations of the Company or the Guarantors under the Notes, this Indenture, any Note Guarantee, the Collateral Documents or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under U.S. federal securities laws.

Section 13.07 *Governing Law*.

The laws of the State of New York will govern and be used to construe this Indenture, the Notes and the Note Guarantees.

Section 13.08 *Adverse Interpretation of Other Agreements*.

This Indenture may not be used to interpret any other indenture, loan or debt agreement of the Company, the Parent or any other Restricted Subsidiaries or of any other Person. Any such indenture, loan or debt agreement may not be used to interpret this Indenture.

Section 13.09 *Successors*.

All agreements of the Company in this Indenture and the Notes will bind its respective successors. All agreements of the Trustee in this Indenture will bind its successors. All agreements of each Guarantor in this Indenture will bind its successors, except as otherwise provided in Section 11.05.

Section 13.10 *Severability*.

In case any provision in this Indenture or in the Notes is invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired thereby.

Section 13.11 *Counterpart Originals*.

The parties may sign any number of copies of this Indenture. Each signed copy will be an original, but all of them together represent the same agreement. The exchange of signature pages of this Indenture by facsimile or PDF transmission shall constitute effective execution and delivery of this Indenture as to the parties hereto and may be used in lieu of the original executed Indenture for all purposes. Signatures of

the parties hereto transmitted by facsimile or PDF shall be deemed to be their original signatures for all purposes.

Section 13.12 *Table of Contents, Headings, etc.*

The Table of Contents, Cross-Reference Table and Headings of the Articles and Sections of this Indenture have been inserted for convenience of reference only, are not to be considered a part of this Indenture and will in no way modify or restrict any of the terms or provisions hereof.

Section 13.13 *Patriot Act*.

The parties hereto acknowledge that in order to help the United States government fight the funding of terrorism and money laundering activities, Section 326 of the USA PATRIOT Act which became effective on October 1, 2003 requires all financial institutions to obtain, verify, record and update information that identifies each person establishing a relationship or opening an account with such financial institution. The parties hereto agree that they will provide to the Trustee, the Collateral Agents and the Agents such information as they may request, from time to time, in order for them to satisfy the requirements of the USA PATRIOT Act or any other laws of the United States related to the fighting the funding of terrorism and money laundering activities, including but not limited to the name, address, tax identification number, if any, and other information that will allow it to identify the individual or entity who is establishing the relationship or opening the account and may also ask for formation documents such as articles of incorporation or other identifying documents to be provided.

Section 13.14 *Submission to Jurisdiction; Waiver of Jury Trial*.

The Company and each Guarantor hereby submit to the non-exclusive jurisdiction of the federal and state courts in the borough of Manhattan in the city of New York in any suit or proceeding arising out of or relating to this Indenture or the transactions contemplated hereby. The Company and each Guarantor irrevocably and unconditionally waive any objection to the laying of venue of any suit or proceeding arising out of or relating to this Indenture, the Note Guarantees, the Notes and any of the transactions contemplated hereby or thereby in federal and state courts in the borough of Manhattan in the city of New York and irrevocably and unconditionally waive and agree not to plead or claim in any such court that any such suit or proceeding in any such court has been brought in an inconvenient forum. The Company and each Guarantor irrevocably appoint Cogency Global Inc., located at 10 E. 40th Street, 10th floor, New York, New York 10016 as its authorized agent in the borough of Manhattan in the city of New York upon which process may be served in any such suit or proceeding, and agrees that service of process upon such agent, and written notice of said service to the company by the person serving the same to the address provided in Section 13.01, shall be deemed in every respect effective service of process upon the company or any guarantor, as the case may be, in any such suit or proceeding. The Company and each Guarantor further agree to take any and all action as may be necessary to maintain such designation and appointment of such agent in full force and effect so long as the Notes are outstanding. Nothing herein shall affect the right of the Trustee or any Holder to serve process in any other manner permitted by law or to commence legal proceedings or otherwise proceed against the Company or the Guarantors in any other jurisdiction.

Each party hereto hereby waives its rights to a jury trial of any claim or cause of action based upon or arising out of this Indenture, the Notes, the Note Guarantees, or the transactions contemplated hereby or thereby. The scope of this waiver is intended to be all-encompassing of any and all disputes that may be filed in any court and that relate to the subject matter of this transaction, including, without limitation, contract claims, tort claims, breach of duty claims, and all other common law and statutory claims. This Section 13.14 has been fully discussed by each of the parties hereto and these provisions shall not be subject to any exceptions. Each party hereto hereby further warrants and represents that such party has reviewed

this waiver with its legal counsel, and that such party knowingly and voluntarily waives its jury trial rights following consultation with legal counsel. This waiver is irrevocable, meaning that it may not be modified either orally or in writing, and this waiver shall apply to any subsequent amendments, supplements or modifications to (or assignments of) this Indenture. In the event of litigation, this Indenture may be filed as a written consent to a trial (without a jury) by the court.

To the extent that either the Company or the Parent has or hereafter may acquire any sovereign or other immunity from jurisdiction of any court or from any legal process with respect to itself or its property, each of the Company and the Parent irrevocably waives such immunity in respect of its obligations hereunder or under any Note, any Note Guarantee or any Collateral Document, as applicable.

[*Signatures on following page*]

Dated as of September 24, 2019

AZURE POWER SOLAR ENERGY PRIVATE LIMITED
as the Company

By: /s/ Eric Ng Yim On
Name: Eric Ng Yim On
Title: Director

AZURE POWER GLOBAL LIMITED
as the Parent

By: /s/ Eric Ng Yim On
Name: Eric Ng Yim On
Title: Director

HSBC BANK USA, NATIONAL ASSOCIATION
as Trustee, Common Collateral Agent and Notes Collateral Agent

By: /s/ F. Acebedo
Name: F. Acebedo
Title: Vice President

EXHIBIT A

[FACE OF NOTE]

CUSIP: [05502TAA6 / V04008AA2]

ISIN: [US05502TAA60 / USV04008AA29]

Common Code: [199526375 / 199527568]

5.65% Senior Notes due 2024 No.
US$

Azure Power Solar Energy Private Limited promises to pay to Cede & Co or its registered assigns the principal sum of U.S. DOLLARS on September 24, 2024.

Interest Payment Dates: June 24 and December 24 Record Dates: June 9 and December 9
Dated: [˜]

IN WITNESS WHEREOF, the Company has caused this Note to be signed manually or by facsimile by the duly authorized officer referred to below.

Dated:

AZURE POWER SOLAR ENERGY PRIVATE LIMITED, as Company

By:
Name:
Title:

Certificate of Authentication

This is one of the Notes referred to in the within-mentioned Indenture.

Dated:

HSBC Bank USA, National Association, as Trustee

By :

Name:
Title:

[Back of Note]
5.65% Senior Notes due 2024

[Insert the Global Note Legend, if applicable pursuant to the provisions of the Indenture] [Insert the Private Placement Legend, if applicable pursuant to the provisions of the Indenture]
Capitalized terms used herein have the meanings assigned to them in the Indenture referred to below unless otherwise indicated.

(1) *INTEREST*. Azure Power Solar Energy Private Limited, a company with limited liability incorporated under the laws of Mauritius (the "*Company*"), promises to pay interest on the principal amount of this Note at 5.65% per annum from September 24, 2019 until maturity. The Company will pay interest semiannually in arrears on June 24 and December 24 of each year, or if any such day is not a Business Day, on the next succeeding Business Day (each, an "*Interest Payment Date*"). Interest on the Notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from the date of issuance; *provided that* if there is no existing Default in the payment of interest, and if this Note is authenticated between a record date referred to on the face hereof and the next succeeding Interest Payment Date, interest shall accrue from such next succeeding Interest Payment Date; *provided further* that the first Interest Payment Date shall be June 24, 2020. The Company will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal and premium, if any, from time to time on demand at a rate that is 1% per annum in excess of the rate then in effect to the extent lawful; it will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest (without regard to any applicable grace periods) from time to time on demand at the same rate to the extent lawful. Interest will be computed on the basis of a 360- day year of twelve 30-day months.

(2) *METHOD OF PAYMENT*. The Company will pay interest on the Notes (except defaulted interest) to the Holders of record at the close of business on June 9 or December 9 immediately preceding the Interest Payment Date, even if such Notes are cancelled after such record date and on or before such Interest Payment Date, except as provided in Section 2.12 of the Indenture with respect to defaulted interest. The Notes will be payable as to principal, premium and Additional Amounts if any, and interest at the office or agency of the Company maintained for such purpose within or without the City and State of New York, or, at the option of the Company, payment of interest may be made by check mailed to the Holders at their addresses set forth in the register of Holders or by wire transfer; *provided that* payment by wire transfer of immediately available funds will be required with respect to principal of and interest, premium on, all Global Notes and all other Notes the Holders of which will have provided wire transfer instructions to the Company or the Paying Agent and provided further that interest payable on the Notes held through DTC will be available to DTC participants on the Business Day following the payment thereof. Such payment will be in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

(3) *PAYING AGENT AND REGISTRAR*. HSBC Bank USA, National Association will act as initial Paying Agent, Transfer Agent and Registrar. The Company may change any Paying Agent or Registrar without notice to any Holder. The Company, the Parent or any other Restricted Subsidiaries may act in any such capacity.

(4) *INDENTURE AND COLLATERAL DOCUMENTS*. The Company issued the Notes under an Indenture dated as of September 24, 2019 (the "*Indenture*") among the Company, the Parent, the Trustee and the Collateral Agents. The terms of the Notes include those stated in the Indenture. The Notes are subject to all such terms, and Holders are referred to the Indenture. To the extent any provision of this Note conflicts with the express provisions of the Indenture, the provisions of the Indenture shall govern and be controlling. The Notes are secured obligations of the Company. The Notes are secured by the Pari Passu Collateral and the Notes Collateral pursuant to the Collateral Documents referred to in the Indenture. The Indenture does not limit the aggregate principal amount of Notes that may be issued thereunder.

(5) *OPTIONAL REDEMPTIONS*.

(a) At any time prior to September 24, 2022, upon not less than 30 nor more than 60 days' prior notice the Company may on any one or more occasions redeem up to 40% of the aggregate principal amount of Notes issued under the Indenture at a redemption price of 105.650% of the principal amount thereof, plus accrued and unpaid interest (if any) to (but not including) the applicable redemption date, subject to the rights of Holders on the relevant record date to receive interest due on the relevant Interest Payment Date, with the net cash proceeds of one or more sales of the Capital Stock of the Parent in an Equity Offering; *provided that*:

(1) at least 60% of the aggregate principal amount of Notes issued on the Original Issue Date (excluding Notes held by the Parent or its Subsidiaries) remains outstanding immediately after the occurrence of such redemption; and

(2) the redemption occurs within 90 days of the date of the closing of such Equity Offering.

(b) At any time prior to September 24, 2022, upon not less than 30 nor more than 60 days' prior notice the Company may on any one or more occasions redeem all or any portion of the Notes, at a redemption price equal to 105.650% of the principal amount of the Notes redeemed plus the Applicable Premium as of, and accrued and unpaid interest, if any, to (but not including), the applicable redemption date, subject to the rights of Holders on the relevant record date to receive interest due on the relevant Interest Payment Date. Neither the Trustee nor any of the Agents shall be responsible for verifying or calculating the Applicable Premium.

(c) On or after September 24, 2022, upon not less than 30 nor more than 60 days' prior notice, the Company may redeem all or a part of the Notes at the redemption prices (expressed as percentages of principal amount) set forth below plus accrued and unpaid interest, if any, on the Notes redeemed to (but not including) the applicable redemption date, if redeemed during the periods indicated below, subject to the rights of Holders on the relevant record date to receive interest on the relevant Interest Payment Date:

Period	**Percentage**
From September 24, 2022 to September 23, 2023	102.825%
From September 24, 2023 to September 23, 2024	101.413%
On or after September 24, 2024	100.000%

Unless the Company defaults in the payment of the applicable redemption price, interest will cease to accrue on the Notes or portions thereof called for redemption on the applicable redemption date.

In connection with any redemption of Notes pursuant to Section 3.07 of the Indenture any such redemption or notice may, at the Company's discretion, be subject to one or more conditions precedent. In addition, if such redemption or notice is subject to satisfaction of one or more conditions precedent, such notice may state that, in the Company's discretion, the redemption date may be delayed until such time as any or all such conditions shall be satisfied, or such redemption may not occur and such notice may be rescinded if any or all such conditions shall not have been satisfied by the redemption date, or by the redemption date so delayed.

(6) MANDATORY REDEMPTION.

On the SMR Measurement Date, the Company will be required to redeem Notes (a "*Special Mandatory Redemption*"), at a redemption price of 101% of their principal amount, plus accrued and unpaid interest to (but not including) the applicable redemption date (the "*Special Mandatory Redemption Price*"), in the circumstances and on the basis set forth below:

(1) if the total aggregate amount of (x) funds released from the Escrow Account and used by the Company to Incur Onshore Debt *plus* (y) funds from the offering of the Notes that are used by the Company to repay the EDC Loan, is less than or equal to 80% of the aggregate principal amount of the Notes originally issued (the "Total Mandatory Redemption Threshold"), then the Company will be required to redeem all of the Notes then outstanding at the Special Mandatory Redemption Price; and

(2) if the total aggregate amount of (x) funds released from the Escrow Account and used by the Company to Incur Onshore Debt plus (y) funds from the proceeds of the offering of the Notes that are used by the Company to repay the EDC Loan, is more than the Total Mandatory Redemption Threshold, but less than the aggregate total principal amount of the Notes originally issued, then the Company will be required to use the amounts remaining in the Escrow Account to redeem Notes on a pro rata basis at the Special Mandatory Redemption Price.

If any Notes are to be redeemed as set forth above, the Company will issue, or cause to be issued, to the Notes Collateral Agent (with a copy to the Trustee) a notice of Special Mandatory Redemption not later than two Business Days after the SMR Measurement Date and the redemption date shall be no earlier than 30 calendar days and no later than 40 calendar days following the date of such notice. In addition, no later than two Business Days after the SMR Measurement Date, the Company shall also deliver to the Notes Collateral Agent, with a copy to the Trustee, an Officer's Certificate setting forth (i) the calculation of the amount of Escrow Funds, including interest and proceeds from the sale of Temporary Cash Equivalents, on deposit in the Escrow Account and (ii) the calculation of the Special Mandatory Redemption Price payable on the date of the Special Mandatory Redemption (the "*Certificate of Redemption Calculations*"). If, in connection with a redemption of all the Notes, such Certificate of Redemption Calculations reveals that the amount of cash that is available in the Escrow Account is insufficient to pay the Special Mandatory Redemption Price, then the Company shall, within one Business Day after delivery of such certificate to the Notes Collateral Agent, deposit directly into the Escrow Account Bank an amount of cash that, without reinvestment, is equal to the amount of such shortfall (the "*Shortfall Amounts*"). To the extent that the proceeds realized by the Company from liquidating the Temporary Cash Equivalents are less than the market value thereof as set forth in the Certificate of Redemption Calculations and this gives rise to a shortfall, the Company shall promptly, but in any event within one Business Day deposit cash in an amount that, without reinvestment, is equal to the amount of the Shortfall Amounts.

Any notice of redemption pursuant to this Section 6 shall be in the form set forth in Section 3.03 of the Indenture.

(7) REPURCHASE AT THE OPTION OF HOLDER.

(1) If a Change of Control Triggering Event occurs, each Holder will have the right to require the Company to repurchase all or any part (equal to US$200,000 or an integral multiple of US$1,000 in excess thereof) of that Holder's Notes at a purchase price in cash equal to 101% of the aggregate principal amount of the Notes repurchased plus accrued and unpaid interest, if any, on the Notes repurchased to (but not including) the applicable date of purchase (subject to the rights of Holders on the relevant record date to receive interest due on the relevant Interest Payment Date) (the "*Change of Control Payment*"), except to the extent that the Company has previously or concurrently elected to redeem the Notes pursuant to Section 5 hereof. Within ten days following any Change of Control Triggering Event, the Company will mail a notice to each Holder, with a copy to the Trustee and Registrar describing the transaction or transactions that constitute the Change of Control and setting forth the procedures governing the Change of Control Offer as required by the Indenture.

(2) If the Company or any other Restricted Subsidiary consummates any Asset Sales, within ten days of each date on which the aggregate amount of Excess Proceeds exceeds
$5.0 million, the Company will commence an offer to all Holders and all Holders of other Indebtedness that is *pari passu* with the Notes containing provisions similar to those set forth in the Indenture with respect to offers to purchase or redeem with the proceeds of sales of assets (an "*Asset Sale Offer*") pursuant to Section 3.09 of the Indenture to purchase the maximum principal amount of Notes and any *pari passu* Indebtedness that may be purchased out of the Excess Proceeds at an offer price in cash in an amount equal to 100% of the principal amount thereof plus accrued and unpaid interest thereon to (but not including) the date of purchase in accordance with the procedures set forth in the Indenture. If the aggregate principal amount of Notes and such *pari passu* Indebtedness tendered into such Asset Sale Offer exceeds the amount of Excess Proceeds, the Notes and such other *pari passu* Indebtedness will be purchased on a pro rata basis. Any remaining proceeds after such Excess Proceeds Repurchase Offer may be used for any purpose not otherwise prohibited under the Indenture. Holders that are the subject of an offer to purchase will receive an Asset Sale Offer from the Company prior to any related purchase date and may elect to have such Notes purchased by completing the form entitled "Option of Holder to Elect Purchase" attached to the Notes.

(8) *NOTICE OF REDEMPTION*. Notice of redemption will be mailed at least 30 days but not more than 60 days before the redemption date to each Holder whose Notes are to be redeemed at its registered address, except that redemption notices may be mailed more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or a satisfaction or discharge of the Indenture. Notes in denominations larger than US$200,000 may be redeemed in part but only in integral multiples of US$1,000 in excess thereof, unless all of the Notes held by a Holder are to be redeemed.

(9) *DENOMINATIONS, TRANSFER, EXCHANGE*. The Notes are in registered form without coupons in minimum denominations of US$200,000 and integral multiples of US$1,000 in excess thereof. The transfer of Notes may be registered and Notes may be exchanged as provided in the Indenture. Holders shall furnish appropriate endorsements and transfer documents in connection with a transfer of Notes to the Trustee and the Company may require a Holder to pay any taxes and fees required by law or permitted by the Indenture. The Company will not be required to exchange or register the transfer of any Note or portion of a Note selected for redemption, except for the

unredeemed portion of any Note being redeemed in part. Also, the Company will not be required to exchange or register the transfer of any Notes for a period of 15 days before a selection of Notes to be redeemed or during the period between a record date and the corresponding Interest Payment Date.

(10) *PERSONS DEEMED OWNERS*. The registered Holder of a Note may be treated as its owner for all purposes.

(11) *AMENDMENT, SUPPLEMENT AND WAIVER*. Subject to certain exceptions, the Indenture and the Notes may be amended, or default may be waived, with the consent of the Holders of a majority in aggregate principal amount of the outstanding Notes. Without notice to or the consent of any Holder, the Company and the Trustee may amend or supplement the Indenture or the Notes to, among other things, cure any ambiguity, defect or inconsistency, or make other changes that do not adversely affect the rights of any Holder.

(12) *DEFAULTS AND REMEDIES*. If an Event of Default, as defined in the Indenture, occurs and is continuing, the Holders of at least 25% in aggregate principal amount of the Notes then outstanding may by written notice to the Company and to the Trustee, or the Trustee at the written request of such Holders shall (subject to being indemnified and/or secured and/or prefunded to its satisfaction), declare the principal of, premium and Additional Amounts, if any, and accrued and unpaid interest on all the Notes to be immediately due and payable. If a bankruptcy or insolvency default with respect to the Company or any other Restricted Subsidiaries occurs and is continuing, the Notes automatically become immediately due and payable. Holders may not enforce any Indenture or the Notes except as provided in the Indenture. The Trustee may require security and/or indemnity satisfactory to it before it enforces the Indenture or the Notes. Subject to certain limitations, Holders of at least a majority in aggregate principal amount of the Notes then outstanding may direct the Trustee in its exercise of remedies.

(13) *TRUSTEE DEALINGS WITH COMPANY*. The Trustee, in its individual or any other capacity, may make loans to, accept deposits from, and perform services for the Company or its Affiliates, and may otherwise deal with the Company or its Affiliates, as if it were not the Trustee.

(14) *NO RECOURSE AGAINST OTHERS*. No incorporator, promoter, director, officer, employee or stockholder of the Company or the Parent, as such, will have any liability for any obligations of the Company or the Guarantors under the Notes, the Indenture, any Note Guarantee, the Collateral Documents or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under U.S. federal securities laws.

(15) *AUTHENTICATION*. This Note will not be valid until authenticated by the manual signature of the Trustee.

(16) *ABBREVIATIONS*. Customary abbreviations may be used in the name of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian), and U/G/M/A (= Uniform Gifts to Minors Act).

(17) *CUSIP NUMBERS*. Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused CUSIP numbers to be printed on the Notes, and the Trustee may use CUSIP numbers in notices of redemption as a convenience

to Holders. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption, and reliance may be placed only on the other identification numbers placed thereon.

(18) *GOVERNING LAW*. THE LAW OF THE STATE OF NEW YORK WILL GOVERN AND BE USED TO CONSTRUE THE INDENTURE, THIS NOTE AND THE NOTE GUARANTEES.

The Company will furnish to any Holder upon written request and without charge a copy of the Indenture. Requests may be made to:

Azure Power Solar Energy Private Limited AAA Global
Services Ltd
1st Floor, The Exchange 18
Cybercity, Ebene Mauritius
Attention: Eric Ng Yim On

ASSIGNMENT FORM

To assign this Note, fill in the form below:

(I) or (we) assign and transfer this Note to: _____

(Insert assignee's legal name)

_____

(Insert assignee's soc. sec. or tax I.D. no.)

_____

_____

_____

(Print or type assignee's name, address and zip code)

and irrevocably appoint_____
to transfer this Note on the books of the Company. The agent may substitute another to act for him.

Date: _____

Your Signature:_____

(Sign exactly as your name appears on the face of this Note)

Signature Guarantee*: _____

* Participant in a recognized Signature Guarantee Medallion Program (or other signature guarantor acceptable to the Trustee).

Option of Holder to Elect Purchase

If you want to elect to have this Note purchased by the Company pursuant to Section 4.10 or 4.16 of the Indenture, check the appropriate box below:

☐ Section 4.10☐Section 4.16

If you want to elect to have only part of the Note purchased by the Company pursuant to Section 4.10 or Section 4.16 of the Indenture, state the amount you elect to have purchased:

$ _____

Date: _____

Your Signature:_____

(Sign exactly as your name appears on the face of this Note)

Tax Identification No.: _____

Signature Guarantee*: _____

* Participant in a recognized Signature Guarantee Medallion Program (or other signature guarantor acceptable to the Trustee).

SCHEDULE OF EXCHANGES OF INTERESTS IN THE GLOBAL NOTE

The following exchanges of a part of this Global Note for an interest in another Global Note or for a Definitive Note, or exchanges of a part of another Global Note or Definitive Note for an interest in this Global Note, have been made:

Date of Exchange	Amount of decrease in Principal Amount [at maturity] **of this Global Note	Amount of increase in Principal Amount [at maturity] of this Global Note	Principal Amount [at maturity] of this Global Note following such decrease (or increase)	Signature of authorized officer of Trustee or Custodian

This schedule should be included only if the Note is issued in global form.
** [Footnote to be added for discount notes]

EXHIBIT B

FORM OF CERTIFICATE OF TRANSFER

[*Company address block*] [*Registrar address block*]
Re: 5.65% Senior Notes due 2024 of Azure Power Solar Energy Private Limited

Reference is hereby made to the Indenture, dated as of September 24, 2019 (the "*Indenture*"), among Azure Power Solar Energy Private Limited, a company with limited liability incorporated under the laws of Mauritius, Azure Power Global Limited, a public company with limited liability incorporated under the laws of Mauritius (the "*Parent*") and HSBC Bank USA, National Association, as trustee (the "*Trustee*"), notes collateral agent and common collateral agent.

, (the "*Transferor*") owns and proposes to transfer the Note[s] or interest in such Note[s] specified in Annex A hereto, in the principal amount of $ in such Note[s] or interests (the "*Transfer*"), to (the "*Transferee*"), as further specified in

Annex A hereto. In connection with the Transfer, the Transferor hereby certifies that: [CHECK ALL THAT APPLY]

1. ☐ **Check if Transferee will take delivery of a beneficial interest in the 144A Global Note or a 144A Definitive Note pursuant to Rule 144A**. The Transfer is being effected pursuant to and in accordance with Rule 144A under the Securities Act of 1933, as amended (the "*Securities Act*"), and, accordingly, the Transferor hereby further certifies that the beneficial interest or Definitive Note is being transferred to a Person that the Transferor reasonably believes is purchasing the beneficial interest or Definitive Note for its own account, or for one or more accounts with respect to which such Person exercises sole investment discretion, and such Person and each such account is a "qualified institutional buyer" within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A, and such Transfer is in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the 144A Global Note and/or the 144A Definitive Note and in the Indenture and the Securities Act.

2. ☐ **Check if Transferee will take delivery of a beneficial interest in the 144A Global Note, or a 144A Definitive Note pursuant to Regulation S**. The Transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and, accordingly, the Transferor hereby further certifies that (i) the Transfer is not being made to a Person in the United States and (x) at the time the buy order was originated, the Transferee was outside the United States or such Transferor and any Person acting on its behalf reasonably believed and believes that the Transferee was outside the United States or (y) the transaction was executed in, on or through the facilities of a designated offshore securities market and neither such Transferor nor any Person acting on its behalf knows that the transaction was prearranged with a buyer in the United States, (ii) no directed selling efforts have been made in contravention of the requirements of Rule 903(b) or Rule 904(b) of Regulation S under the Securities Act and, (iii) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act.

3. ☐ **Check and complete if Transferee will take delivery of a beneficial interest in a 144A Definitive Note pursuant to any provision of the Securities Act other than Rule 144A** The Transfer is being effected in compliance with the transfer restrictions applicable to beneficial interests in 144A Global Notes and 144A Definitive Notes and pursuant to and in accordance with the Securities Act and any applicable blue sky securities laws of any state of the United States, and accordingly the Transferor hereby further certifies that (check one):

(a) ☐ such Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act;

or

(b) ☐ such Transfer is being effected to the Company or a subsidiary thereof;

or

(c) ☐ such Transfer is being effected pursuant to an effective registration statement under the Securities Act and in compliance with the prospectus delivery requirements of the Securities Act;

4. ☐ **Check if Transferee will take delivery of a beneficial interest in an Unrestricted Global Note or of an Unrestricted Definitive Note**.

(a) ☐ **Check if Transfer is pursuant to Rule 144**. (i) The Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required on order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the 144A Global Notes, on 144A Definitive Notes and in the Indenture.

(b) ☐ **Check if Transfer is Pursuant to Regulation S**. (i) The Transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required on order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the 144A Global Notes, on 144A Definitive Notes and in the Indenture.

(c) ☐ **Check if Transfer is Pursuant to Other Exemption**. (i) The Transfer is being effected pursuant to and in compliance with an exemption from the registration requirements of the Securities Act other than Rule 144, Rule 903 or Rule 904 and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any State of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will not be subject to the restrictions on transfer

enumerated in the Private Placement Legend printed on the 144A Global Notes or 144A Definitive Notes and in the Indenture.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

[Insert Name of Transferor]

By: Name:
Title:

Dated:

ANNEX A TO CERTIFICATE OF TRANSFER

1. The Transferor owns and proposes to transfer the following: [CHECK ONE OF (a) OR (b)]

(a) ☐ a beneficial interest in the 144A Global Note (CUSIP_); or

(b) ☐ a 144A Definitive Note.

2. After the Transfer the Transferee will hold:

[CHECK ONE]

(a) ☐ a beneficial interest in the:

(i) ☐ 144A Global Note (CUSIP_); or

(ii) ☐ Unrestricted Global Note (CUSIP_); or

(b) ☐ a 144A Definitive Note; or

(c) ☐ an Unrestricted Definitive Note, in accordance with the terms of the Indenture.

EXHIBIT C

FORM OF CERTIFICATE OF EXCHANGE

[*Company address block*] [*Registrar address block*]
Re: 5.65% Senior Note due 2024 of Azure Power Solar Energy Private Limited

Reference is hereby made to the Indenture, dated as of September 24, 2019 (the "*Indenture*"), among Azure Power Solar Energy Private Limited, a company with limited liability incorporated under the laws of Mauritius, Azure Power Global Limited, a public company with limited liability incorporated under the laws of Mauritius (the "*Parent*") and HSBC Bank USA, National Association, as trustee (the "*Trustee*"), notes collateral agent and common collateral agent.

, (the "*Owner*") owns and proposes to exchange the Note[s] or

interest in such Note[s] specified herein, in the principal amount of $ in such Note[s] or interests (the "*Exchange*"). In connection with the Exchange, the Owner hereby certifies that:

1. Exchange of 144A Definitive Notes or Beneficial Interests in a 144A Global Note for

Unrestricted Definitive Notes or Beneficial Interests in an Unrestricted Global Note

(a) ☐ **Check if Exchange is from beneficial interest in a 144A Global Note to beneficial interest in an Unrestricted Global Note**. In connection with the Exchange of the Owner's beneficial interest in a 144A Global Note for a beneficial interest in an Unrestricted Global Note in an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Global Notes and pursuant to and in accordance with the Securities Act of 1933, as amended (the "*Securities Act*"), (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest in an Unrestricted Global Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(b) ☐ **Check if Exchange is from beneficial interest in a 144A Global Note to Unrestricted Definitive Note**. In connection with the Exchange of the Owner's beneficial interest in a 144A Global Note for an Unrestricted Definitive Note, the Owner hereby certifies (i) the Definitive Note is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the 144A Global Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Definitive Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(c) ☐ **Check if Exchange is from 144A Definitive Note to beneficial interest in an Unrestricted Global Note**. In connection with the Owner's Exchange of a 144A Definitive Note for a beneficial interest in an Unrestricted Global Note, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the

Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(d) ☐ **Check if Exchange is from 144A Definitive Note to Unrestricted Definitive Note**. In connection with the Owner's Exchange of a 144A Definitive Note for an Unrestricted Definitive Note, the Owner hereby certifies (i) the Unrestricted Definitive Note is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to 144A Definitive Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Unrestricted Definitive Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

2. **Exchange of 144A Notes or Beneficial Interests in 144A Global Notes for 144A Definitive Notes or Beneficial Interests in 144A Global Notes**

(a) ☐ **Check if Exchange is from beneficial interest in a 144A Global Note to 144A Definitive Note.** In connection with the Exchange of the Owner's beneficial interest in a 144A Global Note for a 144A Definitive Note with an equal principal amount, the Owner hereby certifies that the 144A Definitive Note is being acquired for the Owner's own account without transfer. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the 144A Definitive Note issued will continue to be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the 144A Definitive Note and in the Indenture and the Securities Act.

(b) ☐ **Check if Exchange is from 144A Definitive Note to beneficial interest in a 144A Global Note**. In connection with the Exchange of the Owner's 144A Definitive Note for a beneficial interest in the 144A Global Note, with an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer and (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the 144A Global Notes and pursuant to and in accordance with the Securities Act, and in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the beneficial interest issued will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the relevant 144A Global Note and in the Indenture and the Securities Act.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

[Insert Name of Transferor]

By: Name:
Title:

Dated:

EXHIBIT D

FORM OF SUPPLEMENTAL INDENTURE

SUPPLEMENTAL INDENTURE (this "*Supplemental Indenture*"), dated as of , 20_, among Azure Power Solar Energy Private Limited, a public company with limited liability incorporated under the laws of Mauritius (the "*Company*"), Azure Power Global Limited, a public company with limited liability incorporated under the laws of Mauritius (the "*Parent*"), (the "*New Guarantor*") and HSBC Bank USA, National Association, as trustee (the "*Trustee*"), notes collateral agent (the "*Notes Collateral Agent*") and common collateral agent (the "*Common Collateral Agent*").

W I T N E S E T H:

WHEREAS the Company, the Trustee and each of the parties described above are parties to an Indenture, dated as of September 24, 2019, as amended (as amended, supplemented, waived or otherwise modified, the "*Indenture*"), providing for the issuance of the Company's 5.65% Senior Notes due 2024;

WHEREAS, pursuant to Section 9.01 and Section 11.07 of the Indenture, each New Guarantor is required to execute a supplemental indenture;

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the New Guarantor, the Company, the Trustee and the other parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein shall have the meanings assigned to them in the Indenture.

2. Agreement to Guarantee. Pursuant to, and subject to the provisions of, Article 11 of the Indenture, [each][the] New Guarantor (which term includes each other New Guarantor that hereinafter guarantees the Notes pursuant to the terms of the Indenture) hereby fully and unconditionally guarantees, jointly and severally with the Parent and each other New Guarantor, to each Holder and to the Trustee to the extent set forth in the Indenture and subject to the provisions thereof (a) the full and punctual payment when due, whether at Stated Maturity, by acceleration, by redemption or otherwise, of all payment obligations of the Company under the Indenture (including obligations to the Trustee) and the Notes, whether for payment of principal of, or interest, premium or Additional Amounts, if any, on, the Notes and all other monetary obligations of the Company under the Indenture and the Notes within applicable grace period and (b) the full and punctual performance within applicable grace periods of all other obligations of the Company whether for fees, expenses, indemnification or otherwise under the Indenture and the Notes (all the foregoing being hereinafter collectively called the "Guaranteed Obligations"). [Each][The] New Guarantor further agrees that the Guaranteed Obligations may be extended or renewed, in whole or in part, without notice or further assent from such New Guarantor and that such New Guarantor[s] will remain bound under Article 11 of the Indenture, notwithstanding any extension or renewal of any Guaranteed Obligation.

The Guaranteed Obligations of [each][the] New Guarantor to the Holders and to the Trustee, Paying Agent, Transfer Agent and Registrar pursuant to the Indenture as supplemented hereby, are expressly set forth in Article 11 of the Indenture and reference is hereby made to the Indenture for the precise terms of the Note Guarantee.

[*Relevant limitations imposed by local law analogous to Section 11.02 of the Indenture to be inserted, if and as applicable*].

3. Ratification of Indenture: Supplemental Indentures Part of Indenture. Except as expressly amended hereby, the Indenture is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect. This Supplemental Indenture shall form a part of the Indenture for all purposes, and each Holder, by accepting the Notes whether heretofore or hereafter authenticated and delivered (a) agrees to and shall be bound by such provisions, (b) authorizes and directs the Trustee, Paying Agent, Transfer Agent and Registrar, on behalf of such Holder, to take such action as may be necessary or appropriate to effectuate the subordination as provided in the Indenture and (c) appoints the Trustee attorney-in-fact of such Holder for such purpose; *provided, however*, that [the][each] New Guarantor shall be released from all its obligations with respect to this Guarantee in accordance with the terms of the Indenture, including Section 11.09 of the Indenture and upon any defeasance of the Notes in accordance with Article 8 of the Indenture.

4. Governing Law. This Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York.

5. Trustee Makes No Representation. The Trustee, Paying Agent, Transfer Agent, Registrar, the Notes Collateral Agent and the Common Collateral Agent makes no representation as to the validity or sufficiency of this Supplemental Indenture. The recitals of fact contained herein shall be treated as statements of the other parties hereto and not the Trustee, Paying Agent, Transfer Agent and Registrar, the Notes Collateral Agent and the Common Collateral Agent.

6. Counterparts. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

7. Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction thereof.

Dated:_____, 20___

[__]
as New Guarantor

By: _____
Name:
Title:

Azure Power Solar Energy Private Limited
as Company

By: _____
Name:
Title:

Azure Power Global Limited
as Parent

By: _____
Name:
Title:

HSBC Bank USA, National Association,
as Trustee, Notes Collateral Agent and Common Collateral Agent

By: _____
Name:
Title:

EXHIBIT E

FORM OF AGENT APPOINTMENT LETTER

Dated: [˜]

HSBC Bank USA, National Association [˜]
Re: 5.65% Senior Notes due 2024 of Azure Power Solar Energy Private Limited

Reference is hereby made to the Indenture dated as of September 24, 2019 (as amended, modified or supplemented from time to time, the "*Indenture*") among Azure Power Solar Energy Private Limited, a company with limited liability incorporated under the laws of Mauritius (the "*Company*"), Azure Power Global Limited, a public company with limited liability incorporated under the laws of Mauritius (the "*Parent*") and HSBC Bank USA, National Association as trustee, notes collateral agent and common collateral agent. Unless otherwise defined herein, terms used herein are used as defined in the Indenture.

The Company hereby appoints HSBC Bank USA, National Association as the paying agent, transfer agent and registrar (the "*Agent*") with respect to the Notes and the Agent hereby accepts such appointment. By accepting such appointment, the Agent agrees to be bound by and to perform the services with respect to itself set forth in, and subject to the rights, privileges, protections, immunities and benefits (including any rights of indemnification) set forth in, the Indenture and the Notes, as well as the following terms and conditions to all of which the Company agrees and to all of which the rights of the Holders from time to time shall be subject:

(a) The Company, no later than 5:00 p.m. (London time) one Business Day immediately preceding each date on which a payment in respect of the Notes becomes due, shall (i) transfer (or cause to be transferred) to the Agent in the currency of United States of America immediately available funds such amount as may be required for the purposes of such payment and (ii) notify the Agent of such transfer. The Company, no later than 5:00 p.m. (London time) on the second Business Day immediately preceding each date on which any payment in respect of the Notes becomes due, shall confirm such payment, or procure confirmation, by an e-mail or facsimile message from the bank making such payment to the Agent. The Agent shall not be bound to make payment until funds in such amount as may be required for the purpose of such payment have been received from the Company.

(b) The Agent shall be entitled to the compensation to be agreed in writing upon with the Company, for all services rendered by it under the Indenture, and the Company agrees promptly to pay such compensation and to reimburse the Agent for its out-of-pocket expenses (including fees and expenses of counsel) properly incurred by it in connection with the services rendered by it hereunder and under the Indenture. The Company hereby agrees to indemnify the Agent and its officers, directors, agents, employees and representatives for, and to hold it harmless against, any loss, liability or expense (including properly incurred fees and expenses of counsel) incurred without gross negligence or willful misconduct on its part arising out of or in connection with its acting as the Agent hereunder and under the Indenture. The obligations of the Company under this paragraph (b) shall survive the payment of the Notes, the termination or expiry of the Indenture or this letter and the resignation or removal of the Agent. Under no circumstances will the Agent be liable to the Company or any other party to this letter or the Indenture for any special, indirect, punitive, consequential loss or damage of any kind (inter alia, being loss of business, goodwill, opportunity or profit), whether or not foreseeable, even if actually aware of or advised of the possibility of such loss or damage and regardless of the form of action.

(c) In acting under the Indenture and in connection with the Notes, the Agent is acting solely as agent of the Company and does not assume fiduciary duty or any other obligation towards or relationship of agency or trust for or with any of the owners or holders of the Notes, except that all funds held by the Agent for the payment of principal interest or other amounts (including Additional Amounts) on the Notes shall, subject to the provisions of the Indenture, be held by the Agent and applied as set forth in the Indenture and in the Notes, but need not be segregated from other funds held by the Agent, except as required by law. The Agent shall not be liable to account for interest on money paid to it pursuant to any of the provisions of the Indenture or the Notes. Any funds held by the Agent are not subject to the UK Financial Conduct Authority Client Money Rules.

(d) The Agent may consult with counsel or other professional advisors satisfactory to it and any advice or written opinion of such counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted to be taken by it under the Indenture in good faith and in accordance with such advice or opinion.

(e) The Agent shall give the Trustee written notice of any failure by the Company (or by any other obligor on the Notes or the Guarantors) to make any payment of the principal, or premium or interest on, the Notes and any other payments to be made on behalf of the Company under the Indenture, when the same shall be due and payable and at any time during the continuance of any such failure the Agent will pay any such sums so held in trust by it to the Trustee.

(f) The Agent shall be fully protected and shall incur no liability for or in respect of any action taken or omitted to be taken or thing suffered by it in reliance upon any Note, notice, direction, consent, certificate, affidavit, statement or other paper or document reasonably believed by it to be genuine and to have been presented or signed by the proper party or parties. If the Agent shall be uncertain as to its duties or rights hereunder or shall receive instructions, claims or demands from the Company or any other person which, in its opinion, conflict with its rights or obligations under this Agreement, it shall be entitled to refrain from taking any action until it is directed in writing by a final order or judgment of a court of competent jurisdiction. The Agents shall be entitled to refrain from taking any actions, without liability, if conflicting, unclear or equivocal instruction or direction are received or in order to comply with the Applicable Law. The Agents shall not be liable for errors in judgment made in good faith.

(g) The Agent and any of its Affiliates, in its individual capacity or any other capacity, may become the owner of, or acquire any interest in, any Notes or other obligations of the Company with the same rights that it would have if it were not the Agent and may engage or be interested in any financial or other transaction with the Company, and may act on, or as depository, Trustee or agent for, any committee or body of Holders or other obligations of the Company, as freely as if it were not the Agent and that the Agent and its Affiliates shall not be under any obligation to monitor any conflicts of interest, if any, which may arise between each of themselves and such other parties.

(h) The Agent shall not be under any liability for interest on any monies received by it pursuant to any of the provisions of the Indenture or the Notes.

(i) The Agent shall be obligated to perform such duties and only such duties as are specifically set forth in the Indenture and hereunder, and no implied duties or obligation shall be read against the Agent. The Agent shall not be under any obligation to take any action under the Indenture or hereunder which may tend to involve it in any expense or liability, the payment of which within a reasonable time is not, in its opinion, assured to it. The Agent shall have no obligation to expend its own funds or otherwise incur any financial liability in the performance of its obligations hereunder or under the Indenture. The Agent will not be responsible for any loss, liability, cost, claim, actions, demand, expense or inconvenience which may result from its exercise or non-exercise of any of the rights or powers vested in it other than as caused by

its own gross negligence or its own willful misconduct. In addition to its rights, privileges, protections, immunities and benefits, the rights, privileges, protections, immunities and benefits (including any rights of indemnification) given to the Trustee under the Indenture are extended to, and shall be enforceable by the Agent and each agent, custodian and other Person employed to act hereunder and under any related document, as the case may be, as if specifically set forth therein.

(j) The Agent may at any time resign by giving written notice of its resignation but without giving any reason to the Company and the Trustee and specifying the date on which its resignation shall become effective; *provided that* such date shall be at least 30 days after the date on which such notice is given unless the Company agrees to accept shorter notice. Upon receiving such notice of resignation, if required by the Indenture, the Company shall promptly appoint a successor agent by written instrument substantially in the form hereof in triplicate signed on behalf of the Company, one copy of which shall be delivered to the resigning Agent, one copy to the successor agent and one copy to the Trustee. Upon the effectiveness of the appointment of a successor Agent, the resigning Agent shall have no further obligations under this letter or the Indenture.

Such resignation shall become effective upon the earlier of (i) the effective date of such resignation and (ii) the acceptance of appointment by the successor agent, as provided below. The Company may, at any time and for any reason, remove the Agent and appoint a successor agent, by written instrument in triplicate signed on behalf of the Company, one copy of which shall be delivered to the Agent being removed, one copy to the successor agent and one copy to the Trustee. Any removal of the Agent and any appointment of a successor agent shall become effective upon acceptance of appointment by the successor agent. Upon its resignation or removal, the Agent shall be entitled to the payment by the Company of its compensation for the services rendered hereunder and to the reimbursement of all out-of-pocket expenses properly incurred in connection with the services rendered by it hereunder.

(k) The Company shall remove the Agent and appoint a successor paying agent if the Agent shall (i) become incapable of acting, (ii) be adjudged bankrupt or insolvent, (iii) commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property,
(iv) consent to, or shall have had entered against it a court order for, any such relief or to the appointment of or taking possession by any such official in any involuntary case or other proceedings commenced against it, (v) make a general assignment for the benefit of creditors or (vi) fail generally to pay its debts as they become due.

(l) Any successor agent appointed as provided herein shall execute and deliver to its predecessor and to the Company and the Trustee an instrument accepting such appointment (which may be in the form of an acceptance signature to the letter of the Company appointing such agent) and thereupon such successor agent, without any further act, deed or conveyance, shall become vested with all the rights, powers, duties and obligations of its predecessor hereunder, with like effect as if originally named as Agent and such predecessor shall pay over to such successor agent all monies or other property at the time held by it hereunder.

Notwithstanding the above, the Company agrees with the Agent that if no successor to such Agent has been appointed by the Company after 30 days from the notice of resignation or removal, such retiring Agent may, on behalf of and at the expense of the Company, itself appoint a successor Agent or the retiring Agent or the Company, or petition any court of competent jurisdiction for appointment of, as its successor Agent.

(m) The Agent shall at all times be a responsible financial institution which is authorized by law to exercise its respective powers and duties hereunder and under the Indenture.

(n) Notwithstanding any other provision of this letter, in acting under the Indenture and this letter and in connection with the Notes, the Agent shall be entitled to make a deduction or withholding from any payment which it makes under the Indenture and the Notes for or on account of any Tax if and only to the extent so required by Applicable Law, in which event such Agent shall make such payment after such withholding or deduction has been made and shall account to the relevant Authority for the amount so withheld or deducted. The Agent will use reasonable efforts to cooperate with the Company and the Guarantors to enable them to provide the Tax receipts or other evidence of payments referred to in Section 2.13 of the Indenture. The Agent shall be entitled to make payments net of any Taxes or other sums required by any Applicable Law to be withheld or deducted. If such a withholding or deduction is so required, the Agent will not pay an additional amount in respect of that withholding or deduction.

(o) The Agent shall treat all information relating to the Company as confidential, but (unless consent is prohibited by law) the Company consents to the transfer and disclosure by the Agent of any information relating to the Company and the Guarantors to and between branches, subsidiaries, representative offices and affiliates of the Trustee, for confidential use in connection with the provision of any service under this letter and the Indenture. The Agent and any of its branch, subsidiary, representative office or affiliate may transfer and disclose any such information as required by any law, court regulator or legal process; *provided that* the Agent shall give the Company prompt written notice of such request so that the Company may seek a protective order or other remedy protecting such confidential information from disclosure so long as the provision of such notice is not contrary to applicable law. Notwithstanding anything herein to the contrary, the foregoing shall not be construed to prohibit (i) disclosure of any and all information that is or becomes publicly known, or information obtained by the Trustee from sources other than the Company or the Guarantors, (ii) disclosure as required pursuant to this Indenture, the Intercreditor Agreement, the Notes, the Note Guarantee or the Collateral Documents, or (iii) any other disclosure authorized by the Company.

(p) The Company hereby irrevocably waives, in favor of the Agent, any conflict of interest which may arise by virtue of the Agent acting in various capacities under the Indenture and this letter or for other customers of the Agent. The Company acknowledges that the Agent and its Affiliates (together, the "*Agent Parties*") may have interests in, or may be providing or may in the future provide financial or other services to other parties with interests which the Company may regard as conflicting with its interests and may possess information (whether or not material to the Company) other than as a result of the Agent acting as Agent hereunder, that the Agent may not be entitled to share with the Company. The Agent will not disclose confidential information obtained from the Company (without its consent) to any of the Agent's other customers nor will it use on the Company's behalf any confidential information obtained from any other customer. Without prejudice to the foregoing, the Company agrees that the Agent Parties may deal (whether for its own or its customers' account) in, or advise on, securities of any party and that such dealing or giving of advice, will not constitute a conflict of interest for the purposes of the Indenture and this letter.

(q) The Agent may act through its attorneys, delegates and agents and will not be responsible for the misconduct or negligence of any attorney, delegate or agent appointed with due care by it hereunder or for supervising or monitoring the act or proceedings of such attorney, delegate or agent.

(r) In no event shall the Agent be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; or failure of any

money transmission or SWIFT system, any laws, ordinances, regulations or the like which restrict or prohibit the performance of the obligations contemplated by this letter.

(s) The Agent is not obliged to do or omit to do anything which in its reasonable opinion, would or may be illegal or would constitute a breach of any law, rule, regulation, or any decree, order or judgment of any court, or practice, request, direction, notice, announcement or similar action (whether or not having the force of law) of any relevant government, government agency, regulatory authority, stock exchange or self-regulatory organization to which the Agent is subject.

(t) The Agent shall, on demand by the Trustee by notice in writing given to the Agent and the Company at any time after an Event of Default has occurred, until notified by the Trustee to contrary, to the extent permitted by applicable law, deliver all monies, documents and records held by the Agent in respect of the Notes to the Trustee or as the Trustee shall direct in such notice or subsequently, *provided that* this paragraph shall not apply to any documents or records which the Agent is obliged not to release by any law or regulation to which it is subject. The Agent shall not be deemed to have notice of any Event of Default, unless notified in writing of the same.

(u) The Agent shall, on demand by the Trustee by notice in writing given to them and the Company at any time after the Event of Default or Default has occurred, until notified by the Trustee to the contrary, as far as permitted by applicable law to act thereafter as agents of the Trustee under the Indenture and the Notes and to act solely in accordance with the Trustee's directions, deliver up all Certificates and all monies, documents and records held by the Agent in respect of the Notes to the Trustee or as the Trustee shall direct in such notice or subsequently, *provided that* this paragraph (i) shall not apply to any documents or records which the Agent or the relevant agent is obliged not to release by any law or regulation to which it is subject.

(v) The obligations hereunder of the Agent with respect to its duties as paying agent, transfer agent and registrar shall be several, not joint.

(w) Any notice or communication to the Agent shall be in the English language and will be deemed given when sent by facsimile transmission, with transmission confirmed. Any notice to the Agent will be effective only upon receipt. The notice or communication should be addressed to the Agent at:

HSBC Bank USA, National Association
[□]
Attention: [□]
With a copy to:
[□] Attention:
[□]

Any notice to the Company or the Trustee shall be given as set forth in the Indenture.

(x) Any corporation into which the Agent may be merged or converted or any corporation with which the Agent may be consolidated or any corporation resulting from any merger, conversion or consolidation to which the Agent shall be a party or any corporation succeeding to the business of the Agent

shall be the successor to the Agent hereunder (provided that such corporation shall be qualified as aforesaid) without the execution or filing of any document or any further act on the part of any of the parties hereto.

(y) Any amendment, supplement or waiver under Sections 9.01 and 9.02 of the Indenture that adversely affects the Agent shall not affect the rights, powers, obligations, duties or immunities of the Agent unless the Agent has consented thereto.

(z) The Indenture, the Notes and this letter, together with the fee proposal agreed between HSBC Bank USA, National Association and the Company, contain the whole agreement between the parties relating to the subject matter of the Indenture and this letter and supersede any previous written or oral agreement between the parties in relation to the matters dealt with in the Indenture and this letter.

(aa) The Company and the Guarantors agree that the provisions of Sections 13.07 and 13.14 of the Indenture shall apply hereto, mutatis mutandis.

(bb) This letter may be executed in counterparts, each of which shall be an original which together shall constitute one and same instrument.

(cc) Mutual Undertaking Regarding Information Reporting and Collection Obligations. Each party herein shall, within ten business days of a written request by another party, supply to that other party such forms, documentation and other information relating to it, its operations, or the Notes as that other party reasonably requests for the purposes of that other party's compliance with Applicable Law and shall notify the relevant other party reasonably promptly if it becomes aware that any of the forms, documentation or other information provided by such party is (or becomes) inaccurate in any material respect; provided, however, that no party shall be required to provide any forms, documentation or other information pursuant to this paragraph to the extent that: (i) any such form, documentation or other information (or the information required to be provided on such form or documentation) is not reasonably available to such party and cannot be obtained by such party using reasonable efforts; or (ii) doing so would or might in the reasonable opinion of such party constitute a breach of any: (a) Applicable Law; (b) fiduciary duty; or (c) duty of confidentiality.

(dd) Notice of Possible Withholding Under FATCA. The Company and the Guarantors shall notify the Agent if the Company or the Guarantors determine that any payment to be made by the Agent under any Notes is a payment which could be subject to FATCA Withholding if such payment were made to a recipient that is generally unable to receive payments free from FATCA Withholding, and the extent to which the relevant payment is so treated; provided, however, that the Company and the Guarantors' obligation under this paragraph shall apply only to the extent that such payments are so treated by virtue of characteristics of the Company and the Guarantors, the Notes, or both.

(ee) Company and the Guarantors' Right to Redirect. If the Company or the Guarantors determine in its sole discretion that withholding for or on account of any Tax will be required by Applicable Law in connection with any payment due to any of the Agent on any Notes, then the Company and the Guarantors will be entitled to redirect or reorganize any such payment in any way that it sees fit in order that the payment may be made without such deductions or withholding provided that, any such redirected or reorganized payment is made through a recognized institution of international standing and otherwise made in accordance with this letter. The Company and the Guarantors will promptly notify the Agent and the Trustee of any such redirection or reorganization.

(ff) Notwithstanding anything else herein contained, the Agent may refrain without liability from doing anything that would or might in its opinion be contrary to any law of any state or jurisdiction (including but not limited to Hong Kong, the United States of America or any jurisdiction forming a part

of it and England & Wales) or any directive or regulation of any agency of any such state or jurisdiction and may without liability do anything which is, in its opinion, necessary to comply with any such law, directive or regulation.

(gg) Definitions. For the purposes of paragraphs (n), (cc), (dd), (ee) and (gg) the defined terms used herein shall have the following meaning:

"Applicable Law" means any law or regulation including, but not limited to: (i) any statute or regulation; (ii) any rule or practice of any Authority by which any party is bound or with which it is accustomed to comply; (iii) any agreement between any Authorities; and (iv) any customary agreement between any Authority and any party.

"Authority" means any competent regulatory, prosecuting, Tax or governmental authority in any jurisdiction.

"Code" means the U.S. Internal Revenue Code of 1986, as amended.

"FATCA Withholding" means any withholding or deduction required pursuant to an agreement described in section 1471(b) of the Code, or otherwise imposed pursuant to sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto.

"Tax" means any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any Authority having power to tax.

Azure Power Solar Energy Private Limited

By:
Name:
Title: Director

Agreed and accepted:

HSBC BANK USA, NATIONAL ASSOCIATION
As Paying Agent and Transfer Agent

By:
Name:
Title:

HSBC BANK USA, NATIONAL ASSOCIATION
As Registrar

By:
Name:
Title:

Acknowledged by:

HSBC BANK USA, NATIONAL ASSOCIATION
As Trustee

By:
Name:
Title:

EXHIBIT F- 1

FORM OF COMPANY AUTHORIZATION CERTIFICATE

I, [Name], [Title] of Azure Power Solar Energy Private Limited acting on behalf of Azure Power Solar Energy Private Limited, hereby certify that:

(A) the persons listed below are (i) Authorized Officers of the Company for purposes of the Indenture dated as of September 24, 2019 (as amended, modified or supplemented from time to time, the "Indenture") among Azure Power Solar Energy Private Limited, a company with limited liability incorporated under the laws of Mauritius (the "Company"), Azure Power Global Limited, a public company with limited liability incorporated under the laws of Mauritius, and HSBC Bank USA, National Association as trustee, notes collateral agent and common collateral agent, (ii) duly elected or appointed, qualified and acting as the holder of the respective office or offices set forth opposite his name and (iii) the duly authorized person who executed or will execute the Indenture, the Collateral Documents and the Notes (as defined in the Indenture) by his manual signature or signature in scanned format delivered through email and was at the time of such execution, duly elected or appointed, qualified and acting as the holder of the office set forth opposite his name;

(B) each signature appearing below is the person's genuine signature; and

(C) attached hereto as Schedule I is a true, correct and complete specimen of the certificates representing the Notes (with the Note Guarantee (as defined in the Indenture) endorsed thereon); and

(D) such individuals have the authority to provide written direction/confirmation and receive callbacks at the phone number(s) noted below in connection with the 5.65% Senior Notes due 2024 of the Company.

SCHEDULE I

Authorized Officers:

Name	Title	Specimen Signature	Telephone Number

IN WITNESS WHEREOF, I have hereunto signed my name.

Dated:

Azure Power Solar Energy Private Limited

By:
Name:
Title:

EXHIBIT F - 2

FORM OF GUARANTOR AUTHORIZATION CERTIFICATE

I, [Name], [Title] of Azure Power Global Limited, acting on behalf of Azure Power Global Limited (the "Guarantor"), hereby certify that:

(A) the persons listed below are (i) Authorized Officers of the Guarantor for purposes of the Indenture dated as of September 24, 2019 (as amended, modified or supplemented from time to time, the "Indenture") among Azure Power Solar Energy Private Limited, a company with limited liability incorporated under the laws of Mauritius (the "Company"), Azure Power Global Limited, a public company with limited liability incorporated under the laws of Mauritius, and HSBC Bank USA, National Association as trustee, notes collateral agent and common collateral agent, (ii) duly elected or appointed, qualified and acting as the holder of the respective office or offices set forth opposite his name and (iii) the duly authorized person who executed or will execute the Indenture and the Note Guarantee (as defined in the Indenture) endorsed on the Notes by his manual signature or signature in scanned format delivered through email and was at the time of such execution, duly elected or appointed, qualified and acting as the holder of the office set forth opposite his name;

(B) each signature appearing below is the person's genuine signature; and

(C) attached hereto as Schedule I is a true, correct and complete specimen of the certificates representing the Notes (with the Note Guarantee (as defined in the Indenture) endorsed thereon)

SCHEDULE I

Authorized Officers:

Name	Title	Specimen Signature

IN WITNESS WHEREOF, I have hereunto signed my name. Dated:

Guarantor

By:
Name:
Title:

EXHIBIT G

FORM OF TRANSFER NOTICE

[□], 20[□]

[□]

[□]

Fax: [TBC]

Attention: [TBC]

Dear Sirs,

Please pay the following amount from the Escrow Account no. 741-099956-274 pursuant to Section 4.27 (a) or 4.27(b) of the Indenture dated as of September 24, 2019, as amended from time to time, between Azure Power Solar Energy Private Limited, Azure Power Global Limited and HSBC Bank USA, National Association as Trustee, Notes Collateral Agent and Common Collateral Agent, to the account specified below:

U.S. dollar equivalent	US$[□]
Value date	[□]
Correspondent Bank	[□]
Correspondent Bank Swift Code	[□]
Beneficiary Bank	[□]
Swift Code	[□]
Beneficiary Account Number	[□]
Beneficiary Account Name	[□]
Payment Reference	[□]

Yours faithfully,

Authorized Signatory
HSBC Bank USA, National Association

Authorized Signatory

HSBC Bank USA, National Association

EXHIBIT H

NOTE HOLDERS REPRESENTATIVE APPOINTMENT LETTER

Dated: [•],2019 [•]
Attention: [•]

Re: US$350,101,000 of 5.65% Senior Notes due 2024 of Azure Power Solar Energy Private Limited

Reference is hereby made to the Indenture dated as of September 24, 2019 (as amended, modified or supplemented from time to time, the "***Indenture***") among Azure Power Solar Energy Private Limited, a public company with limited liability incorporated under the laws of Mauritius (the "***Company***"), Azure Power Global Limited, a public company with limited liability incorporated under the laws of Mauritius and HSBC Bank USA, National Association as trustee (the "***Trustee***"). Terms used herein are used as defined in the Indenture.

The Company hereby appoints Dushyant Ramdhur, attorney at law, of Appleby (JV) Ltd & Cie, 7th Floor Happy World House, 37, Sir William Newton Street, Port Louis, Republic of Mauritius to act as the Note Holders Representative, pursuant to the present Note Holders Representative Appointment Letter and to act as such with respect to the Notes pursuant to the Mauritius Companies Act 2001 (the "***Representative***") and the Representative hereby accepts such appointment. By accepting such appointment, the Representative agrees to be bound by and to perform the duties with respect to itself set forth in the Mauritius Companies Act and the Notes, as well as the following terms and conditions to all of which the Company agrees and to all of which the rights of the holders from time to time of the Notes shall be subject:

(a) The Representative shall be entitled to the compensation to be agreed in writing upon with the Company, for all services rendered by it under the Indenture, and the Company agrees promptly to pay such compensation and to reimburse the Representative for its properly incurred out-of- pocket expenses (including fees and expenses of counsel) incurred by it in connection with the services rendered by it hereunder and under the Indenture.

(b) The Company hereby agrees to indemnify the Representative and its officers, directors, agents, employees and representatives for, and to hold it harmless against, any loss, liability or expense (including properly incurred fees and expenses of counsel) incurred without gross negligence or willful misconduct on its part arising out of or in connection with its acting as the Representative hereunder and under the Indenture. The obligations of the Company under this paragraph (b) shall survive the payment of the Notes, the termination or expiry of the Indenture or this letter and the resignation or removal of the Representative. Under no circumstances will the Representative be liable to the Company or any other party to this letter or the Indenture for any special, indirect, punitive, consequential loss or damage of any kind (inter alia, being loss of business, goodwill, opportunity or profit), whether or not foreseeable, subject to the Representative having taken due care and reasonable steps for mitigating or minimizing the special, indirect, punitive, consequential loss or damage arising out of a foreseeable event.

(c) In acting under the Indenture and in connection with the Notes, the Representative is acting solely as Representative and does not assume any obligation towards or relationship of agency or trust for or with any of the owners or holders of the Notes other than provided in the Indenture.

(d) The Representative may consult with counsel or other professional advisors satisfactory to it and any advice or written opinion of such counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted to be taken by it under the Indenture in good faith and in accordance with such advice or opinion. The Representative shall be under an obligation to inform the Company of such advice or written opinion of such counsel and must mutually agree with the Company on the course of action to be taken.

(e) The Representative shall be fully protected and shall incur no liability for or in respect of any action taken or omitted to be taken or thing suffered by it in reliance upon any Note, notice, direction, consent, certificate, affidavit, statement or other paper or document reasonably believed by it to be genuine and to have been presented or signed by the proper party or parties. If the Representative shall be uncertain as to its duties or rights hereunder or shall receive instructions, claims or demands from the Company or any other person which, in its opinion, conflict with its rights or obligations under this Agreement, it shall be entitled to refrain from taking any action until it is directed in writing by a final order or judgment of a court of competent jurisdiction.

(f) The Representative shall be obligated to perform such duties and only such duties as are specifically set forth in the Mauritius Companies Act and hereunder, and no implied duties or obligation shall be read against the Representative. The Representative shall not be under any obligation to take any action under the Indenture or hereunder which may tend to involve it in any expense or liability, the payment of which within a reasonable time is not, in its opinion, assured to it. The Representative shall have no obligation to expend its own funds or otherwise incur any financial liability in the performance of its obligations hereunder or under the Indenture.

(g) The Representative may at any time resign by giving written notice of its resignation to the Company and the Trustee and specifying the date on which its resignation shall become effective; *provided that* such date shall be at least 60 days after the date on which such notice is given unless the Company agrees to accept shorter notice. Upon receiving such notice of resignation, the Company shall promptly appoint a successor Representative by written instrument substantially in the form hereof in triplicate signed on behalf of the Company, one copy of which shall be delivered to the resigning Representative, one copy to the successor Representative and one copy to the Trustee.

Such resignation shall become effective upon the earlier of (i) the effective date of such resignation and (ii) the acceptance of appointment by the successor Representative, as provided below. The Company may, at any time and for any reason, remove the Representative and appoint a successor Representative, by written instrument in triplicate signed on behalf of the Company, one copy of which shall be delivered to the Representative being removed, one copy to the successor Representative and one copy to the Trustee. Any removal of the Representative and any appointment of a successor Representative shall become effective upon acceptance of appointment by the successor Representative. Upon its resignation or removal, the Representative shall be entitled to the payment by the Company of its compensation for the services rendered hereunder and to the reimbursement of all properly incurred out-of-pocket expenses incurred in connection with the services rendered by it hereunder.

(h) The Company shall remove the Representative and appoint a successor paying Representative if the Representative (i) shall become incapable of acting, (ii) shall be adjudged bankrupt or insolvent, (iii) shall commence a voluntary case or other proceeding seeking

liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, (iv) shall consent to, or shall have had entered against it a court order for, any such relief or to the appointment of or taking possession by any such official in any involuntary case or other proceedings commenced against it, (v) shall make a general assignment for the benefit of creditors or (vi) shall fail generally to pay its debts as they become due.

(i) Any successor Representative appointed as provided herein shall execute and deliver to its predecessor and to the Company and the Trustee an instrument accepting such appointment (which may be in the form of an acceptance signature to the letter of the Company appointing such Representative) and thereupon such successor Representative , without any further act, deed or conveyance, shall become vested with all the rights, powers, duties and obligations of its predecessor hereunder, with like effect as if originally named as Representative and such predecessor shall pay over to such successor Representative all monies or other property at the time held by it hereunder.

Notwithstanding the above, the Company agrees with the Representative that if, no successor to such Representative has been appointed by the Company after 30 days from the notice of resignation or removal, such retiring Representative may, on behalf of and at the expense of the Company, itself appoint a successor Representative or the retiring Representative or the Company, or petition any court of competent jurisdiction for appointment of, as its successor Representative.

(j) The Representative shall treat all information relating to the Company as confidential, but (unless consent is prohibited by law) the Company consents to the transfer and disclosure by the Representative of any information relating to the Company to and between branches, subsidiaries, representative offices, affiliates of the Trustee, for confidential use in connection with the provision of any service under this letter and the Indenture. The Representative and any of its branch, subsidiary, representative office or affiliate may transfer and disclose any such information as required by any law, court regulator or legal process; *provided that* the Representative shall give the Company prompt written notice of such request so that the Company may seek a protective order or other remedy protecting such confidential information from disclosure so long as the provision of such notice is not contrary to applicable law.

(k) The Company hereby irrevocably waives, in favor of the Representative, any conflict of interest which may arise by virtue of the Representative acting in various capacities under the Indenture and this letter or for other clients of the Representative. The Company acknowledges that the Representative and its Affiliates (together, the "***Representative Parties***") may have interests in, or may be providing or may in the future provide other services to other parties with interests which the Company may regard as conflicting with its interests and may possess information (whether or not material to the Company) other than as a result of the Representative acting as Representative hereunder, that the Representative may not be entitled to share with the Company. The Representative will not disclose confidential information obtained from the Company (without its consent) to any of the Representative's other customers nor will it use on the Company's behalf any confidential information obtained from any other customer. Without prejudice to the foregoing, the Company agrees that the Representative Parties may deal (whether for its own or its customers' account) in, or advise on, securities of any party and that such dealing or giving of advice, will not constitute a conflict of interest for the purposes of the Indenture and this letter.

(l) The Representative may act through its attorneys, delegates and representatives and will not be responsible for the misconduct or negligence of any attorney, delegate or representative

appointed with due care by it hereunder or for supervising the act or proceedings of such attorney, delegate or representative.

(m) In no event shall the Representative be responsible or liable for any failure or delay in the performance of its obligations hereunder because of circumstances beyond its control, including, without limitation, acts of God, flood, war (whether declared or undeclared), terrorism, fire, riot, rebellion, embargo, civil commotion or the like which restrict or prohibit the performance of the obligations hereunder, and other causes beyond its control whether or not of the same class or kind as specifically named above subject to the Representative having exercised due care and reasonable measures to minimize or mitigate the effects of such circumstances.

(n) The Representative is not obliged to do or omit to do anything which in its reasonable opinion, would or may be illegal or would constitute a breach of any law, rule, regulation, or any decree, order or judgment of any court, or practice, request, direction, notice, announcement or similar action (whether or not having the force of law) of any relevant government, government agency, regulatory authority, stock exchange or self-regulatory organization to which the Representative is subject.

(o) The Representative shall, on demand by the Trustee by notice in writing given to them and the Company at any time after an Event of Default has occurred, until notified by the Trustee to the contrary, as far as permitted by applicable law:

(i) act thereafter as Representative of the Trustee under the Indenture and the Notes mutatis mutandis on the terms provided in this letter (save for necessary consequential amendments and the Trustee's liability under any provision hereof for the indemnification, remuneration and all other expenses of the Representative shall be limited to the amounts for the time being held by the Trustee in respect of the Notes on the trusts of the Indenture and after application of such sums in accordance with the Indenture in satisfaction of payment of sums) and thereafter hold all Certificates and moneys, documents and records held by them in respect of the Notes to the order of the Trustee.

(p) Any notice or communication to the Representative will be deemed given when sent by facsimile transmission, with transmission confirmed. Any notice to the Representative will be effective only upon receipt. The notice or communication should be addressed to the Representative at:

Representative

Dushyant Ramdhur, attorney at law, of Appleby (JV) Ltd & Cie, 7th Floor Happy World House, 37, Sir William Newton Street, Port Louis, Republic of Mauritius.

Attention: [•] With a
copy to: The Trustee

HSBC Bank USA, National Association

[•]

Facsimile no.: [•]
Attention: [•]
Any notice to the Company or the Trustee shall be given as set forth in the Indenture.

(q) Any amendment, supplement or waiver under the Indenture that adversely affects the Representative shall not affect the rights, powers, obligations, duties or immunities of the Representative unless the Representative has consented thereto.

(r) The Indenture, the Notes and this letter, together with fee proposal dated as at the date hereof between the Representative and the Company, contain the whole agreement between the parties relating to the subject matter of the Indenture and this letter and supersede any previous written or oral agreement between the parties in relation to the matters dealt with in the Indenture and this letter.

(s) This letter may be executed in counterparts, each of which shall be an original which together shall constitute one and same instrument.

The agreement set forth in this letter shall be construed in accordance with and governed by the laws of the law of Mauritius.

AZURE POWER SOLAR ENERGY PRIVATE LIMITED

Name:

Title: Director

Agreed and accepted:

REPRESENTATIVE

Name:
Title:

SIGNATURE PAGE TO NOTE HOLDERS REPRESENTATIVE APPOINTMENT LETTER

Acknowledged by:

HSBC Bank USA, National Association

Trustee

Name:
Title:

EXHIBIT I

FORM OF OPINION AND FORM OF OFFICER'S CERTIFICATE

A – FORM OF OPINION

[•], 20[•]

HSBC Bank USA, National Association, as Trustee and Notes Collateral Trustee
[•]

Azure Power Solar Energy Private Limited, as Issuer [•]

Ladies and Gentlemen:

We have been engaged by Azure Power Solar Energy Private Limited, a company with limited liability incorporated under the laws of Mauritius (the "Issuer"), to provide certain opinions in connection with the Issuer's offering of US$350,101,000 in aggregate principal amount of its 5.65% senior notes due 2024 (the "Notes"). The Notes are governed by the Indenture (the "Indenture"), dated as of September 24, 2019, among the Issuer, Azure Power Global Limited and HSBC Bank USA, National Association, as trustee. This opinion letter is furnished pursuant to Section 4.14 of the Indenture.
Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Indenture.

In arriving at the opinions expressed below we:

1. have reviewed the following documents:

   (a) an executed copy of the Indenture;

   (b) the definitive documentation for the Onshore Debt;

   (c) the Currency Hedging Agreements included in the Required Hedging Arrangements (the "Currency Hedges");

   (d) the schedules and confirmations for the Currency Hedges;

   (e) the term sheets for the Currency Hedges;

   (f) the U.S. Dollar cash flows with respect to the Notes; and

   (g) the cash flows with respect to the Onshore Debt;

2. have conducted a review of The Currency Hedging Agreements and the Issuer's contracted cash flows and its scheduled payment obligations under the Indebtedness, the Notes and the Required Hedging Arrangements; and

3. have, in our opinion, made such examination and investigation as is necessary to enable us to express the informed opinions set out in paragraphs 1 and 2 below.

In rendering the opinions expressed below, we have assumed the authenticity of all documents submitted to us as originals and the conformity to the originals of all documents submitted to us as copies. In addition, we have assumed and have not verified the accuracy as to factual matters of each document we have reviewed.

Based on the foregoing, it is our opinion that:

1. The Currency Hedging Agreements included in the Required Hedging Arrangements comprise (i) a coupon swap on the interest payments due under the Notes on each Interest Payment Date to fully protect the Issuer against any depreciation in the Indian Rupee to the U.S. Dollar occurring after the date of each Incurrence of Original Onshore Debt; and (ii) a call spread option on the principal amount of the Notes that (a) will fully protect the Issuer against any depreciation in the Indian Rupee to the U.S. Dollar occurring after the date of each Incurrence of Original Onshore Debt if the Indian Rupee to U.S. Dollar spot rate is between the current spot rate in effect on the date of such Incurrence and the strike rate (which is at least up to the at the money forward), and (b) partially protect the Issuer (by receiving the same fixed payment) against any depreciation in the Indian Rupee occurring after the date of each Incurrence of Original Onshore Debt if the Indian Rupee to U.S. Dollar spot rate is above the strike rate (which is at least up to the at the money forward), in each case on the payment of principal due under the Notes at maturity.

2. The Issuer has sufficient contracted cash flows to satisfy all scheduled payment obligations under the Notes and the Required Hedging Arrangements. [The Issuer has sufficient contracted cash flows to satisfy all scheduled payment obligations under the Indebtedness incurred under Section 4.09(12) and any related hedging arrangements thereto, the Notes and the Required Hedging Arrangements*].

We are furnishing this letter to you in connection with the issuance of the Notes. This letter is not to be relied on by or furnished to any other person or used, circulated, quoted or otherwise referred to for any other purpose. We assume no obligation to advise you, or to make any investigations, as to any factual matters arising subsequent to the date hereof that might affect the opinions expressed herein.

None of [•] or any of its officers, employees or agents shall be liable to the Holders, any beneficial owners of the Notes, the Trustee, the Notes Collateral Agent or any other person, including for any loss (whether a loss of profit, loss of opportunity or consequential loss), cost, expense or any other damage suffered by any such person, for any errors in calculations or determinations made by it hereunder, or any failure to make, or delay in making, any calculations or determinations (irrespective of whether such error, failure or delay affects any other calculations or determinations made hereunder) or otherwise in acting as Determination Agent. The foregoing does not affect the obligations of the Issuer and [•] pursuant to their separate engagement letter related to the services [•] is providing as Determination Agent.

Very truly yours, [•]

By:

*Please use the language in square brackets where the opinion is being furnished pursuant to Section 4.09(12) of the Indenture.

B – FORM OF OFFICER'S CERTIFICATE

[•], 20[•]

HSBC Bank USA, National Association, as Trustee and Notes Collateral Trustee
[•]

In connection with Azure Power Solar Energy Private Limited's, a company with limited liability incorporated under the laws of Mauritius, (the "Issuer") offering of US$350,101,000 in aggregate principal amount of its 5.65% senior notes due 2024 (the "Notes"), which are governed by the Indenture (the "Indenture"), dated as of September 24, 2019, among the Issuer, Azure Power Global Limited and HSBC Bank USA, National Association, as trustee, I [•] in my capacity as [Director] of the Issuer
furnish this certificate pursuant to Section 4.14 of the Indenture. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Indenture.

I hereby certify, in my capacity as a [Director] of the Issuer and not in my personal

capacity, that:

1. I have reviewed the following documents:

(a) an executed copy of the Indenture;

(b) the definitive documentation for the Onshore Debt;

(c) the Currency Hedging Agreements included in the Required Hedging Arrangements (the "Currency Hedges");

(d) the schedules and confirmations for the Currency Hedges;

(e) the term sheets for the Currency Hedges;

(f) the U.S. Dollar cash flows with respect to the Notes; and

(g) the cash flows with respect to the Onshore Debt.

2. I, together with appropriate officers of the Issuer, have conducted a review of The Currency Hedging Agreements and the Issuer's contracted cash flows and its scheduled payment obligations under the Indebtedness, the Notes and the Required Hedging Arrangements.

3. In my opinion, I have made such examination and investigation as is necessary to enable me to make an informed opinion and deliver the certifications set out in paragraphs 4 and 5 below.

4. The Currency Hedging Agreements included in the Required Hedging Arrangements comprise (i) a coupon swap on the interest payments due under the Notes on each Interest Payment Date to fully protect the Issuer against any depreciation in the Indian Rupee to the U.S. Dollar occurring after the date of each Incurrence of Original Onshore Debt; and (ii) a call spread option on the principal amount of the Notes that (a) will fully protect the Issuer against any depreciation in the Indian Rupee to the U.S. Dollar occurring after the date of each Incurrence of Original Onshore Debt if the Indian Rupee to U.S. Dollar spot rate is between the current spot rate in effect on the date of such Incurrence and the strike rate (which is at least up to the at the money forward), and (b) partially protect the Issuer (by receiving the same fixed payment) against any depreciation in the Indian Rupee occurring

after the date of each Incurrence of Original Onshore Debt if the Indian Rupee to U.S. Dollar spot rate is above the strike rate (which is at least up to the at the money forward), in each case on the payment of principal due under the Notes at maturity.

5. The Issuer has sufficient contracted cash flows to satisfy all scheduled payment obligations under the Notes and the Required Hedging Arrangements. [The Issuer has sufficient contracted cash flows to satisfy all scheduled payment obligations under the Indebtedness incurred under Section 4.09(12) and any related hedging arrangements thereto, the Notes and the Required Hedging Arrangements *].

I am furnishing this certificate to you in connection with the issuance of the Notes. This certificate is not to be relied on by or furnished to any other person or used, circulated, quoted or otherwise referred to for any other purpose. I assume no obligation to advise you, or to make any investigations, as to any factual matters arising subsequent to the date hereof that might affect the confirmations expressed herein.

Very truly yours, [•]

By:

*Please use the language in square brackets where the certificate is being furnished pursuant to Section 4.09(12) of the Indenture.

EXHIBIT J

FORM OF INTERCREDITOR AGREEMENT

Intercreditor Agreement

by and among

HSBC Bank USA, National Association
Indenture Trustee

The Super Senior Hedging Providers Listed in Part A of Schedule 1 Hereto HSBC Bank USA, National Association
Common Collateral Agent

Azure Power Solar Energy Private Limited
Issuer and
Azure Power Global Limited
Chargor

Dated September_ , 2019

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This Intercreditor Agreement (as supplemented and amended from time to time, this "**Agreement**"), dated as of September , 2019, by and among:

(1) **HSBC Bank USA, National Association** not in its individual capacity but solely as trustee for the Noteholders under the Indenture (the "**Indenture Trustee**");

(2) The Super Senior Hedging Providers listed in Part A of Schedule 1 hereto;

(3) **HSBC Bank USA, National Association** as common collateral agent for the benefit of the Indenture Trustee (for itself and the benefit of the Noteholders) and the other Secured Parties (the "**Common Collateral Agent**");

(4) **Azure Power Solar Energy Private Limited** (the "**Issuer**"); and

(5) **Azure Power Global Limited** as the chargor (the "**Chargor**") under the Fixed Charge Agreement or other Shared Secured Documents.

Whereas:

(A) The Issuer, the Chargor and the Indenture Trustee have entered into the Indenture and the Issuer has entered into the Super Senior Hedging Agreements.

(B) The Issuer may from time to time incur additional Permitted Pari Passu Secured Indebtedness in accordance with the terms of the Indenture.

(C) The Chargor has charged the Pari Passu Collateral to the Common Collateral Agent to provide a Security Interest for the Note Obligations, the Super Senior Hedging Obligations and any other Permitted Pari Passu Secured Obligations.

(D) The execution of this Agreement is authorized under the Indenture.

NOW, THEREFORE, in consideration of the foregoing and the mutual promises and covenants contained herein and for other good and valuable consideration, the parties hereto agree as follows:

1. Definitions

1.1 In this Agreement (including the recitals):

"**1992 ISDA Master Agreement**" means the Master Agreement (Multicurrency – Cross Border) as published by the International Swaps and Derivatives Association, Inc.

"**2002 ISDA Master Agreement**" means the 2002 Master Agreement as published by the International Swaps and Derivatives Association, Inc.

"**Additional Notes**" has the meaning given to such term in the Indenture.

"**Agent**" has the meaning given to such term in the Indenture and any similar agents for Permitted Pari Passu Secured Indebtedness.

"**Close-Out Netting**" means:

(a) in respect of a Super Senior Hedging Agreement based on a 1992 ISDA Master Agreement, any step involved in determining the amount payable in respect of an Early Termination Date (as defined in the 1992 ISDA Master Agreement) under section 6(e) of the 1992 ISDA Master Agreement before the application of any subsequent set-off (as defined in the 1992 ISDA Master Agreement);

(b) in respect of a Super Senior Hedging Agreement based on a 2002 ISDA Master Agreement, any step involved in determining an Early Termination Amount (as

defined in the 2002 ISDA Master Agreement) under section 6(e) of the 2002 ISDA Master Agreement; and

(c) in respect of a Super Senior Hedging Agreement not based on an ISDA Master Agreement, any step involved on a termination of the transactions under that Super Senior Hedging Agreement pursuant to any provision of that Super Senior Hedging Agreement which has a similar effect to either provision referenced in paragraph (a) and paragraph (b) above.

"**Business Day**" means any day which is not a Saturday, Sunday, legal holiday or other day on which banking institutions in The City of New York, London, Mauritius or India are authorized by law or governmental regulation to close.

"**Defaulting Hedging Provider**" means any Hedging Provider in respect of which an Event of Default (as defined in the relevant Hedging Agreement) in relation to which such Hedging Provider is the Defaulting Party (as defined in the relevant Hedging Agreement) occurs.

"**Enforcement Notice**" means any enforcement notice to be delivered by the Common Collateral Agent to the Issuer and the Chargor to the effect that the Pari Passu Collateral has become enforceable as a result of the occurrence of an Event of Default that is continuing.

"**Event of Default**" has the meaning given to such term in any applicable Secured Party Document, *provided* that in respect of any Hedging Agreement based on a 1992 ISDA Master Agreement or 2002 ISDA Master Agreement, such term shall also include the occurrence or designation of an Early Termination Date with respect to all transactions thereunder resulting from any Termination Event as such term is defined in such Hedging Agreement. For the avoidance of doubt, the foregoing reference to a Termination Event under this definition shall not imply or be construed that a default or event of default has occurred under any agreement.

"**Fixed Charge Agreement**" means the Fixed Charge Agreement dated September 24, 2019 between the Chargor and the Common Collateral Agent in respect of the share capital of the Issuer.

"**Hedging Agreements**" means the hedging agreements entered into by the Issuer and the Hedging Providers (including any Hedging Providers acceding thereto) (as may be amended, supplemented or superseded from time to time) for the purpose of protecting the Issuer from fluctuations in currency exchange rates, interest rates or commodity prices and not for speculation.

"**Hedging Obligation**" means, as of any date of determination, the aggregate for each Hedging Agreement of:

(a) the net amount payable to any or all of the Hedging Providers in connection with Hedging Agreements where the transactions under such Hedging Agreements have been closed out on or before such date of determination and the net amount calculated in accordance with the relevant Hedging Agreements; and

(b) the net amounts that would be payable to any or all of the Hedging Providers in connection with Hedging Agreements if the transactions under such Hedging Agreements were closed out or terminated at or about 11:00 a.m. (London time) on such date of determination and such net amount calculated in accordance with the relevant Hedging Agreements; provided that if such aggregate net amount is a negative number the Hedging Obligation of the Hedging Providers will be zero,

in each case, to be certified by the relevant Hedging Provider and as calculated in accordance with the relevant Hedging Agreement.

"**Hedging Providers**" means the persons identified in Schedule 1 hereto as having entered into Hedging Agreements (including, for the avoidance of doubt, the Super Senior Hedging Providers).

"**Indenture**" means the indenture dated as of September 24, 2019 relating to the Notes, as amended, restated, supplemented or otherwise modified from time to time.

"**ISDA Master Agreement**" means a 1992 ISDA Master Agreement or a 2002 ISDA Master Agreement, as applicable.

"**Liabilities**" means all present and future moneys, debts, liabilities and obligations due at any time by the Issuer to any Secured Party under the Secured Party Documents, both actual and contingent.

"**Majority Secured Parties**" means the Secured Parties which have provided a written instruction or instructions to the Common Collateral Agent hereunder and collectively represent more than 50% of the aggregate of the Note Obligations, the Hedging Obligations and any other Permitted Pari Passu Secured Obligations outstanding at such time, calculated based on the Common Collateral Agent's spot rate of exchange for the purchase of the applicable currencies in U.S. Dollars in the London foreign exchange market at or about 11:00 a.m. (London time) on the date of determination.

"**Majority Super Senior Hedging Providers**" means the Super Senior Hedging Providers which have provided a written instruction or instructions to the Common Collateral Agent hereunder and collectively represent more than 50% of the aggregate Super Senior Hedging Obligations outstanding at such time, calculated in accordance with the Super Senior Hedging Agreements on the date of determination.

"**Note Documents**" means the Indenture and the Notes and such other agreements, instruments and certificates executed and delivered (or issued) by the Issuer or any Note Guarantor pursuant to the foregoing documents.

"**Note Obligations**" means all present and future obligations, contingent or otherwise, of the Issuer to the Indenture Trustee and the holders of the Notes arising under or pursuant to the Note Documents, including any interest, fees and expenses accruing after the initiation of any insolvency proceeding (irrespective of whether such interest, fees and expenses are allowed as a claim in such proceeding).

"**Notes**" means the Issuer's US$350,101,000 5.65% Senior Secured Notes due 2024 and any Additional Notes.

"**Note Guarantee**" has the meaning given to it in the Indenture. "**Noteholders**" means the Holders (as such term is defined in the Indenture). "**Payment Netting**" means:

(a) in respect of a Super Senior Hedging Agreement based on an ISDA Master Agreement, netting under section 2(c) of the relevant ISDA Master Agreement; and

(b) in respect of a Super Senior Hedging Agreement not based on an ISDA Master Agreement, netting pursuant to any provision of that Super Senior Hedging Agreement which has a similar effect to the provision referenced in paragraph (a) above

"**Pari Passu Collateral**" means all assets charged, or purported to be charged, by the Issuer and the Chargor to the Common Collateral Agent under the Shared Security Documents, including proceeds thereof.

"**Payment**" means any payment, repayment, prepayment, redemption, defeasance or discharge of any principal, interest or other amount on or in respect of any of the Liabilities (or other liabilities or obligations).

"**Permitted Pari Passu Secured Indebtedness**" means any "**Permitted Pari Passu Secured Indebtedness**" as defined under and incurred in compliance with the terms of the Indenture.

"**Permitted Pari Passu Secured Indebtedness Documents**" means all agreements governing or evidencing Permitted Pari Passu Secured Indebtedness.

"**Permitted Pari Passu Secured Obligations**" means all present and future obligations, contingent or otherwise, of the Issuer to any holder of the Permitted Pari Passu Secured Indebtedness, that has (or the agent or representative thereof has) become a party hereto in its capacity as a Secured Party, arising under or pursuant to the Secured Party Documents to which such Permitted Pari Passu Secured Indebtedness relates, including any interest, fees and expenses accruing after the initiation of any insolvency proceeding (irrespective of whether such interest, fees and expenses are allowed as a claim in such proceeding).

"**Person**" means any individual, corporation, partnership, joint venture, association, joint- stock company, trust, unincorporated organization, limited liability company or government or other entity.

"**proceeds**" has the meaning given to such term set forth in Article 9 of the New York Uniform Commercial Code.

"**Secured Parties**" means, collectively, the Indenture Trustee for the benefit of the Noteholders, the Super Senior Hedging Providers and any holder (or any representative or agent thereof) of any other Permitted Pari Passu Secured Indebtedness that has been identified in Schedule 1 hereto and become a party to this Agreement pursuant to Section 8 hereof on behalf of itself or, as the case may be, holder(s) of Permitted Pari Passu Secured Indebtedness.

"**Secured Party Documents**" means the Note Documents, the Super Senior Hedging Agreements and the other Permitted Pari Passu Secured Indebtedness Documents.

"**Security Enforcement Objective**" means maximizing, so far as is consistent with prompt and expeditious realization of value from enforcement of the Shared Security Interest, and in a manner consistent with the provisions of this Agreement, including, in particular, the order of application of proceeds set forth in Section 5 hereof, the recovery by the Super Senior Hedging Providers, the Noteholders and the holders of other Permitted Pari Passu Secured Indebtedness.

"**Security Enforcement Principles**" means the principles set forth in Schedule 2 hereto.

"**Security Interest**" means any mortgage, pledge, security interest, encumbrance, lien or charge of any kind (including, without limitation, any conditional sale or other title retention agreement or lease in the nature thereof or any agreement to create any mortgage, pledge, security interest, lien, charge, easement or encumbrance of any kind).

"**Shared Security Documents**" means the Fixed Charge Agreement and any other document executed from time to time evidencing the Shared Security Interest, in each case as such may be amended, supplemented or modified from time to time.

"**Shared Security Interest**" means the Security Interest in favor of the Common Collateral Agent as agent for the Secured Parties created, or purported to be created, pursuant to the Shared Security Documents.

"**Super Senior Hedging Agreements**" means the Hedging Agreements entered into by the Issuer for the purpose of protecting it from fluctuations in currency exchange rates or interest rates related to the Notes or Permitted Pari Passu Secured Indebtedness.

"**Super Senior Hedging Providers**" means the Hedging Providers that have entered into Super Senior Hedging Agreements.

"**Super Senior Hedging Obligations**" means the Hedging Obligations of the Super Senior Hedging Providers under the Super Senior Hedging Agreements.

1.2 A reference in this Agreement to any party or person shall be construed so as to include its successors in title, permitted assigns and permitted transferees, including in the case of the Issuer, any successor to the Issuer under the Indenture.

1.3 Section, clause and schedule headings are for ease of reference only.

2. Pari Passu Security

2.1 Notwithstanding (a) the time, order or method of attachment or perfection of any Security Interests, the time or order of filing of financing statements (or similar filings in any applicable jurisdiction), or the giving of or failure to give notice of the acquisition or expected acquisition of purchase money or other Security Interest, (b) the manner in which the Shared Security Interest is acquired, whether by grant, statute or operation of law, subrogation or otherwise, (c) the fact that the Pari Passu Collateral or Shared Security Interest (or any portion thereof) is otherwise subordinated, voided, avoided, invalidated or lapsed and (d) any applicable law or any provision to the contrary in any Secured Party Document and the Shared Security Documents with respect to the Pari Passu Collateral and all proceeds of the Pari Passu Collateral, each Secured Party agrees that (i) the Security Interest of each Secured Party in the Pari Passu Collateral ranks and shall rank equally in priority with the Security Interest of the other Secured Parties in the Pari Passu Collateral and (ii) the Note Obligations, the Hedging Obligations and any other Permitted Pari Passu Secured Obligations rank and shall rank *pari passu* among themselves.

2.2 The agreements as to the priority of the Security Interest of each Secured Party in and to the Pari Passu Collateral provided for herein shall not be deemed to subordinate or otherwise affect in any respect the Security Interest securing any other indebtedness (which, for the avoidance of doubt, does not include any Note Obligations, Super Senior Hedging Obligations or other Permitted Pari Passu Secured Obligations) of the Issuer or the Chargor.

2.3 Each Secured Party agrees that it will not attack, contest or bring (or voluntarily join in) any action for the purpose of contesting the validity, perfection, priority or enforceability of the Security Interest of any other Secured Party or finance or urge any other Person to do so; *provided* that any Secured Party may enforce its rights and privileges hereunder without being deemed to have violated this provision. Any provision contained in this Agreement to the contrary notwithstanding, the terms and conditions of this Agreement shall not apply to any property or asset (including properties or assets (or proceeds thereof) that do not constitute Pari Passu Collateral) as to which one Secured Party has a Security Interest and as to which the other Secured Parties do not have a Security Interest.

3. Appointment of the Common Collateral Agent

3.1 Each Secured Party hereby irrevocably appoints and authorizes the Common Collateral Agent to act as its collateral agent under and in connection with the Shared Security Documents and this Agreement in accordance with laws of the State of New York or the law of another applicable jurisdiction, as the case may be, and authorizes the Common Collateral Agent to enter on its behalf and on behalf of the Noteholders (in the case of the Indenture Trustee), the Super Senior Hedging Providers and, if applicable, the holders of any other Permitted Pari

Passu Secured Indebtedness to which such Secured Party relates, into the Shared Security Documents.

3.2 The Common Collateral Agent agrees and acknowledges that it shall hold the Pari Passu Collateral and any Security Interest thereon for the equal and ratable benefit of all Secured Parties in accordance with the terms of the Shared Security Documents and subject to the terms and conditions of this Agreement, including, in particular, the order of application of proceeds set forth in Section 5 hereof. Each of the Secured Parties agrees and acknowledges that the Shared Security Documents shall be subject to the terms and conditions of this Agreement in all circumstances, and further agrees that it shall pay all proceeds received or realized by it in relation to the Pari Passu Collateral granted in favor of it under the Shared Security Documents and any Security Interest thereon to the Common Collateral Agent for application and distribution in accordance with Section 5 hereof.

3.3 In addition to its rights, powers, privileges, limitations and exculpation set forth herein, the Common Collateral Agent shall be entitled, in acting as common collateral agent for the Secured Parties, to all of the rights, powers and privileges, and the benefit of the limitations and exculpations, as set out in the Shared Security Documents and the Secured Party Documents or in accordance with applicable laws and regulations.

3.4 As of the date hereof, this Agreement is entered into by the Indenture Trustee, the Super Senior Hedging Providers, the Common Collateral Agent, the Issuer and the Chargor pursuant to section 4.25 (*Intercreditor Agreement and Priority*) of the Indenture.

3.5 The Chargor shall deliver all original share certificates, transfer forms and all other perfection documents to the Common Collateral Agent on or prior to the date hereof under the Shared Security Documents and the Common Collateral Agent shall hold such documents subject to the terms of this Agreement.

3.6 Any Secured Party who is holding any perfection document shall deliver such perfection document to the Common Collateral Agent to hold such perfection documents for the benefit of all Secured Parties.

3.7 For the limited purpose of perfecting the Security Interests of the Secured Parties in those types or items of the Pari Passu Collateral, if any, in which a Security Interest may only be perfected by possession or control, any Secured Party that is in possession or control of such Pari Passu Collateral agrees that if it elects to relinquish possession or control of such Pari Passu Collateral, it shall deliver possession or control thereof to the Common Collateral Agent; *provided* that, no Secured Party shall be required to deliver any such Pari Passu Collateral or take any other action referred to in this Section to the extent that such action would contravene any law, order or other legal requirements, and in the event of a controversy or dispute, such Secured Party may interplead any item of Pari Passu Collateral in any court of competent jurisdiction.

4. Enforcement; Written Instructions

4.1 Only the Common Collateral Agent (or any delegate, receiver or other Person appointed by the Common Collateral Agent in accordance with the Shared Security Documents or this Agreement) shall be entitled to act, or otherwise refrain from acting, in connection with, or enforce (including, without obligation, to perfect or continue the perfection of), the Shared Security Interest on behalf of the Secured Parties pursuant to the terms of the applicable Shared Security Document and this Agreement.

4.2 Each Secured Party agrees that, in relation to any instruction given by it to the Common Collateral Agent to take action in relation to depositing or maintaining any Pari Passu Collateral subject to a Shared Security Interest or any other action in respect of such Pari Passu Collateral, any Secured Party may provide to the Common Collateral Agent written

instructions signed by an authorized person of such Secured Party; *provided, however, that* upon receipt of any such written instruction from any Secured Party, the Common Collateral Agent shall as soon as reasonably practicable provide the Issuer and the Chargor and the other Secured Parties with a copy of such instruction.

4.3 Upon the occurrence and during the continuance of an Event of Default, any Secured Party may, to the extent permitted or not restricted under the applicable Secured Party Document, notify in writing the Common Collateral Agent (with a copy to the other Secured Parties) of the occurrence of such Event of Default and may instruct in writing the Common Collateral Agent (with a copy to the other Secured Parties) to (i) enforce the Pari Passu Collateral and
(ii) deliver an Enforcement Notice to the Issuer and the Chargor (such instructions, the "**Enforcement Instructions**"); *provided, however*, that in the case of the Super Senior Hedging Providers, the Enforcement Instructions shall be given by or on behalf of the Majority Super Senior Hedging Providers. Upon receipt of an Enforcement Instruction, the Common Collateral Agent shall act, in accordance with written instructions received by it from the applicable Secured Party, to enforce on or against the Shared Security Interest subject to Sections 4.4, 4.5, 4.7 and 9 hereof *provided, however, that* upon receipt of an Enforcement Instruction, the Common Collateral Agent shall as soon as reasonably practicable provide the Issuer, the Chargor and the other Secured Parties accordingly with a copy of such Enforcement Instruction and such Enforcement Notice. Any Enforcement Instruction delivered pursuant to this Agreement shall expressly include instructions as to the actions to be taken by the Common Collateral Agent to enforce the Pari Passu Collateral and shall include a certification (upon which the Common Collateral Agent may conclusively rely) that the actions contemplated by such Enforcement Instruction complies with and is in accordance with the Security Enforcement Principles.

4.4 Notwithstanding any provision herein to the contrary but subject to Section 9 hereof, if the Common Collateral Agent identifies a conflict:

(a) between Secured Parties' interests in connection with any Enforcement Instructions; or

(b) in the event that more than one of the Secured Parties issues Enforcement Instructions, between those Enforcement Instructions,

and the Common Collateral Agent believes in its sole and absolute discretion that the interests of the Secured Parties would be in conflict upon the exercise of those Enforcement Instructions, or that compliance with an Enforcement Instruction would cause the Common Collateral Agent to contravene another Enforcement Instruction, the Common Collateral Agent shall notify each Secured Party in writing not more than ten (10) Business Days after it becomes aware of such conflict that the Common Collateral Agent considers such a conflict exists and the Common Collateral Agent is not obligated to take any action if it identifies such conflict; *provided that*, the Common Collateral Agent shall act in accordance with such Enforcement Instructions to the extent that such Enforcement Instructions do not conflict with each other and further *provided that* the Common Collateral Agent shall act in accordance with Section 9 hereof.

4.5 Notwithstanding anything to the contrary contained in this Agreement, if the Common Collateral Agent shall receive any instruction from any Secured Party with respect to any act or action (including failure to act) in connection with this Agreement or the Shared Security Documents, the Common Collateral Agent shall be entitled to refrain from such act or taking such action unless and until it shall have received written instruction from any Secured Party and to the extent requested, indemnification and/or security and/or pre-funding to its satisfaction in respect of actions to be taken, and the Common Collateral Agent shall not incur liability to any Secured Party, any Noteholder or any holder of Permitted Pari Passu Secured Indebtedness or any other Person by reason of so refraining. Without limiting the foregoing,

no party hereto shall have any right of action whatsoever against the Common Collateral Agent and the Common Collateral Agent shall incur no liability to any party hereto as a result of the Common Collateral Agent acting or refraining from acting hereunder in accordance with the instructions of the Secured Parties or under any Shared Security Document as provided for therein.

4.6 The Common Collateral Agent shall be entitled to seek directions as to the exercise or non- exercise of any of its rights, powers, or discretions from the instructing Secured Party and to seek clarification of any instruction previously given, and the Common Collateral Agent shall be entitled to refrain from acting in the absence of any, or any clear, written instructions.

4.7 The Common Collateral Agent may refrain from acting unless and until (a) clearly instructed in writing by a Secured Party as to whether or not any right, power or discretion is to be exercised and, if it is to be exercised, as to the manner in which it should be exercised and (b) it has received security and/or indemnity and/or pre-funding satisfactory to it.

4.8 The Common Collateral Agent shall be fully protected and not liable if it complies with any instructions of any Secured Party as the case may be with respect to any Enforcement Instruction in accordance with the provisions of this Section or any other instruction of a Secured Party provided pursuant to any Shared Security Document or this Agreement.

4.9 The Common Collateral Agent shall not be responsible to any Secured Party for any failure to enforce or to maximize the proceeds of any enforcement in respect of any Enforcement Instruction.

4.10 Each Secured Party agrees to certify to the Common Collateral Agent, (x) upon reasonable request of the Common Collateral Agent and (y) at any time when an instruction is provided by a Secured Party to the Common Collateral Agent hereunder, the outstanding principal amount of, as the case may be, the Notes or the Permitted Pari Passu Secured Indebtedness to which such Secured Party relates.

4.11 The Common Collateral Agent shall not be responsible for acting or refraining from acting unless instructed by any written instruction or Enforcement Instruction received by it pursuant to the terms of this Agreement or any Shared Security Document and shall not have any responsibility or liability to any interests arising from circumstances particular to any holder (whatever their number) as regards the exercise and performance of all powers, authorities, duties, discretions and obligations of the Common Collateral Agent in respect of the Pari Passu Collateral or the rights or benefits which are comprised in the Pari Passu Collateral. Prior to receiving any Enforcement Instruction from any Secured Party, the Common Collateral Agent shall be under no obligation to take any steps to call in or to enforce the Pari Passu Collateral and shall not be liable for any liability, damages, cost, loss or expense (including legal fees) and any value added tax thereon arising from any omissions on its part to take any such steps.

4.12 The Common Collateral Agent shall not be responsible and/or liable for the priority of the Pari Passu Collateral on enforcement.

4.13 The Issuer and the Chargor will promptly and diligently notify the Common Collateral Agent and each Secured Party of:

(a) any occurrence of which they become aware which might:

(i) adversely affect their ability to perform any of their obligations under, or otherwise to comply with any of the terms of, this Agreement; or

(ii) jeopardize any assets comprising the Pari Passu Collateral; and

(b) any steps or action which they are taking, or are considering taking, to remedy or mitigate the effect of such occurrence.

5. Distribution of Proceeds and Release

Following the delivery of an Enforcement Instruction, the Issuer may not make any Payment in respect of any Liabilities except from the proceeds from any sale, collection, liquidation or enforcement of the Pari Passu Collateral, which shall be distributed by the Common Collateral Agent in accordance with the terms hereof and subject to the conditions of the relevant Shared Security Document, *provided* that the Payments prohibited by this Section 5 shall remain owing by the Issuer to the extent not paid. Notwithstanding any provision of this Agreement to the contrary, such proceeds shall be applied as follows:

(a) *first*, to the Indenture Trustee, the Common Collateral Agent, the Agents and, to the extent applicable, any representative of holders of any Permitted Pari Passu Secured Indebtedness, to the extent necessary to reimburse the Indenture Trustee, the Common Collateral Agent, the Agents and any such representative for any unpaid fees, costs and expenses (including fees and expenses of legal counsel) incurred in connection with the collection or distribution of such amounts held or realized or in connection with expenses (including fees and expenses of legal counsel) incurred in enforcing its remedies under the Shared Security Documents and preserving the Pari Passu Collateral and all amounts for which the Indenture Trustee, the Common Collateral Agent, the Agents and any such representative are entitled to indemnification under the Shared Security Documents and this Agreement;

(b) *second*, on a *pro rata* and *pari passu* basis to the Super Senior Hedging Providers (other than any Defaulting Hedging Providers) under Super Senior Hedging Obligations;

(c) *third*, to the Indenture Trustee for the benefit of Noteholders and, to the extent applicable, holders of any Permitted Pari Passu Secured Indebtedness (or their representative) (other than the Super Senior Hedging Providers and any Defaulting Hedging Providers) on a *pro rata* and *pari passu* basis;

(d) *fourth*, to any Defaulting Hedging Providers on a *pro rata* and *pari passu* basis; and

(e) *fifth*, any surplus remaining after such payments will be paid to the Issuer or whomever may be lawfully entitled thereto.

Each party hereto agrees that any proceeds of the Pari Passu Collateral received or recovered by it in violation of the priorities set forth above and the other provisions of this Agreement shall be segregated and held in trust and promptly paid over to the Common Collateral Agent, in the same form as received, with any necessary endorsements, for application in accordance with the priorities set forth above.

Each Secured Party expressly authorizes and instructs the Common Collateral Agent to execute any and all documents (including releases) with respect to the Pari Passu Collateral and the rights of each of the Secured Parties with respect thereto as contemplated by and in accordance with the provisions of this Agreement and the Shared Security Documents.

6. Resignation and Replacement of Common Collateral Agent

6.1 Resignation

The Common Collateral Agent may resign without giving any reason at any time by thirty (30) calendar days' prior written notice of resignation to each Secured Party, the Issuer and the Chargor.

6.2 Removal

(a) The Common Collateral Agent may be removed by sixty (60) days' prior written notice of removal to the Common Collateral Agent from the Majority Secured Parties, with a copy thereof to the Issuer and the Chargor.

(b) If the Common Collateral Agent has resigned or has been removed by or on behalf of the Secured Parties, the Secured Parties (in consultation with the Issuer and Chargor (so long as no Event of Default has occurred and is continuing)) shall appoint a successor Common Collateral Agent and give notice of such successor Common Collateral Agent to the retiring Common Collateral Agent, the Issuer and the Chargor within thirty (30) calendar days of giving the foregoing notice of removal to the Common Collateral Agent or of receiving the foregoing notice of resignation from the retiring Common Collateral Agent.

(c) If a successor Common Collateral Agent has not been appointed, or has not accepted such appointment, within thirty (30) calendar days after the retiring Common Collateral Agent has given notice of resignation or has received notice of removal, the retiring Common Collateral Agent may, at the expense of the Issuer, and with notice to the Issuer and the Chargor, appoint a successor Common Collateral Agent or any one of the Secured Parties or the retiring Common Collateral Agent may apply to a court of competent jurisdiction for the appointment of a successor Common Collateral Agent or for other appropriate relief.

6.3 Effectiveness

A resignation or removal of the Common Collateral Agent and appointment of a successor Common Collateral Agent will become effective only upon:

(a) the successor Common Collateral Agent's acceptance of appointment as provided in this Section 6; and

(b) the execution of all documents that are necessary to substitute the successor Common Collateral Agent hereunder pursuant to Section 6.4 hereof and under each of the Shared Security Documents.

6.4 Transfer of rights and interests

Upon delivery by the successor Common Collateral Agent of a written acceptance of its appointment to the retiring Common Collateral Agent and each Secured Party, and upon the execution of all documents that are necessary to substitute the successor Common Collateral Agent hereunder and under each of the Shared Security Documents:

(a) the retiring Common Collateral Agent will at the expense of the Issuer and the Chargor transfer and assign all property and documents held by it as Common Collateral Agent to the successor Common Collateral Agent, subject to the Shared Security Interest;

(b) the resignation or removal of the retiring Common Collateral Agent will become effective; and

(c) the successor Common Collateral Agent will have all the rights, powers and duties of the retired Common Collateral Agent under this Agreement and the Shared Security Documents and the retiring Common Collateral Agent shall have no further duties, responsibilities or obligations hereunder.

6.5 Failure to appoint successor Common Collateral Agent

Without prejudice to the Common Collateral Agent's rights under Section 9 hereof in the event that:

(a) the Common Collateral Agent has given notice of its resignation pursuant to Section 6.1 hereof, or any Secured Party has given notice to the Common Collateral Agent of its removal pursuant to Section 6.2 hereof; and

(b) a successor Common Collateral Agent has not been appointed or has not accepted its appointment, or the requirements of Sections 6.3 and 6.4 hereof relating to the transfer of the rights and interests of the Common Collateral Agent to the successor Common Collateral Agent have not been satisfied, in each case within thirty (30) calendar days of the date of delivery of such notice,

the Common Collateral Agent may, at its option, refuse to comply with any claims or demands, including without limitation, any Enforcement Instruction, and refuse to take any other action hereunder; *provided, however, that* the Common Collateral Agent shall inform each Secured Party, the Issuer and the Chargor in writing of its decision, and in any such event, the Common Collateral Agent shall not be liable in any way or to any person for its failure or refusal to act if the circumstances set out in this Section 6.5 occur, and the Common Collateral Agent shall be entitled to continue to so refuse to act and refrain from acting until the matters referred to in paragraph (b) above have been satisfied.

7. Super Senior Hedging Obligations

7.1 No payment may be made to a Super Senior Hedging Provider by (or on behalf of) the Issuer or the Common Collateral Agent if any scheduled payment due from that Super Senior Hedging Provider to the Issuer under a Super Senior Hedging Agreement is due and unpaid unless the scheduled payment due from that Super Senior Hedging Provider to the Issuer under a Super Senior Hedging Agreement based on a 1992 ISDA Master Agreement or 2002 ISDA Master Agreement is being withheld pursuant to the provisions of section 2(a)(iii) of such Super Senior Hedging Agreement.

7.2 Failure by the Issuer to make a payment to a Super Senior Hedging Provider which results solely from the operation of Section 7.1 hereof shall, without prejudice to Section 7.3 hereof, not result in a default, potential event of default, event of default or termination event (however described) by or in respect of the Issuer under that Super Senior Hedging Agreement.

7.3 The Issuer shall not be released from liability for failing to make any payment under the terms of any Super Senior Hedging Agreement by the operation of Section 7.1 hereof even if its obligation to make that payment is restricted at any time by Section 7.1 hereof.

7.4 If, on termination of any transaction under any Super Senior Hedging Agreement occurring after the acceleration of the Notes or any Permitted Pari Passu Secured Indebtedness or the delivery of any Enforcement Instruction, a settlement amount or other amount (following the application of any Close-Out Netting or Payment Netting in respect of that Super Senior Hedging Agreement) falls due from a Super Senior Hedging Provider to the Issuer, then that amount shall be paid by that Super Senior Hedging Provider to the Common Collateral Agent, treated as the proceeds of enforcement of the Shared Security Interest and applied in accordance with the terms of this Agreement. The payment of such amount by the Super Senior Hedging Provider to the Common Collateral Agent in accordance with this Section 7.4 shall discharge the Super Senior Hedging Provider's obligation to pay such amount to the Issuer.

7.5 For the avoidance of doubt, in the event of any inconsistency between the provisions of the Super Senior Hedging Agreement and this Section 7, this Section 7 will prevail.

8. Accession of Holders of Permitted Pari Passu Secured Indebtedness

Without prejudice to any provision of the Secured Party Documents, the Issuer may not incur Permitted Pari Passu Secured Indebtedness (other than Additional Notes or other indebtedness in respect of which the holders or their representative is already a party to this Agreement) and the Chargor may not create Security Interests on the Pari Passu Collateral unless the holder(s) (or a representative on its or their behalf) of such Permitted Pari Passu Secured Indebtedness agree(s) to become a party hereto pursuant to a supplement hereto substantially in the form of Exhibit A and the Common Collateral Agent is satisfied with its internal compliance procedures (including but not limited to Know Your Client checks) in respect of such additional party acceding to this Agreement. Upon (a) the due execution and delivery of such supplement by each such holder (or its representative) and (b) the satisfaction of any and all conditions under the Secured Party Documents to the incurrence of such Permitted Pari Passu Secured Indebtedness by the Issuer or the Chargor, such holder (or its representative) shall become a Secured Party (and a Super Senior Hedging Provider, if applicable) bound by the provisions hereof and Schedule 1 hereto shall be deemed to be amended to incorporate the particulars of such holder (or its representative) set forth in Annex A to such supplement. Without prejudice to any other provisions of this Agreement, this Section 8 shall not oblige any successor, assign or transferee under the Indenture to execute a supplement hereto. The Issuer shall promptly deliver to the Common Collateral Agent an updated Schedule 1 hereto reflecting such particulars.

9. Dispute

9.1 In the event of any disagreement between any Secured Parties or between a Secured Party and the Majority Secured Parties, or if the Common Collateral Agent believes at its sole and absolute discretion that any conflict has arisen:

(a) between such Secured Parties' interests in connection with any instructions given by any Secured Party; or

(b) in the event that each of the Secured Parties issues any instructions with respect to the same or a similar subject, between those instructions,

any Secured Party or the Common Collateral Agent may deliver a notice to the other Secured Parties and the Common Collateral Agent, as applicable, and the delivery of such notice shall commence a 30 calendar day consultation period during which time the Secured Parties shall consult with each other in good faith with a view to coordinating the proposed instructions and keep the Common Collateral Agent informed of such consultation and coordination efforts. If consultation has taken place for at least 30 calendar days, there shall be no further obligation to consult and, the Common Collateral Agent may act in accordance with the

instructions of the Majority Secured Parties, which shall be binding on all Secured Parties; *provided that* the Majority Secured Parties shall provide such instructions that comply with the Security Enforcement Principles; *provided further that* if no such instructions from the Majority Secured Parties are available, the Common Collateral Agent may, at its option, refuse to comply with any claims or demands, and refuse to take any other action hereunder, so long as such disagreement or conflict continues; *provided further that* if the Common Collateral Agent receives conflicting instructions as to whether or not to enforce the Shared Security Interest, the instructions that direct the Common Collateral Agent to enforce the Shared Security Interest shall prevail subject, in the case of Super Senior Hedging Providers, that any such instruction have come from the Majority Super Senior Hedging Providers, and in any such event, the Common Collateral Agent shall not be liable in any way or to any person for its failure or refusal to act if the circumstances set out in this Section 9.1 occur, and the Common Collateral Agent shall be entitled to continue to so refuse to act and refrain from acting until (i) the rights of all parties having or claiming an interest in the Shared Security Interest shall have been fully and finally adjudicated by a court of competent jurisdiction or the disagreement or, as the case may be, the conflict shall have been resolved by agreement between the Secured Parties (and the Secured Parties shall consult with one another in good faith for at least 30 calendar days with a view to resolving the disagreement or, as the case may be, the conflict), and (ii) the Common Collateral Agent shall, in the case of adjudication by a court of competent jurisdiction, have received a final order, judgment or decree by such court of competent jurisdiction, which order, judgment or decree is not subject to appeal, and in the case of resolution of differences by agreement, have received a notice in writing signed by an authorized person of each of the Secured Parties setting forth in detail the agreement. The Common Collateral Agent shall have the option, after 30 calendar days' notice to the other parties of its intention to do so, to file an action in interpleader requiring the parties hereto to answer and litigate any claims and rights among themselves. The costs and expenses (including attorneys' fees and expenses) properly incurred by the Common Collateral Agent in connection with such proceeding shall be paid by, and be the obligation of, the Issuer, and the Common Collateral Agent shall have the right to pay or reimburse itself for the prior payment of such fees and expenses from the Shared Security Interest.

9.2 The Common Collateral Agent may consult with legal counsel and/or professional advisors of its selection in the event of any dispute or question as to the meaning or construction of any of the provisions hereof or its duties hereunder, and shall incur no liability and shall be fully protected in acting in accordance with the opinion and instructions of such counsel. The Issuer agrees to reimburse the Common Collateral Agent on demand for all legal fees, disbursements and expenses properly incurred by the Common Collateral Agent in so consulting with legal counsel and the Common Collateral Agent shall have the right to pay or reimburse itself for the prior payment of such fees, disbursements and expenses from the Shared Security Interest.

Each Secured Party agrees or is deemed to agree that it shall provide or cause to be provided an Enforcement Instruction that is in accordance with the Security Enforcement Principles and, upon delivery of any Enforcement Instruction, shall be deemed to certify that such Enforcement Instruction is in accordance with the Security Enforcement Principles.

9.3 The parties hereto agree that any instructions given by any Secured Party to the Common Collateral Agent hereunder or any document executed in connection therewith shall in all circumstances be subject to this Section 9.

9.4 The rights of the Common Collateral Agent under this Section 9 are cumulative of all other rights which it may have by law or otherwise.

10. Representations and Warranties

Each Secured Party, the Issuer and the Chargor, each individually, hereby represents and warrants that (i) this Agreement has been duly authorized, executed and delivered on its behalf by a person thereunto duly and validly authorized and constitutes its legal, valid and binding obligation, enforceable in accordance with its terms and (ii) the execution and delivery of, and the performance of its obligations under, this Agreement do not violate any law or regulation applicable to it.

11. Successor Agent by Consolidation, Merger, Conversion or Transfer

If the Common Collateral Agent consolidates with, merges or converts into, or transfers all or substantially all of its corporate trust business or assets to, another corporation or national banking association, the resulting, surviving or transferee corporation or national banking association without any further act will be the successor Common Collateral Agent with the same effect as if the successor Common Collateral Agent had been named the Common Collateral Agent.

12. Change of Indenture Trustee or Other Secured Parties

12.1 The Indenture Trustee may assign and transfer all of its rights and obligations hereunder to a replacement Indenture Trustee, or may resign or be removed, in accordance with the Indenture; *provided that* the Indenture Trustee shall give prompt notice to the other parties to this Agreement of such assignment, transfer, resignation or removal. Upon such assignment transfer, resignation or removal taking effect in accordance with the terms of the Indenture the replacement Indenture Trustee shall be, and be deemed to be, acting as trustee for each of the Noteholders (as well as for itself) for the purposes of this Agreement in place of the old Indenture Trustee.

12.2 Each of the other Secured Parties may assign and transfer all of its respective rights and obligations hereunder to a replacement Secured Party, or may resign or be removed, in accordance with the relevant Permitted Pari Passu Secured Indebtedness Document; *provided that* such Secured Party shall give prompt notice to the other parties to this Agreement of such assignment, transfer, resignation or removal. Upon such assignment, transfer, resignation or removal taking effect in accordance with the terms of the relevant Permitted Pari Passu Secured Indebtedness Document, the replacement Secured Party shall be, and be deemed to be, acting as the Secured Party for the purposes of this Agreement in place of the old Secured Party.

13. Indemnification

13.1 The Issuer agrees to be responsible for and will indemnify the Common Collateral Agent or any predecessor Common Collateral Agent and their agents, employees, officers and directors for, and hold it harmless against any loss or liability or properly incurred expense incurred by it without gross negligence or wilful misconduct on its part arising out of or in connection with the acceptance or administration of this Agreement and its duties under this Agreement, including (i) the properly incurred costs and expenses of defending itself against any claim or liability and of complying with any process served upon it or any of its officers in connection with the exercise or performance of any of its powers or duties under this Agreement and
(ii) the reasonable compensation and properly incurred expenses and disbursements of the Common Collateral Agent's agents and counsel and other persons not regularly within the Common Collateral Agent's employ. This Section 13 shall survive the resignation or removal of the Common Collateral Agent and the termination of this Agreement.

13.2 References to the Common Collateral Agent in Sections 13, 14, 15 and 16 shall include any person selected by the Common Collateral Agent with due care to whom the Common

Collateral Agent properly delegates any power, authority, duty or obligation under and in accordance with this Agreement.

14. Limitation on Liability

14.1 The Common Collateral Agent shall not be liable to any person (including without limitation the Issuer, the Chargor and the Secured Parties) for any action taken or omitted or for any loss or injury resulting from its actions or its performance or lack of performance of its duties hereunder in the absence of gross negligence or wilful misconduct on its part. The Common Collateral Agent is authorized to act, and shall not be liable for acting, in reliance upon any judgment, order, instruction, notice, certification, demand, consent, authorization, receipt, power of attorney or other writing delivered to it by any other party without being required to determine the authenticity or validity thereof, the correctness of any fact stated therein, the propriety or validity of the service thereof, or the jurisdiction of the court issuing any judgement or order. The Common Collateral Agent may act in reliance upon any signature believed by it to be genuine and may assume that such person has been properly authorized to do so. The Common Collateral Agent shall not be liable (i) for any indirect, consequential, punitive or special damages (including loss of business, goodwill, opportunity or profit), regardless of the form of action and whether or not (a) any such damages arise directly or indirectly, (b) any such damages were foreseeable or contemplated or the possibility of which was advised or known to the Common Collateral Agent or (c) the claim for such damages is made in negligence, breach of contract or otherwise or (ii) for the acts or omissions of any nominees, correspondents, designees, agents, delegates, subagents or subcustodians selected by the Common Collateral Agent with due care.

14.2 The Common Collateral Agent shall not be liable to account for interest on money paid to it by the Issuer.

14.3 The Common Collateral Agent is not responsible for and will make no investigation as to the title, ownership, value, sufficiency or existence of any of the assets which are the subject of the Pari Passu Collateral or as to the value or sufficiency of any Shared Security Document or this Agreement.

14.4 The Common Collateral Agent is not required to be the registered holder of title to any assets comprising the Pari Passu Collateral prior to enforcement.

14.5 The Common Collateral Agent is not responsible for and will make no investigation as to the existence, accuracy or sufficiency of any legal or other opinions, searches, reports, certificates, valuations or investigations given or required in connection with any of the Pari Passu Collateral.

14.6 The Common Collateral Agent shall be entitled to call for and rely on any certificate of any party hereto as to any matter on which the Common Collateral Agent requires to be satisfied. The Common Collateral Agent shall not be liable for acting or not acting (or relying) on such information in good faith.

14.7 In no event shall the Common Collateral Agent be required to expend or risk any of its own funds or otherwise incur any liability, financial or otherwise, in the performance of its duties or in the exercise of any of its rights or powers under the Agreement. The Common Collateral Agent will be under no obligation to exercise any of its rights and powers under this Agreement unless it is offered security and/or indemnity and/or pre-funding satisfactory to it against any loss, liability or expense.

14.8 This Section 14 shall survive the resignation or removal of the Common Collateral Agent and the termination of this Agreement

15. Notices; Electronic Communication

15.1 Any communication to be made under or in connection with this Agreement shall be made in English, in writing and, unless otherwise stated, may be made by fax, electronic transmission or letter. The address, email address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each party for any communication or document to be made or delivered under or in connection with this Agreement is identified with its name below (or any substitute address, email address or fax number or department or officer as the party may notify to the other parties by not less than five Business Days' notice).

15.2 Any electronic communication made between the parties hereto will be effective only when actually received in readable form.

16. Miscellaneous

16.1 The Common Collateral Agent may use legal counsel, independent accountants and other professional advisers in connection with this Agreement, the Shared Security Documents or any other related documents and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or advisers. Before the Common Collateral Agent acts or refrains from acting, it may require an officer's certificate and/or an opinion of counsel from any other party hereto. The Common Collateral Agent shall not be liable for any action it takes or omits to take in good faith in reliance thereon.

16.2 The Common Collateral Agent shall only be obligated to perform duties expressly set out in this Agreement and the Shared Security Documents and no implied covenants or obligations shall be read into this Agreement, the Shared Security Documents or any other related documents. For the avoidance of doubt, except for the safe custody and preservation of the Pari Passu Collateral in its possession and the accounting for monies actually received by it, the Common Collateral Agent shall have no other duty with respect to the holding of the Pari Passu Collateral. The Common Collateral Agent shall be deemed to have provided safe custody and preservation of the Pari Passu Collateral in its possession if such Pari Passu Collateral is accorded treatment substantially equal to that which the Common Collateral Agent holds similar property as a third party agent.

16.3 The Common Collateral Agent may acquire an interest in the Notes or any Permitted Pari Passu Secured Indebtedness or be involved in any other transaction with the Issuer and/or the Chargor.

16.4 The Issuer will, including to the extent not otherwise reimbursed under Section 16.5 hereof, within 30 calendar days of demand by the Common Collateral Agent, pay or discharge all out-of-pocket costs, charges, taxes, liabilities and expenses properly incurred by the Common Collateral Agent in the preparation and execution of this Agreement and the performance of its functions under, and in any manner in relation to, this Agreement and the Shared Security Documents, including but not limited to, out-of-pocket expenses properly incurred seeking appropriate legal or financial advice to discharge its duties, legal and travelling expenses and any stamp, documentary or other taxes or duties paid or payable by the Common Collateral Agent in connection with any action or legal proceedings brought or contemplated by the Common Collateral Agent against the Issuer to enforce any provision of this Agreement or the Shared Security Documents. Such costs, charges, liabilities and expenses will (i) in the case of payments made by the Common Collateral Agent before such demand, carry interest from the date of demand at the rate of two per cent, per annum above the Common Collateral Agent's cost of funds determined by the Common Collateral Agent on the date on which the Common Collateral Agent made such payments; and (ii) in other cases, carry interest at such rate from 30 calendar days after the date of the demand or (where the demand specifies that payment is to be made on an earlier date) from such earlier date. This Section 16.4 shall

survive the resignation or removal of the Common Collateral Agent and the termination of this Agreement.

16.5 The Issuer shall pay the Common Collateral Agent such fees, costs and expenses as separately agreed upon in writing between the Issuer and the Common Collateral Agent. If the Common Collateral Agent receives any Enforcement Instructions and is required to perform duties that are not expressly contemplated under this Agreement, or if the Common Collateral Agent is requested to undertake duties which are of an exceptional nature or otherwise outside the scope of the Common Collateral Agent's normal duties under this Agreement, the Issuer will pay such additional remuneration as they may agree (and which may be calculated by reference to the Common Collateral Agent's normal hourly rate in place from time to time) or, failing such agreement as to any of the matters in this Section 16.5, as determined by an independent financial institution (acting as an expert and not as an arbitrator) selected by the Common Collateral Agent and, prior to the occurrence of an Event of Default that is continuing, also approved by the Issuer. The properly incurred expenses involved in such nomination and the financial institution's reasonable fees will be paid by the Issuer. The determination of such financial institution will be conclusive and binding on the Issuer, the Common Collateral Agent and the Secured Parties. This Section 16.5 shall survive the resignation or removal of the Common Collateral Agent and the termination of this Agreement.

16.6 In case any term or provision of this Agreement conflicts with the terms or provisions of any Shared Security Documents, the terms and provisions of this Agreement shall govern.

16.7 The Common Collateral Agent is not required to monitor the performance (financial or otherwise) of the Issuer or any other Person, or the Issuer's or any other Person's performance of, or failure to perform, the obligations, duties and covenants set forth in the Secured Party Documents or the Shared Security Documents or any other document, and shall bear no responsibility for, or liability in connection with, the failure of any Person to perfect a security interest in the Pari Passu Collateral.

16.8 The Common Collateral Agent is not responsible for payment of any taxes or stamp duty as a result of (a) it holding any assets subject to a Security Interest or (b) it enforcing any Security Interest held by it. The Issuer and the Chargor shall be solely responsible for the payment of all such taxes and stamp duties.

16.9 The Common Collateral Agent is not responsible for making any deductions or withholdings in respect of taxes or other governmental charges in respect of any amounts paid by the Common Collateral Agent from the proceeds of any enforcement of the Shared Security Interest. If any applicable law requires the deduction or withholding of any tax from any such payment by the Common Collateral Agent, then the Common Collateral Agent shall be entitled to make such deduction or withholding and pay the full amount deducted or withheld to the relevant governmental authority in accordance with applicable law.

16.10 The Common Collateral Agent is not responsible for the creditworthiness, financial and business condition or solvency of the Issuer, the Chargor or any other party providing any Pari Passu Collateral.

16.11 The Common Collateral Agent shall not be deemed to have knowledge or notice of the occurrence of any Event of Default unless the Common Collateral Agent has received written notice from a Secured Party which has specified the same.

16.12 Notwithstanding anything to the contrary in this Agreement, the Secured Party Documents and the Shared Security Documents, the Common Collateral Agent shall not in any event be liable for any loss or damage, or any failure or delay in the performance of its obligations hereunder if it is prevented from so performing its obligations by any reason which is beyond the control of the Common Collateral Agent, including, but not limited to, by any existing or

future law or regulation, any existing or future act of governmental authority, act of God, flood, war whether declared or undeclared, terrorism, riot, rebellion, civil commotion, strike, lockout, other industrial action, general failure of electricity or other energy or utility supply, aircraft collision, technical failure, accidental or mechanical or electrical breakdown, computer failure or failure of any money transmission system or any event where, in the reasonable opinion of the Common Collateral Agent, performance of any duty or obligation under or pursuant to this Agreement would or may be illegal or would result in the Common Collateral Agent being in breach of any law, rule, regulation, or any decree, order or judgment of any court, or practice, request, direction, notice, announcement or similar action (whether or not having the force of law) of any relevant government, government agency, regulatory authority, stock exchange or self-regulatory organization to which the Common Collateral Agent is subject.

16.13 The Common Collateral Agent shall be regarded as acting through its agency division which shall be treated as a separate division from any other of its departments or divisions. If any information is received by another department or division of the Common Collateral Agent, unless the Common Collateral Agent has written notice of such information, it shall be treated as confidential to that other department or division and the Common Collateral Agent shall not be deemed to have notice of it.

16.14 The Common Collateral Agent will treat information provided hereunder as confidential, but (unless consent is prohibited by law) each of the Issuer and the Chargor hereby consents to the transfer and disclosure by the Common Collateral Agent of any information relating to it provided hereunder to and between branches, subsidiaries, representative offices, affiliates and agents of the Common Collateral Agent and third parties, in each case selected by the Common Collateral Agent with due care, wherever situated, for confidential use (including in connection with the provision of any service and for data processing, statistical and risk analysis purposes). The Common Collateral Agent and any branch, subsidiary, representative office, affiliate, agent or third party may transfer and disclose any such information as required by any applicable law, regulatory authority or legal process.

16.15 The Common Collateral Agent is entitled to delegate instead of acting personally and is entitled to appoint attorneys and agents selected by it with due care and the Common Collateral Agent shall not be responsible for the acts or omissions of delegates, attorneys or agents appointed with due care by it hereunder or for monitoring or supervising such delegates', attorneys' or agents' actions. The Common Collateral Agent shall not be responsible for the negligence or misconduct of any attorneys and agents except to the extent that a court of competent jurisdiction determines in a final and non-appealable judgment that the Common Collateral Agent acted with gross negligence or wilful misconduct in the selection of such attorney or agent.

16.16 The Common Collateral Agent is not obliged to do or omit to do anything which in its opinion would or may be illegal, or would constitute a breach of any law, rule, regulation, or any decree, order or judgment of any court, or practice, request, direction, notice, announcement or similar action (whether or not having the force of law) of any relevant government, government agency, regulatory authority, stock exchange or self-regulatory organization to which the Common Collateral Agent is subject.

16.17 The Common Collateral Agent shall not be responsible for the registration, filing, protection or perfection of any Security Interest granted by or pursuant to this Agreement or any Shared Security Document, and shall not be responsible for ensuring that necessary registration, filing, protection or perfection are carried out to ensure that Security Interests capable of being registered, filed against, protected or perfected are so registered, filed against, protected or perfected.

16.18 The Common Collateral Agent and its officers, directors, employees, attorneys and agents shall have no responsibility to make any investigation in relation to:

(a) the execution, genuineness, legality, validity, effectiveness, enforceability, adequacy, accuracy, sufficiency or completeness of any Shared Security Documents or any other document;

(b) the collectability of amounts payable under any Shared Security Documents or the observance by the Issuer or the Chargor or any other relevant party of its obligations under any Shared Security Document or any other document;

(c) any determination or calculation made (or deemed made) by or on behalf of any person pursuant to any Shared Security Document or any Secured Party Document;

(d) any accounts, books, records or files maintained by the Issuer, the Chargor, any Secured Party or any other party or in relation to any of the Pari Passu Collateral;

(e) the scope or accuracy of any recitals, representations, warranties or statements made by or on behalf of the Issuer, the Chargor, any Secured Party or any relevant party (other than itself) in, or incorporated by reference into the Shared Security Documents, any Secured Party Document or any other documents entered into in connection with or pursuant to this Agreement or the Shared Security Documents;

(f) the satisfaction of any conditions set forth in this Agreement or the Shared Security Documents or any related documents; and

(g) the existence of any other Security Interest affecting any asset secured under the Shared Security Documents.

16.19 In addition to the trusts, powers, authorities and discretions conferred on the Common Collateral Agent by applicable law, the Common Collateral Agent shall have the following powers, authorities and discretions:

(a) the Common Collateral Agent shall have sole and absolute discretion as to the exercise or performance or non-exercise or non-performance of each of the powers, authorities, duties, discretions and obligations under the Shared Security Documents and each of the other documents to which it a party or conferred on it by operation of law and the exercise or performance or non-exercise or non-performance of those powers, authorities, duties, discretions and obligations shall, as between itself and the other Secured Parties, be conclusive and binding on the other Secured Parties, in each case except as expressly provided otherwise in the Shared Security Documents or the other documents to which it is a party or unless otherwise instructed by a Secured Party;

(b) the Common Collateral Agent, as between itself and the other Secured Parties, shall have full power to determine all questions arising in relation to any of the provisions of the Shared Security Documents, this Agreement and the Pari Passu Collateral and every such determination shall, as between itself and the other Secured Parties, be conclusive, in each case except as expressly provided otherwise in the Shared Security Documents or the other documents to which it is a party or unless otherwise instructed by a Secured Party in accordance with the Shared Security Documents and this Agreement;

(c) any consent given by the Common Collateral Agent for the purposes of the Shared Security Documents, or any of the other documents may be given on such terms and subject to such conditions (if any) as the Common Collateral Agent in its discretion considers appropriate and the Common Collateral Agent may subsequently ratify anything for which its prior consent was required but not obtained, in each case

except as expressly provided otherwise in the Shared Security Documents or the other documents to which it is a party or unless otherwise instructed by a Secured Party. Without prejudice to the generality of the foregoing, if a document specifies that the Common Collateral Agent is required to give its consent to any event, matter or thing or take such action if certain specified conditions are met, the Common Collateral Agent shall give its consent to that event, matter or thing or take such action upon it being satisfied, in its discretion, that those specified conditions have been met, in each case except as expressly provided otherwise in the Shared Security Documents or the other documents to which it is a party or unless otherwise instructed by a Secured Party;

(d) where it is necessary or desirable for any purpose in connection with the Shared Security Documents or this Agreement for the Common Collateral Agent to convert any sum held by it (or whether stipulated in any document presented to it) or for any other reason from one currency to another, the sum shall (unless otherwise provided in the Shared Security Documents or the Secured Party Documents or required by law) be converted at such spot rate or spot rates, in accordance with such method and as at such date for the determination of such spot rate of exchange, as may be specified by the Common Collateral Agent in its absolute discretion but acting in good faith and having regard to current spot rates of exchange, if available. Any spot rate, method and date so specified shall be binding on the Secured Parties, the Issuer and the Chargor; and

(e) the Common Collateral Agent may at the expense of the Issuer and the Chargor (without double charging), make arrangements which it considers appropriate with any affiliate of the Common Collateral Agent for the safe custody of the Secured Party Documents.

16.20 Nothing will oblige the Common Collateral Agent to satisfy any know your customer requirement in relation to the identity of any person on behalf of any Secured Party or any Agent (as defined under any Secured Party Document).

16.21 The Common Collateral Agent is not obliged to review or check the accuracy or completeness of any document it forwards to another party and it may assume that such documents are correct and genuine.

16.22 The Common Collateral Agent is not liable for any delay (or any related consequences) in crediting an account with an amount required under the Secured Party Documents to be paid by the Common Collateral Agent if the Common Collateral Agent has without gross negligence or willful misconduct taken all reasonable steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognized clearing or settlement system used by the Common Collateral Agent for that purpose.

16.23 Subject to Sections 4.4 and 9 hereof, in performing its duties and obligations as Common Collateral Agent and in exercising any rights, powers or discretions granted to it under this Agreement, the Common Collateral Agent shall act solely on the written instructions of the Secured Parties, and the Common Collateral Agent shall incur no liability to any party (including but not limited to the Issuer, the Chargor and the Secured Parties) for any action it takes, or refrains from taking, on the instructions of the Secured Parties. The right of the Common Collateral Agent to perform any discretionary act enumerated in this Agreement, any Shared Security Document or any related document shall not be construed as a duty.

16.24 Notwithstanding anything else herein contained, the Common Collateral Agent may refrain, without liability, from doing anything that would or might in its opinion be contrary to this Agreement, any Shared Security Document or any other document related to transactions contemplated herein, any law of any state or jurisdiction (including but not limited to Hong Kong, Mauritius, the United States of America or any jurisdiction forming a part of it and

England & Wales) or any directive or regulation of any agency of any such state or jurisdiction and may without liability do anything which is, in its opinion, necessary to comply with this Agreement, any Shared Security Document, any other document related to transactions contemplated herein or any such law, directive or regulation.

16.25 The Common Collateral Agent shall not be under any obligation to insure any assets comprising the Pari Passu Collateral, and shall not be responsible for any loss that may be suffered by any person (including but not limited to the Issuer, the Chargor and the Secured Parties) as a result of, or the inadequacy of, any such insurance.

16.26 The Common Collateral Agent shall have no responsibility or obligation to ensure any Enforcement Instruction or any other instruction received by it complies with the Security Enforcement Principles.

16.27 The rights, privileges, protections, immunities and benefits given to the Common Collateral Agent, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by (i) the Common Collateral Agent in each document related hereto to which it is a party and (ii) the entity serving as the Common Collateral Agent in each of its capacities hereunder and in each of its capacities as under any related document whether or not specifically set forth therein and each agent, custodian and other Person employed to act hereunder and under any related document, as the case may be.

16.28 The Common Collateral Agent shall not be liable for failing to comply with its obligations in so far as the performance of such obligations is dependent upon the timely receipt of instructions and/or other information from any other Person which are not received or not received by the time required.

16.29 The Common Collateral Agent shall not be required to take any action if taking such action
(A) would subject the Common Collateral Agent to a tax in any jurisdiction where it is not then subject to a tax, or (B) would require the Common Collateral Agent to qualify to do business in any jurisdiction where it is not then so qualified.

16.30 The Common Collateral Agent is not responsible for the creditworthiness or solvency of the Issuer or the Chargor.

17. Corporate Actions

The Common Collateral Agent does not, and shall not be deemed to, assume any responsibility to monitor any corporate actions affecting the Shared Security Interest. The Common Collateral Agent shall have no responsibility and shall not be liable for ascertaining or acting upon any calls, conversions, exchange offers, tenders, interest rate changes, or similar matters relating to the Shared Security Interest unless the Common Collateral Agent shall have received written and timely notice of the same. The Common Collateral Agent does not, and shall not be deemed to, assume any responsibility or incur any liability for any act or omission to act with respect to any discretionary corporate action affecting the Shared Security Interest. In the event the Common Collateral Agent receives notice of any discretionary corporate action in respect of the Shared Security Interest, the Common Collateral Agent shall promptly notify each Secured Party and request written instructions from the Secured Parties in respect of discretionary corporate actions and shall use commercially reasonable efforts to act upon such instructions. In the absence of such instructions, the Common Collateral Agent shall not be obligated to take any action in respect of the discretionary corporate action affecting the Shared Security Interest.

18. Termination

This Agreement shall terminate upon the earlier to occur of (i) the distribution of all assets subject to a Shared Security Interest, and (ii) the Common Collateral Agent's receipt of (A) a

joint written instruction signed by each Secured Party advising the Common Collateral Agent that this Agreement has terminated and instructing the Common Collateral Agent either to discharge the Shared Security Interest or to distribute the Pari Passu Collateral to the Indenture Trustee or another Secured Party as provided for therein, or (B) a written confirmation from each Secured Party confirming that no amounts remain outstanding under the relevant Secured Party Document.

19. Amendment

Any amendment of this Agreement (other than the accession of any Secured Party on behalf of holders of Permitted Pari Passu Secured Indebtedness pursuant to Section 8 hereof) shall be binding only if evidenced by a document in writing signed by each of the parties hereto. Notwithstanding the foregoing, any amendment of this Agreement to remove any Secured Party upon the satisfaction and discharge, defeasance or other satisfaction in full of all obligations of the Issuer or the Chargor secured by the Pari Passu Collateral under the Secured Party Documents to which such Secured Party is party shall be binding if evidenced by a document in writing signed by such Secured Party and acknowledged by the Common Collateral Agent.

20. Governing Law; Consent to Jurisdiction; Waiver of Immunities; Waiver of Jury Trial

20.1 This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

20.2 Each of the parties hereto hereby irrevocably and unconditionally submits to the non- exclusive jurisdiction of any New York State or United States Federal court sitting in the Borough of Manhattan, the City of New York over any suit, action or proceeding arising out of or relating to this Agreement or any transactions contemplated hereby. Each of the parties hereto irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any objection which it may now or hereafter have to the laying of the venue of any such suit, action or proceeding brought in such a court and any claim that any such suit, action or proceeding brought in such a court has been brought in an convenient forum. To the extent that any party hereto, has or hereafter may acquire any sovereign or other immunity from jurisdiction of any court or from any legal process with respect of itself or its property, such a party hereto irrevocably waives such immunity in respect of its obligations hereunder. The parties hereto agree that any judgment in any such suit, action or proceeding, brought in such a court shall be conclusive and binding upon the parties hereto, and, to the extent permitted by applicable law, may be enforced in any court to the jurisdiction of which any of the parties hereto, is subject by a suit upon such judgment or in any manner provided by law, provided that service of process is effected upon the parties hereto, in the manner specified in the following subclause or as otherwise permitted by applicable law.

20.3 During the term of this Agreement, each of the Issuer, the Chargor and the Secured Parties will at all times maintain an authorized agent in the City of New York, upon whom process may be served in any legal action or proceeding arising out of or relating to this Agreement (each, a "**Process Agent**"). Service of process upon such agent and written notice of such service mailed or delivered to the Issuer, the Chargor or the applicable Secured Party, as the case may be, shall to the fullest extent permitted by applicable law be deemed in every respect effective service of process upon the Issuer, the Chargor or the applicable Secured Party, as the case may be, in any such legal action or proceeding. Each of the Issuer, the Chargor and the Secured Parties hereby agree to take any and all action as may be necessary to maintain the designation and appointment of an agent in full force and effect until the termination of this Agreement. The name and address of the Process Agent of each of the Issuer and the Chargor are set forth with its name below (or the name and address of any substitute Process Agent of any such party may be notified by such party to the other parties by not less than five Business Days' notice).

20.4 The parties hereto hereby irrevocably waive, to the fullest extent permitted by applicable law, any requirement or other provision of law, rule, regulation or practice which requires or otherwise establishes as a condition to the institution, prosecution or completion of any suit, action or proceeding (including appeals) arising out of or relating to this Agreement.

20.5 EACH PARTY HERETO WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT.

21. Counterparts; Signatures

This Agreement may be executed in two or more counterparts, any one of which need not contain the signatures of more than one party, but all such counterparts taken together shall constitute one and the same agreement. Facsimile, or electronic transmission of, signatures on counterparts of this Agreement shall be deemed original signatures with all rights accruing thereto.

22. Severability

The invalidity, illegality or unenforceability of any provision of this Agreement shall in no way affect the validity, legality or enforceability of any other provision. If any provision of this Agreement is held to be unenforceable as a matter of law, the other provisions shall not be affected thereby and shall remain in full force and effect.

23. Conflict

Each of the parties hereto irrevocably waives in favor of HSBC Bank USA, National Association. any conflict of interest which may arise by virtue of HSBC Bank USA, National Association or any of its affiliates acting in various capacities under this Agreement, the Note Documents and the Shared Security Documents or any other documents. Each of the parties hereto recognizes that the Common Collateral Agent (acting individually and not in the capacity as the Common Collateral Agent) and its affiliates may engage in transactions and/or business adverse to the parties hereto or in which parties adverse to the parties hereto may have interests. Nothing in this Agreement shall (i) preclude the Common Collateral Agent (acting individually and not in the capacity as the Common Collateral Agent) and any of its affiliates from engaging in such transactions or business, or (ii) obligate the Common Collateral Agent or any of its affiliates to (A) disclose such transactions and/or business to the parties hereto, or (B) account for any profit made or payment received in, or as a part of, such transactions and/or business. Nothing herein shall be deemed to (i) give rise to a partnership or joint venture, or (ii) establish a fiduciary or similar relationship, among the parties hereto and the Common Collateral Agent. HSBC Bank USA, National Association hereby confirms that in its capacity as the Common Collateral Agent it is acting under this Agreement as security agent for the Indenture Trustee for the benefit of the Noteholders, the Super Senior Hedging Providers and any holder of any other Permitted Pari Passu Secured Indebtedness who becomes a party to this Agreement pursuant to Section 8 hereof, in respect of the assets subject to the Shared Security Interest and solely in accordance with the terms and conditions set forth in this Agreement.

24. Exclusive Benefit

Except as specifically set forth in this Agreement, this Agreement is for the exclusive benefit of the parties hereto and their respective successors and permitted assigns hereunder, and shall not be deemed to give, either expressly or implicitly, any legal or equitable right, remedy, or claim to any other entity or person whatsoever.

25. **Same Rights.** In entering into or in taking (or forbearing from) any action under or pursuant to this Agreement, the Indenture Trustee shall have and be protected by all of the rights, powers, immunities, indemnities and other protections granted to the Indenture Trustee under the Indenture. Notwithstanding anything herein to the contrary, for purposes of any Enforcement Instruction or any other instruction provided to the Indenture Trustee or any action taken by the Indenture Trustee, the parties acknowledge and agree that such instruction or action shall have been provided by or taken by the Indenture Trustee at the direction of the requisite Noteholders pursuant to the terms of the Indenture and related documents and the Indenture Trustee, individually or in such capacity, will not be liable for any actions taken as a result of such instruction or action. Any deemed certification with respect to an Enforcement Instruction given by the Indenture Trustee shall be deemed to be a certification of the Noteholders directing the Indenture Trustee to have given such Enforcement Instruction and shall not be deemed to be a certification of the Indenture Trustee.

26. **Language**

Any notice given under or in connection with this Agreement must be in English. All other documents provided under or in connection with this Agreement must be:

(a) in English; or

(b) if not in English, and if so required by the Common Collateral Agent, accompanied by a certified English translation at the Chargor's cost and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

[*THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK*]

HSBC Bank USA, National Association
as Indenture Trustee

By:
Name:
Title:

Address:
Fax:
Attention:

Name and address of Process Agent:

Attention:

HSBC Bank USA, National Association
as Common Collateral Agent

By:
Name:
Title:

Address:
Fax:
Attention:

Name and address of Process Agent:

Attention:

Barclays Bank PLC
as Super Senior Hedging Provider

By:
Name:
Title:

Address:
Fax:
Attention:

Name and address of Process Agent:

Attention:

Credit Suisse AG
as Super Senior Hedging Provider

By:
Name:
Title:

Address:
Fax:
Attention:

Name and address of Process Agent:

Attention:

The Hongkong and Shanghai Banking, Corporation Limited
as Super Senior Hedging Provider

By:
Name:
Title:

Address:
Fax:
Attention:

Name and address of Process Agent:

Attention:

Deutsche Bank AG
as Super Senior Hedging Provider

By:
Name:
Title:

Address:
Fax:
Attention:

Name and address of Process Agent:

Attention:

Standard Chartered Bank (Singapore) Limited
as Super Senior Hedging Provider

By:
Name:
Title:

Address:
Fax:
Attention:

Name and address of Process Agent:

Attention:

UBS AG
as Super Senior Hedging Provider

By:
Name:
Title:

Address:
Fax:
Attention:

Name and address of Process Agent:

Attention:

Azure Power Solar Energy Private Limited
as Issuer

By:
Name:
Title:

Address:
Fax:
Attention:

Name and address of Process Agent:

Attention:

Azure Power Global Limited
as Chargor

By:
Name:
Title:

Address:
Fax:
Attention:

Name and address of Process Agent:

Attention:

Schedule 1

Holders of Permitted Pari Passu Secured Indebtedness

Part A: Super Senior Hedging Provider

Holder	Description of Permitted Pari Passu Secured Indebtedness
The Hongkong and Shanghai Banking Corporation Limited	Hedging Obligations under a 2002 ISDA Master Agreement dated on or about the date of this Agreement with respect to (i) a coupon swap on the interest payments due under the Notes and/or (ii) a call spread option on the principal amount of the Notes
Barclays Bank PLC	Hedging Obligations under a 2002 ISDA Master Agreement dated on or about the date of this Agreement with respect to (i) a coupon swap on the interest payments due under the Notes and/or (ii) a call spread option on the principal amount of the Notes
Credit Suisse AG	Hedging Obligations under a 2002 ISDA Master Agreement dated on or about the date of this Agreement with respect to (i) a coupon swap on the interest payments due under the Notes and/or (ii) a call spread option on the principal amount of the Notes
Deutsche Bank AG	Hedging Obligations under a 2002 ISDA Master Agreement dated on or about the date of this Agreement with respect to (i) a coupon swap on the interest payments due under the Notes and/or (ii) a call spread option on the principal amount of the Notes
Standard Chartered Bank (Singapore) Limited	Hedging Obligations under a 2002 ISDA Master Agreement dated on or about the date of this Agreement with respect to (i) a coupon swap on the interest payments due under the Notes and/or (ii) a call spread option on the principal amount of the Notes
UBS AG	Hedging Obligations under a 2002 ISDA Master Agreement dated on or about the date of this Agreement with respect to (i) a coupon swap on the interest payments due under the Notes and/or (ii) a call spread option on the principal amount of the Notes

Part B: Holders of other Permitted Pari Passu Secured Indebtedness

Holder	Description of Permitted Pari Passu Secured Indebtedness

Schedule 2

Security Enforcement Principles

1. The primary and overriding aim of any enforcement of the Shared Security Interest shall be to achieve the Security Enforcement Objective.

2. Without prejudice to the Security Enforcement Objective, all or substantially all of the proceeds of any enforcement of the Shared Security Interest received by the Common Collateral Agent shall be in cash or cash equivalent investments.

3. Any enforcement of the Shared Security Interest must be prompt and expeditious, it being acknowledged that, subject to the other provisions of this Agreement, the time frame for the realization of value from any such enforcement will be determined by the Majority Secured Parties, provided that it is consistent with the Security Enforcement Objective.

4. On any proposed enforcement of the Shared Security Interest other than by way of public auction, the applicable Secured Parties shall have delivered to the Common Collateral Agent an opinion from a Financial Adviser (and the applicable Secured Parties shall provide Enforcement Instructions that are consistent with such opinion and the methods described therein):

   (i) on the optimal method of enforcing the Shared Security Interest so as to achieve the Security Enforcement Principles and maximize the recovery of such enforcement;

   (ii) that the proceeds received from such enforcement are fair from a financial point of view after taking into account all relevant circumstances; and

   (iii) that such enforcement is otherwise in accordance with the Security Enforcement Objective.

   For these purposes, "**Financial Adviser**" means an independent, reputable and internationally recognized investment bank, firm of accountants or other professional firm which is regularly engaged in providing valuations of companies similar or comparable to the Issuer.

5. Such opinion will, except in the case of manifest error, be conclusive evidence that the Security Enforcement Objective has been met.

Exhibit A

Form of Supplement to Intercreditor Agreement

SUPPLEMENT TO INTERCREDITOR AGREEMENT, dated as of [●], made by [●], as [agent/trustee/hedging provider] (the "**New Secured Party**") [for and on behalf of the finance parties under the facility agreement dated [●]]/[for and on behalf of itself and the noteholders under an indenture dated [●]]/[under the hedging agreement dated [●]] (the "**New Finance Document**") pursuant to the Intercreditor Agreement dated as of [●], 2019 (as may be amended, restated or supplemented from time to time, the "**Intercreditor Agreement**"), among Azure Power Solar Energy Private Limited (the "**Issuer**"), Azure Power Global Limited (the "**Chargor**"), HSBC Bank USA, National Association, as Indenture Trustee, [●] [and [●]], as Super Senior Hedging Provider[s], and HSBC Bank USA, National Association, as Common Collateral Agent. Unless otherwise defined herein, capitalized terms used and not defined herein shall have the meanings given to them in the Intercreditor Agreement.

For purposes of this Supplement, "**New Secured Obligations**" means all present and future obligations, contingent or otherwise, of the Issuer [and [●]] arising under or pursuant to the New Finance Document, including any interest, fees and expenses accruing after the initiation of any insolvency proceeding (irrespective of whether such interest, fees and expenses are allowed as a claim in such proceeding).

For good and valid consideration, the sufficiency of which hereby is acknowledged, the New Secured Party hereby agrees as follows:

(a) It shall be a Secured Party [and a Super Senior Hedging Provider] for all purposes under the Intercreditor Agreement and the documents executed in connection therewith, and, as such, shall be deemed to be a Secured Party [and a Super Senior Hedging Provider] for such purposes;

(b) It shall (i) be bound by all covenants, agreements, acknowledgments and other terms and provisions applicable to it as a Secured Party [and a Super Senior Hedging Provider] pursuant to the Intercreditor Agreement and the documents executed in connection therewith to the same extent, and in the same manner, as if it (in its capacity as a Secured Party [and a Super Senior Hedging Provider]) were a direct party thereto, (ii) perform all obligations required of it pursuant to the Intercreditor Agreement and such other documents executed in connection therewith and (iii) be entitled to the benefits of a Secured Party [and a Super Senior Hedging Provider] under the Intercreditor Agreement and the documents executed in connection therewith;

(c) The New Secured Obligations shall constitute Permitted Pari Passu Secured Indebtedness [and Super Senior Hedging Obligations] for purposes of the Intercreditor Agreement;

(d) Notwithstanding (i) the time, order or method of attachment or perfection of any Security Interest, the time or order of filing of financing statements (or similar filings in any applicable jurisdiction), or the giving of or failure to give notice of the acquisition or expected acquisition of purchase money or other Security Interest,
(ii) the manner in which the Shared Security Interest is acquired, whether by grant, statute or operation of law, subrogation or otherwise, (iii) the fact that the Pari Passu Collateral or Shared Security Interest (or any portion thereof) is otherwise subordinated, voided, avoided, invalidated or lapsed and (iv) any applicable law or any provision to the contrary in any Secured Party Document and the Shared Security Documents with respect to the Pari Passu Collateral and all proceeds of the Pari Passu

Collateral, the New Secured Party agrees that (x) the Security Interest of the New Secured Party in the Pari Passu Collateral ranks and shall rank equally in priority with the Shared Security Interest of the other Secured Parties in the Pari Passu Collateral and (y) the Note Obligations, the Hedging Obligations, the New Secured Obligations and any other Permitted Pari Passu Secured Obligations, the holder (or representative or agent thereof) of which is a party to the Intercreditor Agreement pursuant to Section 8 thereof from time to time, rank and shall *pari passu* among themselves.

The New Secured Party hereby represents that it is a holder of Permitted Pari Passu Secured Indebtedness or a trustee or agent for or on behalf of the holders of any Permitted Pari Passu Secured Indebtedness and has the authority to execute and deliver this Supplement on behalf of itself or the holders of such Permitted Pari Passu Secured Indebtedness.

The New Secured Party hereby acknowledges that it has received and reviewed an executed copy of the Intercreditor Agreement (including, without limitation, all amendments, restatement, supplements and other modifications thereto) and each of the documents referred to therein (including, without limitation, all amendments, supplements and other modifications thereto).

Upon the effectiveness of this Supplement, Schedule 1 to the Intercreditor Agreement shall be deemed to be amended to incorporate the particulars of the New Secured Party set forth in Annex A hereto.

This Supplement shall become effective upon the delivery by the New Secured Party to the Common Collateral Agent, each other Secured Party, the Issuer and the Chargor of a counterpart hereof duly executed by the New Secured Party. This Supplement may be executed in two or more counterparts, any one of which need not contain the signatures of more than one party, but all such counterparts taken together shall constitute one and the same agreement. Facsimile, or electronic transmission of, signatures on counterparts of this Supplement shall be deemed original signatures with all rights accruing thereto.

The address for notices to the New Secured Party, and the name and address of its Process Agent, is set forth on the signature pages hereof.

THIS SUPPLEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK. THE NEW SECURED PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE NON EXCLUSIVE JURISDICTION OF ANY NEW YORK STATE OR UNITED STATES FEDERAL COURT SITTING IN THE BOROUGH OF MANHATTAN. THE CITY OF NEW YORK OVER ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS SUPPLEMENT OR THE INTERCREDITOR AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY OR THEREBY. THE NEW SECURED PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF THE VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN SUCH A COURT AND ANY CLAIM THAT ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN SUCH A COURT HAS BEEN BROUGHT IN AN CONVENIENT FORUM.

[**Name of New Secured Party]**
[as [agent/trustee/hedging provider]]

Name:
Title:

Address:
Fax:
Attention:

Name and address of Process Agent:

Accepted and Agreed:

HSBC Bank USA, National Association
as Common Collateral Agent

Name:
Title:

Azure Power Solar Energy Private Limited
as Issuer

Name:
Title:

Azure Power Global Limited
as Chargor

Name:
Title:

Annex A

Particulars of New Secured Party

Holder	Description of Permitted Pari Passu Secured Indebtedness

EXHIBIT K

FORM OF OFFICER'S CERTIFICATE

[□], 20[□]

[Notes Collateral Agent] [□]
Fax: [□]
Attention: [□]

Dear Sirs,

Please pay the following amount from the Escrow Account no. [˜] pursuant to Section 4.27(b)(1) of the Indenture dated as of [˜], 2019, as amended from time to time, between Azure Power Solar Energy Private Limited, Azure Power Global Limited and HSBC Bank USA, National Association as Trustee, Notes Collateral Agent and Common Collateral Agent, to the account specified below:

Subscription Amount	INR [□]
U.S. Dollar Equivalent	US$[□]
Value date	[□]
Name of Issuer(s) of Onshore Debt	[□]
Correspondent Bank	[□]
Correspondent Bank Swift Code	[□]
Beneficiary Bank	[□]
Swift Code	[□]
Beneficiary Account Number	[□]
Beneficiary Account Name	[□]
Payment Reference	[□]

The undersigned hereby certifies that the above actions are authorized and permitted by the Indenture, the Notes, any Note Guarantee, the Intercreditor Agreement and any Collateral Documents and all conditions precedent thereto have been complied with.

Yours faithfully,

Authorized Signatory

Azure Power Solar Energy Private Limited

EXHIBIT L

FORM OF OFFICER'S CERTIFICATE

[□], 20[□]

[Trustee and Notes Collateral Agent] [□]
Fax: [□]
Attention: [□]

Dear Sirs,

Pursuant to Section 4.27(b)(2) of the Indenture dated [˜], 2019 as amended from time to time between Azure Power Solar Energy Private Limited, Azure Power Global Limited and HSBC Bank USA, National Association as Trustee, Notes Collateral Agent and Common Collateral Agent, we hereby instruct you to terminate the Escrow Account, the details of which are provided below, and provide us with a written declaration within five Business Days of receipt of this letter that the Notes Collateral Document is hereby cancelled and terminated. All capitalized terms used herein shall have the same meanings ascribed to it in the Indenture.

Beneficiary Bank	[□]
Swift Code	[□]
Beneficiary Account Number	[□]
Beneficiary Account Name	[□]

The undersigned hereby certifies that the above actions are authorized and permitted by the Indenture, the Notes, any Note Guarantee, the Intercreditor Agreement and any Collateral Documents and all conditions precedent thereto have been complied with.

Yours faithfully,

Authorized Signatory

Azure Power Solar Energy Private Limited

Exhibit 4.32

AZURE POWER GLOBAL LIMITED

2016 EQUITY INCENTIVE PLAN (AS AMENDED ON MARCH 31, 2020)

1. Purposes of the Plan. The purposes of this Plan are:

- to attract and retain the best available personnel for positions of substantial responsibility,
- to provide additional incentive to Employees, Directors and Consultants, and
- to promote the success of the Company's business.

The Plan permits the grant of Incentive Stock Options, Nonstatutory Stock Options, Stock Appreciation Rights, Restricted Stock and Restricted Stock Units.

2. Definitions. As used herein, the following definitions will apply:

(a) "Administrator" means the Board or any of its Committees as will be administering the Plan, in accordance with Section 4 of the Plan.

(b) "Applicable Laws" means the requirements relating to the administration of equity-based awards under U.S. state corporate laws, U.S. federal and state securities laws, the Code, any stock exchange or quotation system on which the Common Stock is listed or quoted and the applicable laws of any foreign country or jurisdiction (including without limitation India, Mauritius and the United States of America) where Awards are, or will be, granted under the Plan.

(c) "Award" means, individually or collectively, a grant under the Plan of Options, Stock Appreciation Rights, Restricted Stock, or Restricted Stock Units.

(d) "Award Agreement" means the written or electronic agreement setting forth the terms and provisions applicable to each Award granted under the Plan. The Award Agreement is subject to the terms and conditions of the Plan.

(e) "Board" means the Board of Directors of the Company.

(f) "Cause" means (i) a Participant's willful, non-trivial misconduct or neglect of duty, (ii) a Participant's commission of an act of fraud or (iii) a Participant's conviction of, or plea of no contest to a felony, as judged by the laws of the federal government of the United States of America and/or the country in which the Company is doing business.

(g) Change in Control" means the occurrence of any of the following events:

(i) Change in Ownership of the Company. A change in the ownership of the Company which occurs on the date that any one person, or more than one person acting as a group ("Person"), acquires ownership of the stock of the Company that, together with the stock held by such Person, constitutes more than 50% of the total voting power of the stock of the Company, except that any change in the ownership of the stock of the Company as a result of a private financing of the Company that is approved by the Board will not be considered a Change in Control; or

(ii) Change in Effective Control of the Company. If the Company has a class of securities registered pursuant to Section 12 of the Exchange Act, a change in the effective control of the Company which occurs on the date that a majority of members of the Board is replaced during any twelve (12) month period by Directors whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election. For purposes of this clause (ii), if any Person is considered to be in effective control of the Company, the acquisition of additional control of the Company by the same Person will not be considered a Change in Control; or

(iii) Change in Ownership of a Substantial Portion of the Company's Assets. A change in the ownership of a substantial portion of the Company's assets which occurs on the date that any Person acquires (or has acquired during the twelve (12) month period ending on the date of the most recent acquisition by such person or persons) assets from the Company that have a total gross fair market value equal to or more than 50% of the total gross fair market value of all of the assets of the Company immediately prior to such acquisition or acquisitions. For purposes of this subsection (iii), gross fair market value means the value of the assets of the Company, or the value of the assets being disposed of, determined without regard to any liabilities associated with such assets.

For purposes of this Section 2(f), persons will be considered to be acting as a group if they are owners of a corporation that enters into a merger, consolidation, purchase or acquisition of stock, or similar business transaction with the Company.

Notwithstanding the foregoing, a transaction will not be deemed a Change in Control unless the transaction qualifies as a change in control event within the meaning of Code Section 409A, as it has been and may be amended from time to time, and any proposed or final Treasury Regulations and Internal Revenue Service guidance that has been promulgated or may be promulgated thereunder from time to time.

Further and for the avoidance of doubt, a transaction will not constitute a Change in Control if: (i) its sole purpose is to change the jurisdiction of the Company's incorporation, or (ii) its sole purpose is to create a holding company that will be owned in substantially the same proportions by the persons who held the Company's securities immediately before such transaction.

(h) "Code" means the Internal Revenue Code of 1986, as amended. Any reference to a section of the Code herein will be a reference to any successor or amended section of the Code.

(i) "Committee" means a committee of Directors or of other individuals satisfying Applicable Laws appointed by the Board, or by the compensation committee of the Board, in accordance with Section 4 hereof.

(j) "Common Stock" means the common stock of the Company.

(k) "Company" means Azure Power Global Limited, a company incorporated under the laws of Mauritius.

(l) "Consultant" means any natural person, including an advisor, engaged by the Company or a Parent or Subsidiary to render bona fide services to such entity, provided the services (i) are not in connection with the offer or sale of securities in a capital-raising transaction, and (ii) do not directly promote or maintain a market for the Company's securities.

(m) "Director" means a member of the Board.

(n) "Disability" means total and permanent disability as defined in Code Section 22(e)(3), provided that in the case of Awards other than Incentive Stock Options, the Administrator in its discretion may determine whether a permanent and total disability exists in accordance with uniform and non-discriminatory standards adopted by the Administrator from time to time.

(o) "Employee" means any person, including officers and Directors, employed by the Company or any Parent or Subsidiary of the Company. Neither service as a Director nor payment of a director's fee by the Company will be sufficient to constitute "employment" by the Company.

(p) "Exchange Act" means the Securities Exchange Act of 1934, as amended.

(q) "Exchange Program" means a program under which (i) outstanding Awards are surrendered or cancelled in exchange for Awards of the same type (which may have higher or lower exercise prices and different terms), Awards of a different type, and/or cash, (ii) Participants would have the opportunity to transfer any outstanding Awards to a financial institution or other person or entity selected by the Administrator, and/or (iii) the exercise price of an outstanding Award is reduced or increased. The Administrator will determine the terms and conditions of any Exchange Program in its sole discretion.

(r) "Fair Market Value" means, as of any date, the value of Common Stock determined as follows:

(i) If the Common Stock is listed on any established stock exchange or a national market system, including without limitation the Nasdaq Global Select Market, the Nasdaq Global Market or the Nasdaq Capital Market of The Nasdaq Stock Market, its Fair Market Value will be the 10 - Day Volume Weighted Closing Price Average for the 10 trading days up to and including the day of determination.

For avoidance of doubt "10-Day Volume Weighted Closing Price Average" shall mean the number mathematically computed by (A) multiplying (i) the closing price of the Common Stock, as reported in The Wall Street Journal or such other source as the Administrator deems reliable, for each of the ten (10) Trading Days, including date of determination by, (ii) the trading volume of the Common Stock, as reported in The Wall Street Journal or such other source as the Administrator deems reliable, for each such Trading Day; (B) determining the sum of the product of (A) above for such 10-day period; and (C) dividing such sum by the cumulative trading volume, which is the sum of the trading volume of the Common Stock for each Trading day in such 10-day period as defined in section (ii) above.

(ii) If the Common Stock is regularly quoted by a recognized securities dealer but selling prices are not reported, the Fair Market Value of a Share will be the mean between the high bid and low asked prices for the Common Stock on the day of determination (or, if no bids and asks were reported on that date, as applicable, on the last trading date such bids and asks were reported), as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable; or

(iii) In the absence of an established market for the Common Stock, the Fair Market Value will be determined in good faith by the Administrator.

(s) "Incentive Stock Option" means an Option that by its terms qualifies and is otherwise intended to qualify as an incentive stock option within the meaning of Code Section 422 and the regulations promulgated thereunder.

(t) "Nonstatutory Stock Option" means an Option that by its terms does not qualify or is not intended to qualify as an Incentive Stock Option.

(u) "Option" means a stock option granted pursuant to the Plan.

(v) "Parent" means a "parent corporation," whether now or hereafter existing, as defined in Code Section 424(e).

(w) "Participant" means the holder of an outstanding Award.

(x) "Period of Restriction" means the period during which the transfer of Shares of Restricted Stock are subject to restrictions and therefore, the Shares are subject to a substantial risk of forfeiture. Such restrictions may be based on the passage of time, the achievement of target levels of performance, or the occurrence of other events as determined by the Administrator.

(y) "Plan" means this 2016 Equity Incentive Plan (as amended on March 31, 2020).

(z) "Restricted Stock" means Shares issued pursuant to an Award of Restricted Stock under Section 8 of the Plan, or issued pursuant to the early exercise of an Option.

(aa) "Restricted Stock Unit" means a bookkeeping entry representing an amount equal to the Fair Market Value of one Share, granted pursuant to Section 9. Each Restricted Stock Unit represents an unfunded and unsecured obligation of the Company.

(bb) "Service Provider" means an Employee, Director or Consultant.

(cc) "Share" means a share of the Common Stock, as adjusted in accordance with Section 13 of the Plan.

(dd) "Stock Appreciation Right" means an Award, granted alone or in connection with an Option, that pursuant to Section 7 is designated as a Stock Appreciation Right.

(ee) "Subsidiary" means a "subsidiary corporation," whether now or hereafter existing, as defined in Code Section 424(f).

3. Stock Subject to the Plan.

(a) Stock Subject to the Plan. Subject to the provisions of Section 13 of the Plan, the maximum aggregate number of Shares that may be subject to Awards and sold under the Plan is 2,023,744 Shares. The Shares may be authorized but unissued, or reacquired Common Stock.

(b) Lapsed Awards. If an Award expires or becomes unexercisable without having been exercised in full, is surrendered pursuant to an Exchange Program, or, with respect to Restricted Stock or Restricted Stock Units, is forfeited to or repurchased by the Company due to the failure to vest, the unpurchased Shares (or for Awards other than Options or Stock Appreciation Rights the forfeited or repurchased Shares) which were subject thereto will become available for future grant or sale under the Plan (unless the Plan has terminated). With respect to Stock Appreciation Rights, only Shares actually issued pursuant to a Stock Appreciation Right will cease to be available under the Plan; all remaining Shares under Stock Appreciation Rights will remain available for future grant or sale under the Plan (unless the Plan has terminated). Shares that have actually been issued under the Plan under any Award will not be returned to the Plan and will not become available for future distribution under the Plan; provided, however, that if Shares issued pursuant to Awards of Restricted Stock or Restricted Stock Units are repurchased by the Company or are forfeited to the Company due to the failure to vest, such Shares will become available for future grant under the Plan. Shares used to pay the exercise price of an Award or to satisfy the tax withholding obligations related to an Award will become available for future grant or sale under the Plan. To the extent an Award under the Plan is paid out in cash rather than Shares, such cash payment will not result in reducing the number of Shares available for issuance under the Plan. Notwithstanding the foregoing and, subject to adjustment as provided in Section 13, the maximum number of Shares that may be issued upon the exercise of Incentive Stock Options will equal the aggregate Share number stated in Section 3(a), plus, to the extent allowable under Code Section 422 and the Treasury Regulations promulgated thereunder, any Shares that become available for issuance under the Plan pursuant to Section 3(b).

(c) Share Reserve. The Company, during the term of this Plan, will at all times reserve and keep available such number of Shares as will be sufficient to satisfy the requirements of the Plan.

4. Administration of the Plan.

(a) Procedure.

(i) Multiple Administrative Bodies. Different Committees with respect to different groups of Service Providers may administer the Plan.

(ii) Other Administration. Other than as provided above, the Plan will be administered by (A) the Board or (B) a Committee, which Committee will be constituted to satisfy Applicable Laws.

(b) Powers of the Administrator. Subject to the provisions of the Plan, and in the case of a Committee, subject to the specific duties delegated by the Board to such Committee, the Administrator will have the authority, in its discretion:

(i) to determine the Fair Market Value;

(ii) to select the Service Providers to whom Awards may be granted hereunder;

(iii) to determine the number of Shares to be covered by each Award granted hereunder;

(iv) to approve forms of Award Agreements for use under the Plan;

(v) to determine the terms and conditions, not inconsistent with the terms of the Plan, of any Award granted hereunder. Such terms and conditions include, but are not limited to, the exercise price, the time or times when Awards may be exercised (which may be based on performance criteria), any vesting acceleration or waiver of forfeiture restrictions, and any restriction or limitation regarding any Award or the Shares relating thereto, based in each case on such factors as the Administrator will determine;

(vi) to institute and determine the terms and conditions of an Exchange Program;

(vii) to construe and interpret the terms of the Plan and Awards granted pursuant to the Plan;

(viii) to prescribe, amend and rescind rules and regulations relating to the Plan, including rules and regulations relating to sub-plans established for the purpose of satisfying applicable foreign laws or for qualifying for favorable tax treatment under applicable foreign laws;

(ix) to modify or amend each Award (subject to Section 18(c) of the Plan), including but not limited to the discretionary authority to extend the post-termination exercisability period of Awards and to extend the maximum term of an Option (subject to Section 6(d));

(x) to allow Participants to satisfy withholding tax obligations in a manner prescribed in Section 14;

(xi) to authorize any person to execute on behalf of the Company any instrument required to effect the grant of an Award previously granted by the Administrator;

(xii) to allow a Participant to defer the receipt of the payment of cash or the delivery of Shares that otherwise would be due to such Participant under an Award; and

(xiii) to make all other determinations deemed necessary or advisable for administering the Plan.

(c) Effect of Administrator's Decision. The Administrator's decisions, determinations and interpretations will be final and binding on all Participants and any other holders of Awards.

5. Eligibility. Nonstatutory Stock Options, Stock Appreciation Rights, Restricted Stock, and Restricted Stock Units may be granted to Service Providers. Incentive Stock Options may be granted only to Employees.

6. Stock Options.

(a) Grant of Options. Subject to the terms and provisions of the Plan, the Administrator, at any time and from time to time, may grant Options in such amounts as the Administrator, in its sole discretion, will determine.

(b) Option Agreement. Each Award of an Option will be evidenced by an Award Agreement that will specify the exercise price, the term of the Option, the number of Shares subject to the Option, the exercise restrictions, if any, applicable to the Option, and such other terms and conditions as the Administrator, in its sole discretion, will determine.

(c) Limitations. Each Option will be designated in the Award Agreement as either an Incentive Stock Option or a Nonstatutory Stock Option. Notwithstanding such designation, however, to the extent that the aggregate Fair Market Value of the Shares with respect to which Incentive Stock Options are exercisable for the first time by the Participant during any calendar year (under all plans of the Company and any Parent or Subsidiary) exceeds one hundred thousand dollars ($100,000), such Options will be treated as Nonstatutory Stock Options. For purposes of this Section 6(c), Incentive Stock Options will be taken into account in the order in which they were granted, the Fair Market Value of the Shares will be determined as of the time the Option with respect to such Shares is granted, and calculation will be performed in accordance with Code Section 422 and Treasury Regulations promulgated thereunder.

(d) Term of Option. The term of each Option will be stated in the Award Agreement; provided, however, that the term will be no more than ten (10) years from the date of grant thereof. In the case of an Incentive Stock Option granted to a Participant who, at the time the Incentive Stock Option is granted, owns stock representing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or any Parent or Subsidiary, the term of the Incentive Stock Option will be five (5) years from the date of grant or such shorter term as may be provided in the Award Agreement.

(e) Option Exercise Price and Consideration.

(i) Exercise Price. The per Share exercise price for the Shares to be issued pursuant to the exercise of an Option will be determined by the Administrator, but will be no less than one hundred percent (100%) of the Fair Market Value per Share on the date of grant. In addition, in the case of an Incentive Stock Option granted to an Employee who owns stock representing more than ten percent (10%) of the voting power of all classes of stock of the Company or any Parent or Subsidiary, the per Share exercise price will be no less than one hundred ten percent (110%) of the Fair Market Value per Share on the date of grant. Notwithstanding the foregoing provisions of this Section 6(e)(i), Options may be granted with a per Share exercise price of less than one hundred percent (100%) of the Fair Market Value per Share on the date of grant pursuant to a transaction described in, and in a manner consistent with, Code Section 424(a).

(ii) Waiting Period and Exercise Dates. At the time an Option is granted, the Administrator will fix the period within which the Option may be exercised and will determine any conditions that must be satisfied before the Option may be exercised.

(iii) Form of Consideration. The Administrator will determine the acceptable form of consideration for exercising an Option, including the method of payment. In the case of an Incentive Stock Option, the Administrator will determine the acceptable form of consideration at the time of grant. Such consideration may consist entirely of: (1) cash; (2) check; (3) promissory note, to the extent permitted by Applicable Laws, (4) other Shares, provided that such Shares have a Fair Market Value on the date of surrender equal to the aggregate exercise price of the Shares as to which

such Option will be exercised and provided further that accepting such Shares will not result in any adverse accounting consequences to the Company, as the Administrator determines in its sole discretion; (5) consideration received by the Company under cashless exercise program (whether through a broker or otherwise) implemented by the Company in connection with the Plan; (6) by net exercise, (7) such other consideration and method of payment for the issuance of Shares to the extent permitted by Applicable Laws, or (8) any combination of the foregoing methods of payment. In making its determination as to the type of consideration to accept, the Administrator will consider if acceptance of such consideration may be reasonably expected to benefit the Company.

(f) Exercise of Option.

(i) Procedure for Exercise; Rights as a Stockholder. Any Option granted hereunder will be exercisable according to the terms of the Plan and at such times and under such conditions as determined by the Administrator and set forth in the Award Agreement. An Option may not be exercised for a fraction of a Share. Notwithstanding anything in the Plan to the contrary, the right to exercise an Option shall be suspended automatically during any investigation by the Board or its designee, and/or any negotiations by the Board or its designee and the Participant, regarding any actual or alleged act or omission by the Participant that could constitute a ground for terminating the Participant for Cause.

An Option will be deemed exercised when the Company receives: (i) notice of exercise (in such form as the Administrator may specify from time to time) from the person entitled to exercise the Option, and (ii) full payment for the Shares with respect to which the Option is exercised (together with applicable tax withholding). Full payment may consist of any consideration and method of payment authorized by the Administrator and permitted by the Award Agreement and the Plan. Shares issued upon exercise of an Option will be issued in the name of the Participant or, if requested by the Participant, in the name of the Participant and his or her spouse. Until the Shares are issued (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a stockholder will exist with respect to the Shares subject to an Option, notwithstanding the exercise of the Option. The Company will issue (or cause to be issued) such Shares promptly after the Option is exercised. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Shares are issued, except as provided in Section 13of the Plan.

Exercising an Option in any manner will decrease the number of Shares thereafter available, both for purposes of the Plan and for sale under the Option, by the number of Shares as to which the Option is exercised.

(ii) Termination of Relationship as a Service Provider. If a Participant ceases to be a Service Provider, other than upon the Participant's termination as the result of the Participant's death or Disability or Cause, the Participant may exercise his or her Option within thirty (30) days of termination, or such longer period of time as is specified in the Award Agreement (but in no event later than the expiration of the term of such Option as set forth in the Award Agreement) to the extent that the Option is vested on the date of termination. Unless otherwise provided by the Administrator, if on the date of termination the Participant is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option will revert to the Plan. If after termination the Participant does not exercise his or her Option within the time specified by the Administrator, the Option will terminate, and the Shares covered by such Option will revert to the Plan.

(iii) Disability of Participant. If a Participant ceases to be a Service Provider as a result of the Participant's Disability, the Participant may exercise his or her Option within six (6) months of termination, or such longer period of time as is specified in the Award Agreement (but in no event later than the expiration of the term of such Option as set forth in the Award Agreement) to the extent the Option is vested on the date of termination. Unless otherwise provided by the Administrator, if on the date of termination the Participant is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option will revert to the Plan. If after termination the Participant does not exercise his or her Option within the time specified herein, the Option will terminate, and the Shares covered by such Option will revert to the Plan.

(iv) Death of Participant. If a Participant dies while a Service Provider, the Option may be exercised within six (6) months following the Participant's death, or within such longer period of time as is specified in the Award Agreement (but in no event later than the expiration of the term of such Option as set forth in the Award Agreement) to the extent that the Option is vested on the date of death, by the Participant's designated beneficiary, provided such beneficiary has been designated prior to the Participant's death in a form acceptable to the Administrator. If no such beneficiary has been designated by the Participant, then such Option may be exercised by the personal representative of the Participant's estate or by the person(s) to whom the Option is transferred pursuant to the Participant's will or in accordance with the laws of descent and distribution. Unless otherwise provided by the Administrator, if at the time of death Participant is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option will immediately revert to the Plan. If the Option is not so exercised within the time specified herein, the Option will terminate, and the Shares covered by such Option will revert to the Plan.

(v) Termination for Cause. If a Participant ceases to be a Service Provider as a result of the Company terminating the Participant for Cause or if on the date the Participant ceases to be a Service Provider the Company could have terminated Participant for Cause, the Option will terminate, and the Shares covered by such Option will revert to the Plan.

7. Stock Appreciation Rights.

(a) Grant of Stock Appreciation Rights. Subject to the terms and conditions of the Plan, a Stock Appreciation Right may be granted to Service Providers at any time and from time to time as will be determined by the Administrator, in its sole discretion.

(b) Number of Shares. The Administrator will have complete discretion to determine the number of Shares subject to any Award of Stock Appreciation Rights.

(c) Exercise Price and Other Terms. The per Share exercise price for the Shares that will determine the amount of the payment to be received upon exercise of a Stock Appreciation Right as set forth in Section 7(f) will be determined by the Administrator and will be no less than one hundred percent (100%) of the Fair Market Value per Share on the date of grant. Otherwise, the Administrator, subject to the provisions of the Plan, will have complete discretion to determine the terms and conditions of Stock Appreciation Rights granted under the Plan.

(d) Stock Appreciation Right Agreement. Each Stock Appreciation Right grant will be evidenced by an Award Agreement that will specify the exercise price, the term of the Stock Appreciation Right, the conditions of exercise, and such other terms and conditions as the Administrator, in its sole discretion, will determine.

(e) Expiration of Stock Appreciation Rights. A Stock Appreciation Right granted under the Plan will expire upon the date determined by the Administrator, in its sole discretion, and set forth in the Award Agreement. Notwithstanding the foregoing, the rules of Section 6(d) relating to the maximum term and Section 6(f) relating to exercise also will apply to Stock Appreciation Rights.

(f) Payment of Stock Appreciation Right Amount. Upon exercise of a Stock Appreciation Right, a Participant will be entitled to receive payment from the Company in an amount determined by multiplying:

(i) The difference between the Fair Market Value of a Share on the date of exercise over the exercise price; times

(ii) The number of Shares with respect to which the Stock Appreciation Right is exercised.

At the discretion of the Administrator, the payment upon Stock Appreciation Right exercise may be in cash, in Shares of equivalent value, or in some combination thereof.

8. Restricted Stock.

(a) Grant of Restricted Stock. Subject to the terms and provisions of the Plan, the Administrator, at any time and from time to time, may grant Shares of Restricted Stock to Service Providers in such amounts as the Administrator, in its sole discretion, will determine.

(b) Restricted Stock Agreement. Each Award of Restricted Stock will be evidenced by an Award Agreement that will specify the Period of Restriction, if any, the number of Shares granted, and such other terms and conditions as the Administrator, in its sole discretion, will determine. Unless the Administrator determines otherwise, the Company as escrow agent will hold Shares of Restricted Stock until the restrictions on such Shares have lapsed.

(c) Transferability. Except as provided in this Section 8 or as the Administrator determines, Shares of Restricted Stock may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated until the end of the applicable Period of Restriction.

(d) Other Restrictions. The Administrator, in its sole discretion, may impose such other restrictions on Shares of Restricted Stock as it may deem advisable or appropriate.

(e) Removal of Restrictions. Except as otherwise provided in this Section 8, Shares of Restricted Stock covered by each Restricted Stock grant made under the Plan will be released from escrow as soon as practicable after the last day of the Period of Restriction or at such other time as the Administrator may determine. The Administrator, in its discretion, may accelerate the time at which any restrictions will lapse or be removed.

(f) Voting Rights. During the Period of Restriction, Service Providers holding Shares of Restricted Stock granted hereunder may exercise full voting rights with respect to those Shares, unless the Administrator determines otherwise.

(g) Dividends and Other Distributions. During the Period of Restriction, Service Providers holding Shares of Restricted Stock will be entitled to receive all dividends and other distributions paid with respect to such Shares, unless the Administrator provides otherwise. If any such dividends or distributions are paid in Shares, the Shares will be subject to the same restrictions on transferability and forfeitability as the Shares of Restricted Stock with respect to which they were paid.

(h) Return of Restricted Stock to Company. On the date set forth in the Award Agreement, the Restricted Stock for which restrictions have not lapsed will revert to the Company and again will become available for grant under the Plan.

9. Restricted Stock Units.

(a) Grant. Restricted Stock Units may be granted at any time and from time to time as determined by the Administrator. After the Administrator determines that it will grant Restricted Stock Units, it will advise the Participant in an Award Agreement of the terms, conditions, and restrictions related to the grant, including the number of Restricted Stock Units.

(b) Vesting Criteria and Other Terms. The Administrator will set vesting criteria in its discretion, which, depending on the extent to which the criteria are met, will determine the number of Restricted Stock Units that will be paid out to the Participant. The Administrator may set vesting criteria based upon the achievement of Company-wide, business unit, or individual goals (including, but not limited to, continued employment or service), or any other basis determined by the Administrator in its discretion.

(c) Earning Restricted Stock Units. Upon meeting the applicable vesting criteria, the Participant will be entitled to receive a payout as determined by the Administrator. Notwithstanding the foregoing, at any time after the grant of Restricted Stock Units, the Administrator, in its sole discretion, may reduce or waive any vesting criteria that must be met to receive a payout.

(d) Form and Timing of Payment. Payment of earned Restricted Stock Units will be made as soon as practicable after the date(s) determined by the Administrator and set forth in the Award Agreement. The Administrator, in its sole discretion, may settle earned Restricted Stock Units in cash, Shares, or a combination of both.

(e) Cancellation.On the date set forth in the Award Agreement, all unearned Restricted Stock Units will be forfeited to the Company.

10. Compliance With Code Section 409A. Awards will be designed and operated in such a manner that they are either exempt from the application of, or comply with, the requirements of Code Section 409A, except as otherwise determined in the sole discretion of the Administrator. The Plan and each Award Agreement under the Plan is intended to meet the requirements of Code Section 409A and will be construed and interpreted in accordance with such intent, except as otherwise determined in the sole discretion of the Administrator. To the extent that an Award or payment, or the settlement or deferral thereof, is subject to Code Section 409A the Award will be granted, paid, settled or deferred in a manner that will meet the requirements of Code Section 409A, such that the grant, payment, settlement or deferral will not be subject to the additional tax or interest applicable under Code Section 409A.

11. Leaves of Absence/Transfer Between Locations. Unless the Administrator provides otherwise, vesting of Awards granted hereunder will be suspended during any unpaid leave of absence. A Participant will not cease to be an Employee in the case of (i) any leave of absence approved by the Company or (ii) transfers between locations of the Company or between the Company, its Parent, or any Subsidiary. For purposes of Incentive Stock Options, no such leave may exceed three (3) months, unless reemployment upon expiration of such leave is guaranteed by statute or contract. If reemployment upon expiration of a leave of absence approved by the Company is not so guaranteed, then six (6) months following the first (1st) day of such leave, any Incentive Stock Option held by the Participant will cease to be treated as an Incentive Stock Option and will be treated for tax purposes as a Nonstatutory Stock Option.

12. Limited Transferability of Awards.

(a) Unless determined otherwise by the Administrator, Awards may not be sold, pledged, assigned, hypothecated, or otherwise transferred in any manner other than by will or by the laws of descent and distribution, and may be exercised, during the lifetime of the Participant, only by the Participant. If the Administrator makes an Award transferable, such Award may only be transferred (i) by will, (ii) by the laws of descent and distribution, or (iii) as permitted by Rule 701 of the Securities Act of 1933, as amended (the "Securities Act").

(b) Further, until the Company becomes subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, or after the Administrator determines that it is, will, or may no longer be relying upon the exemption from registration under the Exchange Act as set forth in Rule 12h-1(f) promulgated under the Exchange Act, an Option, or prior to exercise, the Shares subject to the Option, may not be pledged, hypothecated or otherwise transferred or disposed of, in any manner, including by entering into any short position, any "put equivalent position" or any "call equivalent position" (as defined in Rule 16a-1(h) and Rule 16a-1(b) of the Exchange Act, respectively), other than to (i) persons who are "family members" (as defined in Rule 701(c)(3) of the Securities Act) through gifts or domestic relations orders, or (ii) to an executor or guardian of the Participant upon the death or disability of the Participant. Notwithstanding the foregoing sentence, the Administrator, in its sole discretion, may determine to permit transfers to the Company or in connection with a Change in Control or other acquisition transactions involving the Company to the extent permitted by Rule 12h-1(f).

13. Adjustments; Dissolution or Liquidation; Merger or Change in Control.

(a) Adjustments. In the event that any dividend or other distribution (whether in the form of cash, Shares, other securities, or other property), recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase, or exchange of Shares or other securities of the Company, or other change in the corporate structure of the Company affecting the Shares occurs, the Administrator, in order to prevent diminution or enlargement of the benefits or potential benefits intended to be made available under the Plan, will adjust the number and class of shares of stock that may be delivered under the Plan and/or the number, class, and price of shares of stock covered by each outstanding Award; provided, however, that the Administrator will make such adjustments to an Award required by Section 25102(o) of the California Corporations Code to the extent the Company is relying upon the exemption afforded thereby with respect to the Award.

(b) Dissolution or Liquidation. In the event of the proposed dissolution or liquidation of the Company, the Administrator will notify each Participant as soon as practicable prior to the effective date of such proposed transaction. To the extent it has not been previously exercised, an Award will terminate immediately prior to the consummation of such proposed action.

(c) Merger or Change in Control. In the event of a merger of the Company with or into another corporation or other entity or a Change in Control, each outstanding Award will be treated as the Administrator determines (subject to the provisions of the following paragraph) without a Participant's consent, including, without limitation, that (i) Awards will be assumed, or substantially equivalent Awards will be substituted, by the acquiring or succeeding corporation (or an affiliate thereof, including the surviving Company) with appropriate adjustments as to the number and kind of shares and prices; (ii) upon written notice to a Participant, that the Participant's Awards will terminate upon or immediately prior to the consummation of such merger or Change in Control; (iii) outstanding Awards will vest and become exercisable, realizable, or payable, or restrictions applicable to an Award will lapse, in whole or in part prior to or upon consummation of such merger or Change in Control, and, to the extent the Administrator determines, terminate upon or immediately prior to the effectiveness of such merger or Change in Control; (iv) (A) the termination of an Award in exchange for an amount of cash and/or property, if any, equal to the amount that would have been attained upon the exercise of such Award or realization of the Participant's rights as of the date of the occurrence of the transaction (and, for the avoidance of doubt, if as of the date of the occurrence of the transaction the Administrator determines in good faith that no amount would have been attained upon the exercise of such Award or realization of the Participant's rights, then such Award may be terminated by the Company without payment), or (B) the replacement of such Award with other rights or property selected by the Administrator in its sole discretion; or (v) any combination of the foregoing. In taking any of the actions permitted under this subsection 13(c), the Administrator will not be obligated to treat all Awards, all Awards held by a Participant, or all Awards of the same type, similarly.

In the event that the successor corporation (or an affiliate thereof, including the surviving Company) does not assume or substitute for the Award (or portion thereof), the Participant will fully vest in and have the right to exercise all of his or her outstanding Options and Stock Appreciation Rights, including Shares as to which such Awards would not otherwise be vested or exercisable, all restrictions on Restricted Stock and Restricted Stock Units will lapse, and, with respect to Awards with performance-based vesting, all performance goals or other vesting criteria will be deemed achieved at one hundred percent (100%) of target levels and all other terms and conditions met. In addition, if an Option or Stock Appreciation Right is not assumed or substituted in the event of a merger or Change in Control, the Administrator will notify the Participant in writing or electronically that the Option or Stock Appreciation Right will be exercisable for a period of time determined by the Administrator in its sole discretion, and the Option or Stock Appreciation Right will terminate upon the expiration of such period.

For the purposes of this subsection 13(c), an Award will be considered assumed if, following the merger or Change in Control, the Award confers the right to purchase or receive, for each Share subject to the Award immediately prior to the merger or Change in Control, the consideration (whether stock, cash, or other securities or property) received in the merger or Change in Control by holders of Common Stock for each Share held on the effective date of the transaction (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding Shares); provided, however, that if such consideration received in the merger or Change in Control is not solely common stock of the successor corporation or its Parent, the Administrator may,

with the consent of the successor corporation, provide for the consideration to be received upon the exercise of an Option or Stock Appreciation Right or upon the payout of a Restricted Stock Unit, for each Share subject to such Award, to be solely common stock of the successor corporation or its Parent equal in fair market value to the per share consideration received by holders of Common Stock in the merger or Change in Control.

Notwithstanding anything in this Section 13(c) to the contrary, an Award that vests, is earned or paid-out upon the satisfaction of one or more performance goals will not be considered assumed if the Company or its successor modifies any of such performance goals without the Participant's consent; provided, however, a modification to such performance goals only to reflect the successor corporation's post-Change in Control corporate structure will not be deemed to invalidate an otherwise valid Award assumption.

Notwithstanding anything in this Section 13(c) to the contrary, if a payment under an Award Agreement is subject to Code Section 409A and if the change in control definition contained in the Award Agreement does not comply with the definition of "change of control" for purposes of a distribution under Code Section 409A, then any payment of an amount that is otherwise accelerated under this Section will be delayed until the earliest time that such payment would be permissible under Code Section 409A without triggering any penalties applicable under Code Section 409A.

14. Tax Withholding.

(a) Withholding Requirements. Prior to the delivery of any Shares or cash pursuant to an Award (or exercise thereof), the Company will have the power and the right to deduct or withhold, or require a Participant to remit to the Company, an amount sufficient to satisfy federal, state, local, foreign or other taxes (including the Participant's FICA obligation) required to be withheld with respect to such Award (or exercise thereof).

(b) Withholding Arrangements. The Administrator, in its sole discretion and pursuant to such procedures as it may specify from time to time, may permit a Participant to satisfy such tax withholding obligation, in whole or in part by (without limitation) (i) paying cash, (ii) electing to have the Company withhold otherwise deliverable Shares having a Fair Market Value equal to the minimum statutory amount required to be withheld, (iii) delivering to the Company already-owned Shares having a Fair Market Value equal to the statutory amount required to be withheld, provided the delivery of such Shares will not result in any adverse accounting consequences, as the Administrator determines in its sole discretion, or (iv) selling a sufficient number of Shares otherwise deliverable to the Participant through such means as the Administrator may determine in its sole discretion (whether through a broker or otherwise) equal to the amount required to be withheld. The amount of the withholding requirement will be deemed to include any amount which the Administrator agrees may be withheld at the time the election is made, not to exceed the amount determined by using the maximum federal, state or local marginal income tax rates applicable to the Participant with respect to the Award on the date that the amount of tax to be withheld is to be determined. The Fair Market Value of the Shares to be withheld or delivered will be determined as of the date that the taxes are required to be withheld.

15. No Effect on Employment or Service. Neither the Plan nor any Award will confer upon a Participant any right with respect to continuing the Participant's relationship as a Service Provider with the Company, nor will they interfere in any way with the Participant's right or the Company's right to terminate such relationship at any time, with or without cause, to the extent permitted by Applicable Laws.

16. Date of Grant. The date of grant of an Award will be, for all purposes, the date on which the Administrator makes the determination granting such Award, or such other later date as is determined by the Administrator. Notice of the determination will be provided to each Participant within a reasonable time after the date of such grant.

17. Term of Plan. Subject to Section 21 of the Plan, the Plan will become effective upon its adoption by the Board or on such date as the Board determines. Unless sooner terminated under Section 18, it will continue in effect for a term of ten (10) years from the later of (a) the effective date of the Plan, or (b) the earlier of the most recent Board or stockholder approval of an increase in the number of Shares reserved for issuance under the Plan.

18. Amendment and Termination of the Plan.

(a) Amendment and Termination. The Board may at any time amend, alter, suspend or terminate the Plan.

(b) Stockholder Approval. The Company will obtain stockholder approval of any Plan amendment to the extent necessary and desirable to comply with Applicable Laws.

(c) Effect of Amendment or Termination. No amendment, alteration, suspension or termination of the Plan will impair the rights of any Participant, unless mutually agreed otherwise between the Participant and the Administrator, which agreement must be in writing and signed by the Participant and the Company. Termination of the Plan will not affect the Administrator's ability to exercise the powers granted to it hereunder with respect to Awards granted under the Plan prior to the date of such termination.

19. Conditions Upon Issuance of Shares.

(a) Legal Compliance. Shares will not be issued pursuant to the exercise of an Award unless the exercise of such Award and the issuance and delivery of such Shares will comply with Applicable Laws and will be further subject to the approval of counsel for the Company with respect to such compliance.

(b) Investment Representations. As a condition to the exercise of an Award, the Company may require the person exercising such Award to represent and warrant at the time of any such exercise that the Shares are being purchased only for investment and without any present intention to sell or distribute such Shares if, in the opinion of counsel for the Company, such a representation is required.

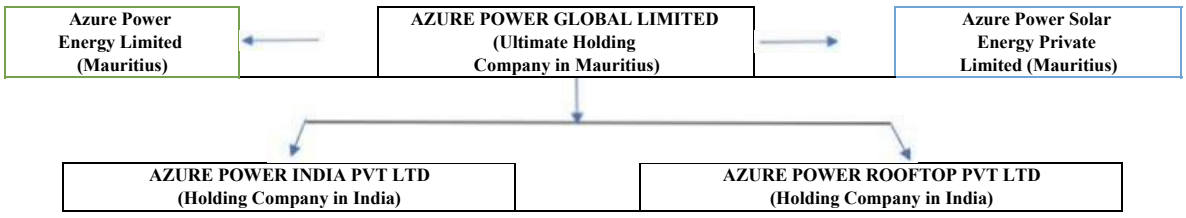
20. Inability to Obtain Authority. The inability of the Company to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder, will relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority will not have been obtained.

21. Stockholder Approval. The Plan will be subject to approval by the stockholders of the Company prior to the date the Plan is adopted by the Board. Such stockholder approval will be obtained in the manner and to the degree required under Applicable Laws.

22. Governing Law. The Plan and all claims or causes of action (whether in contract, tort, or statute) that may be based on, arise out of, or relate to the Plan shall be governed by, and enforced in accordance with, the internal laws of the State of New York.

Exhibit 8.1

Azure Power Global Limited's group structure as on March 31, 2020



Azure Power (Punjab) Private Limited (India)
Azure Power (Rajasthan)Private Limited (India)
Azure Power (Haryana) Private Limited (India)
Azure Solar Private Limited (India)
Azure Sun Energy Private Limited (India)
Azure Urja Private Limited (India)
Azure Surya Private Limited (India)
Azure Power (Karnataka)Private Limited (India)
Azure Solar Solutions Private Limited (India)
Azure Power Infrastructure Private Ltd (India)
Azure Sunlight Private Limited (India)
Azure Sunrise Private Limited (India)
Azure Sunshine Private Limited (India)
Azure Power (Raj.) Pvt. Ltd. (India)
Azure Photovoltaic Pvt. Ltd. (India)
Azure Renewable Energy Pvt. Ltd. (India)
Azure Clean Energy Pvt. Ltd. (India)
Azure Green Tech Private Limited (India)
Azure Power Earth Private Limited (India)
Azure Power Eris Private Limited (India)
Azure Power Mars Private Limited (India)
Azure Power Mercury Private Limited (India)
Azure Power Pluto Private Limited (India)
Azure Power Saturn Private Limited (India)
Azure Power Jupiter Private Limited (India)
Azure Power Makemake Private Limited (India)
Azure Power Uranus Private Limited (India)
Azure Power Venus Private Limited (India)
Azure Power Thirty Three Private Limited (India)
Azure Power Thirty Four Private Limited (India)
Azure Power Thirty Five Private Limited (India)
Azure Power Thirty Six Private Limited (India)
Azure Power Thirty Seven Private Limited (India)
Azure Power Thirty Eight Private Limited (India)
Azure Power Thirty Nine Private Limited (India)
Azure Power Forty Private Limited (India)
Azure Power Forty One Private Limited (India)
Azure Power Forty Two Private Limited (India)
Azure Power Forty Three Private Limited (India)
Azure Power Forty Four Private Limited (India)
*Azure Power Forty Five Private Limited (India)
Azure Power Forty Six Private Limited (India)
*Azure Power Forty Seven Private Limited (India)
*Azure Power Forty Eight Private Limited (India)
*Azure Power Forty Nine Private Limited (India)
*Azure Power Fifty Private Limited (India)
Azure Power Fifty One Private Limited (India)
Azure Power Fifty Two Private Limited (India)

Azure Power Rooftop (GenCo.) Pvt Ltd. (India)

Azure Power Rooftop One Pvt Ltd. (India)
Azure Power Rooftop Two Pvt Ltd. (India)
Azure Power Rooftop Three Pvt Ltd. (India)
Azure Power Rooftop Four Pvt Ltd. (India)
Azure Power Rooftop Five Pvt Ltd. (India)
Azure Power Rooftop Six Pvt Ltd. (India)
Azure Power Rooftop Seven Pvt Ltd. (India)
Azure Power Rooftop Eight Pvt Ltd. (India)
*Azure Power Rooftop Nine Pvt Ltd. (India)
*Azure Power Rooftop Ten Pvt Ltd. (India)
*Azure Power Rooftop Eleven Pvt Ltd. (India)
*Azure Power Rooftop Twelve Pvt Ltd. (India)
*Azure Power One Pvt Ltd (India)

Azure Power Fifty Three Private Limited (India)
Azure Power Fifty Four Private Limited (India)
*Azure Power US INC (USA)
Azure Power Maple Private Limited (India)  *Azure Power Green Private Limited (India)

* We have applied to strike off these entities and remove their names from the register of companies maintained by Registrar of Companies (ROC) as no business or operations were carried out by these entities during two fiscal years that were immediately preceding.

Exhibit 12.1

Certification by the Principal Executive Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Ranjit Gupta, certify that:

1. I have reviewed this annual report on Form 20-F of Azure Power Global Limited;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's Board of Directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: June 19, 2020

By: /s/ Ranjit Gupta
Name: Ranjit Gupta
Title: Chief Executive Officer

Exhibit 12.2

Certification by the Principal Financial Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Pawan Kumar Agrawal, certify that:

1. I have reviewed this annual report on Form 20-F of Azure Power Global Limited:

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's Board of Directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: June 19, 2020

By: /s/ Pawan Kumar Agrawal
Name: Pawan Kumar Agrawal
Title: Chief Financial Officer

Exhibit 13.1

CERTIFICATION BY THE CHIEF EXECUTIVE OFFICER PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Azure Power Global Limited (the "Company") on Form 20-F for the fiscal year ended March 31, 2020 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Ranjit Gupta, Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C.§ 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: June 19, 2020

By: /s/ Ranjit Gupta
Name: Ranjit Gupta
Title: Chief Executive Officer

Exhibit 13.2

CERTIFICATION BY THE CHIEF FINANCIAL OFFICER PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Azure Power Global Limited (the "Company") on Form 20-F for the fiscal year ended March 31, 2020 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Pawan Kumar Agrawal, Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C.§ 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: June 19, 2020

By: /s/ Pawan Kumar Agrawal
Name: Pawan Kumar Agrawal
Title: Chief Financial Officer

Exhibit 15.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

1. Registration Statement (Form S-8 No. 333-217352) pertaining to the Employee Stock Option Plan 2015 and 2016 Equity Incentive Plan of Azure Power Global Limited,
2. Registration Statement (Form F-3 No. 333-222171) of Azure Power Global Limited,
3. Registration Statement (Form S-8 No. 333- 222331) pertaining to the 2016 Equity Incentive Plan (as amended in 2017) of Azure Power Global Limited, and
4. Registration Statement (Form F-3 No. 333-227164) of Azure Power Global Limited,

of our report dated June 19, 2020, with respect to the consolidated financial statements of Azure Power Global Limited included in this Annual Report (Form 20-F) of Azure Power Global Limited for the year ended March 31, 2020.

/s/ Ernst & Young Associates LLP

Gurugram, India
June 19, 2020