PARTICULARS OF THE OFFER

Security Name	Azure Power Rooftop One Private Limited NCD
Issuer	Azure Power Rooftop One Private Limited
Type of Instrument	Unlisted, Redeemable, Non-Convertible Debentures ("NCDs" or "Issue") with terms and conditions specified in this term sheet.
Nature of Instrument	Secured
Seniority	Senior
Mode of Issue	Dematerialised
Eligible Investors	IFC and FMO
Listing	Unlisted
Rating of the Instrument	Unrated
Issue Size	Total - INR 75,270,000 IFC – INR 44,440,000 FMO – INR 30,830,000
Option to retain oversubscription	Not Applicable
Objects of the Issue	To raise funding for part financing the construction, completion and initial operation of the solar rooftop projects and/or small scale captive solar projects and to repay the bridge equity brought in by a subordinated lender
Details of the utilization of the Proceeds	The Borrower shall use the proceeds from the issue of the Debentures to finance the construction, completion, ownership and initial operation of the solar rooftop projects and/or small scale captive solar projects and to repay the bridge equity brought in by a subordinated lender.
Coupon Rate	Base Rate + Spread(325 bp) %
Coupon Payment Frequency	Semi-Annually
Coupon Type	Variable
Day Count Basis	Actual/360
Interest on Application Money	Not Applicable
Default Interest Rate	As per schedule IV
Redemption Date	15th October 2024
Redemption Amount	Total - INR 75,270,000 IFC – INR 44,440,000 FMO – INR 30,830,000
Redemption Premium	Not Applicable
Subscription Discount	Not Applicable
Issue Price	INR 10,000 (Rupees ten thousand) per debenture
Discount at which security is issued and the effective yield as a result of such discount.	Not Applicable
Voluntary Redemption Date	As per Schedule III



Optional Early Redemption Date	As per Schedule II
Optional Early Redemption Amount	As per Schedule II
Optional Early Redemption Notification Date	As per Schedule II
Delisting Redemption Event Amount Date	Not Applicable
Delisting Redemption Event Amount	Not Applicable
Partial Redemption Date	Not Applicable
Partial Redemption Amount	Not Applicable
Face Value	INR 10,000 (Rupees Ten Thousand).
Issue Opening Date (Tentative)	10th February, 2020
Issue Closing Date (Tentative)	30th June, 2020
Deemed Date of Allotment	26th March, 2020
Issuance mode of the Instrument	Dematerialised
Trading mode of the Instrument	Electronic
Settlement mode of the Instrument	Electronic
Depository	NSDL
Business Day Convention	Mumbai and New Delhi and New York
Record Date	15 days prior to the coupon payment date and maturity date
Security /Security description	As per Schedule I
Pledgors	Azure Power Rooftop (Genco.) Pvt. Ltd.
Transaction Documents	Financing Documents, Project Documents and such agreements as may be permitted by the Debenture Holders for the purpose of providing Funding to the Borrower.
Governing Law and Jurisdiction	India, jurisdiction of the Courts of New Delhi
Details of Guarantee	As per Schedule V



SCHEDULE I

Security Description

A. A first ranking pari passu mortgage and/or charge over

I. all immovable properties of the Borrower, both present and future;

II. all movable properties of the Borrower, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable properties of the Borrower;

III. all cash flows, receivables, book debts and revenues of any nature of the Borrower in relation to the Projects, including any insurance proceeds, of whatsoever nature and wherever arising, both present and future;

IV. all intangible assets of the Borrower in relation to the Projects, including but not limited to, goodwill and uncalled capital, both present and future; and

V. the accounts established under the Trust and Retention Account Agreement to which it is a party, including each Interest Service Reserve Account, each Redemption Reserve Account and any other reserves and other bank accounts of the Borrower, wherever maintained.

B. a first ranking pari passu charge or assignment, amongst the Senior Lenders and the Debenture Holders, over:

I. all the rights, title, interest, benefits, claims and demands of the Borrower in (1) the Project Documents, duly acknowledged and consented to by the relevant counter parties, as required by the Debenture Holders; (2) subject to Applicable Law, all Authorizations; and (3) any letter of credit (including any letter(s) of credit under the Power Purchase Agreement(s), if available), guarantee, performance bond, corporate guarantee, bank guarantee provided by any party to the Project Documents, all pertaining to the Projects;

II. any Subordinated Loans received from any Subordinated Lender under the Project Funds Agreement or otherwise;

C. a first ranking pari passu pledge over:

I. until the Final Project Financial Completion Date, all equity shares and Compulsorily Convertible Preference Shares of the Borrower representing one hundred per cent (100%) of the issued and paid up share capital of the Borrower other than one (1) equity share held by the nominee of the Pledgor; and

II. from the Final Project Financial Completion Date until the Final Settlement Date, (a) in the event that forty nine per cent (49%) of the share capital has been sold to a financial investor who is a Permitted Transferee and has been approved by the Debenture Holders, such number of equity shares and Compulsorily Convertible Preference Shares of the Borrower representing fifty one per cent (51%) of the issued and paid up share capital of the Borrower; or (b) in any other case, all equity shares and Compulsorily Convertible Preference Shares of the Borrower representing one hundred per cent (100%) of the issued and paid up share capital of the Borrower.



SCHEDULE II

Early Redemption

i. Any early redemption of the Debentures shall be done on a pro rata basis across the Senior Loans and Debentures in accordance with the Senior Loan Agreements and Debenture Trust Deed, unless otherwise agreed by the Senior Lenders and Debenture Holders.

ii. No amount prepaid may be re-borrowed.



SCHEDULE III

Voluntary Redemption

i. Without prejudice to the other terms of this Schedule and the Debenture Trust Deed and subject to the terms of Applicable Laws (including relevant approval/no objection certificate from the RBI or authorized dealer banks (as the case may be)), if applicable, and the Borrower may voluntarily, with not less than thirty (30) days' prior written notice to the Debenture Holders and Debenture Trustee, on any Interest Payment Date, redeem the Debentures, but only:

   A. if the Borrower simultaneously pays all accrued interest and Increased Costs (if any) on the amount of the Debentures to be redeemed early, Unwinding Costs and Break Costs (if any, in accordance with the Debenture Trust Deed) on the amount of such Debentures to be redeemed, together with the Prepayment Premium, and any other amounts then due and payable under this Schedule;

   B. if for a partial redemption, the amount so prepaid to each Debenture Holder is an amount not less than United States Dollars Three Million (USD 3,000,000) (or its INR equivalent). Provided that if the amount outstanding to each Debenture Holder is less than United States Dollars Three Million (USD 3,000,000) (or its INR equivalent) on the proposed date of redemption, the Borrower shall prepay the entire amount outstanding to all Debenture Holders and Finance Parties;

   C. if requested by a Debenture Holder, if the Borrower delivers to such Debenture Holder, prior to the date of the redemption, evidence satisfactory to Debenture Holder that all applicable Authorizations with respect to such redemption have been obtained; and

   D. if all Debentures have been subscribed to or have been cancelled in accordance with this Schedule and the Debenture Trust Deed, and all Senior Loans have been drawn / disbursed or cancelled in accordance with the Senior Loan Agreements.

ii. Any notice of redemption of any of the Debentures given by the Borrower under this schedule shall be irrevocable and shall specify the Interest Payment Date on which the relevant redemption is to be made and the number and aggregate principal amount of the Debentures to be redeemed.

iii. Amounts of principal redeemed under this Section shall first be allocated and paid by the Borrower pro rata among the Senior Loans and the Debentures in proportion to their respective principal amounts outstanding.

iv. The Borrower shall not effect more than three (3) redemptions at any time during the term of the Debentures.

v. All monies to be paid to the Debenture Holders shall be deposited by the Borrower in accordance with (ii) above in separate accounts for each Debenture Holder, opened and maintained by the Borrower pursuant to the Trust and Retention Account Agreement (each a "Prepayment Holdings Account" and, collectively, the "Prepayment Holdings Accounts") within ten (10) days from the occurrence of the relevant early redemption event. The Borrower shall hold each Prepayment Holdings Account for the exclusive benefit of each Debenture Holder, as relevant, until, if required, the approval for repatriation of the monies from the RBI or a no-objection certificate from the relevant authorized dealer bank (as applicable) has been obtained, and upon receipt of such approvals the monies standing to the credit of a Debenture Holder's Prepayment Holdings Account shall be utilized for redemption by the Borrower of the Debentures of such Debenture Holder. For the avoidance of doubt, till such time that the monies have not been credited to the Payment Account of the relevant Debenture Holder, such amount shall be considered to be outstanding and the Borrower shall continue to be obligated to



pay interest on all such amounts and comply with all its other obligations in relation thereto. The Borrower shall use all reasonable endeavours to procure all Authorizations from all relevant authorities for redemption of the Debentures and if requested by the Debenture Holders, the Borrower shall deliver to the Debenture Holders in writing, prior to the date of redemption, all evidence satisfactory to the Debenture Holders that all necessary Authorizations with respect to the redemption have been obtained. In the event that the Borrower receives such Authorisations at such time that the monies are credited to the Payment Account of the relevant Debenture Holder on a date that is not an Interest Payment Date, the Borrower shall be required to pay Break Costs and Unwinding Costs on such monies.

vi. The provisions of this schedule (other than (i)(B)) shall apply to any refinancing by the Borrower pursuant to Section 5.02(c)(ii) (Permitted Financial Debt) of the Common Terms Schedule.



SCHEDULE IV

Default Interest and Other Payments

i. Without limiting the remedies available to the Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders) under this Deed or otherwise (and to the maximum extent permitted by Applicable Law), in the event the Borrower fails to pay any amount payable by it under a Financing Document on its due date ("Unpaid Sum"), interest shall accrue on the Unpaid Sum from the due date up to the date of actual payment (both before and after judgment) at the Default Rate.

ii. Any interest accruing under this schedule (Default interest and other payments) shall, on demand by the Debenture Trustee, be immediately payable by the Borrower or, if not demanded, on each Interest Payment Date falling after any such Unpaid Sum became due, until (and including) the date on which such failure is rectified or waived off to the satisfaction of the Debenture Trustee (acting in accordance with Relevant Instructions).

iii. The Borrower agrees and acknowledges that the payment of interest at the Default Rate is not in the nature of a penalty.

iv. In addition to the other provisions of this Deed and without limiting any other rights and remedies which may be available to the Debenture Holders under any other provisions of this Deed, upon failure of the Borrower to redeem the Debentures on the Redemption Date, the Borrower agrees to pay, indemnify and hold harmless the Debenture Holders and/or the Debenture Trustee, for, from and against any and all damages, losses and/or costs sustained or incurred by the Debenture Holders and/or the Debenture Trustee as a result of or in connection with, including but not limited to, (a) the cost of the Debenture Holders borrowing in Indian Rupees, or purchasing Indian Rupees or maintaining, establishing, replacing, terminating or liquidating any currency or interest rate hedge; and the conversion of any amounts from USD to the Loan Currency or vice versa and/or any interest rate from a fixed rate to a floating rate or vice versa (in each case including, without limitation, any such cost, loss or liability incurred by any Debenture Holder if such Debenture Holder elects (which election shall be in its sole discretion) to terminate or close out all or any part of any currency hedging arrangements).

v. The Borrower shall pay to each Debenture Holder, a commitment fee at the rate of (1%) one per cent. per annum on that part of the Total Subscription Amount which such Debenture Holder has committed to subscribing to and that from time to time has not been issued to such Debenture Holder or cancelled. Such fee shall:

   a. begin to accrue from the date of this Deed;
   b. be pro-rated on the basis of a three hundred and sixty (360)-day year for the actual number of days elapsed; and
   c. be payable semi-annually, in arrears, on each Interest Payment Date, the first such payment to be due on the first Interest Payment Date after the date of this Deed, being October 15, 2018.

vi. The Borrower shall also pay to the Original Debenture Holders all such fees as detailed in the Fee Letters.

Note: Default rate is 2% per annum over and above the applicable interest rate



SCHEDULE V
Details of Guarantee

DETAILS OF GUARANTEE

All obligations of the Company to the Secured Parties under the Financing Documents are secured by way of an unconditional and irrevocable guarantee granted by the Guarantors, which shall be valid until the Final Settlement Date.

The obligations of the Company to the Secured Parties under the Financing Documents are secured by way of an unconditional and irrevocable guarantee granted by the Additional Guarantor, which shall be valid until the Security is created and perfected to the satisfaction of the Senior Lenders, Hedging Counterparty and Debenture Holders.

The Senior Loans and Debentures equivalent to the aggregate amount of Central Financial Assistance and dividend distributed to the shareholders of the Borrower that is excluded from the termination payment under the power purchase agreements with the Indian railways as offtakers are secured by way of an unconditional and irrevocable guarantee granted by the Additional Guarantor, which shall be valid until the Final Settlement Date.

The Guarantors are:

1. Azure Power Rooftop (Genco.) Private Limited;
2. Azure Power Rooftop Two Private Limited;
3. Azure Power Rooftop Four Private Limited;
4. Azure Power Rooftop Five Private Limited;
5. Azure Power Rooftop Six Private Limited; and
6. Azure Power Rooftop Eight Private Limited.

The Additional Guarantor is Azure Power India Private Limited.

