

## Independent Assurance Report

### Introduction

This is an independent pre-issuance assurance report of the proposed US Dollar denominated bonds aggregating up to USD 350.00 million (“Green Bonds”) by Azure Power Solar Energy Private Limited, C/O, AAA Global Services Ltd, 1<sup>st</sup> floor, The Exchange, 18 Cybercity, Ebene, Mauritius (“Issuer”) in accordance with the pre-issuance requirements of “Limited Assurance” under Climate Bonds Standard Version 2.1.

### Assurance scope and level of assurance

The scope of this assessment includes verification of information on the material aspects of the Green Bonds in accordance with pre-issuance criteria including General and Technical Eligibility requirements of Climate Bonds Standard Version 2.1. The following areas have been covered in the assessment:

- 1) Selection of nominated projects and assets;
- 2) Use of proceeds;
- 3) Internal processes and controls; and
- 4) Reporting.

### Activities undertaken

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

- a. Purpose of use of proceeds;
- b. Process of selecting eligible projects;
- c. Reporting requirements, other internal processes and controls including the processes to track and earmark the proceeds of Green Bonds;
- d. Environmental objectives of Green Bonds;
- e. Process to determine whether the Nominated Projects & Assets meet the eligibility requirements specified in Part B of the Climate Bonds Standard;
- f. Investment areas for bond proceeds and temporary investment instruments for the management of unallocated proceeds;
- g. The list of Nominated Projects & Assets and their conformance with the eligibility requirements specified in Part B of the Climate Bonds Standard

### Conclusions

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

### Limitations & exclusions

The verification does not:

- 1) Suggest or assist in implementing in any recommendations of any sort.

- 2) Assess data and information beyond the defined reporting boundary and period.
- 3) Set any expectations of the proposed Green Bonds issuance.
- 4) Verify the financial standing, economic performance and credit rating of the prospective issuer.
- 5) Verify statements by Issuer that describe opinions, beliefs, aspirations, expectations, aims or intentions.
- 6) Make any assessment of the environmental, social, or governance impact of the proposed projects/investments, except to the extent required for compliance with Climate Bonds Initiative Version 2.1.
- 7) Assess whether the proposed projects or investments comply with local regulations.

### **Independence**

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

### **Issuers' responsibility**

The Issuer is responsible to ensure the compliance of Green Bonds with Climate Bonds Standard Version 2.1.

### **Verifier's responsibility**

The report is intended to inform the Issuer about the compliance of Green Bonds in accordance with the pre-issuance criteria of Climate Bonds Standard Version 2.1. Verifier team is responsible only to the Issuer and to the extent of verifying the Green Bonds as per the terms of engagement.

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## ANNEX 1: LIST OF NOMINATED PROJECTS & ASSETS

The proceeds of Green Bonds will be used for refinancing of 663.50MW of solar power projects (listed below) of certain subsidiaries of Issuer's parent Azure Power Global Limited and financing of new solar power projects.

Subsidiary Name	Project short name	Capacity (MW)	Project type	State
Azure Power Forty Four Pvt Ltd	Indian Railways Rooftop 1	17.0	Solar	Pan India
Azure Power Thirty Eight Pvt Ltd	Delhi Rooftop 5	16.0	Solar	Delhi
Azure Power Mercury Pvt Ltd	Orissa Rooftop 1	4.0	Solar	Orissa
Azure Power Uranus Pvt Ltd	Maharashtra 1.1 & 1.2	7.0	Solar	Maharashtra
Azure Power Venus Pvt Ltd	Uttar Pradesh 3	40.0	Solar	Uttar Pradesh
Azure Power Thirty Six Pvt Ltd	Andhra Pradesh 3	50.0	Solar	Andhra Pradesh
Azure Power Saturn Pvt Ltd	Delhi Rooftop 4	11.5	Solar	Delhi
Azure Power Thirty Three Pvt Ltd	Gujarat 2	260.0	Solar	Gujarat
Azure Power Earth Pvt Ltd	Karnataka 4.1 & 4.2	100.0	Solar	Karnataka
Azure Power Makemake Pvt Ltd	Punjab 3.1 & 3.2	28.0	Solar	Punjab
Azure Power Thirty Four Pvt Ltd	Maharashtra 3	130.0	Solar	Rajasthan
<b>Total</b>		<b>663.50</b>		

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