-Create subnet under it

Go to the virtual network created just now->click on subnet->click on “+subnet”->give any IP (I have given 10.0.1.0/24).

Similarly, click on “+Gateway”->give IP (I have given 10.0.255.0/24).

-Create Local network gateway

Search Local Network Gateway->Click on create->Give subscription name->Region (same as that of your resource group) ->Give Endpoint(here I have chosen IP address as Endpoint)

Note: Since I do not have an on-premise server right now so I am using random IP as 10.2.0.0 but remember to specify IP address of your on-premise server or fully qualified domain name.

-Create virtual network gateway

Search virtual network gateway-> give it a name, specify subscription name, region, choose gateway type as VPN and VPN type as Route based

Choose virtual network created already in same resource group or create a new one.

Let me create a new one