Infrastructure Development Corporation (Karnataka) Limited (“iDeCK”)

Opportunity to acquire stake in an infrastructure consultancy company

February 2022
iDeCK –
A firm specialized in providing solutions across key Infrastructure Sectors

Business Overview
- Founded in 2000, iDeCK is a JV among the IDFC Foundation, Govt. of Karnataka and HDFC
- iDeCK works closely with governments, its departments and agencies as well as private sector clients for development of infrastructure in transportation, tourism, urban development, and social infrastructure, among others.
- Also assists governments in the policy development, law making and in capacity building activities
- Executed 700+ projects in India and abroad

Financial Performance and Shareholding Pattern

<table>
<thead>
<tr>
<th>(INR Cr)</th>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Income</td>
<td>38</td>
<td>47</td>
<td>38</td>
<td>31</td>
</tr>
<tr>
<td>Operating EBITDA</td>
<td>7</td>
<td>7</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Operating EBITDA %</td>
<td>19%</td>
<td>14%</td>
<td>1%</td>
<td>4%</td>
</tr>
<tr>
<td>PAT</td>
<td>5</td>
<td>5</td>
<td>-3</td>
<td>-6</td>
</tr>
<tr>
<td>PAT %</td>
<td>13%</td>
<td>10%</td>
<td>NM</td>
<td>NM</td>
</tr>
<tr>
<td>Net Worth</td>
<td>96</td>
<td>101</td>
<td>98</td>
<td>92</td>
</tr>
</tbody>
</table>

Shareholding Pattern
- 49.0% iDeCK Foundation
- 49.5% GoK
- 1.5% HDFC Ltd

Key Investment Highlights
1. Strong Macro Tailwinds
   - Infrastructure sector is currently the biggest focus area for the GoI.
   - The government has given a massive push to the sector by budgeting USD 1.4 Tn towards infrastructure spends from 2019-23 to have sustainable development in the company

2. Strong Execution Track Record
   - Closed 175+ PPP Transaction advisory Projects
     - Airports, Ports, Roads, Railway, SWM, Water Supply, Energy, Agriculture, SEZs, Health, Urban Transport, Affordable Housing, Tourism, IT & e Governance
   - Over 70 projects successfully closed ~ investments of over INR 15,000 Cr.

3. Expertise in working with marquee clientele
   - Strong working relationship with government, multilaterals and corporates in India and abroad
   - Empaioned with over 25 Government Departments and Agencies
   - The relationship has aided in preference over competition in winning new projects

4. Geographic Diversification
   - iDeCK has 5 offices in India, has executed projects 15+ states
   - Besides India, iDeCK has also worked in 10 other countries abroad

5. Experienced Management Team
   - Experienced team comprising of over 150 full time employees across engineering, architecture, environmental sciences and information technology

Marquee Clients:

A debt free, two decade old organization having in-house ability to deliver consulting projects from concept to commissioning
### Sound Macros across key Operating Segments

<table>
<thead>
<tr>
<th>Business Segment</th>
<th>Service Offered</th>
<th>Revenue Contribution (FY21)</th>
<th>Potential Opportunities for iDeCK</th>
</tr>
</thead>
</table>
| Urban                             | - Feasibility studies & DPRs\(^{(1)}\) for Solid Waste Management, Urban Renewal, Water Supply, Sewerage & Drainage and Sanitation projects  
  - Smart city proposals, city development & investment plans and provides PMU\(^{(2)}\) services                                                                 | 36%                         | - Large GoI programs to improve not only urban infrastructure but also rural infrastructure |
| Planning, Design & Project Management | - Scope of operations include:  
  - Preparation of Area masterplans  
  - Detailed project design  
  - Project Management & Consultancy  
  - Bid Management  
  - Construction Supervision                                                                 | 22%                         | - Leverage experience gained in Karnataka across various sectors to bid for projects in new states |
| Transport                         | - DPRs, Transaction Advisory, Bid Management and Policy formulation across sectors such as Airports, Railways, Roads & Ports, among others  
  - Also, involved in traffic Simulation & Road Safety                                                                                           | 16%                         | - Large number of infrastructure projects in the pipeline as per NIP\(^{(3)}\)  
  - Large scale build-out of airports in tier-II and tier-III towns                                                                          |
| Tourism                           | - Promotion of state tourism through:  
  - Policy formulation and regulation  
  - Tourism Destination Development Design  
  - Transaction advisory services  
  - Branding & Promotion of tourism in the state                                                                                           | 14%                         | - Massive scope to provide tourism related services in states such as Orissa, Uttar Pradesh, Meghalaya  
  - Well positioned to be mandated due to limited number of tourism focused consultants                                                        |
| Energy                            | - Scope of operations include:  
  - DPRs, Transaction Advisory, Bid Management and Policy formulation  
  - Transaction structuring  
  - Construction Supervision                                                                                                                   | 7%                          | - Huge push for renewal energy globally  
  - Focus on energy efficiency                                                                                                                  |

\(^{(1)}\) Detailed Project Reports \(^{(2)}\) Project Management Unit \(^{(3)}\) National Infrastructure Pipeline  
Note: In revenue break up, Others (revenue from ancillary projects) account for ~5% of total sales
Executed several unique and well-planned projects across business segments

**Urban**
- Redevelopment of a housing complex comprising 1,512 flats across 14 acres
- Designing & PMC(1) services for Municipal waste collection centers in Gambia
- PMC services for smart city programs in Bangalore, Devangere and Patna
- Created a DPR(2) and provided PMS(3) services for water supply to towns in Jharkhand
- First 24X7 water supply project on PPP in India

**Transport**
- Implemented over 4,500 km of core road network in India
- Feasibility study for light rail transit in Bangalore
- DPRs for expressway development in Jharkhand
- Transaction advisory for several airport projects in Karnataka
- DPR and engineering designs for connectivity to Kannur International Airport
- First rail PPP in the state of Karnataka

**Tourism**
- Created a tourism strategy for Hampi, a UNESCO World Heritage site
- Feasibility study & DPR for multiple dam site projects, lake development and water fall projects in India
- Drafted the Karnataka Tourism Policy for the year 2015

**Energy**
- Provided technical assistance to develop over 4 lakh solar based street-lights in Bangalore
- Assisted in rolling out the solar policy and drafted the energy policy for GoK
- Assisted higher education department in Karnataka to implement rooftop solar across all colleges and universities
- Conducted feasibility study to develop a 500 MW solar park in Karnataka

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(1) Project Management Consultancy; (2) Detailed Project Report; (3) Project Management System
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