



TerraCIS

Terracis Technologies Ltd

(Formerly known as IL&FS Technologies Ltd.)

Unique opportunity to invest in a fast growing, highly profitable and free cash generating asset in the e-governance space

1

Large Addressable Market

- Total addressable market of **~USD 5.0 Bn** offers significant headroom for future growth
- **Internet penetration** and **shift towards mobility** will further compel governments towards digitization

2

Sustainable Competitive Advantage

- Operating in a **high entry barrier environment**, has strong track record of **large scale roll-out of citizen-centric projects** across South East and South Asia
- **Ability to replicate** past success across geographies & clients provides a **sustainable competitive advantage**

3

Internally developed IP

- Proprietary platform to register and manage land records, provide information services, and geospatial analysis
- New IP-based revenue streams to be rolled out in near future

4

High Visibility of Future Cash Flows

- **Long-term customer contracts**, offers high visibility of future revenues

5

Strong Financial Performance

- Best in class EBITDA margin of **~55%** in FY 20, sustained at high levels historically

6

Professional Management

- Professionally run company with a strong management team bringing **in cumulative experience of 100+ man years** in the relevant industries
- Demonstrated unique ability to **identify and execute profitable e-governance projects**

Terracis Technologies Limited (Terracis) is a leading IT services company working on long term e-governance projects in South East and South Asia

➤ **Incorporated:** 2007

➤ **Locations:**

- Headquartered in Gurgaon, India
- Operational presence in India, Philippines

➤ **Employees**

- ~ 2,200 employees including ~1,450 contractual staff

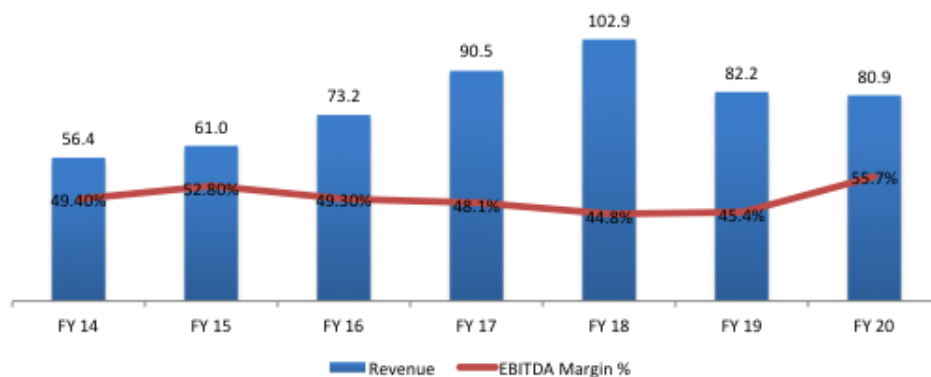
➤ **Clients:**

- Land Registration Authority (Philippines), State Governments in India

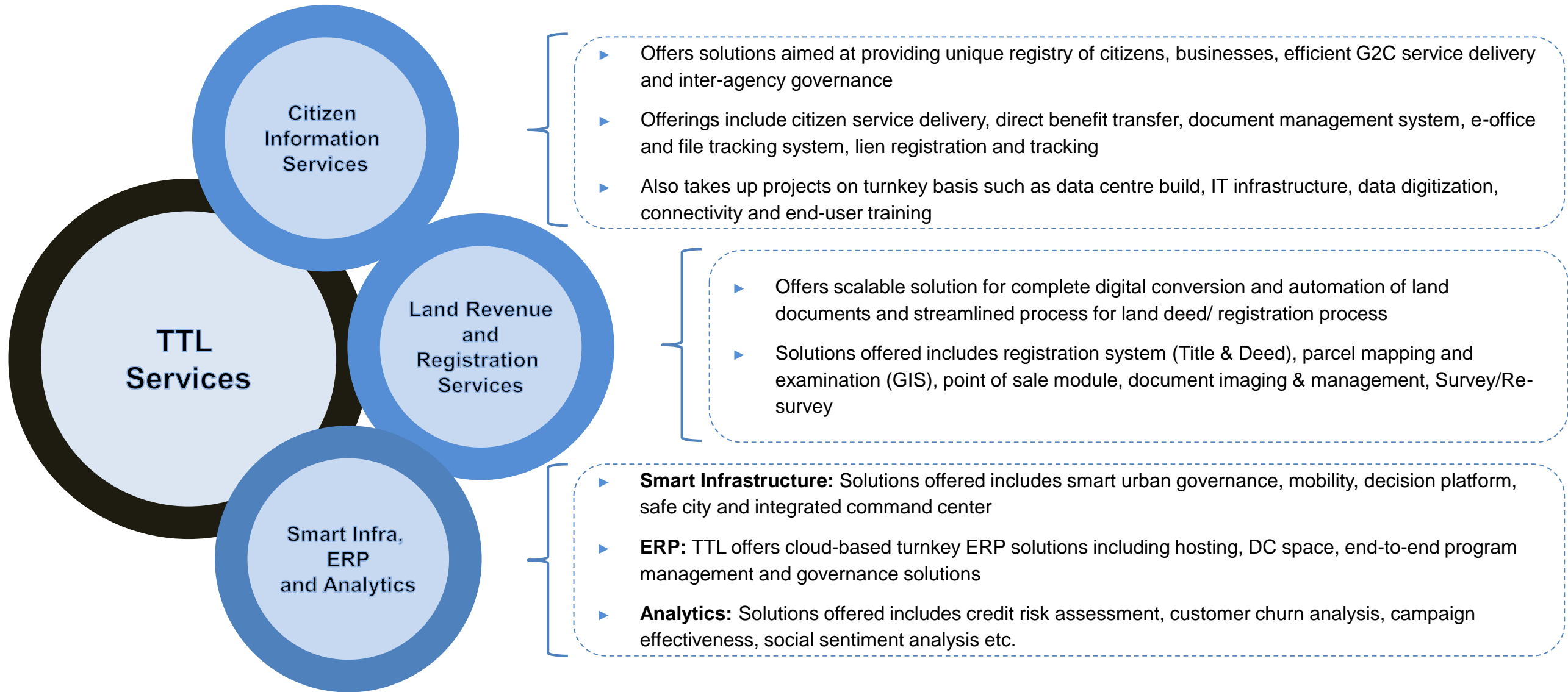
Company Overview

- Terracis along with its subsidiary Land Registration Systems (LARES) has executed **e-governance & land governance** projects in South East & South Asia; has won awards and recognition for the same
- LARES provides land titling and deeds registration system on a **Build Own Operate (BOO) model** in Philippines with **high visibility on future revenues and cash flows**
- TerraCIS has developed strong expertise across the spectrum of e-governance domain in India and South Asia
 - Offers solutions around citizen information services for both G2C and G2G, Digital services like direct benefit transfers to citizens.
 - Offers solutions around ERP, smart infrastructure, managed services to both enterprise and government customers.
 - Strong capabilities in land revenue and registry systems development, deployment and Process management, GIS survey mapping, meta data management and manage programs of global scale
 - Undertakes projects under **flexible business models including fixed price model (Donor Funded) and transaction based model (BOO / BOOT)** with emphasis on projects with efficient cash flow cycles
 - Projects sponsored by global institutions such as World Bank, Asian Development Bank (ADB) etc.
 - Business models with end client paying for services being the citizen
- Run by **highly qualified and professional management** with experience in rolling-out large scale projects

High profitability generates significant cash flows



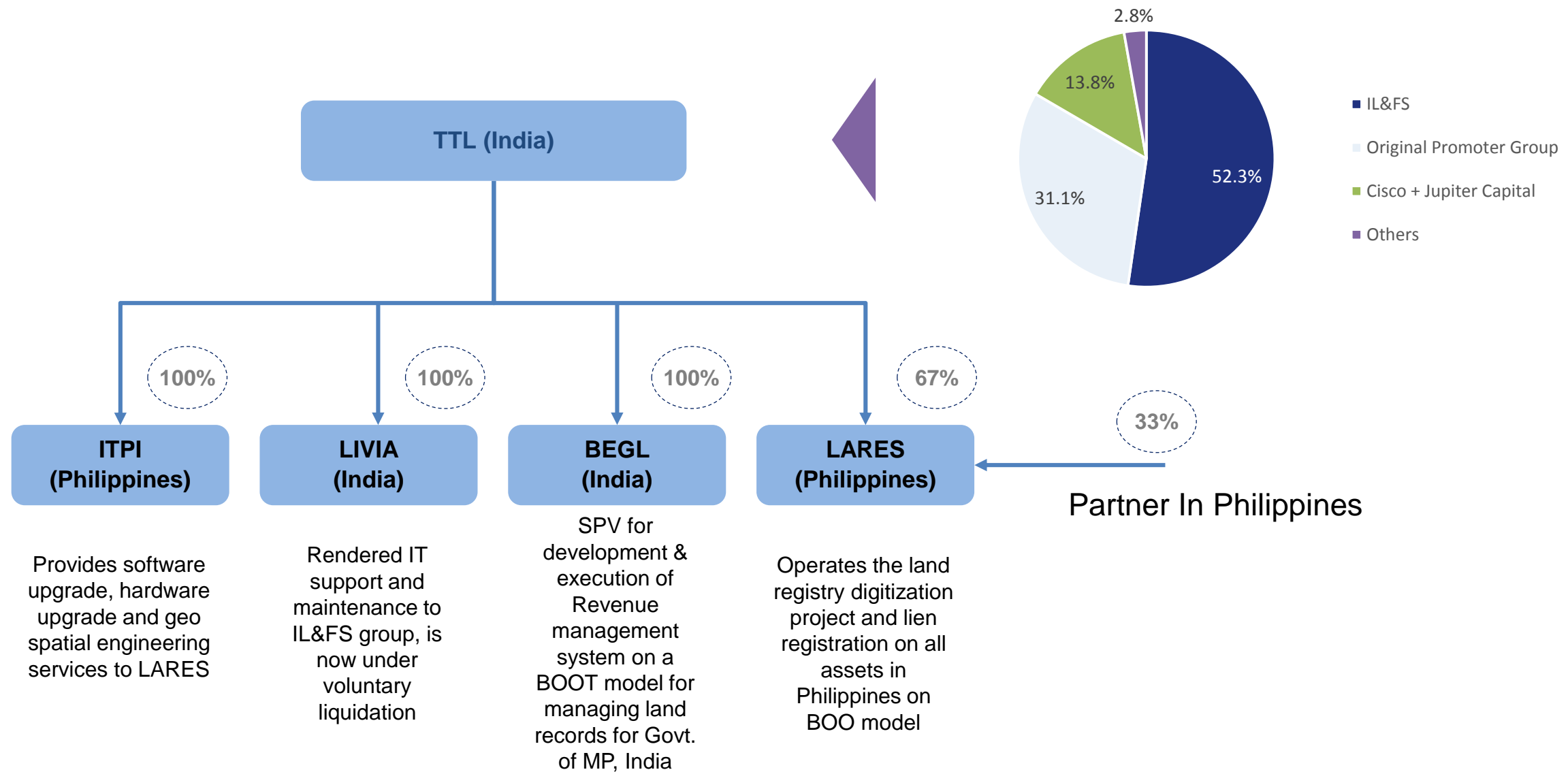
Company Overview - What we do



Terracis undertakes projects under flexible engagement models including BOO/ BOOT / Donor Funded

	Client	Model	Project	Value Delivered
1	Land Registration Authority, Philippines	BOO	Implement the nationwide computerization of land titling and registration, registration of mortgage of other moveable assets Development of the IT systems and operating the project during O&M phase	Covers LRA's 164 Registries of Deeds; Digitization of ~24 Mn land titles ~65 Mn property, certified true copy and mortgage transaction on the system till date
2	DLRS, Government of Bangladesh	ADB Funded	Implemented land information system and workflow management system Setting up Data Centre DRC, NOC and citizen facilitation centres	Single source of land information Enhanced government revenues
3	Department of Revenue Government of Orissa, West Bengal	Transaction Based	Automation of land registration process Managing citizen facilitation centres for registration of deeds, will, rent etc.	Single window service for all type of document registration 40% increase in transaction volume
4	Government of Rajasthan	Government Funded	Bhamashah: Platform to manage the unique citizen records for direct benefits transfer to public under various central and state government schemes	~45 Mn families enrolled ~USD 58 Mn disbursed on the platform
5	Department of Information Technology, Government of Himachal Pradesh	Government Funded	Automation of end to end process of citizen centric service delivery Digitized legacy data related to high volume citizen centric services	Reduced or no visit to government office to avail services Reduced turn around time for service delivery
6	Chief Commissioner of Land Administration, Department of Revenue, Government of Telengana	Government Funded	Implementation of integrated land records management system (Revenue and Registration) for the revenue department Managing citizen facilitation centres for registration of deeds, will, rent etc.	Integrated solution for revenue, registration, survey and settlement.
7	Commissioner of Land Records, Government of Madhya Pradesh	BOOT	State wide revenue management solutions for land on a public-private partnership 'build own operate transfer' model for the Government of Madhya Pradesh	Online rule based service delivery to land owners of one of the biggest states of India. ~35Mn Revenue Title Owners

Corporate Structure and Shareholding Pattern



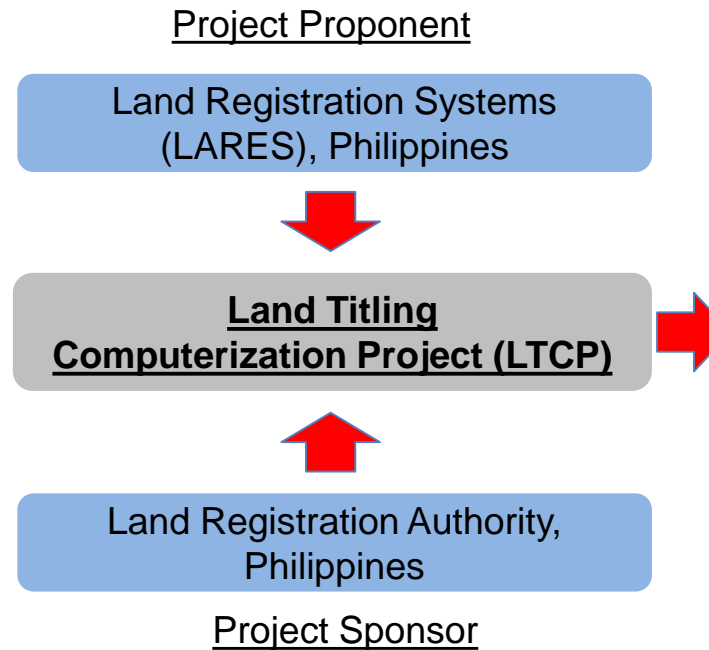
LARES is running a long term contract with LRA on BOO model with predictable cash flows for next seven years

Land Registration Systems

- Incorporated in 2000
- Ownership Structure:
 - Terracis - 67%
 - STRADEC, SAHI, Exakt Solutions - 33%

Land Registration Authority

- Established in 1903. Mandated by law to register/record all transactions involving movable (mortgage) and immovable property



LTCP

- IT-based modernization project aimed at digitization of land records to secure land ownership. Offers land titling and deeds registration system covering LRA's 164 Registry of Deeds
- Implemented under BOO model
- No cash out nor guarantees from the government, ~USD 250 Mn investment by the shareholders/ lenders to fund the project

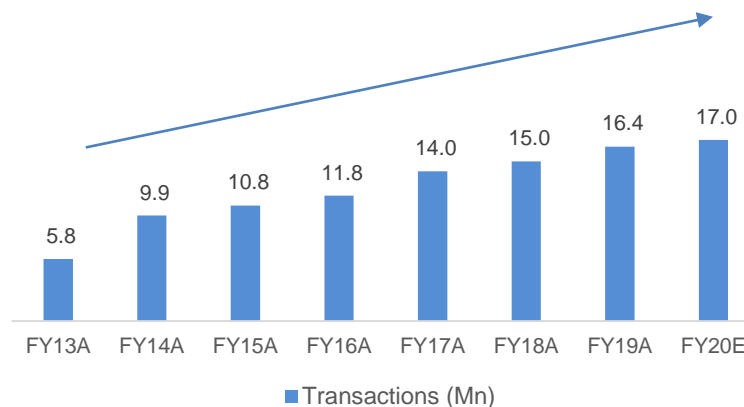
Cash out by LARES

- Charge IT/ service fee from citizens/ other clients

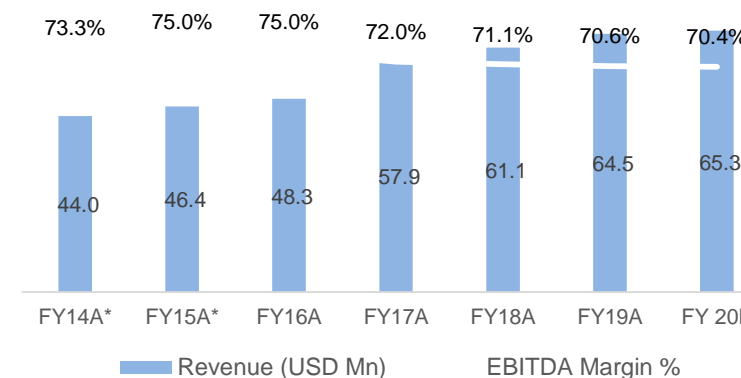
Services Scope:

- Non-movable property (Land): All registry of land titles, documents registration, certified true copies of manual and electronic titles to be done via LARES systems at LRA RDs
- Movable Property (Cars, Bikes etc.): Registration and annotation of mortgage of any movable property (Chattel Mortgage) to be registered at LRA RDs

Transaction based revenue model..



..with significantly high profit margin



Note: The company changed its fiscal year from December to March in 2015. FY14 and FY15 financials as per management accounts.

Source: Company Management.

Fx Rate: USD / Peso: 54.0

Consolidated Income Statement – Terracis Technologies Ltd

<i>in Mn USD</i>	<i>FY 2017</i>	<i>FY 2018</i>	<i>FY 2019</i>	<i>FY 2020</i>
Total Revenue	90.5	102.9	82.2	80.9
Total Expenses	47.0	56.8	44.9	35.8
EBITDA	43.5	46.1	37.3	45.1
<i>EBITDA Margin %</i>	<i>48.1%</i>	<i>44.8%</i>	<i>45.4%</i>	<i>55.7%</i>
Depreciation and Amortisation Expenses	14.9	13	15.9	17.8
EBIT	28.6	33.1	21.4	27.3
<i>EBIT Margin %</i>	<i>31.6%</i>	<i>32.2%</i>	<i>26.0%</i>	<i>33.7%</i>
Finance Costs	19.4	18.6	10.5	6.6
Other Income	12.0	12.4	7.2	5.9
EBT	21.2	26.9	18.1	26.6
<i>EBT Margin %</i>	<i>23.4%</i>	<i>26.1%</i>	<i>22.0%</i>	<i>32.9%</i>
Tax	0.5	7.7	7.0	8.2
PAT	20.7	19.2	11.1	18.4
<i>PAT Margin %</i>	<i>22.9%</i>	<i>18.7%</i>	<i>13.5%</i>	<i>22.7%</i>

Consolidated Balance Sheet – Terracis Technologies Ltd

<i>in USD Mn</i>	<i>FY 2017</i>	<i>FY 2018</i>	<i>FY 2019</i>	<i>FY 2020</i>
Non-current assets				
Tangible & Intangible assets	160.5	160.1	158.8	163.6
Loans	8.0	46.1	0.5	0.5
Deferred tax assets (net)	3.0	3.7	3.2	2.5
Other non-current assets	10.2	8.7	9.0	8.4
Total non-current assets	181.7	218.6	171.5	175.0
Current assets				
Trade receivables	24.3	35.5	27.2	19.3
Cash and Bank	16.8	17.2	18.9	25.7
Loans	51.4	3.8	0.1	0.1
Other current assets	9.7	7.3	12.4	15.6
Total current assets	102.2	63.8	58.6	60.7
Total Assets	283.9	282.4	230.1	235.7
Equity	83.0	98.8	114.6	146.6
Non-current liabilities				
Borrowings	104.8	120.3	49.4	38.1
Other financial liabilities & Provisions	2.8	2.7	3.5	3.8
Deferred tax liabilities (net)	1.6	3.8	3.2	3.4
Total non-current liabilities	109.2	126.8	56.1	45.3
Current liabilities				
Borrowings	53.6	3.4	4.7	4.4
Trade payables	7.7	16.2	12.8	9.4
Other liabilities & Provisions	30.4	37.2	41.9	30.0
Total current liabilities	91.7	56.8	59.4	43.8
Total Equity and Liabilities	283.9	282.4	230.1	235.7

Note: FY 2020 figures are unaudited
 Fx Rate: USD/ INR: 75.0

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