



Date : September 07, 2021

To

<p>The Secretary, BSE Limited Corporate Relation Dept, P.J. Towers, Dalal Street, Fort, Mumbai-400 001</p>	<p>The Secretary, National Stock Exchange of India Limited Plot No.C/1, G Block, Bandra Kurla Complex Bandra (East) Mumbai-400 051</p>
<p>Scrip Code /Scrip Id: 540710/CAPACITE</p>	<p>Scrip Symbol: CAPACITE</p>

Sub: Chairman Statement at the 9th Annual General Meeting of the Company

Dear Sir/ Madam,

The Chairman's statement delivered at the 9th Annual General Meeting of the Company held on Tuesday, September 07, 2021 through Video Conference (VC) or Other Audio Visual Means (OAVM) is enclosed.

This is for your information and records.

Thanking you,

Yours faithfully,
For **CAPACIT'E INFRAPROJECTS LIMITED**

Varsha Malkani
Company Secretary & Compliance Officer



Encl: as above

Chairman Speech

Good Morning, Ladies & Gentlemen,

On behalf of all the board of directors it gives me great pleasure to welcome you all to the 9th Annual General Meeting of the company.

In compliance with the directives issued by the Ministry of Corporate Affairs due to the situation caused by COVID-19, this meeting is taking place through video conferencing (VC)/Other Audio-Visual Means (OAVM) without physical presence of the members.

Let me start by giving you an update on the Industry.

The year 2020-21 has been a very tough year for mankind. The COVID-19 pandemic has not only impacted people, but it has also caused a financial crisis that is impacting businesses across sectors.

“With our primary focus on sustainability and stability, the year was marked by exemplary progress in areas of execution, operations and collections in second half of the year.”

FY 2020-21 year started with a stringent lockdown that caused many hurdles for the construction industry. Lockdown impact and unavailability of labours halted construction and the liquidity crunch further accelerated this challenge. The industry experienced supply chain interruptions and operational constraints and remained shut during the lockdown.

After upliftment of lockdown in phase manner we started ramping up our execution gradually in second quarter, and with each passing month we have seen an increase in execution work. The real estate sales, especially in MMR, have witnessed record offtake and which helped developers to complete project faster.

Our efforts in FY21 were towards sustainability & recovery in our execution, operations and collections. We also laid emphasis on improving our operational efficiencies by implementing various cost control measures during the year.

The occurrence of 2nd wave of Covid-19 has resulted in short-term slowdown and we believe a bounce back in the second half of FY 2022 is eminent. Our continuous effort on customer satisfaction, preserving the highest standards of service and cash flow monitoring has certainly



improved our position in extremely difficult times. It is expected to have a positive impact on our order book and our execution capabilities.

Real Estate sales in MMR region has reached all time high, allowing developers to finish projects quickly. The reduction in stamp duty on property registrations in Maharashtra, together with the easing of lending rates, added impetus to sales in the two main markets of MMR and Pune. It created user interest and fuelled positive demand for the market.

It is important that I clarify once again on the recent issue of Rating downgrade provided by India Ratings and Research. I would like to inform all that our all loan/debt facilities of all financial institutions were and are currently standard and regular which has been confirmed by consortium banks and informed to stock exchanges and public at large. There were some delays in the past which were more technical in nature and linked with Pandemic. The Lenders have sent emails to the Rating Agency confirming the same and they have not construed this event as default. We are confident to bounce back to Investment grade levels and higher shortly.

We at a Capacit'e along with business performance we have also focused on employee well-being. We were able to comply quickly with the covid-19 led regulations to enhance and protect our employees. We have worked on work from home model along with vaccination of our employees.

Financial Performance Highlights

- Our revenue from operations touched Rs 879.72 crore in FY20-21, compared to Rs 1,528.74 crore in the previous year
- Our EBITDA for FY21 stood at Rs 165.23 crore
- Our net debt-equity ratio for the year was recorded at 0.14x times
- The company has an orderbook of Rs 8,720 Crore as on 31st March 2021.
The company witnessed increased project execution resulting in higher Revenue, EBITDA and PAT on Q-o-Q basis
- ~62% of the orderbook comprises of public sector orders which is Rs ~5,440 crores.
The company is confident to achieve project completion within stipulated timelines
- The company's marquee project with CIDCO witnessed stable execution despite disruption and is expected to gather more pace in coming quarters.
- ~38% of the orderbook comprises of private sector orders which is Rs ~3,280 crores.
The company is focused on executing projects with healthy cash flows



- Our MHADA order book stood at Rs ~4,357 crores which is part of an integrated SPV
- Gross debt stands at Rs 286 crores compared to Rs 308 crores in the previous fiscal. We currently hold a provision of expected credit loss (Rs 50 crores) to withstand market upheavals and we expect a reversal of this provision in coming years financial year
- On the debtor side, our collection efficiency continues to witness improvement, as we clocked a total of Rs 1,045 crore collection for FY2021.

As we look forward in next growth cycle we will focus on our bid pipeline, which includes projects in the public sector and orders with strong cash flows in the private sector. We are forecasting our ongoing projects with healthy order book to generate consistent cash flows, achieving higher ROE & ROCE levels and reaching a debt free status by FY23-24.

To Conclude we are thankful to all our board members, shareholders, clients, channel partners and all stakeholders who trusted us in these challenging times. We look forward to your positive contributions in the days ahead.

