



Ref : CIL/STEX 30/Q4FY23

Date : February 23, 2023

To

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

Subject: Press Release in connection with Intimation of Change in Credit Rating

Dear Sir/ Madam,

Pursuant to Regulation 30 read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Please find enclosed herewith the copy of Press Release in connection with Intimation of Change in Credit Rating.

Thanking you,

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

Varsha Malkani

Company Secretary and Compliance Officer



Encl: As above

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Investor Release

Clarification on the downgrading of rating to 'IND BB+' by India Ratings and Research (Ind-Ra)

India Ratings and Research (Ind-Ra) has downgraded our Long-Term Issuer Rating to 'IND BB+' from 'IND BBB+' and has placed it on Rating Watch with Negative Implications.

As per the rating agency, *"The downgrade reflects CIL's inability to tie up enhanced working capital limits, continued blockage of working capital and a delay in recovering its pending receivables, resulting in a further stretch in its working capital."*

In our Q3 FY23 Results call, we had highlighted that there were delays in sanction of Non Fund Based limits. However, we are continuously engaging with the consortium bankers to expedite the process. We are hopeful that the sanctions should happen shortly. Once the non-fund based limits are available, pending receivable in the form of retention monies and mobilisation advance from the existing on-going projects will be received.

We will engage with the rating agency and urge them to reconsider their stand as the sanction for additional limits are likely to happen shortly basis our discussion with the consortium members.

We would also like to highlight that:

- Company's order book on standalone basis stood at ₹ 9,764 crores as of December 31, 2022. Public sector accounts for 67% while private sector accounts for 33% of the total order book.
- Awarded projects worth ₹ 3,495 crores in FY23. The bid pipeline continues to remain strong.
- Execution at all the sites are running at full throttle. The Company envisages strong revenue booking in coming months. The current workforce at site is in excess of 14,000 workmen, which is at all time high.

- Godrej Reality has come in as developer along with DB Reality for One Mahalaxmi project (earlier Radius – DB Reality project). The Company has entered into a settlement agreement for ₹ 11.33 crores and has also received the 1st Tranche of ₹ 6.0 crores in the month of January 2023 and will be getting the balance amount before the end of Financial Year 2023. The Company is expecting recoveries from other slow moving debtors as well.
- H'able High court of Patna has given a favourable verdict in case of IGIMS project and the hold amount of Rs 3.55 crores has been released. Final bill of Rs 27.44 crores or thereabout has also been raised on the client and we expect the payments to be released shortly post certification.
- Appeals against the Income tax block assessment orders have been completed for the period upto March 2020. All the disallowances made by the department have been decided in favour of the Company. The held up refunds amounting to Rs 24.66 crores are getting released.
- The collections have been robust which provide sufficient visibility in terms of liquidity
- The working capital cycle (excluding retention) improved from 120 days in March 2022 to 98 days in December 2022, indicating a positive trend.
- The Promoters and Management team of CIL would like to assure all stakeholders that the Company has a clear visibility of strong cash flows in the current and ensuing quarters and continues to execute orders for its marquee clients.
- We have apprised the lenders and have also urged them to take up our proposals on priority. The lenders are very supportive and have indicated their continuing support towards our banking relationship.

We request you to take on record the above.

About Capacit'e Infraprojects Limited

Capacit'e Infraprojects Limited (Capacit'e/the Company) has etched a name for itself as a quality contractor in the buildings space. Today, it is working with almost all major real estate developers in the country. Capacit'e has been rapidly emerging as a marquee contractor in the building space with good repute. The Company's sharp

focus on the single segment of buildings, with an emphasis on technology, a robust asset base and the promoters' rich experience in the EPC space have enabled it to scale up quickly in the building space and become a well-respected player. Capacit'e provides end-to-end construction services for High Rise and Super High-Rise Buildings, Townships, Mass Housing, etc. in the residential space, Office Complexes, IT & ITES Parks in the commercial space and Hospitality, Healthcare Facilities, Industrial Buildings, MLCPs in the institutional space.

For more information please visit www.capacite.in

Safe Harbor Statement

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The Company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

Company	Investor Relations Advisors
<p>Capacit'e Infraprojects Limited Name: Mr. Alok Mehrotra Designation – ED - Finance Email id: ir@capacite.in</p>	<p>Marathon Capital Advisory Pvt. Ltd. Name: Mr. Amit Porwal / Mr. Rahul Porwal Email id: amit@marathoncapital.in / rahul@marathoncapital.in Tel No: +91 9819773905 / +91 9967576900</p>