



Date : September 26, 2020

To

<p>The Secretary, BSE Limited Corporate Relation Dept, P.J. Towers, Dalal Street, Fort, Mumbai-400 001</p> <p>Scrip Code /Scrip Id: 540710/CAPACITE</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 Symbol: CAPACITE</p>
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Sub: Chairman Statement at the 8th Annual General Meeting of the Company

Dear Sir/ Madam,

The Chairman's statement circulated at the 8th Annual General Meeting of the Company held on Friday, September 25, 2020 through Video Conference (VC) and 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

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Chairman Speech

Good morning and a very warm welcome to everyone at the 8th Annual General Meeting of our company.

I do hope and pray that you and in your families are safe and healthy.

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 whole world is battling with the COVID-19 pandemic and various industries have been presented with different challenges. The construction / EPC industry is not an exception and has been severely affected by the challenges posed by the pandemic. However, the recent initiative by the Government, the RBI and the Finance Ministry by announcing certain stimulus to the Indian economy was positive and will help the Industry to re-coup quickly.

Opportunities for Capacit'e:

FY 2019-20 was a period full of challenges as well as new opportunities for the Indian construction industry serving the real estate sector. It attracted investments worth approximately Rs 43,780 crore (US\$ 6.26 billion) in CY 2019. To encourage development and growth of this sector, the central and state governments undertook several initiatives the result of which would be visible in coming years. The growing focus on infrastructure development in the country is also attracting domestic and international players, creating more opportunities for the construction companies catering to the Indian real estate and construction sector.

With the government's increased impetus on infra spending, including an emphasis on healthcare infrastructure post Covid-19, we expect to capitalize on emerging opportunities in this sector.

How Capacit'e grew in difficult times:

The recent Covid-19 outbreak had brought the economy to a standstill and has affected growth prospects for almost all sectors. We believe, the nationwide lockdown imposed on account of the Covid-19 outbreak will pose a short-term difficulty for construction sector. However, we expect the sector to regain its momentum as the impact of the Covid-19 pandemic fades gradually, towards the latter-half of the year. The recent initiatives of lower mortgage loans for Home purchases, government schemes on Affordable housing along with Stamp duty rationalization in Maharashtra are expected to boost the prospects of the Real estate Industry.



Your company looks ahead at a promising future, with an order book of Rs 10,484 crore, as on March 31, 2020. Our top 10 clients constitute 78% of the total order book, while the public sector contributes about 54% of the total orders.

The extensive experience of Team Capacite in the EPC space have enabled us to scale our operations significantly, and establish ourselves as a respected player. **We at Capacit'e continue to work with large and liquid clients in the private as well as public sector, thereby strengthening our revenue visibility and consequently enhancing stakeholder value.**

Post COVID Strategy

Post Covid-19, our strategy will be to continue our focus on remaining a low debt company and emerge stronger. Currently, we are not only well placed to serve our existing clients but, are perfectly poised to capitalise on opportunities that come our way. Leveraging our strong brand recall and ability to deliver exceptional services, we look forward to ensure stability in our operations as we reinvent methods to adapt and evolve in accordance with the needs of a constantly changing environment.

In the days ahead, we aim to strategically strengthen our revenues. To fulfil this objective, we will endeavour to mobilize large public sector orders along with 'A' rated clients from the private sector. Large Orders from A rated clients such as CIDCO & MHADA (in JV with TPL) is expected to increase the pace of the execution and revenue recognition.

With these strategic efforts in place, I see an exciting future with multiple possibilities and pathways to success. As we tread ahead with caution and enthusiasm, we remain thankful to all our stakeholders, for their trust and belief in Capacit'e Infraprojects. I believe, with your continued support, we shall grow further- exploring new routes to prosperity and development.

Further, let me give you highlights of our standalone financial performance during FY20:

Your company posted a **Total Income** of ₹1,554 Crores in FY20, softening by 14.8% on a year on year basis.

EBITDA for FY20 decline by 1.1% to ₹282 Crores with an **EBITDA margin** 18.2%.

The Total Comprehensive Income for FY20 stood at ₹91 Crores showing a decline of 5.3% on a year on year basis.

Cash PAT for the year stood at ₹189 Crores, declined by 4.8% over the last year.



Now coming on to our Orderbook:

Our Orderbook excluding MHADA as at end of March 31, 2020 stood at ₹ 10,484 Crores. Of this, Private Sector order book was ₹ 4,771 Crores and Public Sector was ₹ 5,713 Crores. We have significantly increased our share in Public Sector from 19% in FY19 to **54% in FY20**. Order from MHADA under an integrated JV stands at ₹ 4,355 Crores. Our order inflow during the financial year stood at ₹ 6,000 Crores.

During the financial year we were able to add few more quality names to our clientele like PWD, CIDCO, Raymond Limited, K Raheja Corp with GIC Singapore and Phoenix Market City with Canadian Pension Fund.

Few of the notable contracts we bagged during FY20 are as follows:

- The prestigious Rs. 4,502cr from CIDCO.
- Rs. 229 cr order from Raymond Limited.
- Rs. 407cr contract for the construction of the Super speciality hospital building Sir JJ Hospital campus at Byculla in Mumbai from PWD, Maharashtra.

To conclude we would like to thank our clients for their continued trust, our employees for their commitment and support, our Bankers & financial institutions, Board of Directors for their continued guidance, to our vendors / associates for their support in these challenging times and last but not the least, to all our valuable shareholders for believing in us and helping us in moving forward towards our goal.

