



Date : September 3, 2018

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

Sub: Chairman Statement at the 6th Annual General Meeting of the Company

Dear Sir/ Madam,

The Chairman's statement circulated at the 6th Annual General Meeting of the Company held today, i.e. September 3, 2018 is enclosed.

This is for your information and records.

Thanking you,

Yours Truly
For **CAPACIT'E INFRAPROJECTS LIMITED**

Sai Kedar Katkar
Company Secretary & Compliance Officer



Encl: as above

Chairman's Speech

Good afternoon and a very warm welcome to everyone at the 6th Annual General Meeting of our company.

FY 2017-18 has been a historical year for the Indian real estate sector. With a spurt of regulatory changes and favourable policy measures taken by the government the sector underwent huge structural changes. These policy changes are likely to make the sector more transparent and appealing to all the stakeholders. Currently India is seen as a preferred investment destination.

The implementation of RERA has triggered the much-needed consolidation in the sector, auguring well for organised and reputed players like Capacit'e, which has a marquee client base to lead its growth and expansion. Further, RERA also ensures and safeguards payments to construction companies, which is another positive for EPC contractors like us. Implementation of GST has also aided the shift from unorganized to organised. The GST impact is also expected to turn positive for the sector from the next financial year, giving additional impetus to our growth plans.

All these policy measures will benefit the sector in the long run.

The **Residential** segment witnessed a new boom with government granting "Industry" status to Affordable housing. This has resulted in a number of projects being launched under the Affordable housing scheme. As per recent reports, the Housing sales and new launches are at their highest level since demonetisation. This is a clear sign of recovery in the sector.

With growth in the Indian economy, demand for **Commercial & Retail space** is also increasing. This is evident from the fact that various foreign institutions have started to invest in this space. Also, the development of Airports, Metros and other such institutional buildings is underway. With the Residential & Commercial segments picking up pace, we foresee enormous opportunities going ahead.

The Maharashtra authorities recently undertook few landmark policy decisions such as increasing the FSI for both commercial and residential buildings in the city and approving to release ~3,355 hectares of land previously designated as no-development zone for building apartments and commercial complexes. This bodes well for us, as Mumbai MMR is our home ground and we shall be at the forefront of any development in this geography.

Capacit'e is well placed to capitalise on the upcoming opportunities and is confident to ensure sustainable & profitable growth and thereby enhancing shareholders wealth.

Now let me talk a bit on our company:

FY2017-18 was a very important year in the history Capacit'e Infraprojects. During the year our company successfully completed its Initial Public Offer (IPO) by issuing **one crore sixty lakhs shares** at an **Issue price of ₹ 250 per share**. I feel happy to say that our issue received an over whelming response and it got oversubscribed by ~183 times. Our shares got listed on the NSE & BSE on 25th September 2017.

During the year our company also received the “**Achievement Award for Construction Health, Safety & Environment (CODE-I)**” at the Construction Industry Development Council Vishwakarma Awards 2017 for 3 of our ongoing projects. We also received the “**Emerging Construction Company of the Year**” award at the Construction Times Builders Award, 2017. These awards give recognition to our modern approach towards building construction and quality of output with equal emphasis on health and safety.

During the financial year our company was able to give robust financial performance.

Our company posted a **Total Income** of ₹ 1,360.0 Crores in FY18, growing by 19.3% on a year on year basis.

EBITDA for FY18 grew by 7.3% to ₹ 227.7 Crores and the EBITDA margin stood at 16.7% for FY18.

The Total Comprehensive Income for FY18 stood at ₹ 79.4 Crores showing a growth of 14.9% on a year on year basis.

Cash PAT for the year stood at ₹ 160.9 Crores, growing by 19.5% over the last year.

It is also noteworthy to mention that our company's Credit Rating was **Upgraded** from “**IND A-**” to “**IND A**” by India Ratings and Research. The improvement in our ratings came on the back of Improved liquidity profile, comfortable credit profile, reputed clientele & a strong order book.

Dividend: For FY18 the Board of Directors have recommended a final dividend of 10% subject to approval of shareholders at today's AGM. Along with the DDT the Dividend pay-out works out at 11.7% of PAT.

Now coming on to our Orderbook:

I feel happy to say that during FY18 our company achieved a new feat as its Order book crossed ₹ 5,000 Crore mark for the first time.

Our company's Order book as at end of March 31, 2018 stood at ₹ 5,682 Crores. High Rise and Super High-Rise Buildings constitute ~43% of our total Order book, this is reflective of our specialization in this segment. Residential segment contributes ~85% of the orderbook and Commercial and Institutional segment contributes ~15%. Mumbai MMR contributes to ~78% of our Orderbook.

We witnessed steady inflow of orders during the year and we are happy to say that during FY18 we added orders worth ₹ 2,722 Crores (including Order amendments).

On Order book, our Strategy has been towards adding orders from reputed clientele having large value addition elements and which meet our internal guidelines on margins.

Few of the notable contracts we bagged during FY18 are as follows:

- Order worth ₹ 825 Crores from Arihant Superstructure Ltd.
- Mahamana Pandit Madan Mohan Cancer Centre Project, Varanasi worth ₹ 257 Crores from Tata Trusts. This is a fast track project and we expect to hand over the project by December 2018 or January 2019
- WTC project worth ₹ 370 Crores from Brigade Enterprises
- 2 repeat orders from Oberoi Realty group worth ₹ 365 Crores
- Kalpataru Magnus (MIG-V) in Bandra Kalpataru Group worth ₹ 90.8 Crores. This is the 2nd order received from Kalpataru Group

Public Sector Order:

It gives me immense pleasure to announce that during the current financial year i.e. FY 2018-19, our company bagged its first Public sector contract. The Consortium of Capacit'e Infraprojects, TATA Projects & CITIC, has been awarded ₹ 11,744 Crores order for redevelopment of existing BDD Residential and Commercial Societies (Chawls) at Worli. The project would be executed under an integrated SPV wherein Company would have 37.1% share.

With this I would like to conclude my speech, thank you.