

# **Action Construction Equipment Limited**

## **Corporate & Registered Office**

Dudhola Link Road, Dudhola, Distt. Palwal-121102, Haryana, India



**Date: February 06, 2023**

To,  
The Manager Listing  
BSE Limited  
5th Floor, P.J. Towers,  
Dalal Street,  
Mumbai-400001

**Scrip Code: 532762**

The Manager Listing  
National Stock Exchange of India Ltd.  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (E),  
Mumbai-400051

**CM Quote: ACE**

**Subject:** Earnings presentation-Q3/9M-FY23.

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith, Earnings Presentation (Q3/9M-FY23) of the Company.

Kindly take the above in your record.

Thanking you

**For Action Construction Equipment Limited**

**Anil Kumar**  
**Company Secretary**



**Corporate Office:** Phone: +91-1275-280111 (50 Lines), Fax: +91-1275-280133, E-mail: [works2@ace-cranes.com](mailto:works2@ace-cranes.com)

**Mktg. H.Q.:** 4th Floor, Pinnacle, Surajkund, Faridabad, NCR-121009, Phone: +91-129-4550000 (100 Lines), Fax: +91-129-4550022, Email: [marketing@ace-cranes.com](mailto:marketing@ace-cranes.com) **Customer Care No.:** 1800 1800 004 (Toll Free), **CIN:** L74899HR1995PLC053860, **Website:** [www.ace-cranes.com](http://www.ace-cranes.com)



**EARNINGS  
PRESENTATION**  
Q3/ 9M-FY23

**100%  
Swadeshi**



**ACE**



# At a Glance



**Established Brand with over 27 years of Industry Presence**

**Operating across Infrastructure, Construction, Manufacturing, Logistics and Agri sectors**

**One of the world's largest Pick & Carry Crane Manufacturer**

**India's most diversified Construction Equipment Manufacturer**

**Pan India and Global Presence in over 25 Countries**

**Customer Centric Organization with 16,000+ strong Customer base**

**Wide Sales Network across 100+ Locations in India**

**Strong Manufacturing, Training and R&D Capabilities**

**Significant Growth Prospects in Indian Infrastructure Sector**

**Ample Capacities in place to ensure Future Revenue Growth**



# Company Overview



• **ACTION CONSTRUCTION EQUIPMENT LIMITED** was established in 1995 by Mr. Vijay Agarwal, a technocrat, who has over 50 years of industry experience and is run by a team of experienced professionals.

- ACE is an established and reputed brand with a significant presence across diversified sectors like Construction, Infrastructure, Manufacturing, Logistics and Agriculture.

## Market Leader in Mobile and Tower Cranes

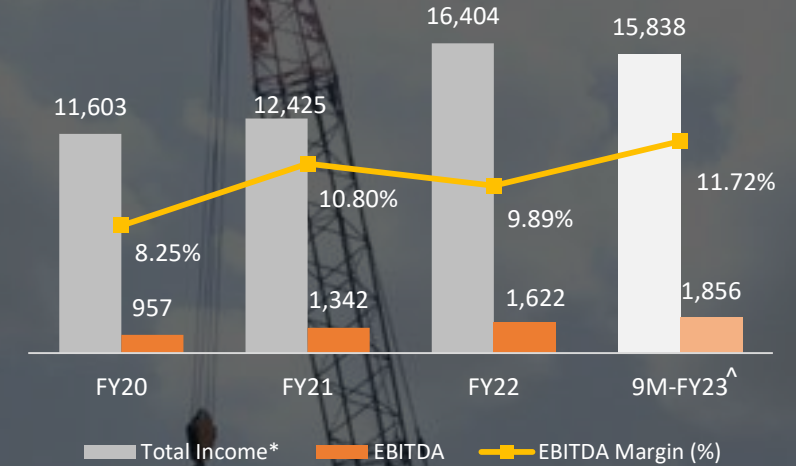


**63% +**  
Market Share

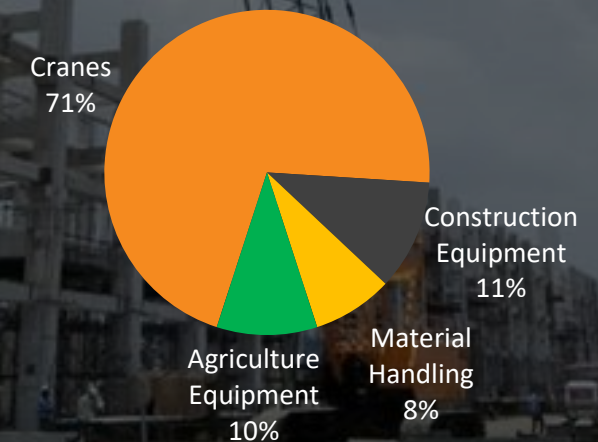
- The company is the world's largest Pick & Carry cranes manufacturer with over 63% market share in the Mobile cranes segment in the country and a majority market share of more than 60% in Tower Cranes segment domestically.
- Additionally, ACE also offers Crawler Cranes, Truck Mounted Cranes, Lorry Loaders, Backhoe Loaders/Loaders, Vibratory Rollers, Motor Graders, Forklifts, Tractors & Harvesters and other Construction Equipment.
- The company has one of the widest Sales and Service network, with over 100+ locations supported by 13 regional offices in India and also exports to over 25 countries across Middle East, Africa, Asia and Latin America.



## Consolidated Financial Highlights (INR Mn)



## Consolidated Segmental Revenue – 9M-FY23 (%)



\*Total Income includes Other Income

<sup>^</sup>Other Income includes one-time exceptional item of INR 197.6 Mn

# Product Portfolio



## Cranes



Pick & Carry Crane



Lorry Loaders Crane



Self Erecting Tower Crane



Crawler Crane



Truck Crane



Tower Crane

## Construction Equipment



Backhoe Loader



Wheel Loader



Soil Compactor & Tandem Vibratory Roller



Motor Grader

## Material Handling Equipment



Forklift Trucks



Warehousing Equipment



Piling Rig

## Agriculture Equipment



Tractor



Track Combine



Wheel Harvester



Rotovator

# New Product Launches



*India's First Fully Electric Mobile Crane along with other products launched by Mr. Nitin Gadkari, Hon'ble Minister of Road Transport and Highways*

# New Product Launches



*India's Largest indigenous crane with a lifting capacity of 180 tons launched by Mr. Nitin Gadkari, Hon'ble Minister of Road Transport and Highways*

# New Product Launch: India's First Fully Electric Mobile Crane



*India's First Electric Construction Equipment /  
India's First Electric Crane*

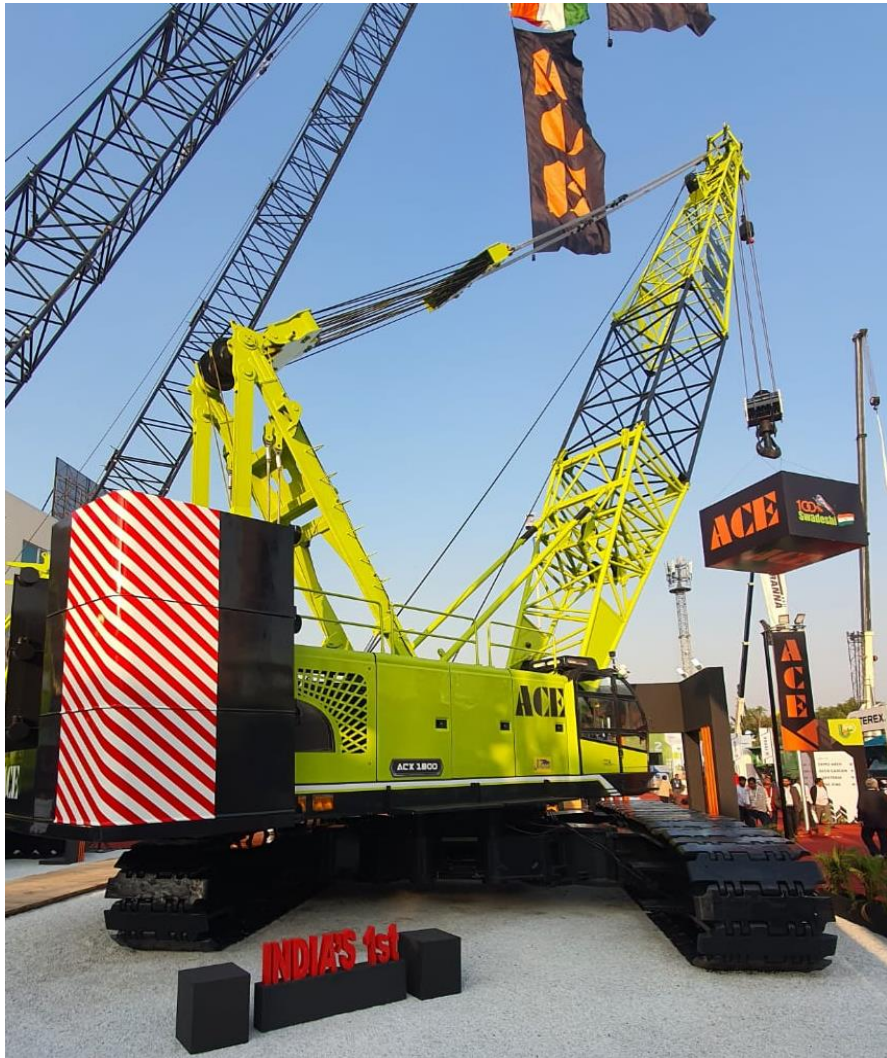




# New Product Launch: India's First Fully Electric Mobile Crane



# New Product Launch: India's Largest Indigenous Crane



*India's Largest Mobile Crane - 180 Tons Crawler Crane*

# New Product Launch: 35 Tons 4X4 Next-Gen Crane



# New Product Launch: India's First AWP



*India's First Self Propelled AWP  
( Aerial Access Platform )*

# New Product Launch: Range of Telehandlers



*Telehandler  
( 2 / 3 Tons )*



**Speaking at the event, Mr. Sorab Agarwal, Executive Director, ACE Ltd., said, “We are extremely excited to launch India’s first fully electric mobile crane. ACE has always been committed towards offering technically advanced and innovative products to its customers through in-house solutions. With the new launches, we aim to provide a solution to the alternate energy requirements of the industry. We are taking forward the government-led ‘Make in India’ initiative while also adhering to the need for environment-friendly equipment; at ACE, we have come up with machines and equipment that are highly versatile, productive and robust. To contribute to the company’s growth, we are expanding our manufacturing capacities which will be operational by the first quarter of 2024. The recently announced Union Budget for FY24 also lays a strong foundation for sustainable development of India through its focus on energy transition and sustained push on infra spends”.**

Established Brand with over 27 years of Industry presence

Flexibility and Quick Change Adaptation

Highly Experienced and Professional Team

Rugged Products with Superior Functional Parameters

In-house R&D Centre Working continuously towards Product Upgradation, Development of New Products and Value Engineering

Total Industrial land of ~90 acres with 45 acres of land still available for capacity expansion

High Operational Efficiency with Low Fixed Cost

Low Leverage with a Credit Rating of AA- (Stable)/A1+ by ICRA

Customer Relationships with In-depth Market Intelligence

Value for Money Equipment with Focus on Quality and Reliability

Fastest Service and Product Support through a Countrywide Network Equipped with Genuine Parts and Trained Engineers

Customized Solutions for Specific Requirements

Dedicated Training Centre to provide operation and maintenance training to Dealer and Customer Personnel

# Sectoral Growth Drivers



Urban Infra

- The Centre has allocated INR 10,00,000 Crs capital investment, a steep increase of 33% for third year in a row, to enhance growth potential of the country.
- Investment of INR 75,000 Crs, for one hundred critical transport infrastructure projects, for last and first mile connectivity for ports, coal, steel, fertilizer, and food grains sectors.
- Urban Infrastructure Development Fund (UIDF) will be established through use of priority Sector Lending shortfall, which will be managed by the national Housing Bank, and will be used by public agencies to create urban infrastructure in Tier 2 and Tier 3 cities.
- The government has allocated INR 16,000 Crs towards its Smart Cities Mission for FY24.



Railways

- Capital outlay of INR 2,40,000 Crs has been provided for the Railways, which is the highest ever outlay and about nine times the outlay made in 2013-14.
- 400 new Vande Bharat trains to be developed in the next three years and 'One Station-One Product' to help local businesses and supply chains
- Construction of Dedicated New line projects will be getting an allocation of INR 31,850 Crs and National High Speed Rail Corporation Limited will be allocated INR 40,184 Crs.



Manufacturing

- The Manufacturing sector of India has the potential to reach US\$ 1 Tn by 2025.
- PLI in 14 sectors for achieving the vision of 'Atmanirbhar Bharat' with the potential to have additional production of INR 3,00,000 Crs during next 5 years.
- Industrial Capex cycle has revived owing to other initiatives such as 'Vocal for Local' and 'China +1 Strategy.'



Roads

- As per Budget 2023-24 Expansion of the National Highways network by 14,000 km in FY24, INR 20,000 Crs to be mobilised through innovative ways of financing.
- The roads sector is likely to account for 18% capital expenditure over FY 2019-25 and Roads worth \$200 Bn to be built in next 2 years.
- NHAI is coming up with 23 new highways including network of expressways and economic corridors by March 2025.
- The Central Government awarded a total of 322 projects to construct more than 13,000 km roads under the 'Bharatmala Pariyojana' and 3.71 lakh kms under the PMGSY.



Housing

- Outlay for PM Awas Yojana is being enhanced by 66% to over INR 79,000 Crs.
- Real estate sector in India is expected to reach a market size of US\$ 1 trillion by 2030 and contribute 13% to the country's GDP by 2025.
- Retail, hospitality, and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs.
- The vision of 'Housing For All' and the ambitious PMAY will further bolster the growth in this segment.

**Launch of PM Gati Shakti Plan, a INR 100 lakh Crs national infrastructure master plan, building a foundation for holistic infrastructure.**



# Sectoral Growth Drivers



Agriculture

- In the 2023-24 Union Budget, Ministry of Agriculture and Farmers' Welfare has been allocated INR 1,25,000 Crs. The government has given a clear signal to rural India that it is committed to their cause.
- Indian tractor market stands at ~8,00,000 units and is anticipated to grow at a CAGR of 4.5% over the next five years owing to increase in demand for mechanization in agriculture & logistics industry.
- Budgetary allocation to Rural Development, Irrigation Projects and Subsidies coupled with credit availability will induce increased demand.



Logistics

- 5 Multimodal Logistics Parks at four locations through PPP mode contracts to be awarded in FY24.
- The government had decided to set up as many as 35 Multi Modal Logistics Parks, at a total capital cost of Rs. 50,000 crore.
- One hundred PM Gati Shakti Cargo Terminals for multimodal logistics facilities will be developed till 2025.
- The logistics market in India is forecasted to grow at a CAGR of 10.5% between 2019 and 2025.
- The deeper penetration into Tier II, III & IV towns and the National Logistics Policy promise an efficient and integrated logistics industry in coming years.



Warehousing

- Supportive Government policies such as establishment of logistic parks and free trade warehouse zones is expected to spur the market growth through 2025.
- 30 Mn square ft of warehousing space is expected to be added to the existing 86 Mn square ft in 2023.
- Indian warehousing and logistics sector is expected to attract ~\$10 Bn investments over the next 4-5 years.



Airports

- 200 low cost airports being built in next 20 years.
- India's aviation industry is expected to witness INR 35,000 Crs (US\$ 4.99 Bn) investment in the upcoming years.
- 50 additional airports, heliports, water aerodromes and advance landing grounds will be revived for improving regional air connectivity.
- The Indian Government is planning to invest US\$ 1.83 Bn for development of airport infrastructure along with aviation navigation services by 2026.



Ports

- The Ministry of Ports, Shipping and Waterways aims to complete projects worth INR 2,00,000 Crs in the next financial year under the Sagarmala Programme.
- The Government has included 1,537 projects under the ambitious Sagarmala Programme at a cost of INR 6,50,000 Crs.
- Projects worth INR 13,308.41 Crs were awarded in the last three years on upgradation of the major ports.

**The Government of India has allocated US\$ 1.4 Tn under the National Infrastructure Pipeline for FY 2019-25.**

The main title of the slide is 'FINANCIAL OVERVIEW Q3/ 9M-FY23', centered in white, uppercase, sans-serif font. A vertical orange bar is positioned to the left of the text, partially overlapping the first letter 'F'. The background of the slide is dark grey with faint, semi-transparent financial charts, including a candlestick chart in the upper right and a bar chart in the lower right.

# Q3/ 9M-FY23 Financial & Operational Highlights

## Q3-FY23 Financial Highlights (Consolidated)

**INR 5,640 Mn**

Total Income\*

**INR 695 Mn**

EBITDA

**12.32%**

EBITDA Margin

**INR 467 Mn**

PAT

**8.28%**

PAT Margin

**INR 3.90/Share**

Diluted EPS

## 9M-FY23 Financial Highlights (Consolidated)

**INR 15,838 Mn**

Total Income\*^

**INR 1,856 Mn**

EBITDA

**11.72%**

EBITDA Margin

**INR 1,258 Mn**

PAT

**7.94%**

PAT Margin

**INR 10.41/Share**

Diluted EPS

## Q3/9M-FY23 Operational Highlights

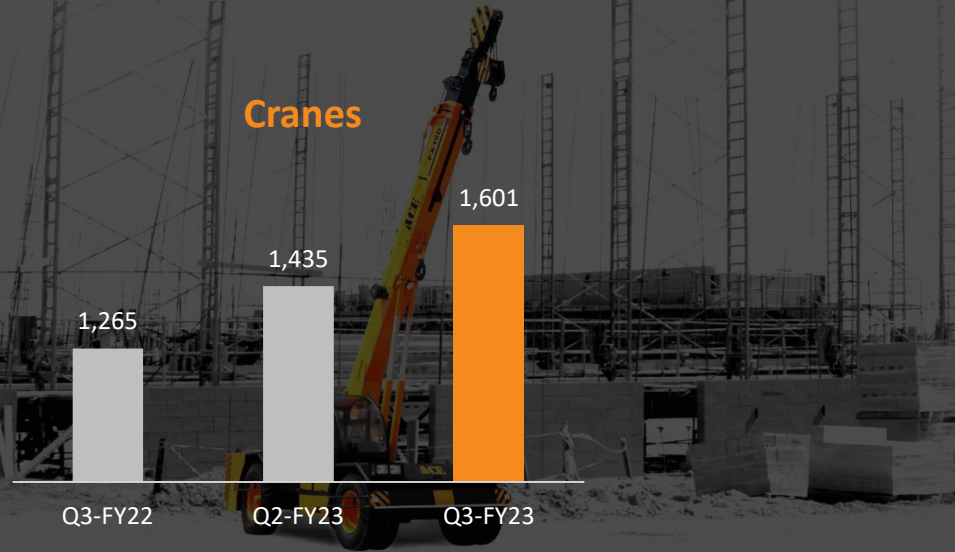
- The company achieved its highest ever quarterly Revenues, EBITDA, PBT and PAT Margins.
- Strong YoY quarterly revenue growth of 28.2% driven by the company's strategic focus towards higher value equipment.
- Company posted significant YoY revenue growth of 43% in cranes, 32% in construction equipment and over 300% in exports.
- Continued growth and reporting of robust double digit margins driven by sustained focus on cost efficiencies, higher operating leverage and better product mix. The PBT and PAT grew by 68.0% and 70.4% YoY respectively.
- The economic activity in India is poised to gather momentum with sequential moderation in commodities, which augurs well for the industry, however the core inflation remains elevated.

\* Total Income includes Other Income

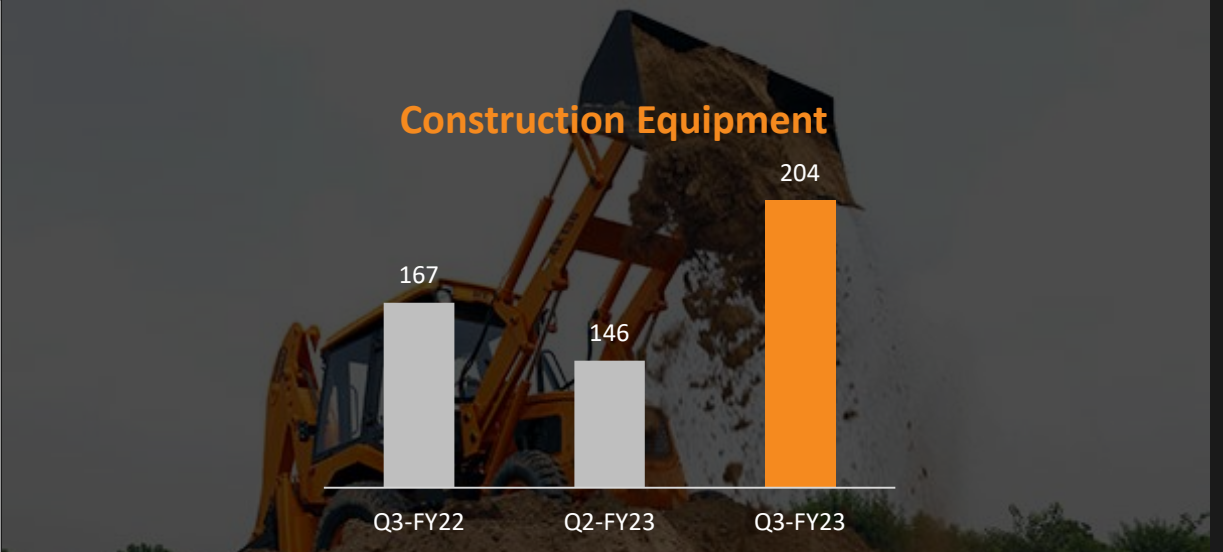
^ Other Income includes one-time exceptional item of INR 197.6 Mn

# Segment wise – Sales Volume

### Cranes



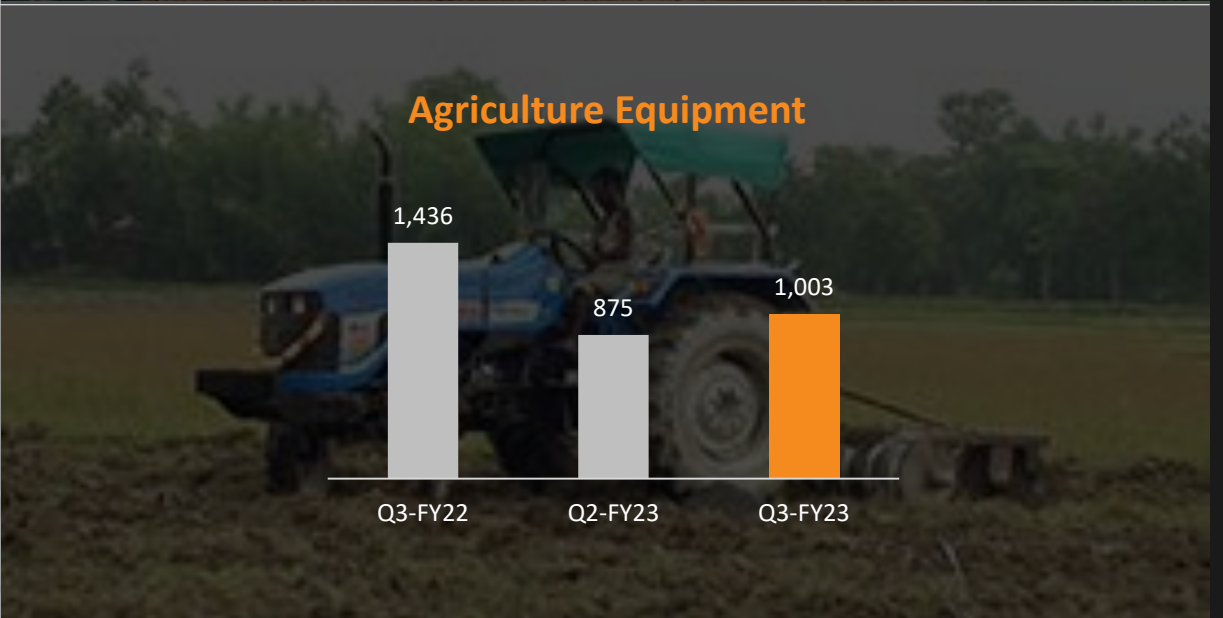
### Construction Equipment



### Material Handling Equipment



### Agriculture Equipment



# Quarterly Consolidated Financial Performance



Particulars (INR Mn)	Q3-FY23	Q3-FY22	Y-o-Y	Q2-FY23	Q-o-Q
<b>Total Income*</b>	<b>5,640</b>	<b>4,399</b>	<b>28.2%</b>	<b>4,978</b>	<b>13.3%</b>
Total Expenses	4,945	3,971	24.5%	4,468	10.7%
<b>EBITDA</b>	<b>695</b>	<b>428</b>	<b>62.4%</b>	<b>510</b>	<b>36.3%</b>
<b>EBITDA Margins (%)</b>	<b>12.32%</b>	<b>9.73%</b>	<b>259 Bps</b>	<b>10.25%</b>	<b>207 Bps</b>
Depreciation	44	40	10.0%	40	10.0%
Finance Cost	31	19	63.2%	21	47.6%
<b>PBT</b>	<b>620</b>	<b>369</b>	<b>68.0%</b>	<b>449</b>	<b>38.1%</b>
Tax	153	95	61.1%	110	39.1%
<b>Profit after Tax</b>	<b>467</b>	<b>274</b>	<b>70.4%</b>	<b>339</b>	<b>37.8%</b>
<b>PAT Margins (%)</b>	<b>8.28%</b>	<b>6.23%</b>	<b>205 Bps</b>	<b>6.81%</b>	<b>147 Bps</b>
EPS (Diluted INR)	3.90	2.30	69.6%	2.85	36.8%

\*Total Income includes Other Income

# 9M-FY23 Consolidated Financial Performance



Particulars (INR Mn)	9M-FY23 <sup>^</sup>	9M-FY22	Y-o-Y
<b>Total Income*</b>	<b>15,838</b>	<b>11,257</b>	<b>40.7%</b>
Total Expenses	13,982	10,147	37.8%
<b>EBITDA</b>	<b>1,856</b>	<b>1,110</b>	<b>67.2%</b>
<b>EBITDA Margin (%)</b>	<b>11.72%</b>	<b>9.86%</b>	<b>186 Bps</b>
Depreciation	130	114	14.0%
Finance Cost	69	66	4.5%
<b>PBT</b>	<b>1,657</b>	<b>930</b>	<b>78.2%</b>
Tax	399	234	70.5%
<b>Profit after Tax</b>	<b>1,258</b>	<b>696</b>	<b>80.7%</b>
<b>PAT Margin (%)</b>	<b>7.94%</b>	<b>6.18%</b>	<b>176 Bps</b>
EPS (Diluted INR)	10.41	6.03	72.6%

\*Total Income includes Other Income

<sup>^</sup> Other Income includes one-time exceptional item of INR 197.6 Mn

# Historical Consolidated Financial Performance



Particulars (INR Mn)	FY20	FY21	FY22	9M-FY23 <sup>^</sup>
<b>Total Income*</b>	<b>11,603</b>	<b>12,425</b>	<b>16,404</b>	<b>15,838</b>
Total Expenses	10,646	11,083	14,782	13,982
<b>EBITDA</b>	<b>957</b>	<b>1,342</b>	<b>1,622</b>	<b>1,856</b>
<b>EBITDA Margins (%)</b>	<b>8.25%</b>	<b>10.80%</b>	<b>9.89%</b>	<b>11.72%</b>
Depreciation	130	139	154	130
Finance Cost	147	122	95	69
<b>PBT</b>	<b>680</b>	<b>1,081</b>	<b>1,373</b>	<b>1,657</b>
Tax	155	283	323	399
<b>Profit after Tax</b>	<b>525</b>	<b>798</b>	<b>1,050</b>	<b>1,258</b>
<b>PAT Margins (%)</b>	<b>4.52%</b>	<b>6.42%</b>	<b>6.40%</b>	<b>7.94%</b>
Other Comprehensive Income	(2)	8	(4)	-
<b>Total Comprehensive Income</b>	<b>523</b>	<b>806</b>	<b>1,046</b>	<b>1,258</b>
EPS (Diluted INR)	4.57	7.03	9.02	10.41

\*: Total Income includes Other Income

<sup>^</sup>: Other Income includes one-time exceptional item of INR 197.6 Mn

# Historical Consolidated Balance Sheet



Equities & Liabilities (INR Mn)	FY21	FY22	H1-FY23
(A) Share Capital	227	238	238
(B) Other Equity	5,005	7,303	7,961
Non Controlling Interest	3	3	19
<b>Total - Shareholder Funds</b>	<b>5,235</b>	<b>7,544</b>	<b>8,218</b>
<b>Non Current Liabilities</b>			
(A) Financial Liabilities			
(i) Borrowings	202	-	-
(ii) Lease Liabilities	1	12	10
(B) Provisions	19	23	25
(C) Deferred tax liabilities (Net)	160	135	148
<b>Total - Non – Current Liabilities</b>	<b>382</b>	<b>170</b>	<b>183</b>
<b>Current Liabilities</b>			
Financial Liabilities			
(i) Borrowings	341	292	1,105
(ii) Trade Payables	3,306	4,149	4,082
(iii) Other Financial Liabilities	875	190	339
(iv) Lease Liabilities	2	5	6
(D) Other current liabilities	380	418	549
(E) Provisions	14	18	22
(F) Current tax liabilities (Net)	18	37	77
<b>Total – Current Liabilities</b>	<b>4,936</b>	<b>5,110</b>	<b>6,179</b>
<b>Total Equity and Liabilities</b>	<b>10,553</b>	<b>12,824</b>	<b>14,580</b>

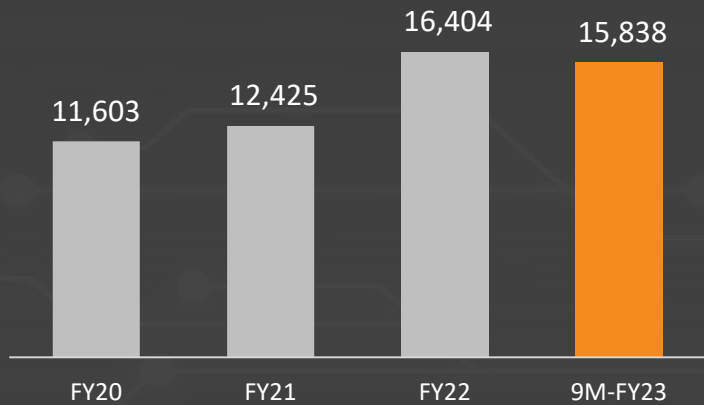
Assets (INR Mn)	FY21	FY22	H1-FY23
(A) Property plant & Equipment	4,161	4,355	4,314
(B) Capital Work in Progress	126	243	347
(C) Right-of-Use Assets	-	18	15
(D) Investment properties	120	118	116
(E) Intangible assets	12	27	24
(F) Financial assets			
(i) Investments	64	802	1,232
(ii) Other financial assets	66	164	173
(G) Other non-current assets	97	65	31
(H) Non-current tax assets (Net)	1	4	2
<b>Total - Non – Current Assets</b>	<b>4,647</b>	<b>5,795</b>	<b>6,254</b>
<b>Current Assets</b>			
(A) Inventories	2,661	3,334	4,136
(B) Financial assets			
(i) Investments	251	990	984
(ii) Trade receivables	2,247	1,887	2,007
(iii) Cash and cash equivalents	329	28	230
(iv) Bank balances other than (iii) above	36	118	258
(v) Loans	-	8	9
(vi) Other current financial assets	23	16	73
(C) Other Current Assets	357	648	629
(D) Current Tax Assets (Net)	2	-	-
<b>Total current assets</b>	<b>5,906</b>	<b>7,029</b>	<b>8,326</b>
<b>Total Assets</b>	<b>10,553</b>	<b>12,824</b>	<b>14,580</b>



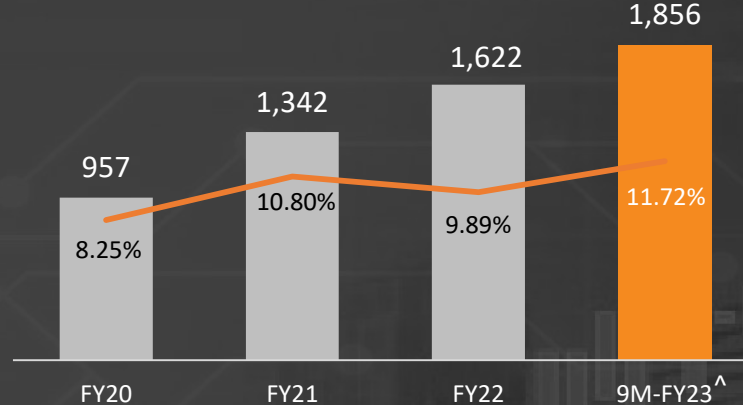
# Key Consolidated Financial Highlights



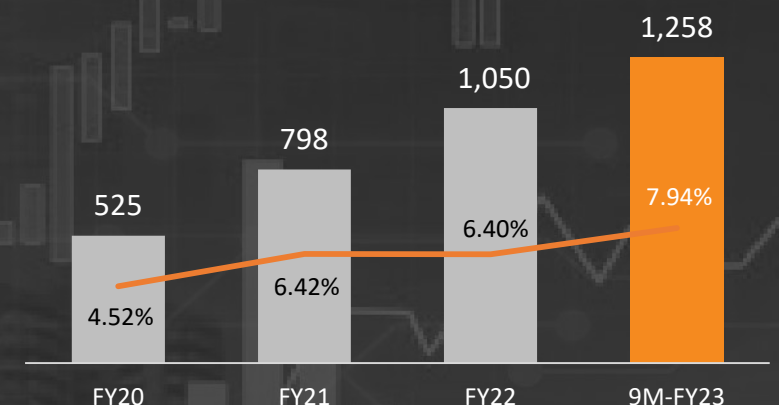
Total Income\* (INR Mn)



EBITDA and EBITDA Margins (INR Mn)



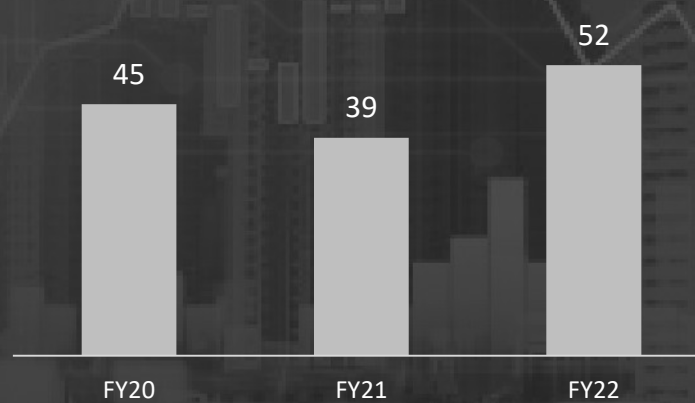
PAT and PAT Margins (INR Mn)



Net Debt to Equity (x)



Working Capital Days



Return on Capital Employed (%)



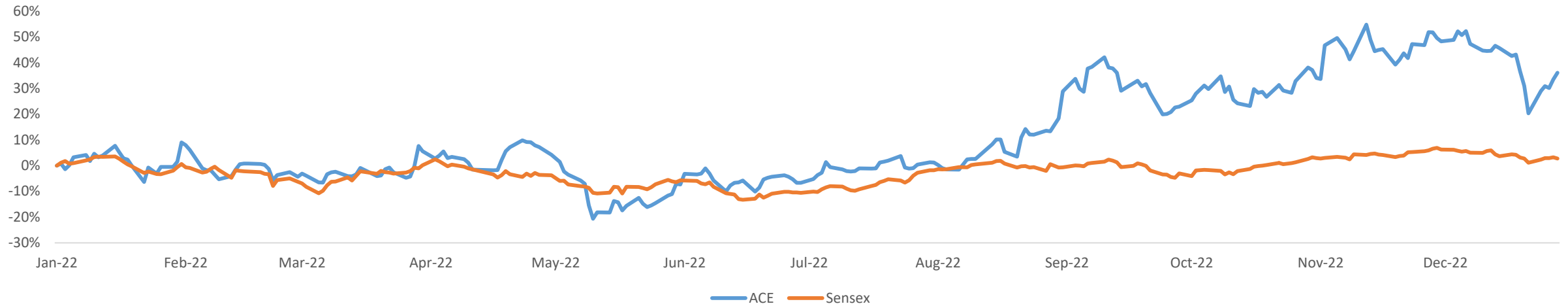
\* Total Income includes Other Income

<sup>^</sup> EBITDA Margin includes one-time exceptional item of INR 197.6 Mn

# Capital Market Data

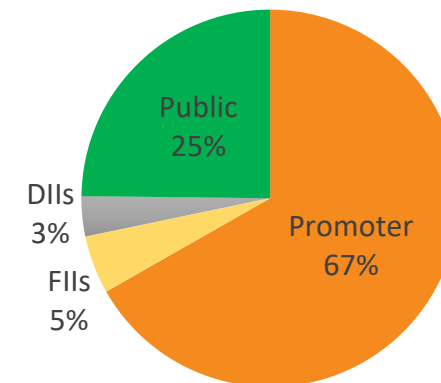


Stock Market Performance (as on 31st December, 2022)



Price Data (As on 31 <sup>st</sup> December, 2022)	
Face Value (INR)	2.0
Market Price (INR)	303.95
52 Week H/L (INR)	354.4/175.0
Market Cap (INR Mn)	36,195.3
Equity Share Outstanding (Mn)	119.1
1 Year Avg. Daily Trading Volume ('000)	609.9

Shareholding Holding pattern (As on 31<sup>st</sup> December, 2022)



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