



**EARNINGS
PRESENTATION**
Q4-FY22/FY22

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 a technocrat, Mr. Vijay Agarwal 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



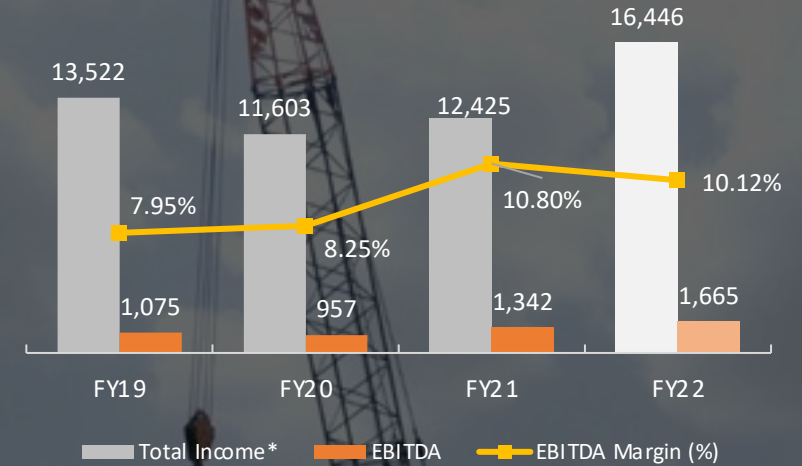
63% +
Market Share



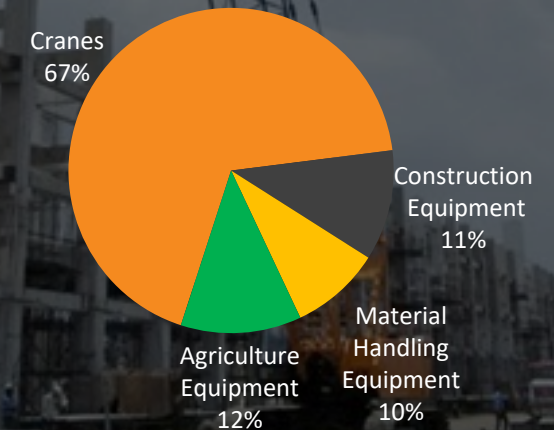
- The company is the world's largest Pick & Carry cranes manufacturer with over 63% market share in the Mobile cranes segment and a majority market share of more than 60% in Tower Cranes segment domestically.
- Additionally, ACE also offers Crawler Cranes, Truck Mounted Cranes, Lorry Loaders, Backhoe Loaders/Loaders, Vibratory Rollers, Motor Graders, Forklifts, Tractors & Harvesters and other Construction Equipment.
- The company has one of the widest sales 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.



Financial Highlights (INR Mn)



Segmental Revenue – FY22 (%)



*Note : Total Income includes Other Income

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



Forklift Trucks



Warehousing Equipment



Piling Rig

Agriculture Equipment



Tractor



Track Combine



Wheel Harvester



Rotovator

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 Rs 19,130 crore in the Union Budget 2022-23 for various metro projects in the country.
- Development of City Roads, Bridges, Flyovers, Elevated Road Corridors, Water Sewerage, Transmission Lines and Distribution Infrastructure etc.
- INR 60,000 Cr allocated to provide tap water to 3.8 crore households in FY23 under 'Har Ghar, Nal Se Jal'
- 100 Smart Cities being developed and rejuvenation of 500 others.



Railways

- As per Union Budget 2022-23, Ministry of Railways have been allocated Rs. 1,40,367 Crores.
- 2,000 km of network to be brought under Kavach for safety and capacity augmentation in FY23.
- 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 Freight Corridor will be getting an allocation of Rs. 16,086 crore and National High Speed Rail Corporation Limited will be allocated Rs. 14,000 crore. Also, 40,000 km rail line is planned till FY30 with an average of 3,600 km/year.



Manufacturing

- The Manufacturing sector of India has the potential to reach US\$ 1 trillion by 2025.
- PLI in 14 sectors for achieving the vision of 'Atmanirbhar Bharat' with the potential to have additional production of Rs. 30 lakh crores 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 2022-23 Expansion of the National Highways network by 25,000 km in FY23, Rs 20,000 crore 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 km under the PMGSY



Housing

- In 2022-23, 80 lakh houses to be completed in FY23 under PM Awas Yojana scheme with an allocation of Rs. 48,000 crore.
- 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 Rs. 100 lakh crore national infrastructure master plan, building a foundation for holistic infrastructure.

Sectoral Growth Drivers



Agriculture

- In the 2022-23 Union Budget, Ministry of Agriculture and Farmers' Welfare has been allocated Rs. 1,31,531 crore. 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

- 4 Multimodal Logistics Parks at four locations through PPP mode contracts to be awarded in FY23.
- 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.
- Total supply of warehousing space is likely to almost double by 2022 with the addition of around 200 million sq. ft.
- Indian warehousing and logistics sector is expected to attract ~\$10 billion 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 Rs. 35,000 Cr (US\$ 4.99 billion) investment in the next four years.
- The Indian Government is planning to invest US\$ 1.83 billion for development of airport infrastructure along with aviation navigation services by 2026.



Ports

- The capacity addition at ports is expected to grow at a CAGR of 5-6% till 2022, thereby adding 275-325 MT of capacity.
- Under the Sagarmala Programme, Government has envisioned a total of 189 projects for modernisation of ports involving an investment of Rs 1.42 trillion (US\$ 22 billion) by the year 2035.
- Projects worth INR 13,308.41 Cr were awarded in the last three years on upgradation of the major ports.

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

The main title of the slide is 'FINANCIAL OVERVIEW Q4-FY22/FY22', positioned in the lower-middle section. The text is white and in a clean, sans-serif font. A vertical orange bar is placed to the left of the text, partially overlapping the first letter 'F'. The background of the slide is dark grey with faint, light grey line and bar charts overlaid.

Q4-FY22/FY22 Financial & Operational Highlights



Q4-FY22 Financial Highlights (Consolidated)

INR 5,160 Mn

Total Income*

INR 526 Mn

EBITDA

10.19%

EBITDA Margin

INR 354 Mn

PAT

6.86%

PAT Margin

INR 2.97/Share

Diluted EPS

FY22 Financial Highlights (Consolidated)

INR 16,446 Mn

Total Income*

INR 1,665 Mn

EBITDA

10.12%

EBITDA Margin

INR 1,050 Mn

PAT

6.38%

PAT Margin

INR 9.02/Share

Diluted EPS

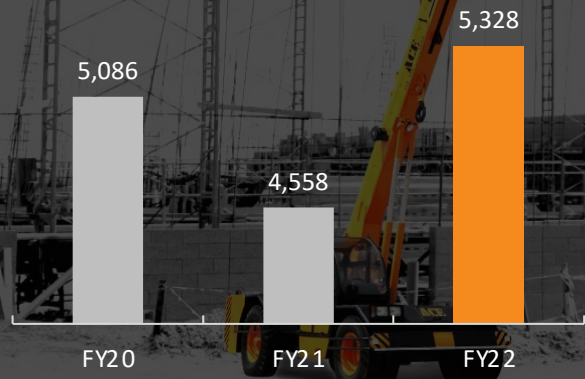
Operational Highlights

- The company achieved its highest ever quarterly revenues and the second best quarterly financial performance in its history.
- ACE continued to post a robust topline growth with operational revenue growing by 33% on an annual basis and 17% in Q4-FY22 on a QOQ basis
- Margins in Q4 were impacted on a YOY basis due to adverse commodity prices.
- Strong Revenue growth registered across all segments during the year:
 1. Cranes grew by 40%
 2. Construction Equipment Segment grew by 32%
 3. Material Handling Equipment grew by 48%
 4. Agri Equipment was marginally down by 1%
 5. ACE expanded its Global footprint and increased its export sales by 18.5%
- Going forward, strong focus of the government on infrastructure development and strengthening of the manufacturing sector augurs well for the company. However, continued and uncertain inflationary environment may put demand and margins under pressure in the near future.

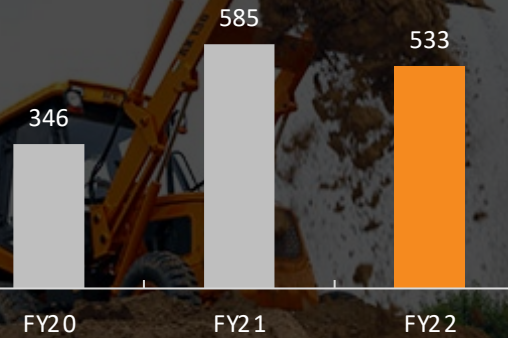
*Note : Total Income includes Other Income

Segment wise – Quantity sold

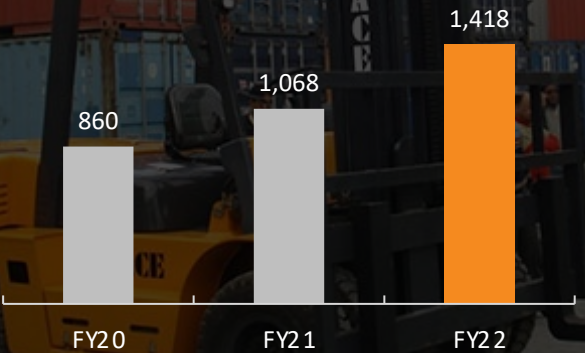
Cranes



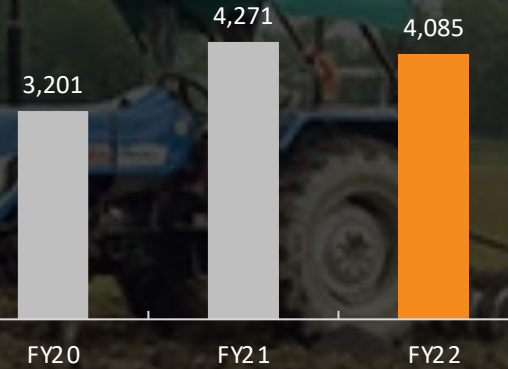
Construction Equipment



Material Handling Equipment



Agriculture Equipment



Quarterly Consolidated Financial Performance



Particulars (INR Mn)	Q4-FY22	Q4-FY21	Y-o-Y	Q3-FY22	Q-o-Q
Total Income*	5,160	4,650	11.0%	4,415	16.9%
Total Expenses	4,634	4,077	13.7%	3,973	16.6%
EBITDA	526	573	(8.2)%	442	19.0%
EBITDA Margins (%)	10.19%	12.32%	(213) bps	10.01%	18 bps
Depreciation	40	35	14.3%	39	2.6%
Finance Cost	43	30	43.3%	34	26.5%
PBT	443	508	(12.8)%	369	20.1%
Tax	89	122	(27.0)%	95	(6.3)%
Profit after Tax	354	386	(8.3)%	274	29.2%
PAT Margins (%)	6.86%	8.30%	(144) bps	6.21%	65 bps
Other Comprehensive Income	(3)	8	NA	-	NA
Total Comprehensive Income	351	394	(10.9)%	274	28.1%
EPS (Diluted INR)	2.97	3.40	(12.6)%	2.30	29.1%

*Note : Total Income includes Other Income

Annual Consolidated Financial Performance



Particulars (INR Mn)	FY22	FY21	Y-o-Y
Total Income*	16,446	12,425	32.4%
Total Expenses	14,781	11,083	33.4%
EBITDA	1,665	1,342	24.1%
EBITDA Margins (%)	10.12%	10.80%	(68) bps
Depreciation	154	139	10.8%
Finance Cost	138	122	13.1%
PBT	1,373	1,081	27.0%
Tax	323	283	14.1%
Profit after Tax	1,050	798	31.6%
PAT Margins (%)	6.38%	6.42%	(4) bps
Other Comprehensive Income	(4)	8	NA
Total Comprehensive Income	1,046	806	29.8%
EPS (Diluted INR)	9.02	7.03	28.3%

*Note : Total Income includes Other Income

Historical Consolidated Financial Performance



Particulars (INR Mn)	FY19	FY20	FY21	FY22
Total Income*	13,522	11,603	12,425	16,446
Total Expenses	12,447	10,646	11,083	14,781
EBITDA	1075	957	1,342	1,665
EBITDA Margins (%)	7.95%	8.25%	10.80%	10.12%
Depreciation	118	130	139	154
Finance Cost	115	147	122	138
PBT	842	680	1,081	1,373
Tax	282	155	283	323
Profit after Tax	560	525	798	1,050
PAT Margins (%)	4.14%	4.52%	6.42%	6.38%
Other Comprehensive Income	-	(2)	8	(4)
Total Comprehensive Income	560	523	806	1,046
EPS (Diluted INR)	4.78	4.57	7.03	9.02

*Note : Total Income includes Other Income

Historical Consolidated Balance Sheet



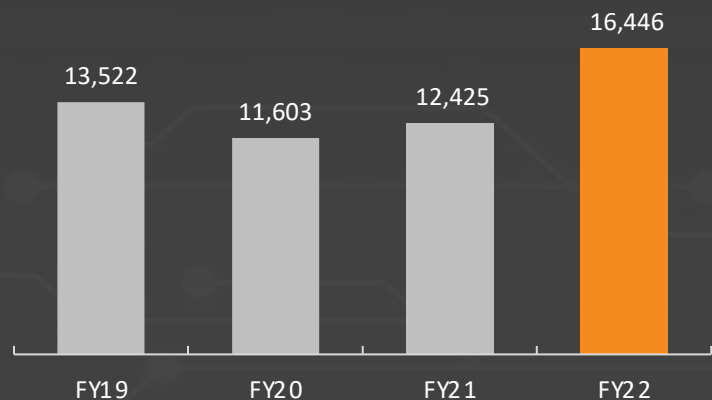
Equities & Liabilities (INR Mn)	FY20	FY21	FY22
(A) Share Capital	227	227	238
(B) Other Equity	4,199	5,005	7,303
Non Controlling Interest	3	3	3
Total - Shareholder Funds	4,429	5,235	7,544
Non Current Liabilities			
(A) Financial Liabilities			
(i) Borrowings	295	202	-
(ii) Lease Liabilities	-	1	12
(B) Provisions	35	19	23
(C) Deferred tax liabilities (Net)	142	160	135
Total - Non – Current Liabilities	472	382	170
Current Liabilities			
Financial Liabilities			
(i) Borrowings	447	341	76
(ii) Trade Payables	3,205	3,306	3,611
(iii) Other Financial Liabilities	727	875	945
(iv) Lease Liabilities	-	2	5
(D) Other current liabilities	232	380	418
(E) Provisions	13	14	18
(F) Current tax liabilities (Net)	11	18	37
Total – Current Liabilities	4,635	4,936	5,110
Total Equity and Liabilities	9,536	10,553	12,824

Assets (INR Mn)	FY20	FY21	FY22
(A) Property plant & Equipment	3,989	4,161	4,372
(B) Capital Work in Progress	194	126	243
(C) Investment properties	122	120	118
(D) Intangible assets	9	12	27
(E) Financial assets			
(i) Investments	215	64	688
(ii) Other financial assets	14	66	166
(F) Other non-current assets	130	97	65
(G) Non-current tax assets (Net)	1	1	-
Total - Non – Current Assets	4,674	4,647	5,679
Current Assets			
(A) Inventories	2,707	2,661	3,334
(B) Financial assets			
(i) Investments	65	251	1,104
(ii) Trade receivables	1,473	2,247	1,887
(iii) Cash and cash equivalents	34	329	57
(iv) Bank balances other than (iii) above	59	36	86
(v) Other current financial assets	23	23	30
(C) Other Current Assets	480	357	643
(D) Current Tax Assets (Net)	21	2	4
Total current assets	4,862	5,906	7,145
Total Assets	9,536	10,553	12,824

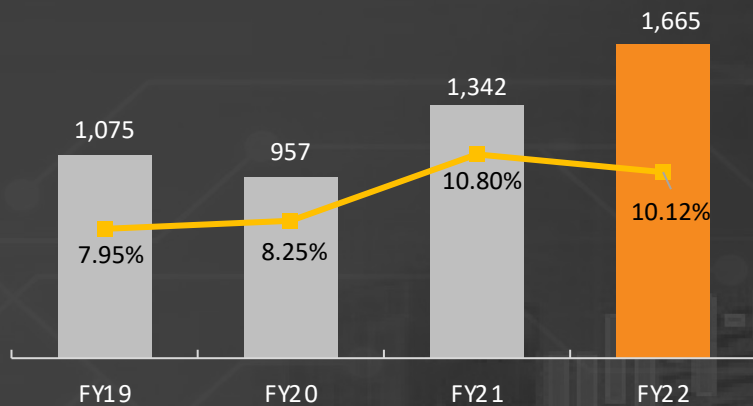
Key Financial Highlights



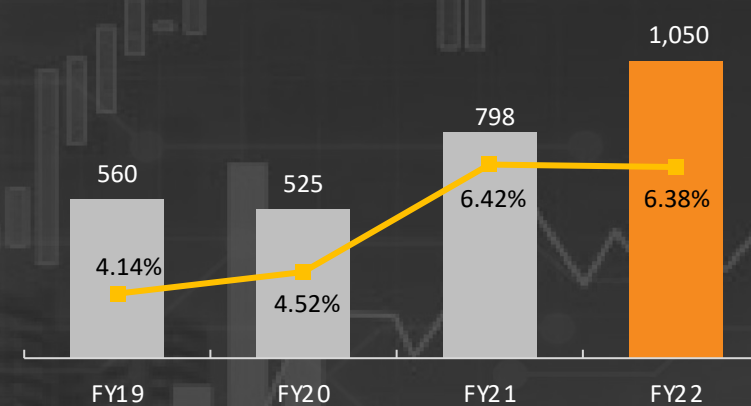
Total Income* (INR Mn)



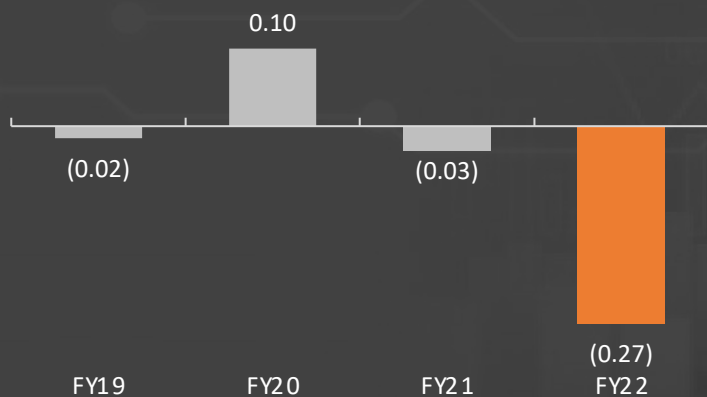
EBITDA and EBITDA Margins (INR Mn)



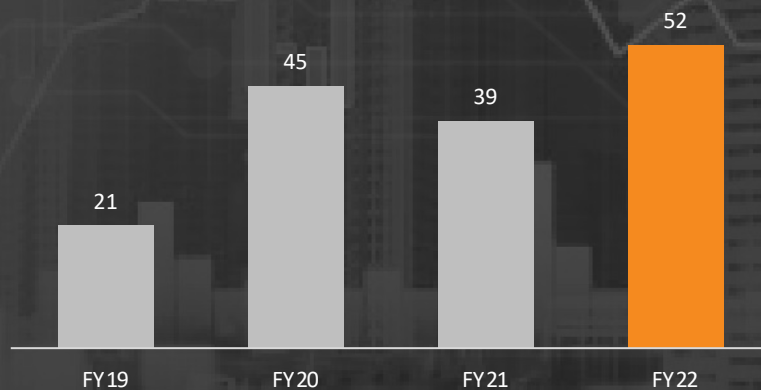
PAT and PAT Margins (INR Mn)



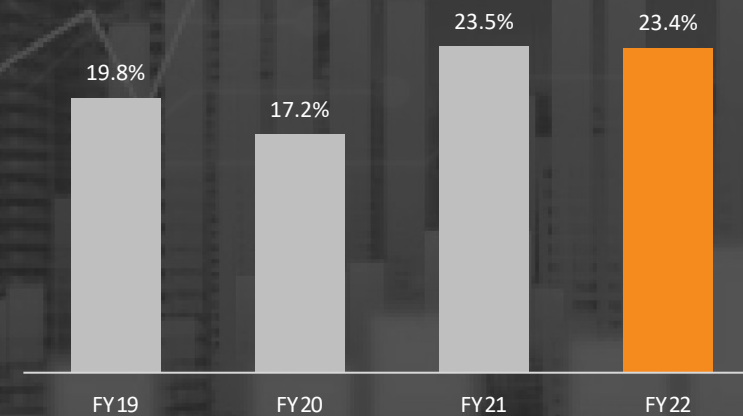
Net Debt to Equity (x)



Working Capital Days



Return on Capital Employed (%)

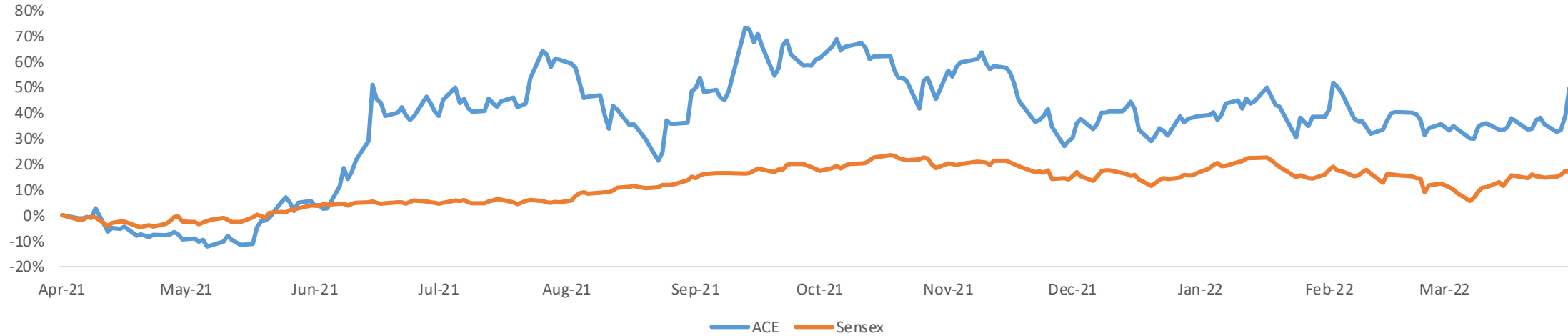


*Note : Total Income includes Other Income

Capital Market Information

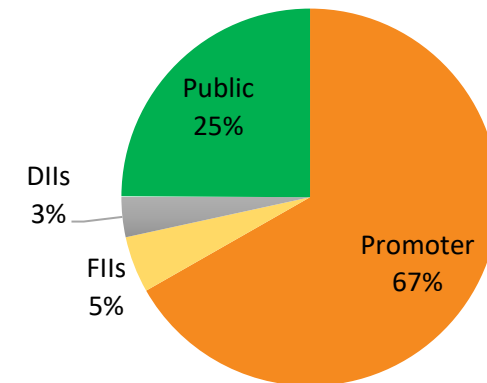


Stock Market Performance (as on 31st March, 2022)



Price Data (as on 31 st March, 2022)	
Face Value (INR)	2.00
Market Price (INR)	240.45
52 Week H/L (INR)	291.6/139.7
Market Cap (INR Mn)	28,633.6
Equity Share Outstanding (Mn)	119.1
1 Year Avg. Daily Trading Volume ('000)	855.3

Shareholding Holding pattern as on 31st March 2022



Disclamier



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