

Action Construction Equipment Limited

Corporate & Registered Office

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



Date: November 09, 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-Q2/H1-FY24

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith, earnings presentation (Q2/H1-FY24) of the Company.

Kindly take the above in your record.

Thanking you

Yours faithfully

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

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 **Customer Care No.:** 1800 1800 004 (Toll Free), **CIN:** L74899HR1995PLC053860, **Website:** www.ace-cranes.com



**EARNINGS
PRESENTATION**
Q2 / H1-FY24

100% Swadeshi



ACE

At a Glance



Established Brand with over 28 years of Industry Presence

World's largest Pick & Carry Crane Manufacturer with Pan India and Global Presence in over 37 Countries

Value for Money Equipment with Focus on Quality and Reliability

Strong Manufacturing, R&D Capabilities providing Customized Solutions for Specific Requirements

Highly Experienced and Professional Team

India's most diversified CE Manufacturer Operating across Infra, Construction, Manufacturing, Logistics and Agri sectors

Customer Centric Organization with In-depth Market Intelligence having 18,000+ strong Customer base

Fastest Service and Product Support through a wide Network across 100+ Locations in India

Strong Financial Discipline with Sharp focus on Accelerated Growth through Flexibility and Quick Change Adaptation

Poised to capture Significant Growth Prospects in Indian Manufacturing & Infrastructure Sector



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



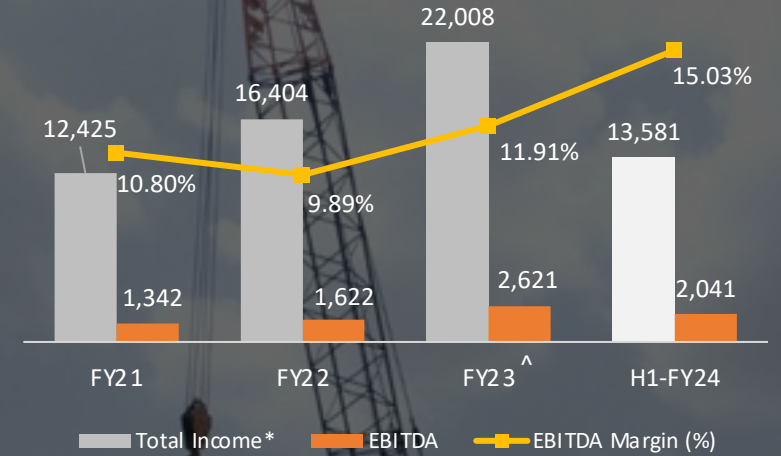
63% +
Market Share



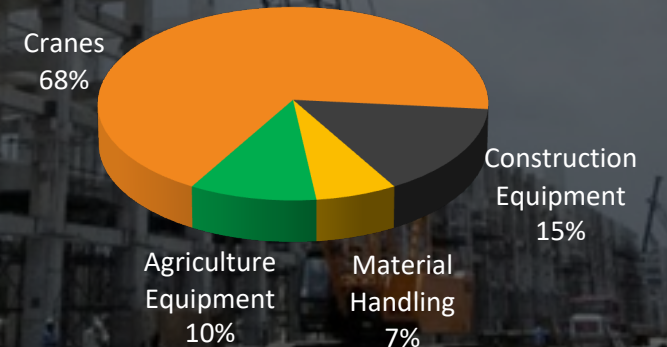
- The company is the world's largest Pick & Carry cranes manufacturer with over 63% market share in the Mobile cranes segment in the country and a majority market share of more than 60% in Tower Cranes segment domestically.
- Additionally, ACE also offers Crawler Cranes, Truck Mounted Cranes, Lorry Loaders, 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 37 countries across Middle East, Africa, Asia and Latin America.



Consolidated Financial Highlights (INR Mn)



Consolidated Segmental Revenue – H1-FY24 (%)



*Total Income includes Other Income

[^]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

Sectoral Growth Drivers



Urban Infra



Railways



Manufacturing



Roads



Housing

- 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.
- 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.
- 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.'
- 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.
- 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 ~9,45,000 units and the Indian agricultural tractor market is anticipated to grow at a CAGR of 8.9% over the forecast period 2022-2027.
- 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 INR 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.

Opportunities & New Products



- ACE intends to increase the contribution of exports in total revenues to a significant share over the medium term
- Tapping Opportunities in the Defence Sector
- Increasing Utilisation Levels of Construction Equipment.
- New Product Launches:
 - India's First Fully Electric Mobile Crane
 - India's Largest Mobile Crane - 180 Tons Crawler Crane
 - Aerial Work Platforms and Telehandlers.
 - 35 Tons 4X4 Next-Gen Crane.

The title 'FINANCIAL OVERVIEW Q2 / H1-FY24' is displayed in a white, sans-serif font. A vertical orange bar is positioned to the left of the text, partially overlapping the first letter 'F'. The background features a dark grey, semi-transparent overlay of various financial charts, including a candlestick chart in the upper right and several bar and line charts below it.

Q2/H1-FY24 Financial & Operational Highlights



Q2-FY24 Financial Highlights (Consolidated)

INR 6,902 Mn Total Income*	INR 1,061 Mn EBITDA	15.37% EBITDA Margin
INR 739 Mn PAT	10.71% PAT Margin	INR 6.21/Share Diluted EPS

H1-FY24 Financial Highlights (Consolidated)

INR 13,581 Mn Total Income*	INR 2,041 Mn EBITDA	15.03% EBITDA Margin
INR 1,415 Mn PAT	10.42% PAT Margin	INR 11.88/Share Diluted EPS

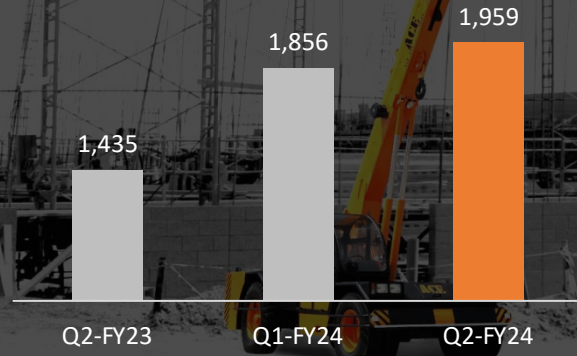
Q2-FY24 Operational Highlights

- The company achieved its highest ever Quarterly Revenues and Margins.
- Strong growth momentum continued with operational revenue growing by 36.83% on a YoY basis and 3.4% on QoQ basis.
- Sustained growth in CE space, segment grew by nearly 100%YoY with margins at 12.72%.
- Export sales contributed 12% to the overall Revenues.
- Strong Revenue growth registered across all segments:
 1. Cranes grew by nearly 30% YoY
 2. Construction Equipment Segment grew by nearly 100% YoY
 3. Material Handling Equipment grew by 26% YoY
 4. Agri Equipment grew by 33% YoY
- Margin expanded by 75 BPS QoQ and 500 BPS YoY driven by better product mix with improved price realizations and efficient cost control measures
- Going forward, expected growth in Infrastructure, Manufacturing Sector, Logistics and Agri augurs well for the company and will contribute to the growth in FY24 and beyond.

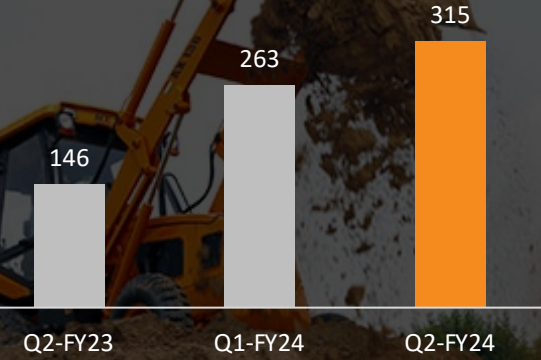
*Total Income includes Other Income

Segment wise – Quarterly Sales Volume

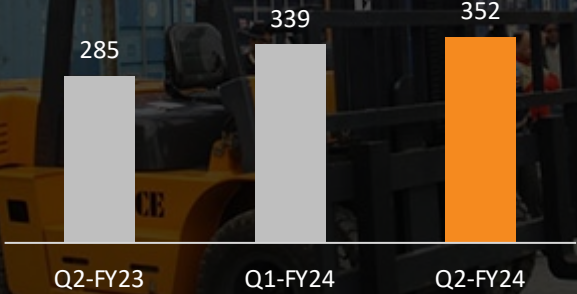
Cranes



Construction Equipment



Material Handling Equipment



Agriculture Equipment



Quarterly Consolidated Financial Performance



Particulars (INR Mn)	Q2-FY24	Q2-FY23	Y-o-Y	Q1-FY24	Q-o-Q
Total Income*	6,902	4,978	38.7%	6,679	3.3%
Total Expenses	5,841	4,468	30.7%	5,701	2.5%
EBITDA	1,061	510	NA	978	8.5%
EBITDA Margins (%)	15.37%	10.25%	512 Bps	14.64%	73 Bps
Depreciation	54	40	35.0%	52	3.8%
Finance Cost	38	21	81.0%	31	22.6%
PBT	969	449	NA	895	8.3%
Tax	230	110	NA	219	5.0%
Profit after Tax	739	339	NA	676	9.3%
PAT Margins (%)	10.71%	6.81%	390 Bps	10.12%	59 Bps
EPS (Diluted INR)	6.21	2.85	NA	5.67	9.5%

*Total Income includes Other Income

YTD Consolidated Financial Performance



Particulars (INR Mn)	H1-FY24	H1-FY23 [^]	Y-o-Y
Total Income*	13,581	10,198[^]	33.2%
Total Expenses	11,540	9,037	27.7%
EBITDA	2,041	1,161	75.8%
EBITDA Margin (%)	15.03%	11.38%	364 Bps
Depreciation	106	86	23.3%
Finance Cost	70	38	84.2%
PBT	1,865	1,037	79.8%
Tax	450	246	82.9%
Profit after Tax	1,415	791	78.9%
PAT Margin (%)	10.42%	7.76%	266 Bps
EPS (Diluted INR)	11.88	6.50	82.8%

*Note : Total Income includes Other Income

[^]Note: Other Income includes one-time exceptional item of INR 197.6 Mn

Historical Consolidated Financial Performance



Particulars (INR Mn)	FY21	FY22	FY23 [^]	H1-FY24
Total Income*	12,425	16,404	22,008	13,581
Total Expenses	11,083	14,782	19,387	11,540
EBITDA	1,342	1,622	2,621	2,041
EBITDA Margins (%)	10.80%	9.89%	11.91%	15.03%
Depreciation	139	154	180	106
Finance Cost	122	95	103	70
PBT	1,081	1,373	2,338	1,865
Tax	283	323	608	450
Profit after Tax	798	1,050	1,730	1,415
PAT Margins (%)	6.42%	6.40%	7.86%	10.42%
Other Comprehensive Income	8	(3)	0	(2)
Total Comprehensive Income	806	1,047	1,730	1,413
EPS (Diluted INR)	7.03	9.02	14.41	11.88

* Total Income includes Other Income

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

Historical Consolidated Balance Sheet



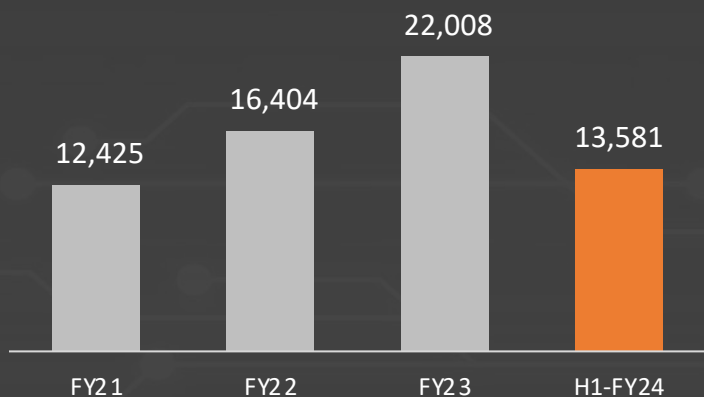
Equities & Liabilities (INR Mn)	FY22	FY23	H1-FY24
(A) Share Capital	238	238	238
(B) Other Equity	7,303	8,948	10,207
Non Controlling Interest	2	16	17
Total - Shareholder Funds	7,543	9,202	10,462
Non Current Liabilities			
(A) Financial Liabilities			
(i) Borrowings	-	-	-
(ii) Lease Liabilities	13	7	4
(B) Provisions	23	27	30
(C) Deferred tax liabilities (Net)	135	133	128
Total - Non – Current Liabilities	171	167	162
Current Liabilities			
Financial Liabilities			
(i) Borrowings	292	62	598
(ii) Trade Payables	4,127	5,009	5,754
(iii) Other Financial Liabilities	212	231	236
(iv) Lease Liabilities	5	6	5
(D) Other current liabilities	419	1,296	1,425
(E) Provisions	18	25	30
(F) Current tax liabilities (Net)	37	-	46
Total – Current Liabilities	5,110	6,629	8,094
Total Equity and Liabilities	12,824	15,997	18,718

Assets (INR Mn)	FY22	FY23	H1-FY24
(A) Property plant & Equipment	4,355	4,723	5,006
(B) Capital Work in Progress	243	244	550
(C) Right-of-Use Assets	17	12	9
(D) Investment properties	118	115	114
(E) Intangible assets	27	25	28
(F) Financial assets			
(i) Investments	802	1,367	1,785
(ii) Other financial assets	163	348	176
(G) Other non-current assets	67	41	24
(H) Non-current tax assets (Net)	4	7	12
Total - Non – Current Assets	5,796	6,882	7,704
Current Assets			
(A) Inventories	3,334	4,185	5,400
(B) Financial assets			
(i) Investments	990	2,119	2,283
(ii) Trade receivables	1,887	1,693	1,731
(iii) Cash and cash equivalents	57	215	226
(iv) Bank balances other than (iii) above	86	275	588
(v) Loans	8	7	6
(vi) Other current financial assets	20	78	87
(C) Other Current Assets	646	543	693
(D) Current Tax Assets (Net)	-	-	-
Total current assets	7,028	9,115	11,014
Total Assets	12,824	15,997	18,718

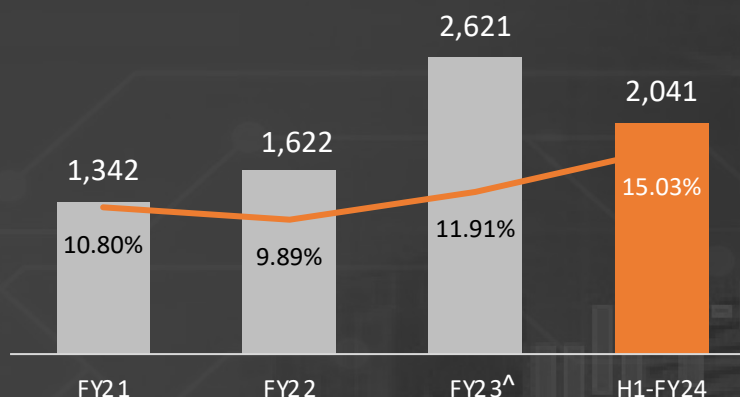
Key Consolidated Financial Highlights



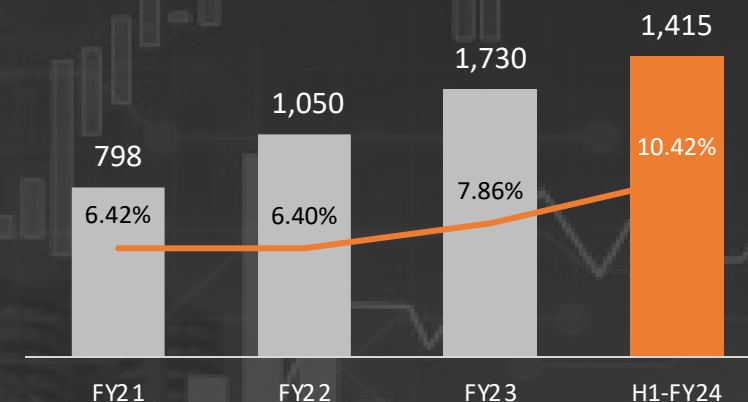
Total Income* (INR Mn)



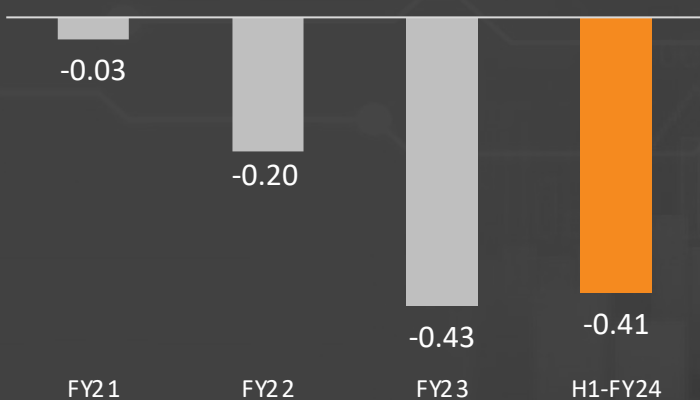
EBITDA and EBITDA Margins (INR Mn)



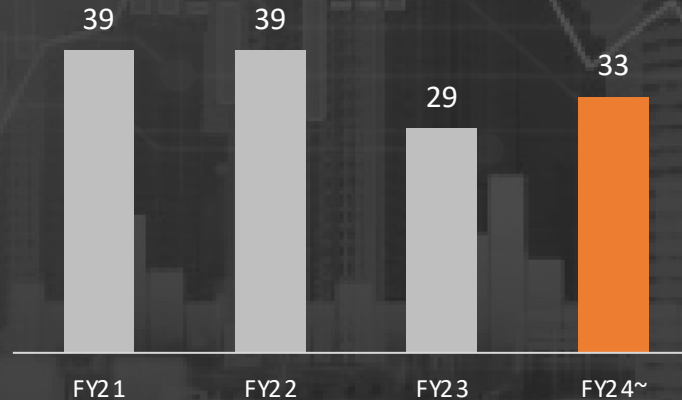
PAT and PAT Margins (INR Mn)



Net Debt to Equity (x)



Working Capital Days



Return on Capital Employed (%)



* Total Income includes Other Income

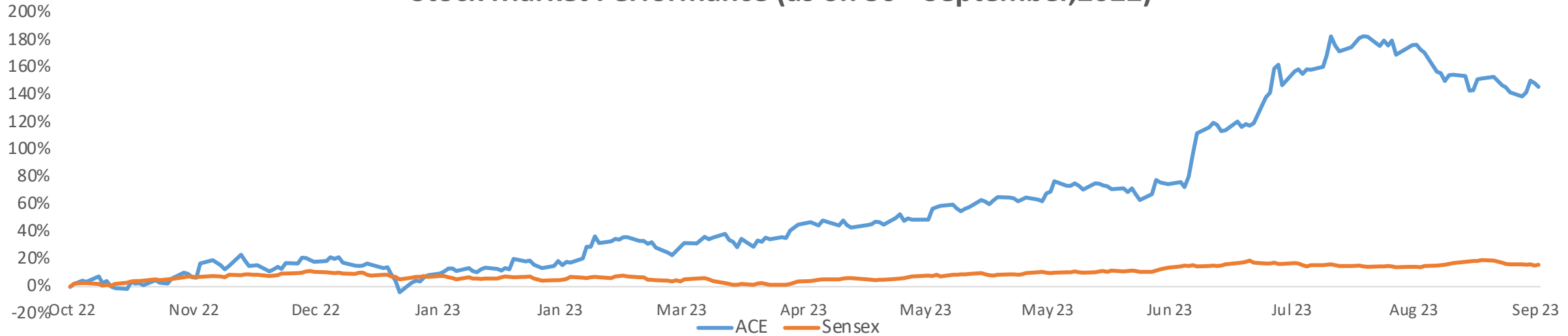
[^] EBITDA Margin includes one-time exceptional item of INR 197.6 Mn

[~] Annualized

Capital Market Data



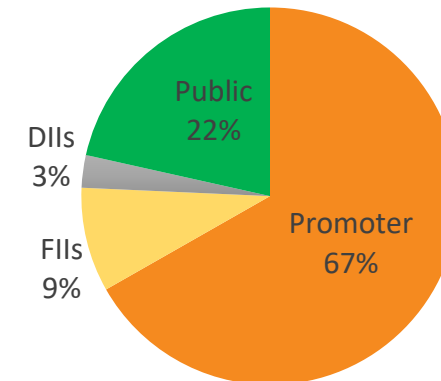
Stock Market Performance (as on 30th September, 2022)



Price Data (As on 30th September, 2023)

Face Value (INR)	2.0
Market Price (INR)	688.9
52 Week H/L (INR)	822.0/264.0
Market Cap (INR Mn)	82,036.4
Equity Share Outstanding (Mn)	119.1
1 Year Avg. Daily Trading Volume ('000)	638.8

Shareholding Holding pattern (As on 30th September, 2023)



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THANK YOU

