



ACTION CONSTRUCTION EQUIPMENT LIMITED

COMPANY BACKGROUND.....

- Established in 1995 by, Mr. Vijay Agarwal who has over 50 years of industry experience and is run by a team of highly qualified professionals.
- ACE has significant presence across diversified sectors like Construction, Infrastructure, Manufacturing, Logistics and Agriculture.
- Enjoying over 63% market share in the Mobile cranes segment and 60% market share 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.
- Production facilities based in NCR, Haryana with a capacity to produce around 12,000 construction equipment and 9,000 Tractors annually.
- 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.
- Apart from the domestic market the company also exports to over 37 countries across Middle East, Africa, Asia, Australia, Latin America and Europe.

BUSINESS MIX (9M-FY24).....

- Cranes (70%)** - ACE has around 63% mkt share in Pick & Carry Cranes and 60% in Fixed Tower Cranes with market leadership in India, while ACE Truck cranes have the #3 position in India.
- CONSTRUCTION EQUIPMENT (14%)** - Backhoe loaders is one of the key focus products for ACE due to their significantly large addressable market size of INR 8000 crores
- Material Handling (6%)** - ACE's market share of Material Handling is around 19% and is positioned No.3 in country
- Agriculture Equipment (10%)** - Tractors segment started in 2008 and today ACE has a presence spread all across India with strong dealership of 350 dealers

KEY STRENGTHS.....

- Highly experienced and qualified professional team; Most Cost effective equipment; also provides customized solutions for specific requirements
- One of the world's largest Pick & Carry Crane Manufacturer
- Dedicated R&D Centre working continuously towards product upgradation, development of new products and value engineering
- India's most diversified Construction Equipment Manufacturer
- Customer Centric Organization with 16,000+ strong Customer base
- Ample capacities in place to ensure future revenue growth
- Pan India and Global Presence in over 25 Countries

FINANCIAL HIGHLIGHTS (CONSOLIDATED).....

(INR Mn)	Total Income	EBITDA	EBITDA%	PAT	PAT%	EPS
FY21	12,425	1,342	10.80%	798	6.42%	7.03
FY22	16,404	1,622	9.89%	1,050	6.40%	9.02
FY23	22,008	2,621	11.91%	1,730	7.86%	14.41
9M-FY24	21,341	3,298	15.45%	2,298	10.77%	19.29

*Total Income includes Other Income

Key Data

BSE Code	532762
NSE Code	ACE
Reuters	ACEL.NS
Bloomberg	ACCE:IN

Market Data (INR) as on 31st December, 2023

Face Value	2.0
CMP	828.3
52 Week H/L	895.4/304.0
MCAP (Mn)	98,650.6
Shares O/S (Mn)	119.1
1 Yr Avg. Daily Vol. ('000)	533.4

Performance as on 31st December, 2023

	3M	6M	12M
ACE	21.4%	67.0%	172.4%
SENSEX	9.8%	11.4%	18.7%
BSE MIDCAP	12.4%	25.9%	40.4%

Shareholding Pattern as 31st December, 2023

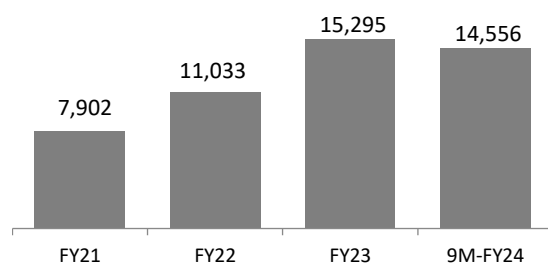
Promoters	66.76%
FII's/DIIs	11.43%
Public	21.81%

BUSINESS SEGMENTS.....

CRANES (68%) –

- There are around 55-70 crane dealers across India, 60% of sales are direct and 40% is through dealers
- The company has introduced new age products like Nextgen Pick & Carry Cranes and 360 degree slew with Pick N Carry Cranes to capitalise and maintain its market leadership position in these segments

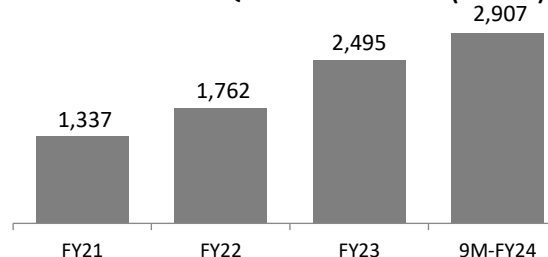
CRANE REVENUE (INR Mn)



CONSTRUCTION EQUIPMENT (15%) –

- The company's strategy to enhance sales in these products is by offering the best in class machinery, partner with the right set of distributors as 70-80% of sale is through dealer network and further expanding this network, and target the high demand markets.
- The Motor graders are also a high focus area due to their inherent higher margins

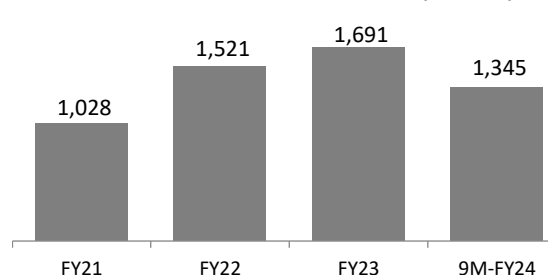
CONSTRUCTION EQUIPMENT REVENUE (INR Mn)



MATERIAL HANDLING (7%) –

- The company boasts a wide clientele for forklifts from Indian Army, to Airport Authority of India, and also FMCG companies like PepsiCo
- 90% of sales are direct and 10% of sales are through dealers
- With the warehousing push in the country, this division too has a high growth potential

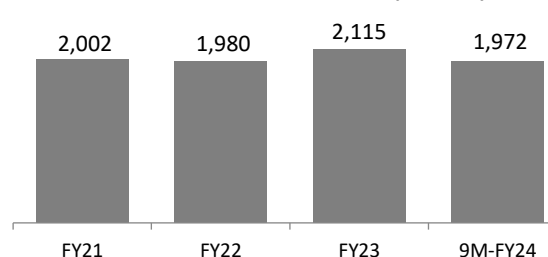
MATERIAL EQUIPMENT REVENUE (INR Mn)



AGRICULTURE EQUIPMENT (10%) –

- Company manufactures their own engines for tractors, out of the total tractor sales 70% of them consists of in house engines
- ACE is positioned No.1 in South for its Harvester segment
- ACE now has good tie ups with banks like Indusind bank, AU bank, Chola Bank, etc. to provide financing to the end users
- The company's strategy and target is to offer best in class product and service and penetrate 5-7% of the market and beat their competitors gradually

AGRI EQUIPMENT REVENUE (INR Mn)



KEY GROWTH DRIVERS.....

- Total Capex outlay increased by 11.1% to approx. INR11.11 lakh crores in FY25 interim budget; major outlay for roads at INR 2.72lakh crore and railways at INR2.52 lakh crore.
- Housing scheme for middle income class who are currently renting premises to enable them to buy or build their own houses coupled with 2 crore additional houses to be built under the Pradhan Mantri Awas Yojana (Grameen) will offer a significant boost to construction activities
- NHAI is coming up with 23 new highways including network of expressways and economic corridors by March 2025.
- 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.

PEER COMPARISON (TRAILING 12 MONTHS) INR MN

Company	Total Income*	EBITDA	EBITDA%	Net Profit	PAT%	M Cap
ACE	27,512	4,061	14.8%	2,769	10.1%	98,631
Escorts	93,393	15,080	16.1%	10,137	10.9%	3,29,942
BEML	39,903	4,153	10.4%	1,827	4.6%	1,17,785
VSTTillers	10,725	1,942	18.1%	1,265	11.8%	32,636
M&M	13,83,854	2,36,292	17.1%	1,21,433	8.8%	21,46,517

*Total Income includes Other Income

INCOME STATEMENT (CONSOLIDATED)

Particulars (INR Mn)	FY21	FY22	FY23	9M-FY24
Total Income*	12,425	16,404	22,008	21,341
Total Expenses	11,083	14,782	19,387	18,043
EBITDA	1,342	1,622	2,621	3,298
EBITDA Margins (%)	10.80%	9.89%	11.91%	15.45%
Depreciation	139	154	180	165
Finance Cost	122	95	103	125
PBT	1,081	1,373	2,338	3,008
Tax	283	323	608	710
Profit after Tax	798	1,050	1,730	2,298
PAT Margins (%)	6.42%	6.40%	7.86%	10.77%
Other Comprehensive Income	8	(3)	0	3
Total Comprehensive Income	806	1,047	1,730	2,301
EPS (Diluted INR)	7.03	9.02	14.41	19.29

*Total Income includes Other Income

BALANCE SHEET (CONSOLIDATED)

Equities & Liabilities (INR Mn)	FY22	FY23	H1-FY24	Assets (INR Mn)	FY22	FY23	H1-FY24
(A) Share Capital	238	238	238	(A) Property plant & Equipment	4,355	4,723	5,006
(B) Other Equity	7,303	8,948	10,207	(B) Capital Work in Progress	243	244	550
Non Controlling Interest	2	16	17	(C) Right of use asset	17	12	9
Total –Shareholder Funds	7,543	9,202	10,462	(D) Investment properties	118	115	114
Non Current Liabilities				(E) Intangible assets	27	25	28
(A) Financial Liabilities				(F) Financial assets			
(i) Borrowings	-	-	-	(i) Investments	802	1,367	1,785
(ii) Lease Liabilities	13	7	4	(ii) Other financial assets	163	348	176
(B) Provisions	23	27	30	(G) Other non-current assets	67	41	24
(C) Deferred tax liabilities (Net)	135	133	128	(H) Non-current tax assets (Net)	4	7	12
Total - Non – Current Liabilities	171	167	162	Total - Non – Current Assets	5,796	6,882	7,704
Current Liabilities				Current Assets			
(A) Financial Liabilities				(A) Inventories	3,334	4,185	5,400
(i) Borrowings	292	62	598	(B) Financial assets			
(ii) Trade Payables	4,127	5,009	5,754	(i) Investments	990	2,119	2,283
(iii) Other Financial Liabilities	212	231	236	(ii) Trade receivables	1,887	1,693	1,731
(iv) Lease Liabilities	5	6	5	(iii) Cash and cash equivalents	57	215	226
(B) Other current liabilities	419	1,296	1,425	(iv) Bank balances other than (iii) above	86	275	588
	18			(v) Loans	8	7	6
(C) Provisions		25	30	(vi) Other current financial assets	20	78	87
(D) Current tax liabilities (Net)	37	-	46	(C) Other Current Assets	646	543	693
				(D) Current Tax Assets (Net)	-	-	-
Total – Current Liabilities	5,110	6,629	8,094	Total current assets	7,028	9,115	11,014
Total Equity and Liabilities	12,824	15,997	18,718	Total Assets	12,824	15,997	18,718

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