

Action Construction Equipment Limited

Corporate & Registered Office

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



Date: August 25, 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 Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (E),
Mumbai-400051

CM Quote: ACE

Subject: Chairman's Speech at the 29th Annual General Meeting

Dear Sir/Madam,

We are enclosing herewith a copy of the Speech made by Mr. Vijay Agarwal, Chairman & Managing Director of the Company in the 29th Annual General Meeting of the Company held on Friday, August 25, 2023 through Video Conferencing (VC)/Other Audio Visual Means (OAVM).

This is for your information and records please.

Yours faithfully

For Action Construction Equipment Limited

Anil Kumar
Company Secretary
M.No. ACS:37791

Encl: As Above



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



Dear Members,

Good afternoon!

Welcome to the 29th Annual General Meeting of your Company which is being conducted virtually!

I am glad that we are meeting again in far better times than what we experienced in the past year.

I would like to thank you for sparing your time to join us today and for your continued faith in ACE and its management.

The year 2022-23 witnessed intense geo-political and economic volatility. The on-going Russia-Ukraine conflict and geo-political tensions have disrupted the smooth functioning of global supply chains. There has been a surge in inflation, especially in the developed markets.

However, the Indian economy maintained its position as one of the fastest-growing major economies. It displayed remarkable resilience to global shocks, thanks to substantial government capital spending and private demand.

Moving ahead, I would like to apprise you regarding the highlights of the financial year and also touch upon some of the key initiatives undertaken by our Company to strengthen our leadership position in the market.

The Financial year 2022-2023 turned out to be one of the best years for the Company, where we had record breaking profits.



The Company outperformed across all financial parameters by achieving its highest ever revenue and profit.

Comparing with FY22,

- Our total Income grew by 34% to Rs. 2,201 Crores.
- EBITDA grew by 62% to Rs. 262 Crores.
- Profit after Tax grew by 65% to Rs. 173 Crores.

We continue to exceed our revenue and earnings expectations. Our performance was driven by a combination of factors, including robust demand for our products and services, effective cost management and strategic investments in growth.

The past few years have been challenging as well as an exciting. We not only weathered the storm of the COVID-19 pandemic, but also reimaged and reinvented ourselves.

We are concentrating on acquiring new capabilities, building a stronger R&D, strengthening the ACE brand and expanding the distribution footprint.

You will be happy to note that return on Capital Employed in FY23 was 24.67% and as on June 30, 2023 this return is 35.6%.

The market capitalisation of ACE as on August 08, 2023, was Rs. 8971 crores, as compared to Rs. 1967 crores of March, 2018. i.e. A significant growth of 356%.

On May 31, this year, ACE has been included in MSCI India Domestic Small Cap Index.



MSCI India Domestic Index is created to gauge the performance of the large and mid-cap sector within the Indian domestic market.

Amongst all listed Companies on BSE, as per Market capitalization on June 30, 2023, your Company was ranked 450.

Dividend:

I am pleased to announce that the Board of Director has approved a highest ever Final Dividend of 50% per equity share for the financial year ended March 31, 2023, i.e. Rs. 1.00 per share.

ACE remains focused on ensuring better utilization of available capacity, along with working capital optimization and cost control.

The Company's focus on innovation, technology and sustainability along with its commitment to deliver value to customers will ensure a continued success and growth in the years to come.

Products & Technologies:

The Company has been making significant investments in R&D and Innovation. Our products stand out in terms of value-for-money, low maintenance cost and attractive resale value. We continue to leverage our world class R&D infrastructure to deliver high quality products at cost effective prices. Our R&D



teams work with a focus to ensure that ACE launches new unique products in tune with customer needs.

Geographies served:

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.

ACE Brand:

Philip Kotler, the marketing guru, said “Markets always change faster than marketing.” ACE through concerted efforts and strategic interventions has become a valuable brand. We will continue to invest in brand building, to make it a trusted and relevant brand to new generations of customers and markets which we plan to enter and grow.

Export:

Looking at the tremendous global opportunities, we have also strengthened our export arm and forayed into new territories with our tractors, cranes and construction equipment. We intend to enhance the quantum of our exports substantially as there is an increasing demand for our products, which are being accepted by the global customers.



Commitment to the environment:

ACE continues to remain ahead of the curve, in its environmental commitment. The Company is committed in formulating and participating in industry programmes and initiatives such as: Installation of Rainwater Harvesting Systems, Installation of Solar Power Plant at the Manufacturing Sites, 40 acres of Green area inside the plants, Waste Disposal and also Recycling Water for Irrigation use.

Social Responsibility:

Our free Ambulance service and Pathology lab managed through ACE Emergency Response services continues its journey of serving the needy and saving precious lives. This service has helped more than 2.00 Lakhs needy people from its inception.

Outlook:

Despite on-going uncertainties and challenges, including inflation and supply chain disruptions, the Indian economy is anticipated to show resilience and expected to be one of the fastest growing major economies in the world. The Government's focus on developing world class infrastructure and making India a world class manufacturing hub will have a large multiplier effect which will further lead to more demand for our products. We are well poised to capitalize on these opportunities and remain dedicated to fostering long-term sustainable growth for the benefit of our stakeholders.



Acknowledgement:

I wish to place on record my sincere gratitude towards our Board Members for their constant guidance and support in our pursuit of maximizing long-term shareholder value. I would also like to thank all our shareholders and customers for believing in us and supporting us throughout our journey. I would also like to acknowledge the passion, dedication and commitment of our employees.

Thank you all for your continuous support and faith in the Company and its management. We shall endeavour to scale newer heights as we continue on our journey ahead.

Thank You
Vijay Agarwal
Chairman and Managing Director