

Action Construction Equipment Ltd.

Corporate & Regd. Office

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



Date: 30th May, 2015

To,

The Manager Listing
Bombay Stock Exchange Limited
5th Floor, P.J. Towers,
Dalal Street,
Mumbai-400 001

Scrip Code: 532762

The Manager Listing
National Stock Exchange of India Ltd
Exchange Plaza, C-1, G Block,
Bandra Kurla Complex, Bandra(E),
Mumbai-400 051

CM Quote: ACE

Sub: Outcome of Board Meeting

Dear Sir/Madam,

The Board of Directors in its meeting held today i.e. on 30th May, 2015 have, inter-alia, approved and taken on record the Audited Financial Results (Standalone & Consolidated) of the Company for the Financial Year ended on 31st March, 2015 along with Auditors Report. (*Financial Statement and Auditors Report Attached*)

Further, the Board of Directors have also approved the following:

- Recommendation for approval by members at the ensuing Annual General Meeting, payment of dividend on Equity Shares of Rs. 2/- each @ Rs 0.20 per equity share for the financial year ended on 31st March, 2015 on the entire paid up share capital of 9,89,40,000.

You are requested to take the information on your records.

Thanking You,

Yours faithfully

For Action Construction Equipment Limited


R.S. Jhanwer

Head-Corporate Affairs & Company Secretary



Encl: As above



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Rajan Chhabra
B.Sc., F.C.A.

Independent Auditor's Report

To the Members of Action Construction Equipment Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Action Construction Equipment Limited ('the Company'), which comprise the balance sheet as at 31 March 2015, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.



Opinion

In our opinion and to the best of our information and according to the explanations given to us, aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2015 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Additional Notes to the financial statements 27 (b) other notes S.no 5 Contingent liability-;
 - ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Rajan Chhabra & co

Chartered Accountants

FRN:009520N


CA Rajan Chhabra
Partner
M.NO 088276

Faridabad

30.05.2015

Annexure to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2015, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified on regular basis. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (ii) Physical verification of inventory was conducted by the management at reasonable interval during the year.
- In our opinion and according to the information and explanations given to us, the procedure of physical verification of stocks followed by the management is reasonable and adequate in relation to the size of the company and nature of its business.
- In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory and discrepancies noticed on physical verification by the Management have been properly adjusted in books of accounts.
- (iii) (a) The Company has granted loan to subsidiary company FRESTED LIMITED CYPRUS Worth Rs 2621.11 Lacs
- (b) In this case of the loan granted to the body corporate listed in the register maintained under section 189 of the Act, the company has made a provision of Rs. 3 Crores being doubtful for recovery. The Board of Directors have also informed that the necessary steps are being taken for the recovery of the loan amount. There are no overdue amounts of more than rupees one lakh other than mentioned above. Interest amounting to Rs 171.64 lacs has not been provided on the mentioned loan and hence profit is understated by this amount. No principal amount is due during the year .
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and sale of services. The activities of the Company do not involve purchase of inventory and the sale of goods. We have not observed any major weakness in the internal control system during the course of the audit.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Company has maintained books of accounts pursuant to the rules made by the central government for the maintenance of cost records under section 209 1 (d) of the companies Act 2013 and in our the opinion the prescribed accounts and records have been properly maintained.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.



- (b) According to the information and explanations given to us, amounts required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act have been transferred to such fund within time.
- (viii) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (ix) The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year.
- (x) In our opinion and according to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) According to the information and explanations given to us, term loans have been applied for the purpose for which the loans were obtained.
- (xii) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For Rajan Chhabra & co
Chartered Accountants

FRN:009520N


CA Rajan Chhabra
Partner
M.NO:088276

Faridabad
30.05.2015

(Re. in loco)

Place : New Delhi
Date : 30-05-2015

ACTION CONSTRUCTION EQUIPMENT LIMITED

Statement of Assets and Liabilities



Sl. No.	Particulars	Standalone		Consolidated	
		As at	As at	As at	As at
		31st Mar 2015 (Audited)	31st Mar 2014 (Audited)	31st Mar 2015 (Audited)	31st Mar 2014 (Audited)
A	EQUITY AND LIABILITIES				
1	Shareholders' Funds				
	(a) Share Capital	1,978.80	1,978.80	1,978.80	1,978.80
	(b) Reserves and Surplus	29,314.36	28,822.98	27,173.92	26,738.56
	(c) Minority Interest	-	-	41.30	40.03
	Sub-total -Shareholder's funds	31,293.16	30,801.78	29,194.02	28,757.39
2	Non-Current Liabilities				
	(a) Long-Term Borrowings	3,173.19	3,946.08	3,173.19	3,946.08
	(b) Deferred Tax Liabilities (Net)	863.10	453.28	863.10	453.28
	(c) Other Long Term Liabilities	399.12	317.18	399.12	317.18
	(d) Long Term Provisions	128.11	120.78	128.11	120.78
	Sub-total - Non-Current Liabilities	4,563.52	4,837.32	4,563.52	4,837.32
3	Current Liabilities				
	(a) Short-Term Borrowings	8,582.53	10,203.07	8,582.53	10,203.07
	(b) Trade Payables	11,469.51	11,407.87	11,686.81	11,699.06
	(c) Other Current Liabilities	6,172.48	4,714.96	6,179.17	4,731.95
	(d) Short-Term Provisions	732.81	221.96	732.81	221.96
	Sub-total -Current Liabilities	26,957.33	26,547.86	27,181.32	26,856.04
	TOTAL -EQUITY AND LIABILITIES	62,814.01	62,186.96	60,938.86	60,450.75
B	ASSETS				
1	Non-Current Assets				
	(a) Fixed Assets (Incl. Capital Work-in-Progress)	27,965.84	27,028.44	29,012.98	27,845.03
	(b) Non-Current Investments	398.22	297.28	0.10	0.10
	(c) Long term Loans and Advances	7,352.34	6,439.87	4,731.23	3,937.43
	(e) Other Non-Current Assets	248.45	105.84	248.45	119.08
	Sub-total - Non-Current Assets	35,964.85	33,871.43	33,992.76	31,901.64
2	Current Assets				
	(a) Current Investments	1,396.73	1,164.78	1,396.73	1,164.78
	(b) Inventories	14,124.48	16,054.48	14,181.79	16,250.18
	(c) Trade Receivables	8,061.20	6,827.81	8,091.03	6,851.06
	(d) Cash and Bank Balances	1,134.37	1,365.49	1,140.87	1,376.70
	(e) Short-term Loans and Advances	2,132.38	2,902.97	2,135.68	2,906.39
	Sub-total - Current Assets	26,849.16	28,315.53	26,946.10	28,549.11
	TOTAL - ASSETS	62,814.01	62,186.96	60,938.86	60,450.75



Vijay Kumar

Action Construction Equipment Limited

Regd. Office: Dudhola Link Road, Dudhola, Distt. Palwal - 121102 Haryana, India
Ph.: 01275-280111 (50 lines), Fax: 01275-280133. E-mail: cs@ace-crane.com, Web: www.ace-crane.com
SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED AS ON 31ST MARCH, 2015

Sl. No.	Particulars	Quarter Ended			Year ended		Previous year ended		Consolidated	
		Standalone			Year ended		Previous year ended		Year ended	
		31-03-15 (Audited)	31-12-14 (Reviewed)	31-03-14 (Audited)	31-03-15 (Audited)	31-03-2014 (Audited)	31-03-2014 (Audited)	31-03-2014 (Audited)	31-03-15 (Audited)	31-03-2014 (Audited)
1.	Segment Revenue									
	A) Cranes	8,929.11	8,926.69	10,929.48	36,069.11	36,023.56	36,023.56	36,023.56	36,069.11	36,023.56
	B) Material Handling/Construction Equipment	2,620.83	1,415.80	1,350.09	6,629.29	6,917.42	6,917.42	6,917.42	6,629.29	6,917.42
	C) Agri Equipment	4,858.92	4,129.27	4,670.78	16,096.91	17,946.73	17,946.73	17,946.73	16,096.91	17,946.73
	D) Subsidiaries Business								157.72	138.39
	Total	16,408.86	14,471.76	16,950.35	58,795.31	60,387.71	60,387.71	60,387.71	58,953.03	61,026.10
	Less-Inter Segment Revenue									
	Net Sales / Income from Operations	16,408.86	14,471.76	16,950.35	58,795.31	60,387.71	60,387.71	60,387.71	58,953.03	61,026.10
2.	Segment Results									
	A) Cranes	632.77	884.46	724.78	2,962.29	2,462.27	2,462.27	2,462.27	2,962.29	2,462.27
	B) Material Handling/Construction Equipment	170.91	(17.66)	(52.76)	121.47	(459.41)	(459.41)	(459.41)	121.47	(459.41)
	C) Agri Equipment	158.10	62.89	141.23	268.25	300.67	300.67	300.67	268.25	800.67
	D) Subsidiaries Business								(149.46)	(64.49)
	Total	961.78	929.69	813.25	3,352.01	2,803.53	2,803.53	2,803.53	3,202.55	2,739.04
	Less- Interest	310.15	353.03	321.54	1,300.64	1,041.49	1,041.49	1,041.49	1,300.64	1,041.49
	Less- Other Unallocable Expenditure	330.00	299.46	299.25	1,094.57	1,250.32	1,250.32	1,250.32	1,094.57	1,250.32
	Total Profit before Tax	321.63	277.20	192.46	956.80	511.72	511.72	511.72	807.34	447.23
3.	Capital Employed									
	A) Cranes	31,507.39	33,741.47	34,464.42	31,507.39	34,464.42	34,464.42	34,464.42	31,507.39	34,464.42
	B) Material Handling/Construction Equipment	7,538.82	6,453.01	5,300.92	7,538.82	5,300.92	5,300.92	5,300.92	7,538.82	5,300.92
	C) Agri Equipment	286.71	184.96	263.50	286.71	263.50	263.50	263.50	286.71	263.50
	D) Subsidiaries Business								(2,455.46)	(2,412.68)
	Total	39,332.92	40,379.44	40,028.84	39,332.92	40,028.84	40,028.84	40,028.84	36,877.46	37,616.16

Place : New Delhi
Date: 30.05.2015



(Handwritten Signature)

FORM A

Format of covering letter of the annual audit report to be filed with the Stock Exchange

Name of the Company	Action construction Equipment Limited
Annual financial statements for the year ended	31 st March, 2015
Type of Audit observation	Un-qualified
Frequency of observation	Not Applicable
To be signed by-	
• CEO/Managing Director	
• CFO	
• Auditor of the Company	 
• Audit Committee Chairman	