



## ACTION CONSTRUCTION EQUIPMENT LIMITED

Regd. Office: Dudhola Link Road, Dudhola, Distt. Palwal-121102, Haryana

Email:cs@ace-cranes.com, Phone:01275-280111, Fax:01275-280133,

CIN:L74899HR1995PLC053860, Website:www.ace-cranes.com

### NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twenty Ninth (29<sup>th</sup>) Annual General Meeting (AGM) of the Members of Action Construction Equipment Limited ("Company") will be held on **Friday, August 25, 2023 at 12:00 Noon (IST)** through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM"), to transact the following businesses. The deemed venue of AGM shall be the registered office of the Company.

#### ORDINARY BUSINESS:

##### 1. To receive, consider and adopt:

- (a) The audited standalone financial statement of the Company for the financial year ended March 31, 2023 and reports of Board of Directors and Auditors thereon; and
- (b) The audited consolidated financial statement of the Company for the financial year ended March 31, 2023 and report of Auditors thereon.

and, in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolutions as an **Ordinary Resolutions**:

- (a) **"RESOLVED THAT** the audited standalone financial statement of the Company for the financial year ended March 31, 2023, and the report of Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."
- (b) **"RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2023, and the report of Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

##### 2. To declare a final dividend of ₹ 1.00 i.e. (50%) per equity share for the Financial Year ended March 31, 2023 and, in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** a dividend at the rate of ₹ 1.00/- i.e.(50%) per equity share of face value of ₹ 2/- (Rupees Two) each fully paid-up of the Company, as recommended by the Board of Directors, be and is here by declared for the financial year ended March 31, 2023, and the same be paid out of the profits of the Company."

##### 3. To appoint a Director in place of Mr. Sorab Agarwal (DIN:00057666) who retires from office by rotation, and being eligible, offers himself for re-appointment and, in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Sorab Agarwal (DIN:00057666), who retires by rotation at this meeting, be and is hereby appointed as a Director of the Company."

#### SPECIAL BUSINESS:

##### 4. To ratify the remuneration of the cost auditors for the financial year ending March 31, 2024 and in this regard, if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, the remuneration of ₹ 1,25,000/- (Rupees One Lakh Twenty Five Thousand only) plus applicable taxes inclusive of all out of pocket expenses, approved by the Board of Directors, to be paid to M/s Vandana Bansal & Associates, Cost Accountants (Firm Registration No: 100203), appointed by the Board of Directors of the Company, to conduct the audit of cost records of the Company for the financial year ending March 31, 2024, be and is hereby ratified."

**"RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to perform and execute and to do all such acts, deeds, things, and matters as may be deemed necessary, proper or expedient and for the matters connected herewith or incidental hereto."

##### 5. Re-appointment of Mr. Vijay Agarwal (DIN:00057634) as Chairman & Managing Director of the Company, in this regard, if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment

thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to the approval of Central Government or any authority/agency/board, if any, the consent of the members be and is hereby accorded to re-appoint Mr. Vijay Agarwal (DIN: 00057634) who has attained the age of 74 years as Chairman & Managing Director of the Company for a further period of 5 (five) years with effect from October 01, 2023 on terms and conditions including remuneration and perquisites, as set out in the Explanatory Statement annexed to this Notice, with liberty to the Board of Directors (hereinafter referred to as "the Board") or Nomination and Remuneration Committee to alter and vary the terms and conditions of the said re-appointment and/or remuneration in such manner as may be deemed fit by the Board and/or Nomination and Remuneration Committee and agreed by Mr. Vijay Agarwal."

**"RESOLVED FURTHER THAT** in the absence of profits or inadequacy of profits in any financial year, the remuneration as set out be paid to Mr. Vijay Agarwal (DIN: 00057634) as minimum remuneration, subject to necessary approval(s), as may be required."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company or any committee thereof be and is hereby also authorized to amend, alter, modify or otherwise vary the terms and conditions of appointment of Mr. Vijay Agarwal (DIN:00057634), Chairman & Managing Director, including the components of the mentioned remuneration payable to him subject to the overall limit of ₹ 11,50,00,000/- (Rupees Eleven Crore Fifty Lakh Only) per annum (including perquisites and allowances)."

**"RESOLVED FURTHER THAT** the Chairman and Managing Director is not liable to retire by rotation and will carry out such duties and exercise such powers as may be entrusted to him by the Board of Directors subject to the supervision, superintendence and control of the Board."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution and to seek such approval/consent from the government departments, as may be required in this regard."

**"RESOLVED FURTHER THAT** Mr. Vijay Agarwal, Chairman & Managing Director, Mr. Sorab Agarwal, Whole Time Director, Mr. Rajan Luthra, CFO and Mr. Anil Kumar, Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be required to be done to give effect to the above

resolutions including filing of requisite forms and returns etc. with Registrar of Companies, NCT of Delhi & Haryana and/or Ministry of Corporate Affairs (Government of India) and taking necessary approval from the government, or other authorities etc., as may be required."

**6. Re-appointment of Mrs. Mona Agarwal (DIN:00057653) as Whole Time Director, Designated as Executive Director of the Company,** in this regard, if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to the approval of Central Government or any authority/agency/board, if any, the consent of the members be and is hereby accorded to re-appoint Mrs. Mona Agarwal (DIN: 00057653) as Whole-time Director, designated as Executive Director of the Company for a further period of 5 (five) years with effect from October 1, 2023 on terms and conditions including remuneration and perquisites, as set out in the Explanatory Statement annexed to this Notice, with liberty to the Board of Directors (hereinafter referred to as "the Board") and/or Nomination and Remuneration Committee to alter and vary the terms and conditions of the said re-appointment and/or remuneration in such manner as may be deemed fit by the Board and/or Nomination and Remuneration Committee and agreed by Mrs. Mona Agarwal."

**"RESOLVED FURTHER THAT** in the absence of profits or inadequacy of profits in any financial year, the remuneration as set out be paid to Mrs. Mona Agarwal (DIN: 00057653) as minimum remuneration, subject to necessary approval(s), as may be required."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company or any committee thereof be and is hereby also authorized to amend, alter, modify or otherwise vary the terms and conditions of appointment of Mrs. Mona Agarwal (DIN: 00057653), Whole-time Director, including the components of the remuneration payable to her subject to the overall limit of ₹ 6,50,00,000/- (Rupees Six Crore Fifty Lakh Only) per annum (including perquisites and allowances)."

**"RESOLVED FURTHER THAT** consent of the members of the Company be and is hereby also given under Section 196 read with Schedule V of the Companies Act, 2013 for continuation of employment of Mrs. Mona Agarwal, as Whole-time Director of the Company even after attaining the age of 70 years on November 17, 2025, during her tenure ending on September 30, 2028."

**“RESOLVED FURTHER THAT** the Whole Time Director is liable to retire by rotation and will carry out such duties and exercise such powers as may be entrusted to her by the Board of Directors subject to the supervision, superintendence and control of the Board.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution and to seek such approval/consent from the government departments, as may be required in this regard.”

**“RESOLVED FURTHER THAT** Mr. Vijay Agarwal, Chairman & Managing Director, Mr. Sorab Agarwal, Whole Time Director, Mr. Rajan Luthra, CFO and Mr. Anil Kumar, Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be required to be done to give effect to the above resolutions including filing of requisite forms and returns etc. with Registrar of Companies, NCT of Delhi & Haryana and/or Ministry of Corporate Affairs (Government of India) and taking necessary approval from the government or other authorities etc., as may be required.”

**7. Re-appointment of Mr. Sorab Agarwal (DIN:00057666) as Whole Time Director Designated as Executive Director of the Company** and in this regard, if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to the approval of Central Government or any authority/agency/board, if any, the consent of the members be and is hereby accorded to re-appoint Mr. Sorab Agarwal (DIN:00057666) as Whole-Time Director, designated as Executive Director of the Company for a further period of 5 (five) years with effect from October 01, 2023 on terms and conditions including remuneration and perquisites, as set out in the Explanatory Statement annexed to this Notice, with liberty to the Board of Directors (hereinafter referred to as “the Board”) and/or Nomination and Remuneration Committee to alter and vary the terms and conditions of the said re-appointment and/or remuneration in such manner as may be deemed fit by the Board and/or Nomination and Remuneration Committee and agreed by Mr. Sorab Agarwal.”

**“RESOLVED FURTHER THAT** in the absence of profits or inadequacy of profits in any financial year, the remuneration as set out be paid to Mr. Sorab Agarwal (DIN: 00057666) as minimum remuneration, subject to necessary approval(s), as may be required.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company or any committee thereof be and is hereby also authorized to amend, alter, modify or otherwise vary the terms and conditions of appointment of Mr. Sorab Agarwal (DIN:00057666), Whole Time Director, including the components of remuneration payable to him subject to the overall limit of ₹ 3,50,00,000/- (Rupees Three Crore Fifty Lakh Only) per annum (including perquisites and allowances).”

**“RESOLVED FURTHER THAT** the Whole Time Director is liable to retire by rotation and will carry out such duties and exercise such powers as may be entrusted to him by the Board of Directors subject to the supervision, superintendence and control of the Board.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution and to seek such approval/consent from the government departments, as may be required in this regard.”

**“RESOLVED FURTHER THAT** Mr. Vijay Agarwal, Chairman & Managing Director, Mr. Sorab Agarwal, Whole Time Director, Mr. Rajan Luthra, CFO and Mr. Anil Kumar, Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be required to be done to give effect to the above resolutions including filing of requisite forms and returns etc. with Registrar of Companies, NCT of Delhi & Haryana and/or Ministry of Corporate Affairs (Government of India) and taking necessary approval from the government or other authorities etc., as may be required.”

**8. Approval for amendment in the exercise period specified under Action Construction Equipment Limited Employees Stock Option Scheme – 2021** and in this regard to consider and if thought fit to pass, with or without modification(s), the following resolution as a **Special Resolution**.

**“RESOLVED THAT** pursuant to the provisions of Section 62(1) (b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any amendment thereto or re-enactment thereof), the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SEBI (SBEB & SE) Regulations”), the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI (LODR) Regulations”), relevant provisions of Memorandum of Association and Articles of Association of the Company and any other applicable and prevailing statutory Guidelines/Circulars in that behalf and subject further to such other approval(s), consent(s), permission(s) and sanction(s) as may be necessary from the appropriate regulatory authority(ies)/institution(s) and such conditions and modifications as may be prescribed/imposed by the appropriate regulatory authority(ies)/institution(s) while granting such approval(s), consent(s), permission(s) and/or

sanction(s), the consent of the members of the Company be and is hereby accorded for amendment in the Exercise Period specified under the Action Construction Equipment Limited Employees Stock Option Scheme – 2021 (“Scheme”).”

“**RESOLVED FURTHER THAT** it is hereby noted that the amendment in the Scheme is not prejudicial to the interests of the Option Grantees/ Employees of the Company and is being carried out to amend the Exercise Period specified in the Scheme from “three months from the date of respective vesting” to “two years from the date of respective vesting.”

“**RESOLVED FURTHER THAT** Mr. Vijay Agarwal, Chairman & Managing Director, Mr. Sorab Agarwal, Whole Time Director, Mr. Rajan Luthra, CFO and Mr. Anil Kumar, Company Secretary of the Company be and is hereby severally authorized on behalf of the Company to make and carry out any modifications,

changes, variations, alterations or revisions in the Scheme or to suspend, withdraw or revive the Scheme, in accordance with applicable laws prevailing from time to time, as it may deem fit and to do all such acts, deeds and things as may be deemed appropriate in the best interest of the Company to give effect to this resolution.”

**By Order of the Board of Director  
For Action Construction Equipment Limited**

**Place: Faridabad**

**Date: May 30, 2023**

**Registered office: Dudhola Link Road,  
Dudhola, Distt. Palwal-121102, HR**

**CIN : L74899HR1995PLC053860**

**Email : cs@ace-cranes.com**

**Sd/-**

**Anil Kumar**

**Company Secretary**

**M. No. ACS: 37791**

#### NOTES:

1. The Ministry of Corporate Affairs (MCA) has, vide General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020 General Circular No. 02/2021 dated January 13, 2021 Circular No. 02/2022 dated May 05, 2022, and General Circular No. 10/2022 dated December 28, 2022 (collectively "MCA Circulars"), and SEBI Circular No. SEBI/ HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/ HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62, dated May 13, 2022 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 (collectively "SEBI Circulars") permitted Companies to conduct Annual General Meeting (AGM) through Video Conferencing (VC)/ or Other Audio Visual Means (OAVM), subject to compliance of various conditions mentioned therein. In compliance with the MCA Circulars and applicable provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 29<sup>th</sup> AGM of the Company is being convened and conducted through VC/OAVM. The deemed venue of the AGM shall be the registered office of the Company.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020, May 05, 2020 and January 13, 2021, May 05, 2022 and December 28, 2022 the Company is providing facility of remote e-voting to its members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with **National Securities Depository Limited (NSDL)** for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by NSDL.
3. As per the provisions under the MCA and SEBI Circulars, members attending the 29<sup>th</sup> AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
4. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, ("Act") which sets out details relating to Special Business at the Meeting, is **annexed** hereto. All documents referred to in the accompanying Notice and the Explanatory Statement shall be available for inspection electronically. Members seeking to inspect such documents can send an email to [cs@ace-cranes.com](mailto:cs@ace-cranes.com).
5. As per the Companies Act, 2013, a member entitled to attend and vote at the AGM is entitled to appoint a proxy

to attend and vote on his/her behalf. Since the 29<sup>th</sup> AGM is being held through VC/OAVM as per the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be made available for the 29<sup>th</sup> AGM and hence the **Proxy Form and Attendance Slip are not annexed to this Notice.**

6. In compliance with the aforesaid MCA Circulars and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62, dated May 13, 2022 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those members whose email addresses are registered with the RTA/Depositories. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website [www.ace-cranes.com](http://www.ace-cranes.com) and websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of NSDL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
7. The Institutional/Corporate members intending to attend the AGM through authorised representatives are requested to send to Company/Scrutinizer a certified true copy of the Board Resolution (PDF/ JPG format) authorising their representative to attend the AGM through VC/ OAVM and vote on their behalf by an email through its registered email address to [cs@vasishtassociates.com](mailto:cs@vasishtassociates.com).
8. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. The details of the Directors retiring by rotation and seeking appointment/ reappointment at the 29<sup>th</sup> AGM are provided in **Annexure-I** of this Notice. The Company has received the requisite consents/declarations for the appointment/re-appointment under the Companies Act, 2013 and the rules made thereunder.
10. In order to enable the Company to comply with MCA/SEBI circulars and to participate in the green initiative taken by Ministry of Corporate Affairs, the Company is sending this notice with Annual Report and would send all the future notices and communications to the e-mail addresses of the shareholders, whose e-mail are registered with the Company/RTA or with the Depository. **The Shareholders whose e-mail Id's are not registered with the Company, are requested to register the same so that they would be able to receive the information in quick time and also it would be useful to the environment.**



11. The Register of Members and the share transfer books of the Company will remain closed from **Friday, August 18, 2023 to Friday, August 25, 2023** (both days inclusive) for the purpose of Annual General Meeting and for determining the entitlement of the shareholders to the dividend for FY 2022-23. **Cut-off date for e-voting will Friday, August 18, 2023.**
12. Pursuant to SEBI (LODR) Regulations, 2015 and such other provisions as may be applicable, the Board of Directors had fixed **Friday, August 18, 2023** as cut-off date for determining the members who shall be entitled to vote through remote e-voting or e-voting at the AGM. A member who is not a member as on the cut-off date shall treat this notice for information purpose only.
13. Members holding shares in electronic mode:
  - (a) are requested to submit their PAN and bank account details to their respective DPs with whom they are maintaining their demat accounts.
  - (b) are advised to contact their respective DPs for registering the nomination.
  - (c) are requested to register/update their e-mail address with their respective DPs for receiving all communications from the Company electronically.
14. Members holding shares in physical mode:
  - (a) are required to submit their Permanent Account Number (PAN) and bank account details to the Company/(RTA), if not registered with the Company as mandated by SEBI circular SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018.
  - (b) are advised to register the nomination in respect of their shareholding in the Company. Nomination Form (SH-13) is put on the Company's website at [www.acecranes.com](http://www.acecranes.com) in investor relation section.
  - (c) are requested to register/update their e-mail address with the Company/RTA for receiving all communications from the Company electronically.
15. Non-Resident Indian members are requested to inform RTA/ respective DPs, immediately of:
  - (a) Change in their residential status on return to India for permanent settlement.
  - (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
16. The Board in their meeting held on May 30, 2023 has recommended dividend of ₹ 1.00 i.e. (50%) per equity share for the financial year ended March 31, 2023. The payment of dividend is subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company and is proposed to be paid within 30 days from date of ensuing Annual General Meeting.
17. The dividend after deduction of tax at source, if declared at the AGM, would be paid/ dispatched to those persons or their mandates:
  - (a) Whose names appear as beneficial owners as at the end of the business hours on **August 17, 2023** in the list of beneficial owners to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in respect of the shares held in electronic mode; and
  - (b) Whose names appear as members in the Register of Members of the Company/ RTA after giving effect to valid share transmission/ transposition in physical form lodged with the Company on or before **August 17, 2023.**
18. The Securities and Exchange Board of India ("SEBI") has made it mandatory for all companies to use the bank account details of investors furnished by the Depositories/ available with the RTA for payment of dividend through National Electronic Clearing Services ("NECS") to the investors, wherever NECS and bank details are available. In the absence of NECS facilities, the Company will print the bank account details, if available, on the payment instrument for distribution of dividend. The Company will not entertain any direct request from members holding shares in electronic mode for deletion/ change in such bank account details. Further, instruction if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in electronic mode. Members who wish to change such bank account details are therefore requested to advise their Depository Participant about such change, with complete details of bank account. In case the shares are held in physical form, please send NECS form, so as to reach on or before the date of Book Closure fixed for payment of dividend to RTA. Dividend warrants/demand drafts will be dispatched to the registered address of the shareholders who have not updated their bank account details.
19. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of the shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source ("TDS") from dividend paid to the members at prescribed rates in the Income Tax Act, 1961 ("the IT Act"). In general, to enable compliance with TDS requirements, members are requested to complete and/ or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants or in case shares are held in physical form, with the RTA by sending email to the SKYLINE's email address at [admin@skylinerta.com](mailto:admin@skylinerta.com). For details, members may refer to the "Communication on TDS on Dividend Distribution" appended to this notice as **Annexure - II.**
20. Member(s) of the Company who are holding shares in physical form and have multiple accounts in identical name(s) or are holding more than one share certificate in the same name under different Ledger Folio(s) are requested to apply for consolidation of such folio(s).

21. Members wishing to claim dividend that remain unclaimed are requested to correspond with the Registrar and shares transfer agent (RTA) or the Company Secretary of the Company. Members are requested to note that as per section 124 of the Companies Act, 2013 and applicable rules, dividends that are not claimed within seven years from the date of transfer to the Company's unpaid dividend account, will be transferred to the Investor Education and Protection Fund (IEPF) and shares on which dividend remains unclaimed for seven consecutive years will also be transferred to the IEPF.

22. The Company has transferred the unpaid or unclaimed dividends upto FY 2014-15(Final Dividend case) and 2015-16 (Interim Dividend case) to the Investor Education and Protection Fund (IEPF) established by the Central Government. The Company has uploaded the details of unpaid and unclaimed dividend amounts on the website of the Company at [www.ace-cranes.com](http://www.ace-cranes.com) in the Investors Relation section.

Attention of the members is drawn to the provisions of Section 124(6) of the Act which require a company to transfer in the name of IEPF Authority all shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more. In accordance with the aforesaid provision of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, the Company has already transferred all shares in respect of which dividend (declared up to FY 2015-16) has not been paid or claimed by the members for 7 (seven) consecutive years or more, to IEPF Authority.

23. As the 29<sup>th</sup> AGM is being held through VC/OAVM, the **route map** is not annexed to this Notice.

24. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which directors are interested, maintained under Section 189 of the Act and the relevant documents referred to in the notice and Annual Report will be available for inspection electronically by the members of the Company during the AGM. All other documents referred to in the Notice and Annual Report will also be available for electronic inspection without payment of any fee by the members from the date of circulation of this notice upto the date of AGM i.e. **August 25, 2023**. Members seeking to inspect such documents can send an email to [cs@ace-cranes.com](mailto:cs@ace-cranes.com).

25. Voting through electronic means.

i) Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company is pleased to provide its members the facility to exercise their right to vote on resolutions proposed to be considered at the 29<sup>th</sup> AGM by electronic means and

the business may be transacted through e-voting Services ("**Remote e-Voting**").

The members who have cast their votes by Remote e-Voting prior to the AGM may also participate in the AGM through VC/ OAVM via link provided in their login ids but shall not be entitled to cast their vote again.

**The instructions for members for remote e-voting and joining Annual General Meeting are as under:-**

The remote e-voting period begins on **Monday, August 21, 2023 at 09:00 A.M. and ends on Thursday, August 24, 2023 at 05:00 P.M.** The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e. **Friday, August 18, 2023** may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, i.e. **Friday, August 18, 2023**.





**How do I vote electronically using NSDL e-Voting system?** The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1: Access to NSDL e-Voting system**

**(a) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. Login method for Individual shareholders holding securities in demat mode is given below:

Type of share-holders	Login Method
Individual Share-holders holding securities in demat mode with NSDL	1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under ' <b>IDeAS</b> ' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

	2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com.Sezlect">https://eservices.nsdl.com.Sezlect</a> <b>“Register Online for IDeAS Portal”</b> or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>
	3 Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a verification code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	4 Shareholders/Members can also download NSDL Mobile App <b>“NSDL Speede”</b> facility by scanning the QR code mentioned below for seamless voting .  <b>NSDL Mobile App is available on</b>     
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="https://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.  2. After successful login of Easi/Easiest the user will be also able to see the E-Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.

	3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a> .
	4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="https://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL.	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 022-48867000 and 022-24997000.
Individual Shareholders holding securities in demat mode with CDSL.	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:evoting@cdslindia.com">evoting@cdslindia.com</a> or contact at 1800-22-5533

**(b) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**



### How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
(a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
(b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
(c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details of shareholders other than individual shareholders are given below:
  - (a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote
  - (b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - (c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox.

Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- (ii) If your email ID is not registered, please follow steps mentioned below in process for **those shareholders whose email ids are not registered**.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
    - (a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](https://www.evoting.nsdl.com).
    - (b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](https://www.evoting.nsdl.com).
    - (c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
    - (d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
  7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
  8. Now, you will have to click on "Login" button.
  9. After you click on the "Login" button, Home page of e-Voting will open.

### Step 2: Cast your vote electronically and join Annual General Meeting on NSDL e-Voting system.

#### How to cast your vote electronically and join Annual General Meeting on NSDL e-Voting system?

- (a) After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
- (b) Select "EVEN" of Company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the Annual General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
- (c) Now you are ready for e-Voting as the Voting page opens.
- (d) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

- e) Upon confirmation, the message “Vote cast successfully” will be displayed.
- f) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- g) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

- (a) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [cs@vasishtassociates.com](mailto:cs@vasishtassociates.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- (b) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
- (c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 022-48867000 and 022-24997000 or send a request to [at.evoting@nsdl.co.in](mailto:at.evoting@nsdl.co.in)

#### **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

- (a) In case shares are held in physical mode please provide Folio No., name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [cs@ace-cranes.com](mailto:cs@ace-cranes.com).
- (b) In case shares are held in demat mode, please provide DPID- CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [cs@ace-cranes.com](mailto:cs@ace-cranes.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step

1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

- (c) Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
- (d) In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

#### **THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

- (a) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- (b) Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- (c) Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- (d) The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

#### **INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

- (a) Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of “VC/OAVM link” placed under “Join meeting” menu against Company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User

- ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- (b) Members are encouraged to join the Meeting through Laptops for better experience.
  - (c) Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
  - (d) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
  - (e) Shareholders who would like to express their views/ have questions may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at [cs@ace-cranes.com](mailto:cs@ace-cranes.com). The same will be replied by the Company suitably.
26. Facility of joining the AGM through VC/OAVM shall be available for 1000 members on first come first serve basis. However, participation of members holding 2% or more shares, Promoters and Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of Audit Committee, Stakeholder Relationship Committee, Nomination and Remuneration Committee and Auditors are not restricted on first come first serve basis.
  27. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e. **Friday, August 18, 2023** may obtain the login ID and password by sending an email to [cs@ace-cranes.com](mailto:cs@ace-cranes.com) or [admin@skylinerta.com](mailto:admin@skylinerta.com) or [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) by mentioning their Folio No./DP ID and Client ID No.
  28. M/s Vasisht & Associates, Company Secretaries has been appointed as Scrutinizer to scrutinize the Remote e-Voting and e-voting at the AGM in a fair and transparent manner.
  29. The Scrutinizer shall, after the conclusion of e-voting at the AGM, unblock the votes cast through Remote e-Voting and e-voting at AGM shall make, not later than 48 hours of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorised by him in writing, who shall declare the result of the voting forthwith.
  30. The results declared alongwith the Scrutinizer's Report shall be placed on Company's website [www.ace-cranes.com](http://www.ace-cranes.com) and on the website of NSDL at <https://www.evoting.nsdl.com> after the declaration of result by the Chairman or a person authorised by him in writing. The results shall also be communicated to the Stock Exchanges where the shares of the Company are listed.
  31. Members joining the meeting through VC/OAVM, who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through e-voting at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC/OAVM but shall not be entitled to cast their vote again.
  32. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID / Folio Number, PAN, Mobile Number at [cs@ace-cranes.com](mailto:cs@ace-cranes.com) on or before **August 23, 2023**. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
  33. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the Company's Registrar and Share Transfer Agent, Skyline Financial Services Private Limite, D-153A, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase -I, New Delhi - 110 020. Members may note that pursuant to the MCA and SEBI Circulars the Company has enabled a process for the limited purpose of receiving the Company's Annual Report and notice for the Annual General Meeting (including remote e-voting instructions) electronically, and Members may temporarily send their email address at [cs@ace-cranes.com](mailto:cs@ace-cranes.com).
  34. In accordance with the proviso to Regulation 40(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective from April 1, 2019, transfers of securities of the Company shall not be processed unless the securities are held in the dematerialized form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in corporate actions.
  35. In case of any queries regarding the Annual Report or other matters if any, the Members may write to [cs@ace-cranes.com](mailto:cs@ace-cranes.com) to receive an email response.
  36. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as

possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

37. Members seeking any information on the accounts are requested to write to the Company at least Ten days in advance so as to enable the Management to keep the information ready, in reply to the same at the Annual General Meeting.
38. In term of section 152 of the Act, Mr. Sorab Agarwal, retire by rotation at the Meeting and being eligible, offer himself for re- appointment.
39. A certificate from the Secretarial Auditor of the Company certifying that the Company's Employee Stock Option Plans are being implemented in accordance with the (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI (SBEB & SE) Regulations"), as amended from time to time and in accordance with the resolutions passed at the general meeting(s) will be available electronically for inspection by the members during the AGM.
40. Attention is seeking towards the SEBI Circular no. SEBI/HO/ MIRSD/ MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023

w.r.t. the documents pertaining to the PAN, KYC details and nomination are not furnished by shareholders latest by September 30, 2023 then respective folio of the shareholder shall be frozen by the RTA on or after October 01, 2023 and the same shall be referred by the RTA/ Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and or Prevention of Money Laundering Act, 2002, if they continue to remain frozen as on December 31, 2025.

Further, the dividend in respect of such frozen folios only be paid through electronic mode with effect from April 1, 2024 and an intimation, in this regard, has been sent by the Company to the concern shareholders.

**By Order of the Board of Director  
For Action Construction Equipment Limited**

**Place: Faridabad**  
**Date: May 30, 2023**  
**Registered office: Dudhola Link Road,**  
**Dudhola, Distt. Palwal-121102, HR**  
**CIN : L74899HR1995PLC053860**  
**Email : cs@ace-cranes.com**

**Sd/-**  
**Anil Kumar**  
**Company Secretary**  
**M. No. ACS: 37791**



## EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

### ITEM NO. 4

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the rules made thereunder, the Company is required to have the audit of its cost records conducted by a cost accountant in practice and the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the members of the Company.

The Board on the recommendation of the Audit Committee, has approved the re-appointment and remuneration of M/s Vandana Bansal & Associates, Cost Accountants, (Firm registration No: 100203), to conduct the audit of the cost records of the Company in respect of the applicable products for the financial year ending March 31, 2024 at an annual remuneration of ₹ 1,25,000 (Rupees One lakh Twenty Five Thousand Only) plus applicable taxes inclusive of all out of pocket expenses subject to the deduction of applicable taxes.

M/s Vandana Bansal & Associates have furnished a certificate regarding their eligibility and consent for re-appointment as Cost Auditors of the Company. They have experience in the field of cost audit.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item no. 4 of the notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2024.

None of the Directors/Key Managerial Personnel of the Company/their relatives is/are, in anyway, concerned or interested, financially or otherwise, in the resolution set out at item no. 4 of the Notice.

The Board recommends the Ordinary Resolution set out at item no. 4 of the notice for approval by the members.

### ITEM NO. 5

Pursuant to the provision of the Companies Act, 2013, the members of the Company have re-appointed Mr. Vijay Agarwal as Chairman & Managing Director of the Company at the AGM held on September 24, 2018 for a period of five years w.e.f. October 01, 2018 and current term of his appointment as Chairman and Managing Director will expire on September 30, 2023.

Mr. Vijay Agarwal, aged 74 years, is a promoter and Chairman & Managing Director of the Company. Mr. Vijay Agarwal is having over 51 years of industry experience in the field of material handling and heavy engineering industry to his credit. He has a degree in Mechanical Engineering & MBA from Faculty of Management Studies (FMS), Delhi. Due to his vast experience in his field and continuous efforts, the Company has achieved overwhelming success in a short span of 29 years. It was due to his persistence and never tiring efforts, that the Company is able to achieve the growth in the past. He has single handedly mentored the Company and has proved to be a guiding light throughout all these years of the Company's journey. He has

excellent grasp and through knowledge with overall experience of general management including engineering & technology. Considering his knowledge of various aspects relating to the Company's affairs and vast business experience, the Board of Directors is of the opinion that the services of Mr. Vijay Agarwal should be available to the Company for a further period of five (5) years with effect from October 01, 2023 for smooth and efficient running of the business.

Pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, read with Schedule V of the Companies Act, 2013 and the rules made thereunder and as recommended by the Nomination and Remuneration Committee of the Board, and subject to the approval of the shareholders, the Board of Directors at its meeting held on May 30, 2023, re-appointed Mr. Vijay Agarwal (DIN: 00057634) as Chairman and Managing Director of the Company with effect from October 01, 2023, for further period of five years.

Section 196(3) of the Companies Act, 2013, inter alia, provides that no company shall continue the employment of a person who has attained the age of 70 years, as Managing Director, Whole time director or Manager unless it is approved by the members by passing a special resolution.

Keeping in view that Mr. Vijay Agarwal has a rich and varied experience in the Industry and has been involved in the operations of the Company since date of its incorporation; it would be in the interest of the Company to continue the employment of Mr. Vijay Agarwal as Chairman and Managing Director.

It is proposed to seek the members approval by way of Special Resolution for the re-appointment of and remuneration payable to Mr. Vijay Agarwal as Chairman & Managing Director of the Company, in terms of the applicable provisions of the Act as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

Broad particulars of the terms of re-appointment and remuneration payable to Mr. Vijay Agarwal, as Chairman and Managing Director of the Company are as under:

1. **Designation :** Chairman & Managing Director
2. **Tenure:** 5 (Five) years from October 01, 2023 to September 30, 2028.
3. **Remuneration including allowance and perquisites as under:**

#### (a) Salary, Perquisites and Allowances per annum:

Salary per annum	In the scale of ₹ 450 lakhs to ₹ 1000 lakhs
Perquisites and Allowances	In the scale of ₹ 50 lakhs to ₹ 150 lakhs

The perquisites and allowances, as aforesaid, shall include accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and / or

allowances for utilization of gas, electricity, water, furnishing and repairs and leave travel concession for self and family including dependents. The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules thereunder or any statutory modification(s) or re-enactment(s) thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

**(b) Reimbursement of Expenses:**

Expenses incurred for travelling, boarding and lodging including for Mr. Vijay Agarwal's spouse and dependents during business trips, any medical assistance provided for his family members and provision of car(s) for use on Company's business and telephone expenses at residence shall be reimbursed at actuals and not considered as perquisites.

**(c) Other facilities and benefits as under:**

- (i) He will be provided with a Car for effective discharge of his official duties. All expenses of car (including expenses of fuel, repair, and maintenance, insurance & salary of Driver) shall be borne by the Company.
- (ii) He will be entitled to re-imbursement of entrance fees for membership of any club/society, which in his opinion is essential to promote the business of the company and in the interest of the company.

**4. General:**

- (a) Chairman and Managing Director will be in overall charge of the business, administration and other affairs of the Company, subject to the control and directions of the Board of Directors, and shall guide, control and supervise the employees including Key Managerial Personnel (KMP) of the Company, their functions, the business carried on by the Company and all administrative matters.
- (b) Chairman and Managing Director shall have all the powers and authorities of the Board of Directors as provided in Articles of Association of the Company and in the Companies Act, however subject to the control and directions of the Board of Directors and except the powers which are required to be exercised by the Board in meeting.
- (c) Chairman and Managing Director will have power to sign all contracts, deeds and documents proposed to be executed by the Company, to make sign, draw accept, endorse, negotiate, sell and transfer on behalf of the Company all cheques, bills of exchange, drafts, hundies, promissory notes, dock warrants, purchase/delivery orders and other negotiable instruments and securities and to represents the Company in dealings with others including Government and other

authorities and also to sign all pleadings, applications and other papers required to be filed in any court proceedings by or against the Company.

- (d) Chairman and Managing Director will have power to institute, defend, prosecute, conduct, compound, refer to arbitration and to abandon and to compromise legal or other proceedings, claims and disputes by or against the Company or in which the Company may be concerned or interested.
- (e) Chairman and Managing Director will have power to appoint and dismiss all employees (including of whatever grade or position), as per the conduct rules of the Company and allot them work and exercise control over them
- (f) Sitting fees: The Chairman and Managing Directors shall not be paid any sitting fees for attending the meeting of the Board of Directors or committee thereof.
- (g) The Chairman and Managing Director will perform his respective duties as such with regard to all work of the Company and he will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board.
- (h) Chairman and Managing Director shall adhere to the Company's Code of Conduct & Ethics for Directors and Management Personnel.
- (i) Chairman and Managing Director shall comply with all the policies, rules and regulations of the Company from time to time in force and shall not disclose any business secret, business plans, policies to any person, firm, companies etc. He shall not solicit the customers of the Company for his personal gain or interest.
- (j) Chairman and Managing Director will act diligently and to the best of his ability in the discharge of the duties and he will be responsible for the proper administration and functioning of the Company's business.
- (k) The Company may execute a power of Attorney in favour of the Chairman and Managing Director conferring on him all the necessary powers and authority as the Board of Directors may think fit.
- (l) Chairman and Managing Director may delegate any of the above work to any Employee/officer of the company, consultants, advocates, professionals and may appoint any of them as their constituted attorney/ Authorities on behalf of the Company.

Save and except as provided in the foregoing paragraph,

Mr. Vijay Agarwal satisfies all the conditions set out under Section 196 of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Vijay Agarwal under Section 190 of the Act.

Details of Mr. Vijay Agarwal are provided in “Annexure-I” to the Notice pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

Mr. Vijay Agarwal is interested in the resolution set out at Item no. 5 of the Notice. Mrs. Mona Agarwal, Whole-time Director, Mr. Sorab Agarwal, Executive Director, Mrs. Surbhi Garg, Executive Director being related to Mr. Vijay Agarwal may be deemed to be interested in the resolution set out at Item no. 5 of the Notice. The other relatives of Mr. Vijay Agarwal may be deemed to be interested in the resolution set out at Item No. 5 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is concerned or interested, financially or otherwise, in the aforementioned resolution.

Upon approval by the members, a separate agreement to give effect to the above terms will be executed by and between the Company and Mr. Vijay Agarwal.

The Board commends the Special Resolution set out at Item No. 5 of the Notice for approval by the Members.

#### ITEM NO. 6.

Pursuant to the provision of the Companies Act, 2013, the members of the Company have re-appointed Mrs. Mona Agarwal as Whole Time Director of the Company at the AGM held on September 24, 2018 for a period of five years w.e.f. October 01, 2018 and current term of her appointment as Whole Time Director will expire on September 30, 2023.

Mrs. Mona Agarwal, aged 67 years, is a Promoter and Whole Time Director of the Company. She is having over 29 years of industry experience in the field of administrative and Human Resource affairs. Under her guidance, the Company's administrative affairs are being handled in a professional manner and she has helped the Company to formulate effective policies. She has proved to be a guiding light throughout all these years of the Company's journey. She has excellent grasp and through knowledge with overall experience of general management. Considering her knowledge of various aspects relating to the Company's affairs and vast business experience, the Board of Directors is of the opinion that the services of Mrs. Mona Agarwal should be available to the Company for a further period of five (5) years with effect from October 01, 2023 for smooth and efficient running of the business.

Pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, read with Schedule V of the Companies Act, 2013 and the rules made thereunder and as recommended by the Nomination and Remuneration Committee of the Board, and subject to the approval of the shareholders, the Board of Directors at its meeting held on May 30, 2023, re-appointed Mrs. Mona Agarwal (DIN: 00057653) as the Whole Time Director of the Company with effect from October 01, 2023, for further period of five years.

Mrs. Mona Agarwal, will be attaining the age of 70 (seventy) years during her tenure. In compliance of Section 196 read with schedule V of the Companies Act, 2013, the Board of Directors have also recommended, in their meeting held on May 30, 2023, to the members for approving the proposed resolution as a special resolution for continuation of employment of Mrs. Mona Agarwal as Whole Time Director till September 30, 2028.

Keeping in view that Mrs. Mona Agarwal has a rich and varied experience in the Industry and has been involved in the operations of the Company since its date of incorporation; it would be in the interest of the Company to continue the employment of Mrs. Mona Agarwal as Whole Time Director.

It is proposed to seek the members approval by way of Special Resolution for the re-appointment and remuneration payable to Mrs. Mona Agarwal as Whole Time Director of the Company, in terms of the applicable provisions of the Act as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

Broad particulars of the terms of re-appointment and remuneration payable to Mrs. Mona Agarwal, as the Whole Time Director of the Company are as under:

1. **Designation** : Executive Director.
2. **Tenure** : 5 (Five) years from October 01, 2023 to September 30, 2028.
3. **Remuneration including allowance and perquisites as under:**

#### (a) Salary, Perquisites and Allowances per annum:

Salary per annum	In the scale of ₹ 225 lakhs to ₹ 500 lakh
Perquisites and Allowances	In the scale of ₹ 50 lakh to ₹ 150 lakhs

The perquisites and allowances, as aforesaid, shall include accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and/or allowances for utilization of gas, electricity, water, furnishing and repairs and leave travel concession for self and family including dependents. The said perquisites and allowances shall be evaluated, wherever applicable, as per the

provisions of Income Tax Act, 1961 or any rules thereunder or any statutory modification(s) or reenactment(s) thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

**(b) Reimbursement of Expenses:**

Expenses incurred for travelling, boarding and lodging including for Mrs. Mona Agarwal's spouse and dependents during business trips, any medical assistance provided for her family members and provision of car(s) for use on Company's business and telephone expenses at residence shall be reimbursed at actuals and not considered as perquisites.

**(c) Other facilities and benefits as under:**

- (i) She will be provided with a Car for effective discharge of her official duties. All expenses of car (including expenses of fuel, repair, and maintenance, insurance & salary of Driver) shall be borne by the Company.
- (ii) She will be entitled to re-imbursement of entrance fees for membership of any club/society, which in her opinion is essential to promote the business of the Company and in the interest of the Company.

**4. General:**

- (a) Executive Director will be in overall charge of the business, administration and other affairs of the Company, subject to the control and directions of the Board of Directors, and shall guide, control and supervise the employees of the Company, their functions, the business carried on by the Company and all administrative matters.
- (b) Executive Director shall have all the powers and authorities of the Board of Directors as provided in Articles of Association of the Company and in the Companies Act, however subject to the control and directions of the Board of Directors and except the powers which are required to be exercised by the Board in meeting.
- (c) Executive Director will have power to sign all contracts, deeds and documents proposed to be executed by the Company, to make sign, draw accept, endorse, negotiate, sell and transfer on behalf of the Company all cheques, bills of exchange, drafts, hundies, promissory notes, dock warrants, purchase/delivery orders and other negotiable instruments and securities and to represent the Company in dealings with others including government and other authorities and also to sign all pleadings, applications and other papers required to be filed in any court proceedings by or against the Company.
- (d) Executive Director will have power to institute, defend, prosecute, conduct, compound, refer to arbitration and to abandon and to compromise legal or other

proceedings, claims and disputes by or against the Company or in which the Company may be concerned or interested.

- (e) Executive Director will have power to appoint and dismiss all employees (including of whatever grade or position), as per the conduct rules of the Company and allot them work and exercise control over them.
- (f) Sitting fees: The Executive Director shall not be paid any sitting fees for attending the meeting of the Board of Directors or committee thereof
- (g) Executive Director will perform her respective duties as such with regard to all work of the Company and she will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board.
- (h) Executive Director shall adhere to the Company's Code of Conduct & Ethics for Directors and Management Personnel.
- (i) Executive Director shall comply with all the policies, rules and regulations of the Company from time to time in force and shall not disclose any business secret, business plans, policies to any person, firm, companies etc. She shall not solicit the customers of the Company for her personal gain or interest.
- (j) Executive Director will act diligently and to the best of her ability in the discharge of the duties and she will be responsible for the proper administration and functioning of the Company's business.

Save and except as provided in the foregoing paragraph, Mrs. Mona Agarwal satisfies all the conditions set out under Section 196 of the Act for being eligible for her re-appointment. She is not disqualified from being appointed as Director in terms of Section 164 of the Act.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mrs. Mona Agarwal under Section 190 of the Act.

Details of Mrs. Mona Agarwal are provided in "Annexure-I" to the Notice pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS2"), issued by the Institute of Company Secretaries of India.

Mrs. Mona Agarwal is interested in the resolution set out at Item no. 6 of the notice. Mr. Vijay Agarwal, Chairman & Managing Director, Mr. Sorab Agarwal, Executive Director, Mrs. Surbhi Garg, Executive Director being related to Mrs. Mona Agarwal may be deemed to be interested in the resolution set out at Item No. 6 of the notice. The other relatives of Mrs. Mona Agarwal may be deemed to be interested in the resolution set out at Item No. 6 of the notice, to the extent of their shareholding interest,



if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is concerned or interested, financially or otherwise, in the aforementioned resolution.

Upon approval by the members, a separate agreement to give effect to the above terms will be executed by and between the Company and Mrs. Mona Agarwal.

The Board commends the Special Resolution set out at item no.6 of the notice for approval by the Members.

#### ITEM NO. 7

Pursuant to the provision of the Companies Act, 2013, the members of the Company have re-appointed Mr. Sorab Agarwal as Whole Time Director of the Company at the AGM held on September 24, 2018 for a period of five years w.e.f. October 01, 2018 and current term of his appointment as Whole Time Director will expire on September 30, 2023.

Mr. Sorab Agarwal, aged 46 years has a degree in Mechanical Engineering and is looking after the marketing functions of the Company. Mr. Sorab Agarwal has been associated with the Company for last 26 years and under his guidance and remarkable marketing capabilities, the Company has ventured into new territories and its market share has increased considerably. He has played a major role in setting up all India competent Sales & Services network, aimed at achieving target oriented results. He takes care for brand building of the Company. He has excellent grasp and thorough knowledge and experience of general management besides technology & engineering aspect of products and marketing ability. Considering his knowledge of various aspects relating to the Company's affairs and vast business experience, the Board of Directors is of the opinion that the services of Mr. Sorab Agarwal should be available to the Company for a further period of five (5) years with effect from October 01, 2023 for smooth and efficient running of the business.

Pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, read with Schedule V of the Companies Act, 2013 and the rules made thereunder and as recommended by the Nomination and Remuneration Committee of the Board, and subject to the approval of the shareholders, the Board of Directors at its meeting held on May 30, 2023, re-appointed Mr. Sorab Agarwal (DIN: 00057666) as the Whole Time Director of the Company with effect from October 01, 2023, for further period of five years.

Keeping in view that Mr. Sorab Agarwal has a rich and varied experience in the Industry and has been involved in the operations of the Company since its initial stage; it would be in the interest of the Company to continue the employment of Mr. Sorab Agarwal as Whole Time Director.

It is proposed to seek the members approval by way of Special Resolution for the re-appointment of and remuneration payable to Mr. Sorab Agarwal as Whole Time Director of the Company, in

terms of the applicable provisions of the Act as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

Broad particulars of the terms of re-appointment of and remuneration payable to Mr. Sorab Agarwal, as the Whole Time Director of the Company are as under:

1. **Designation:** Executive Director.
2. **Tenure:** 5 (Five) years from October 01, 2023 to September 30, 2028.
3. **Remuneration including allowance and perquisites as under:**

#### (a) Salary, Perquisites and Allowances per annum:

Salary per annum	In the scale of ₹120 lakhs to ₹300 lakhs
Perquisites and Allowances	In the scale of ₹05 lakhs to 50 lakhs

The perquisites and allowances, as aforesaid, shall include accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and/or allowances for utilization of gas, electricity, water, furnishing and repairs and leave travel concession for self and family including dependents. The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules thereunder or any statutory modification(s) or reenactment(s) thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

#### (b) Reimbursement of Expenses:

Expenses incurred for travelling, boarding and lodging including for Mr. Sorab Agarwal's spouse and dependents during business trips, any medical assistance provided for his family members and provision of car(s) for use on Company's business and telephone expenses at residence shall be reimbursed at actuals and not considered as perquisites.

#### (c) Other facilities and benefits as under:

- (i) He will be provided with a Car for effective discharge of his official duties. All expenses of car (including expenses of fuel, repair, and maintenance, insurance & salary of Driver) shall be borne by the Company.
- (ii) He will be entitled to re-imbursement of entrance fees for membership of any club/society, which in his opinion is essential to promote the business of the Company and in the interest of the Company.

#### 4. General:

- (a) Executive Director will be in overall charge of the business, administration and other affairs of the Company, subject to the control and directions of the Board of Directors, and shall guide, control and

- supervise the employees of the Company, their functions, the business carried on by the Company and all administrative matters.
- (b) Executive Director shall have all the powers and authorities of the Board of Directors as provided in Articles of Association of the Company and in the Companies Act, however subject to the control and directions of the Board of Directors and except the powers which are required to be exercised by the Board in meeting.
  - (c) Executive Director will have power to sign all contracts, deeds and documents proposed to be executed by the Company, to make sign, draw accept, endorse, negotiate, sell and transfer on behalf of the Company all cheques, bills of exchange, drafts, hundies, promissory notes, dock warrants, purchase/delivery orders and other negotiable instruments and securities and to represents the Company in dealings with others including Government and other authorities and also to sign all pleadings, applications and other papers required to be filed in any court proceedings by or against the Company.
  - (d) Executive Director will have power to institute, defend, prosecute, conduct, compound, refer to arbitration and to abandon and to compromise legal or other proceedings, claims and disputes by or against the Company or in which the Company may be concerned or interested.
  - (e) Executive Director will have power to appoint and dismiss all employees (including of whatever grade or position), as per the conduct rules of the Company and allot them work and exercise control over them.
  - (f) Sitting fees: The Executive Director shall not be paid any sitting fees for attending the meeting of the Board of Directors or committee thereof.
  - (g) Executive Director will perform his respective duties as such with regard to all work of the Company and he will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board.
  - (h) Executive Director shall adhere to the Company's Code of Conduct & Ethics for Directors and Management Personnel.
  - (i) Executive Director shall comply with all the policies, rules and regulations of the Company from time to time in force and shall not disclose any business secret, business plans, policies to any person, firm, companies etc. He shall not solicit the customers of the Company for his personal gain or interest.

- (j) Executive Director will act diligently and to the best of his ability in the discharge of the duties and he will be responsible for the proper administration and functioning of the Company's business.

Save and except as provided in the foregoing paragraph, Mr. Sorab Agarwal satisfies all the conditions set out under Section 196 of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Sorab Agarwal under Section 190 of the Act.

Details of Mr. Sorab Agarwal are provided in "Annexure-I" to the notice pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Mr. Sorab Agarwal is interested in the resolution set out at Item no. 7 of the notice. Mr. Vijay Agarwal, Chairman & Managing Director, Mrs. Mona Agarwal, Executive Director, Mrs. Surbhi Garg, Executive Director being related to Mr. Sorab Agarwal may be deemed to be interested in the resolution set out at Item No. 7 of the notice. The other relatives of Mr. Sorab Agarwal may be deemed to be interested in the resolution set out at Item No. 7 of the notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is concerned or interested, financially or otherwise, in the aforementioned resolution.

Upon approval by the members, a separate agreement to give effect to the above terms will be executed by and between the Company and Mr. Sorab Agarwal.

The Board commends the Special Resolution set out at item no. 7 of the notice for approval by the Members.

#### ITEM NO. 8

The Company had implemented Action Construction Equipment Limited Employees Stock Option Scheme – 2021 ("Scheme"), with a view to attract and retain key talents by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability. The Scheme was originally approved vide members' resolution dated September 03, 2021 in due compliance of the provisions of the Companies Act, 2013 and the Rules thereunder and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI (SBEB & SE) Regulations").

The existing Scheme provides that after vesting, Options can be exercised within 3 (Three) months from the date of respective vesting, either wholly or in part, through cash mechanism after submitting the exercise application along with payment of the exercise price, applicable taxes and other charges, if any. Further,

with a view to provide flexibility to all the Employees and to ensure the maximum participation by them to exercise the options vested in them, it has been proposed to increase the Exercise Period from 3 (Three) Months from the date of respective vesting to 2 (Two) Years from the date of respective vesting.

Further, the Company amended the existing Scheme by causing variation in terms of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 12(5) of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 7(1) and other applicable provisions, if any, of the SEBI (SBEB & SE) Regulations. The proposed amendments to the Scheme are not prejudicial to the interest of the Employees. The amended Scheme shall be applicable from the date of passing of special resolution by the shareholders in the ensuing AGM.

Further, pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on May 30, 2023 approved to increase the Exercise Period from 3 (Three) Months from the date of respective vesting to 2 (Two) Years from the date of respective vesting.

Based on the approval of the Nomination & Remuneration Committee (NRC) on May 30, 2023 and of the Board of Directors on May 30 2023, approval of Members is sought by way of a Special Resolution for Item No. 8 of the accompanying Notice for authorizing the Board to amend the existing Scheme to increase the Exercise Period in the said scheme and do all such acts, matters, deeds and things and to take all steps and do all things and give such directions as may be required, necessary, expedient, incidental or desirable for giving effect to the amendment in the Scheme in this regard.

In terms of Regulation 6(1) of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ["SEBI (SBEB & SE) Regulations"] and Section 62 and other applicable provisions, if any, of the Companies Act, 2013, the issue of Equity Shares under an Employee Stock Options Scheme requires approval of the shareholders by way of a Special Resolution. The Special Resolution set out at **Item No. 8** is to seek your approval for the said purpose.

A summary of the key variation in the Scheme which is proposed to be amended is given below for the perusal and consideration of the Members. Details of the key variation of the Scheme is provided below:

#### 1. Key Variation in the Scheme:

S. No.	Clause No.	Position under the Existing Scheme	Variation Proposed
1.	12.1	After vesting, Options can be exercised within 3 (Three) months from the date of respective vesting, either wholly or in part, through	The Company is proposing to increase the Exercise Period from 3 (Three) months from the date of respective vesting to 2 (Two) years from

		cash mechanism after submitting the exercise application along with payment of the exercise price, applicable taxes and other charges, if any.	the date of respective vesting to provide flexibility to all the Employees and to ensure the maximum participation by them exercise the options vested in them.
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**Further, the main features and other details of the Scheme as per Regulation 6(2) of the SEBI (SBEB & SE) Regulations, are as under:**

#### 1. Brief Description of the Scheme:

The Scheme shall be called as Action Construction Equipment Limited Employees Stock Option Scheme-2021.

The Purpose of the Scheme includes the following:

- To motivate the Employees to contribute to the growth and profitability of the Company;
- To retain the key Employees and reduce the attrition rate of the Company;
- To achieve sustained growth and the creation of shareholder value by aligning the interests of the Employees with the long term interests of the Company;
- To create a sense of ownership and participation amongst the Employees to share the value they create for the Company in the years to come; and
- To provide additional deferred rewards to Employees.

#### 2. The total number of Stock Options to be granted under the Scheme:

The maximum number of Options that may be granted pursuant to this Scheme shall not exceed 5% of the Paid Up Capital of the Company as on March 31, 2021, comprising into, 56,74,159 (Fifty Six Lakhs Seventy Four Thousand One Hundred Fifty Nine) Options which shall be convertible into equal number of Equity Shares.

If any Option granted under the Scheme lapses or is forfeited or surrendered under any provision of the Scheme, such Option shall be available for further grant under the Scheme unless otherwise determined by the Board of Directors of the Company (hereinafter referred to as the "Board of Directors" which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee).

Further, the maximum number of Options that can be granted and the Equity Shares arise upon exercise of these Options shall stand adjusted in case of corporate action (as defined in the Scheme).

#### 3. Identification of classes of Employees entitled to participate and the beneficiaries in the Scheme:

- an Employee as designated by the Company, who is exclusively working in India or outside India; or

- ii) a Director of the Company, whether a Whole Time Director or not, but excluding an Independent Director and Non-Executive Director

but does not include—

- an employee who is a promoter or a person belonging to the promoter group; or
- a director who, either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten per cent of the outstanding equity shares of the company

#### 4. Requirement of Vesting and period of Vesting:

Vesting period shall commence from the grant date subject to minimum of 1 (One) year from the grant date and a maximum of 4 (Four) years from the grant date, at the discretion of and in the manner prescribed by the Board of Directors.

Vesting of Options can vary from Grantee (an Eligible Employee to whom Options have been granted under the Scheme) to Grantee as per the discretion of the Board of Directors whose decision shall be final and binding.

The vesting would be subject to the continued employment of the Grantee and may further be linked with the eligibility criteria, as determined by the Board of Directors and mentioned in the grant letter.

#### 5. Maximum period within which the Options shall be vested:

Maximum period within which the Options shall be vested is 4 (Four) years from the grant date.

#### 6. Exercise Price or Pricing Formula:

The exercise price of the Shares will be decided by the Board of Directors and will either be.

- In case the Shares acquired by the Trust is from secondary acquisition then the exercise price will be decided on the basis of the average purchase price of the Shares of the Trust or the market price.
- In case the Shares acquired by the Trust is from direct allotment then the exercise price will be based upon market price.

For the above purpose Market price means the latest available closing price on a recognized stock exchange on which the Shares of the Company are listed on the date immediately prior to the relevant date i.e. date of the meeting of the Nomination and Remuneration Committee on which the grant is made.

Explanation – As the Equity Shares of the Company are listed on more than one recognised stock exchange, the closing price on the recognized stock exchange having higher trading volume shall be considered as the market price.

The Board of Directors has a power to provide suitable

discount upto a maximum of 35% on such price as arrived above. However, in any case the exercise price shall not go below the par value of Share of the Company.

#### 7. Exercise period and process of Exercise:

After vesting, Options can be exercised within 2 (Two) years from the date of respective vesting, either wholly or in part, through cash mechanism after submitting the exercise application along with payment of the exercise price, applicable taxes and other charges, if any.

The mode and manner of the exercise shall be communicated to the grantees individually.

#### 8. Appraisal process for determining the eligibility of the Employees for the Scheme:

The Board of Directors may on the basis of all or any of the following criteria, decide on the Employees / Grantees who are eligible for the grant / vesting of Options under the Scheme and the terms and conditions thereof.

- Loyalty: It will be determined on the basis of tenure of employment of an Employee / Grantee in the Company.
- Performance of Employee / Grantee: Employee's / Grantee's performance during the financial year in the Company on the basis of decided parameters.
- Performance of Company: Performance of the Company as per the standards set by the Board of Directors.
- Any other criteria as decided by the Nomination and Remuneration Committee in consultation with Board of Directors from time to time.

#### 9. The Maximum number of Options to be granted per Employee and in aggregate:

The maximum number of Options that may be granted pursuant to this Scheme shall not exceed 5% of the Paid Up Capital of the Company as on March 31, 2021, comprising into, 56,74,159 (Fifty Six Lakhs Seventy Four Thousand One Hundred Fifty Nine) Options which shall be convertible into equal number of Equity Shares.

The maximum number of Options that can be granted to any eligible Employee during any one year shall not be equal to or exceed 1% of the issued capital of the Company at the time of grant. The Board of Directors may decide to grant such number of Options equal to or exceeding 1% of the issued capital to any eligible Employee as the case may be, subject to the separate approval of the Shareholders in a general meeting.

#### 10. The Maximum quantum of benefits to be provided per Employee under the Scheme:

The maximum quantum of benefits that will be provided



to every eligible Employee under the Scheme will be the difference between the market value of Company's Share on the Stock Exchanges as on the date of Exercise of Options and the Exercise Price paid by the Employee.

**11. Whether the Scheme is to be implemented and administered directly by the Company or through a Trust:**

The Scheme shall be implemented through trust route wherein an irrevocable Trust by the name Action Construction Equipment Limited Employees Welfare Trust, set-up by the Company in compliance with SEBI (SBEB & SE) Regulations, shall acquire the Equity Shares either by way of secondary acquisition from the market and/or Direct allotment from the Company.

The Scheme shall be administered by the Nomination and Remuneration Committee which shall delegate some or all of its power to the Trust or any other Committee or Persons for proper administration of the Scheme.

**12. Whether the Scheme involves new issue of shares by the Company or secondary acquisition by the Trust or both:**

The Scheme involves both secondary acquisitions of equity shares by the Trust / Direct allotment to the Trust by the Company.

**13. The amount of loan to be provided for implementation of the Scheme by the Company to the Trust, its tenure, utilization, repayment terms, etc.:**

The amount of interest free loan to be provided for implementation of the Scheme by the Company to the Trust Shall not exceed 5% of the paid-up equity capital and free reserves as provided in Companies Act, 2013. The loan shall be repayable by the Trust in quarterly intervals subject to availability of the funds received pursuant to exercise of stock options under the Scheme and in accordance with the relevant provisions of the applicable laws & regulations. The utilization of such loan shall be for the objects of the Trust as mentioned in the trust deed. The Trust shall repay the loan to the Company by utilising the proceeds realised from exercise of Options by the Grantees and the accruals of the Trust at the time of duration or termination of the Scheme.

**14. The Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the Trust for the purposes of the Scheme:**

The total number of Shares under secondary acquisition held by the Trust in pursuance to the Scheme or any other share based Employee benefit plan implemented in the past, shall at no time, exceed 5 (Five) percent of the Paid-up Equity Capital of the Company as at the end of the financial year immediately prior to the year in which the Shareholder approval is obtained for such secondary acquisition in due compliance with the provisions of the SEBI (SBEB & SE) Regulations.

Further, the secondary acquisition in a financial year by the Trust shall not exceed 2 (Two) percent of the Paid up Equity Capital as at the end of the previous financial year.

**15. Disclosure and accounting policies:**

The Company shall comply with the disclosures requirements and the accounting policies prescribed under Regulation 15 of the SEBI (SBEB & SE) Regulations or as may be prescribed by regulatory authorities from time to time.

**16. The method which the Company shall use to value its Options:**

The Company shall comply with the requirements of IND-AS 102 and shall use Fair value method.

**17. Statement with regard to Disclosure in Director's Report:**

As the company is adopting fair value method, presently there is no requirement for disclosure in director's report. However, if in future, the Company opts for expensing of share based employee benefits using the intrinsic value, then the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("EPS") of the Company shall also be disclosed in the Directors' report.

**18. Period of lock-in:**

The Shares transferred to the Grantees pursuant to exercise of Options will not be subject to any lock-in period and can be freely sold by the Grantee.

**19. Terms & conditions for buyback, if any, of specified securities:**

The Committee will determine the procedure for buyback of options granted under the Scheme, if to be undertaken at any time by the Company, and the applicable terms and conditions in accordance with the applicable laws.

A copy of the existing Scheme, would be available for inspection by the members, without any fee, at the registered office of the Company during normal business hours on any working days till the date of the Annual General Meeting.

The Board of Directors of the Company recommend the Special Resolution as set out at Item No. 8 for approval by the members.

None of the Directors, Manager and Key Managerial Personnel of the Company, and any relatives of such Director, Manager and Key Managerial Personnel are in anyway concerned or interested in the resolution except to the extent of Equity Shares held by them in the Company or the options may be granted under the Scheme.

# ANNEXURE-I

Details of Directors retiring by rotation and seeking appointment/re-appointment as required under regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 on General Meetings.

Name of Directors	Mr. Vijay Agarwal	Mrs. Mona Agarwal	Mr. Sorab Agarwal
DIN	00057634	00057653	00057666
Date of Birth (Age)	13.01.1949 (74)	18.11.1955 (67)	27.02.1977 (46)
Date of first appointment on Board.	January 13, 1995	January 13, 1995	March 20, 1998
Qualification	BE Mechanical and MBA	Under Graduate	BE Mechanical
Relationship with Directors/KMP	Mrs. Mona Agarwal, Mr. Sorab Agarwal and Mrs. Surbhi Garg, Whole Time Directors of the Company are relatives under clause 77 of section 2 of Companies Act, 2013 read with rules thereof.	Mr. Vijay Agarwal, Chairman & Managing Director, Mr. Sorab Agarwal and Mrs. Surbhi Garg, Whole Time Directors of the Company are relatives under clause 77 of section 2 of Companies Act, 2013 read with rules thereof.	Mr. Vijay Agarwal, Chairman & Managing Director, Mrs. Mona Agarwal and Mrs. Surbhi Garg, Whole Time Directors of the Company are relatives under clause 77 of section 2 of Companies Act, 2013 read with rules thereof.
Experience/Expertise in specific functional area.	Associated with the Company since date of Incorporation i.e. January 13, 1995. He is a Promoter Director, designated as Chairman & Managing Director of the Company. He is having over 51 years of industry experience in the field of material handling and heavy engineering industry to his credit. He has overall strategic and operational responsibility for the entire Company, previously worked with Bhartiya Cuttler Hammer Ltd. and Escorts Ltd.	Associated with the Company since date of Incorporation i.e. January 13, 1995. She is a Promoter Director, designated as Whole Time Director of the Company. She is having over 29 years of industry experience in the field of administrative and Human Resource affairs to her credit. Under her guidance, the company's administrative affairs are being handled in a professional manner and company had formulated effective policies.	Associated since 1998 with the Company as a Whole Time Director of the Company. Mr. Sorab Agarwal is having over 26 years of industry experience in the field of material handling and heavy engineering industry to his credit has overall strategic and operational responsibility for the entire Company, he drives the continuous renewal of key processes, systems, and policies across the company in client relationship management, sales effectiveness, quality, leadership development etc.
Terms and Conditions of appointment/re-appointment.	Refer Item No. 5	Refer Item No. 6	Refer Item No. 7
Details of Remuneration last drawn (FY-2022-23).	₹ 371.16 Lakhs	₹ 205.41 Lakhs	₹ 91.86 Lakhs
Membership of the Committees of Board of Directors of Company.	<ul style="list-style-type: none"> <li>• Audit Committee</li> <li>• Risk Management Committee</li> <li>• Committee of Board</li> </ul>	<ul style="list-style-type: none"> <li>• CSR Committee</li> <li>• Committee of Board</li> </ul>	<ul style="list-style-type: none"> <li>• Stakeholders Relationship Committee</li> <li>• Risk Management Committee</li> <li>• Committee of Board</li> </ul>

Directorship in other Companies.	<ul style="list-style-type: none"> <li>• VMS Equipment Private Limited</li> <li>• Asia Resorts Limited</li> <li>• Asia Greens Limited</li> <li>• Rotadrill India Private Limited</li> <li>• Reachall India Private Limited</li> </ul>	<ul style="list-style-type: none"> <li>• VMS Equipment Private Limited</li> <li>• Rotadrill India Private Limited</li> <li>• Reachall India Private Limited</li> <li>• Asia Resorts Limited</li> <li>• Asia Consolidated Private Limited</li> </ul>	<ul style="list-style-type: none"> <li>• VMS Equipment Private Limited</li> <li>• Rotadrill India Private Limited</li> <li>• Reachall India Private Limited</li> <li>• Asia Consolidated Private Limited</li> </ul>
Membership of the Board committee of other companies in which he/she is a Director.	None	None	None
No. of Board Meetings attended during the year.	Total Meeting held:4 Total Meeting attended:4	Total Meeting held:4 Total Meeting attended:3	Total Meeting held : 4 Total Meeting attended : 3
No. of shares held in the Company.	3,42,36,078 no. of equity shares of ₹ 2 each	3,06,57,579 no. of equity shares of ₹ 2 each.	76,23,650 no. of equity shares of ₹ 2 each

## ANNEXURE II

### COMMUNICATION ON TAX DEDUCTION AT SOURCE (TDS) ON DIVIDEND DISTRIBUTION

Please take note of the below Tax Deduction at Source (TDS) provisions and information/document requirements for each shareholder:

**Section 1:** For all Members – Details that should be completed and/ or updated, as applicable:- All Members are requested to ensure that the below details are completed and/ or updated, as applicable, in their respective Demat Account(s) maintained with the Depository Participant(s); or in case of shares held in physical form, with the Registrar & Transfer Agent (“RTA”) of the Company. Please note that these details as available on Book Closure Date in the Register of Members/ Register of Beneficial Ownership will be relied upon by the Company, for the purpose of complying with the applicable TDS provisions.

- I. Valid Permanent Account Number (PAN).
- II. Residential status as per the Act i.e. Resident or Non-Resident for F.Y. 2023-24.
- III. Category of the Member:
  - (a) Mutual Fund
  - (b) Insurance Company
  - (c) Alternate Investment Fund (AIF) Category I and II
  - (d) AIF Category III
  - (e) Government (Central/ State Government)
  - (f) Foreign Portfolio Investor (FPI)/ Foreign Institutional Investor (FII): Foreign Company
  - (g) FPI/ FII: Others (being Individual, Firm, Trust, AJP, etc.)
  - (h) Individual
  - (i) Hindu Undivided Family (HUF)
  - (j) Firm
  - (k) Limited Liability Partnership (LLP)
  - (l) Association of Persons (AOP), Body of individuals (BOI) or Artificial Judicial Person (AJP)
  - (m) Trust
  - (n) Domestic company
  - (o) Foreign company
- IV. Email Address.
- V. Address.

### Section 2: TDS provisions and documents required, as applicable for relevant category of Members.

1. For Resident Members:
  - (a) **Mutual Funds:** No TDS is required to be deducted as per section 196(iv) of the Income Tax Act, 1961 (“the IT Act”) subject to specified conditions. Self-attested copy of valid SEBI registration certificate needs to be submitted.

- (b) **Insurance Companies:** No TDS is required to be deducted as per section 194 of the IT Act subject to specified conditions. Self- attested copy of valid IRDA registration certificate needs to be submitted.
- (c) **Category I and II Alternative Investment Fund:** No TDS is required to be deducted as per section 197A (1F) of the IT Act subject to specified conditions. Self-attested copy of valid SEBI registration certificate needs to be submitted.
- (d) **Recognised Provident Funds:** No TDS is required to be deducted as per Circular No.18/2017 subject to specified conditions. Self-attested copy of a valid order from Commissioner under Rule 3 of Part A of Fourth Schedule to the IT Act, or Self-attested valid documentary evidence (e.g. relevant copy of registration, notification, order, etc.) in support of the provident fund being established under a scheme framed under the Employees’ Provident Funds Act, 1952 needs to be submitted.
- (e) **Approved Superannuation Fund:** No TDS is required to be deducted as per Circular No.18/2017 subject to specified conditions. Self-attested copy of valid approval granted by Commissioner under Rule 2 of Part B of Fourth Schedule to the IT Act needs to be submitted.
- (f) **Approved Gratuity Fund:** No TDS is required to be deducted as per Circular No.18/2017 subject to specified conditions. Self- attested copy of valid approval granted by Commissioner under Rule 2 of Part C of Fourth Schedule to the IT Act needs to be submitted.
- (g) **National Pension Scheme:** No TDS is required to be deducted as per Sec 197A (1E) of the IT Act.
- (h) **Government (Central/ State):** No TDS is required to be deducted as per Sec 196(i) of the IT Act.
- (i) **Business Trust:** No TDS is required to be deducted as per Sec 194 of the IT Act. Self-attested copy of valid SEBI registration certificate needs to be submitted.
- (j) **Any other entity entitled to exemption from TDS:** Valid self-attested documentary evidence (e.g. relevant copy of registration, notification, order etc.) in support of the entity being entitled to exemption from TDS needs to be submitted.
- (k) **Other resident Members:** (i) TDS is required to be deducted at the rate of 10% u/s 194 of the IT Act. (ii) No TDS is required to be deducted, if aggregate dividend distributed or likely to be distributed during the financial year to individual shareholder does not exceed ₹5,000. No TDS is required to be deducted on furnishing of valid Form 15G (for individuals, with no tax liability on total income and income not exceeding maximum amount which is not chargeable to tax) or Form 15H (for individual above the age of 60 years with no tax liability on total income). (Format of Form 15G and Form 15H are available on website of Income Tax i.e. [https:// www.incometaxindia.gov.in/](https://www.incometaxindia.gov.in/))



forms/ incometax%20 rules/103120000000007845 pdf & <https://www.incometaxindia.gov.in/forms/ income-tax%20 rules/103120000000007846. pdf> respectively). Please note that Declaration under Form No. 15G of 15H Shall not be valid if it does not contain the PAN of the declarant. In such cases TDS shall be deducted at the rate of 20% u/s 206AA(2) of the IT Act. (iii) TDS is required to be deducted at the rate of 20% u/s 206AA of the IT Act, if valid PAN of the shareholder is not available. (iv) TDS is required to be deducted at the rate prescribed in the lower tax withholding certificate issued u/s 197 of the Act, if such valid certificate is provided.

## 2. For Non-resident Members:

(a) FPI and FII: TDS is required to be deducted at the rate of 20% (plus applicable surcharge and cess). Shareholder may be entitled to avail lower TDS rate as per Double Tax Avoidance Treaty (DTAA) between India and the country of tax residence of the shareholder, on furnishing the below specified documents:-

- Self-attested copy of PAN;
- Self-attested copy of valid Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is a resident;
- Self-declaration in Form 10F (Format of Form 10F is available on income tax website at <https://www.incometaxindia.gov.in/Forms/IncomeTax%20 Rules/103120000000007197.pdf>); and
- Self-declaration on letter head of having no Permanent Establishment in India, Beneficial ownership of shares and eligibility to claim treaty benefits (as per Appendix 1 to this Communication).

In case the dividend is payable to 'Specified Fund' referred to in [Clause (c) of Explanation to Section 10(4D)], TDS rate would be 10% (plus applicable surcharge and cess). The reduced rate of TDS would be subject to the availability of requisite documents demonstrating that the person is covered under the aforesaid category of 'Specified Fund'.

(b) Any entity entitled to exemption from TDS: Valid self- attested documentary evidence (e.g. relevant copy of registration, notification, order, etc. by Indian tax authorities) in support of the entity being entitled to exemption from TDS needs to be submitted.

(c) Other non-resident Members:

- TDS is required to be deducted at the rate of 20% (plus applicable surcharge and cess).
- Shareholder may be entitled to avail lower TDS rate as per Double Tax Avoidance Treaty (DTAA) between India and the country of tax residence of the shareholder, on furnishing the below specified documents:-
  - Self-attested copy of PAN;

- Self-attested copy of valid Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is a resident;
  - Self-declaration in Form 10F (Format of Form 10F is available on income tax website at <https://www.incometaxindia.gov.in/Forms/IncomeTax%20 Rules/103120000000007197.pdf>); and
  - Self-declaration on letter head of having no Permanent Establishment in India, Beneficial ownership of shares and eligibility to claim treaty benefits (as per Appendix 1 to this Communication).
- iii. TDS is required to be deducted at the rate prescribed in valid lower tax withholding certificate issued u/s 197 of the IT Act, if such valid certificate is provided

**Details and/ or documents as mentioned above in Section 1 and Section 2, as applicable to the Member, need to be sent, duly completed and signed, through registered email address of the Member with PAN being mentioned in the subject of the email to reach [admin@skylinerta.com](mailto:admin@skylinerta.com) by August 15, 2023. Please note that no communication in this regard, shall be accepted post August 15, 2023.**

## Section 3: Other general information for the Members:-

- For all self-attested documents, Members must mention on the document **"certified true copy of the original"**. For all documents being sent/ accepted by email, the Member undertakes to send the original document(s) on the request by the Company.
- In case, the dividend income is assessable to tax in the hands of a person other than the registered Member as on the Book Closure Date, the registered Member is required to furnish a declaration containing the name, address, PAN of the person to whom TDS credit is to be given and reasons for giving credit to such person.
- Section 206AB has been introduced by the Finance Act, 2021, whereby TDS will be higher of the following:
  - Twice the rate specified in the relevant provision of the Income-Tax Act; or
  - Twice the rate or rates in force; or
  - The rate of five percent;

In case a person has not filed his/her Return of Income for last of the preceding financial years and the aggregate of tax deducted at source in his/her case is ₹ 50,000 or more in the preceding each two financial years.

Application of TDS rate is subject to necessary due diligence and verification by the Company, of the shareholder details as available in register of Members on the Book Closure Date, documents, information available in public domain, etc. In case of ambiguous, incomplete or conflicting information, or the valid information/ documents not being provided, the Company will arrange to deduct tax at the maximum applicable rate.

- (iv) In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided/ to be provided by the Member(s), such Member(s) will be responsible to indemnify the Company and also, provide the Company with all information/documents and cooperation in any appellate proceedings.

**Note:**

Above communication on TDS sets out the provisions of law in a summary manner only and does not purport to be a complete analysis or listing of all potential tax consequences. Shareholders should consult with their own tax advisors for the tax provisions applicable to their particular circumstances.

**Appendix - 1**

**FORMAT FOR DECLARATION FOR CLAIMING BENEFITS UNDER DTAA**

Action Construction Equipment Limited Dudhola Link Road, Dudhola, Distt. Palwal-121102

**Subject :** Declaration for eligibility to claim benefit under Double Taxation Agreement between Government of India and Government of ..... (mention country of tax residency) ("DTAA"), as modified by Multilateral Instrument ("MLI"), if applicable.

With reference to above, I/We wish to declare as below:

- I/ We, ..... (Full name of the shareholder), having permanent account number (PAN) under the Indian Income tax Act, ..... (mention PAN), and holding ..... (mention number of shares held) number of shares of the Company under Demat Account number/ folio number..... as on the Book Closure Date as specified in the notice of 28th Annual General Meeting, am / are a tax resident of ..... (country name) in terms of Article 4 of the DTAA as modified by MLI (if applicable) and do not qualify as a 'resident' of India under section 6 of the Indian Income-tax Act, 1961 ("the IT Act"). A copy of the valid tax residency certificate for... ..... (period), which is valid as on the Book

Closure Date, is attached herewith.

- I/We am/are eligible to be governed by the provisions of the DTAA as modified by MLI (if applicable), in respect of the dividend income and meet all the necessary conditions to claim treaty rate including but not limited to statification of the "Principal Purpose Test" provided by such MLI.
- I/We am/are the legal and beneficial owner of the dividend income to be received from the Company.
- I/We do not have a Permanent Establishment ("PE") in India in terms of Article 5 of the DTAA as modified by MLI (if applicable) or a fixed base in India and the amounts paid/ payable to us, in any case, are not attributable to the PE or fixed base, if any, which may have got constituted otherwise.
- I/We do not have a business connection in India according to the provision of section 9(1)(i) of the act and the amounts paid/payable to us, in any case, are not attributable to business operations, if any carried out in India.
- I/We hereby confirm we do/will not have a place of effective management in India and none of the key management and commercial dicisions for the conduct of the business in substance are/will be made in India.

I/We hereby certify that the declarations made above are true and bonafide. In case in future, any of the declarations made above undergo a change, we undertake to promptly intimate you in writing of the said event. You may consider the above representations as subsisting unless intimated otherwise.

In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by me, I/ We will be responsible to pay and indemnify such income tax demand (including interest, penalty, etc.) and provide the Company with all information/ documents that may be necessary and co- operate in any proceedings before any income tax/ appellate authority

**For.....Mention the name of the payee**  
**Authorised Signatory**  
**Name of the person signing**  
**Designation of the person signing**  
**Date:**