Disclosure pursuant to Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as on March 31, 2024.

A. Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of section 133 of the Companies Act, 2013 (18 of 2013) including the 'Guidance note on accounting for employee share-based payments' issued in that regard from time to time.

The disclosures are provided in note no. 44 of the notes to the standalone financial statements of the Company for the financial year ended 31st March 2024.

B. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Accounting Standard 20 - Earnings Per Share' issued by Central Government or any other relevant accounting standards as issued from time to time.

Rs. 27.52, as provided in note no. 35 of the notes to the standalone financial statements of the Company for the financial year ended 31st March 2024.

C. Details related to Action Construction Equipment Limited Employees Stock Option Scheme-2021 ("Scheme")

The Action Construction Equipment Limited Employees Stock Option Scheme-2021 ("Scheme") has been formulated by the Nomination and Remuneration Committee (which also acted as the Compensation Committee for the implementation of the Scheme) of the Board with an aim to attract and retain key talents by way of rewarding their performance and motivate them to contribute to the overall corporate growth. The Scheme was originally approved by the members' resolution dated September 03, 2021 in due compliance of the provisions of Companies Act, 2013 and the rules made thereunder and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended **('SEBI (SBEB&SE) Regulations').**

I. Details related to Scheme are given below:

S. No.	Particulars	Action Construction Equipment Limited Employees Stock Option Scheme-2021 ("Scheme")
1.	Date of shareholders' approval	September 03, 2021
2.	Total number of options approved	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, 5674159 options convertible into equal number of equity shares.
3.	Vesting requirements	Vesting period shall commence from the effective 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 Committee. 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 Committee 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 Committee and mentioned in the grant letter.
4.	Exercise price or pricing formula (Existing)	The exercise price of shares will be decided by the Committee 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 Committee 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.
5.	Maximum term of options granted	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 Committee. After vesting, Options can be exercised within 2 (Two) year 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.
6.	Source of shares	Secondary issuance and/or Direct allotment
7.	Variation in terms of ESOP	The members in their 29th AGM held on August 25, 2023 has approved amendment in exercise period as per details given below. Previous Excercise period: 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.

		Amended Exercise period: After vesting, Options can be exercised within 2 (Two) year 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.

II. Method used to account for ESOS: Fair Value Method.

III. Where the Company opts for expensing of the options using the intrinsic value of the options, difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used fair value of the options & the impact of this difference on profits and on EPS of the Company:

Not applicable as fair value has been accounted.

IV. Details of Options (Option Movement during the year):

S. No.	Particulars	Remarks
1.	Number of options outstanding at the beginning of the period	-
2.	Number of options granted during the year	79674
3.	Number of options forfeited / lapsed during the year	1953
4.	Number of options vested during the year	-
5.	Number of options exercised during the year	-
6.	Number of shares arising as a result of exercise of options	-
7.	Money realized by exercise of options (INR), if scheme is implemented directly by the company	-
8.	Loan repaid by the Trust during the year from exercise price received	-
9.	Number of options outstanding at the end of the year	77721
10.	Number of options exercisable at the end of the year	-

V. Weighted-average exercise prices and weighted-average fair value of options whose exercise price equals or exceeds or is less than the market price of the stock:

1. Weighted average exercise price of options granted during the year whose

a	Exercise price equals market price	NA
b	Exercise price is greater than market price	NA
c	Exercise price is less than market price	NA

2. Weighted average fair value of options granted during the year whose

a	Exercise price equals market price	NA
b	Exercise price is greater than market price	NA
c	Exercise price is less than market price	NA

VI. Employee-wise details of options granted during FY. 2023-24:

(a) Senior managerial personnel

S. No.	Name	No. of Options granted	Grant Price (in Rs.)
1	Mr. P. Ramesh Babu	1776	
2	Mr. Vishal Malhotra	2064	
3	DR. Virender Saroha	7710	

4	Mr. Kapil walecha	1938	415.00
5	Mr. Akhil Kumar Gupta	2313	
6	Mr. Rituraj Garg	2784	
7	Mr. Deepak Joshi	1809	
8	Mr. Ajay R. Joshi	1986	
9	Mr. Gurbinder Singh	6834	
10	Mr. Rajiv Kapoor	2892	
11	Mr. Ankit Kumar	5424	
12	Mr. Manoj Agarwal	3690	
13	Mr. Ajay Malik	6333	
14	Mr. Vyom Agarwal	6063	
15	Mr. Rajan Luthra	5595	
16	Mr. Vikas Sharma	2814	
17	Mr. Mayank Pundir	4626	
18	Mr. Vikas Kanwal	4314	
19	Mr. Chetan Kumar R. Gole	6756	
Total		**77721**	

(b) Employees who were granted, during the year, options amounting to 5% or more of the options granted during the year.

S. No.	Name	No. of Options granted	Grant Price (in Rs.)
1.	Dr. Virender Saroha	7710	415.00
2.	Mr. Gurbinder Singh	6834	
3.	Mr. Chetan Kumar R. Gole	6756	
4.	Mr. Ajay Malik	6333	
5	Mr. Vyom Agarwal	6063	
6	Mr. Rajan Luthra	5595	
7	Mr. Ankit Kumar	5424	
8	Mr. Mayank Pundir	4626	
9	Mr. Vikas Kanwal	4314	

(c) Identified employees who were granted options, during the year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.

S. No.	Name	No. of Options granted	Grant Price (in Rs.)
-	-	-	-

VII. A description of the method and significant assumptions used during the year to estimate the fair value of options granted during FY 2024:

The fair value has been calculated using the Black Scholes Option Pricing model.

A. The assumptions used in the model are as follows:

S. No.	Date of Grant (June 03, 2023)	Vesting Date		
		June 03,2024	June 03,2025	June 03,2026
1.	Risk Free Interest Rate	6.77%	6.74%	6.74%
2.	Expected Life(in years)	1.25	2.25	3.25
3.	Expected Volatility	41.95%	48.09%	53.83%

4.	Dividend Yield	0.121%	0.121%	0.121%
5.	Price of the underlying share in market at the time of the option grant	Rs. 494.5		

Assumptions:

Stock Price: Closing price on National Stock Exchange one day prior to the date of grant has been considered.

Volatility: Volatility is the measure of the amount by which price has fluctuated or is expected to fluctuate during the period. The measure of volatility used, in Black Scholes Option Pricing models the 5nnualized standard deviation of the continuously compounded rates of return on the stock over period of time. For calculating volatility, the daily volatility of stock prices on NSE, over a period prior to the grant date, corresponding with the expected life of the options has been considered.

Risk-free rate of return: The risk-free interest rate being considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero-coupon yield curve for government securities.

Exercise Price: Exercise price of each specific grant has been considered.

Time to Maturity: The Company has estimated the expected life of the options on the basis of average of minimum and maximum life of the options. Historical data is not considered in expected life calculations.

B. The method used and the assumptions made to incorporate the effects of expected early exercise: NA

C. How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility: The expected price volatility is determined using annualized standard deviation (a measure of volatility used in Black-Scholes-Merton option pricing) and the historic volatility based on expected life of the options.

D. Whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition: NA

- **Following are other details on fair value and the Scheme:**

1. Measurement of Fair Value

The weighted average fair value of stock options as on grant date

Grant date fair valuation for respective vesting dates	Method of Valuation	Fair value as on Grant Date
June 03, 2024	Black Scholes Option Pricing model	150.14
June 03, 2025	Black Scholes Option Pricing model	200.31
June 03, 2026	Black Scholes Option Pricing model	245.72

The inputs and assumptioms used in the mearurement of grant date fair value are as follows;

Vesting Date	Fair value as on grant date	Exercise price	Expected Volatility	Expected Life	Expected Dividend	Risk Free Interest Rate
June 03, 2024	150.14	415	41.95%	1.25	0.121%	6.77%
June 03, 2025	200.31	415	41.95%	2.25	0.121%	6.74%
June 03, 2026	245.72	415	41.95%	3.25	0.121%	6.74%

2. Effect of ESOP Scheme on Seprate Statement of Profit and Loss:

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Employee stock Option Scheme Expenses(including employee benefits)	73.52	-

3. Reconciliation of outstanding share options

The number and weighted-average exercise prices of share options under the share option scheme were as follows:

Particulars	For the year ended 31st March, 2024		For the year ended 31st March, 2023	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Options outstanding at the beginning of the year	**-**	**-**	**-**	**-**
Add- Options granted during the year	**79674**	**415**	**-**	**-**
Less- Options forfeited / expired during the year	**1953**	**415**	**-**	**-**
Less- options exercised during the year	**-**	**-**	**-**	**-**
Excercisable at the end of the year	**77721**	**415**	**-**	**-**

D. Details related to ESPS : NA
E. Details related to SAR : NA
F. Details related to GEBS/RBS : NA

G. Details related to Trust:

Details in connection with transactions made by the Trust meant for the purpose of administering the Scheme under the regulations are as follows:

(i) General information:

S. No.	Particulars	Details
a.	Name of the Trust	Action Construction Equipment Limited Employees Welfare Trust
b.	Details of the Trustee(s)	1. Mr. Vyom Agarwal 2. Mr. Sanjay Gupta
c.	Amount of loan disbursed by Company/any company in the group, during the year	Rs. 5,49,99,000
d.	Amount of loan outstanding (repayable to Company/any company in the group) as at the end of the year	Rs. 5,49,99,000
e.	Amount of loan, if any, taken from any other source for which Company/any company in the group has provided any security or guarantee	Nil
f.	Any other contribution made to the Trust during the year	Nil

(ii) Brief details of transactions in shares by the Trust (31.03.2024):

S.No.	Particulars	No. of equity shares
a.	Number of shares held at the beginning of the year	Nil
b.	Number of shares acquired during the year through: i. Primary issuance/Direct allotment ii. Secondary acquisition	 Nil 73791
c.	Number of shares transferred to the employees along with the purpose thereof - equity shares were transferred to the employees upon exercise of options	Nil
d.	Number of shares held at the end of the year	73791

(iii) In case of secondary acquisition of shares by the Trust:

Number of Shares	As a percentage of paid-up equity capital as at the end of the year immediately preceding the year in which the shareholders' approval was obtained
Held at the beginning of the year	Nil
Acquired during the year	0.06%(73791 equity shares)
Sold during the year	Nil
Transferred to the employees during the year	Nil
Held at the end of the year	0.06%(73791 equity shares)

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