

Action Construction Equipment Ltd.

Corporate & Regd. Office

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



Dated: 17th October, 2016

To,

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

Scrip Code: 532762

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

CM Quote: ACE

Sub: Minutes of 22nd Annual General Meeting

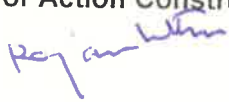
Dear Sir/Madam,

With reference to the above captioned subject, this is to inform you that the 22nd Annual General Meeting (AGM) of the Company held on 23rd September, 2016 at 11:00 A.M at Aravali Golf Club, New Industrial Town (NIT) Faridabad, Haryana- 121001. Please find enclosed herewith the Minutes of 22nd Annual General Meeting of the Company.

You are requested to take the information on your records.

Thanking you.

For Action Construction Equipment Limited


Authorized Signatory



Corporate Office : Phone : +91-1275-280111 (50 Lines), Fax : +91-1275-280133, E-mail : works2@ace-cranes.com Mktg. H.Q.: 5th Floor, "TDI Centre" Jasola, New Delhi - 110025 Phone : +91-11-40549900 (30 Lines) Fax : +91-11-40549922, E-mail : marketing@ace-cranes.com
Customer Care No.: 1800 1800 004 (Toll Free), CIN : L74899HR1995PLC053860

Nothing beats an **ACE**

MINUTES OF THE 22ND ANNUAL GENERAL MEETING OF ACTION CONSTRUCTION EQUIPMENT LIMITED HELD ON FRIDAY, 23RD SEPTEMBER, 2016 AT 11:00 A.M. AT ARAVALI GOLF CLUB, NEW INDUSTRIAL TOWNSHIP (NIT), FARIDABAD, HARYANA - 121001

DIRECTORS PRESENT:

Shri Vijay Agarwal	Chairman & Managing Director
Smt. Mona Agarwal	Whole Time Director
Shri Sorab Agarwal	Executive Director
Smt. Surbhi Garg	Executive Director
Shri Subhash Chander Verma	Independent Director
Shri Girish Narain Mehra (IAS Retd.)	Independent Director
Maj. Gen. (Retd.) Dr. K.C. Agrawal	Independent Director

MEMBERS PRESENT:

Members in person	42
Members in proxy :	35 representing 1163274 shares

IN ATTENDANCE:

Mr. Rajan Luthra	CFO
Mr. Rajan Chhabra	Statutory Auditor
Ms. Savita Trehan	Secretarial Auditor & Scrutinizer

As per Article 88 of Articles of Association of the Company, the Chairman of the Board shall be entitled to take the chair at every General Meeting. Pursuant to Article 88, Shri Vijay Agarwal, Chairman and Managing Director of the Company, took the Chair and welcomed the members to the 22nd Annual General Meeting of the Company.

Introducing those sitting on the dais, he welcomed Smt. Mona Agarwal, Whole Time Director, Shri Sorab Agarwal, Executive Director, Smt. Surbhi Garg, Executive Director, Shri Subhash Chander Verma, Independent Director and Chairman of Audit Committee, Shri Girish Narain Mehra (IAS Retd.), Independent Director, Maj. Gen. (Retd.) Dr. K.C. Agrawal, Independent Director and Shri Rajan Luthra, CFO.

The chairman informed that Dr. Amar Singhal, Independent Director and Chairman of Nomination & Remuneration Committee of the Company is not present in today's Annual General Meeting as he is travelling due to his pre unavoidable commitments and Mrs. Yashika, Company Secretary is also not present as she is on maternity leave.

The Chairman introduced Mr. Rajan Chhabra, Partner of M/s Rajan Chhabra & Co., statutory auditors, Ms. Savita Trehan, M/s Savita Trehan & Associates, Secretarial Auditor and Scrutinizer appointed for today's meeting.

The Statutory Registers, Proxy Register, the Auditor's report, Secretarial Audit Report and other documents were available during the meeting for inspection of the members.

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The Chairman declared the meeting as validly convened on the basis of advice from CFO that the requirement of the quorum as per the Articles of Association of the Company and the Companies Act, 2013, are fulfilled.

Thereafter, the Chairman delivered his speech, the highlights of which are as under:

He informed the members that there has not been much improvement in the economic conditions with regard to construction and Infrastructure sectors. Despite that the Company has achieved gross revenue of Rs. 673 Cr. i.e. an increase of 7.5% over last year, the profit before tax has increased to Rs. 15.06 Cr. i.e. an increase of 57.50% over last year. This was only possible on account of continuous efforts of the management to improve productivity and reduce cost. In spite of tough business environment during the FY 2015-16, your Company continued to increase its market share.

The Chairman said that our Prime Minister has announced an ambitious plan of 100 smart cities. Each of these cities will be endowed with smart infrastructure. The outlay for this is expected to be huge. The Government is also bullish on real estate and has passed numerous policy reforms in the sector recently.

Further, the Chairman said that our Company has been championing the cause of community long before terms like CSR came into vogue. Our Social responsibility efforts continued with same passion because we undertake these with same belief and conviction as we do our commercial activities.

In the current financial year 2016-17, the Company will continue to strive to set higher benchmarks of performance and strengthen our engagement with our stakeholders. We are ready to capitalize on every opportunity and with our relentless efforts and a strong customer centric approach; we commit ourselves to make ACE a number one Company in Construction & Material handling equipment in the Country.

The Chairman concluded his speech by thanking the management and employees for their contribution, hard work and engagement and appreciating the contribution of the distributors, suppliers and all other stakeholders for the success of the Company. He reposed his confidence on the caliber of the management team and ensured that the Company will continue to deliver its mission of long term sustainable and profitable growth. Finally, he thanked all the members for their continuous support and trust reposed by them on the Company."

The Chairman then took up the formal proceeding of the meeting. With the concurrence of the members, the Notice of the 22nd Annual General Meeting together with the Financial Statements and Directors' Report were taken as read. Full Auditor's Report was read by CFO. It was informed that there are no qualifications, observations or comments or other remarks in the report of the Secretarial Auditors or the statutory auditors.

He informed the members present that the Company had provided electronic voting facility to the members entitled to cast their vote at the 22nd Annual General Meeting, as per the Companies Act, 2013 in the manner as prescribed under the Companies (Management and Administration) Rules, 2014 and it is mandatory to provide similar voting options to the members present, in person and through proxies at the Annual General Meeting, to vote in proportion to the shares held by them. He stated that Ballot paper will be distributed for the voting on all resolutions of ordinary and special businesses as set out in items 1 to 7 of the Notice of the 22nd Annual General Meeting.

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Before formally ordering Poll, the Chairman briefly informed the members about the resolutions proposed in the AGM and invited members to seek clarifications / questions or to make their comments, give suggestions, if any, on the agenda items as set out in the Notice of the 22nd Annual General Meeting.

Meanwhile, for administrative convenience, Polling Papers were distributed at the beginning of the meeting.

Responding to the queries and comments from the members, the Chairman thanked them for the appreciation of the results.

Thereafter, the Chairman took up the agenda items contained in the Notice of the 22nd Annual General Meeting and reiterated that as the Company has provided electronic voting facility to the members to vote between 19th September, 2016 at 8:30 A.M. to 22nd September, 2016 at 5.00 P.M. in proportion to their shareholding as on the cut-off date i.e. 16th September, 2016. He further informed that those members who had not cast their vote through e-voting are eligible to vote in AGM, through Ballot Paper. He informed that M/S. Savita Trehan & Associates, Company Secretary in Practice who has been appointed for independently carrying out the voting in a fair and transparent manner, shall submit the report on the e-voting to the Chairman on 26th September, 2016 along with the result of voting conducted in the AGM by Ballot Paper.

The Chairman thereafter, ordered for Voting through Ballot Paper on all resolutions for the Ordinary and Special businesses as set out in items 1 to 7 of the Notice of the 22nd Annual General Meeting and requested all the members and proxy holders present to vote and drop the Ballot Paper in the closed sealed box present in the hall.

Sharing the manner in which the results will be compiled, the Chairman stated that the results of voting on each resolution shall be determined by adding the votes through ballot paper in favour or against a resolution with the votes casted through electronic votes in favour or against the same resolution. He declared that the results of voting shall be declared immediately on receipt of Scrutinizer's Report. The results to be declared for each resolution shall indicate separately the votes through Ballot paper and electronic voting and would be immediately intimated to the National Stock Exchange of India Limited and BSE Limited. He further stated that the results shall also be uploaded on the Company's website www.ace-cranes.com and shall also be available at the registered office of the Company.

He invited Ms. Savita Trehan, Scrutinizer to take over the Voting proceedings and requested her to submit their report to him within 2 days from the date of AGM.

Result of the Electronic Voting and Ballot Paper on the Ordinary and Special businesses at the Annual General Meeting of the Company held on Friday, 23rd September, 2016.

On the basis of the Scrutinizer's report for the Electronic Voting and voting at the Annual General Meeting dated 23rd September, 2016, the summary of which is mentioned hereunder, the Chairman announced the results of voting on 26th September, 2016 that all the Resolutions for the Ordinary and Special businesses as set out in Item No. 1 to 7 in the notice of the 22nd Annual General Meeting of the Company have been duly passed by the requisite majority.

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Resolution 1 (a) Adoption of Annual Audited Financial Statements for the financial year ended 31st March, 2016. (Ordinary Business)

Particulars	No. of Votes contained in			Percentage
	Remote e-votes	Voting at the AGM	Total	
Assent	1652713	68569351	70222064	100
Dissent	-	-	-	-
Total	1652713	68569351	70222064	100
Abstain	-	8535	8535	-

Resolution 1 (b) Adoption of Consolidated Financial Statements for the year ended 31st March, 2016. (Ordinary Business)

Particulars	No. of Votes contained in			Percentage
	Remote e-votes	Voting at the AGM	Total	
Assent	1652713	68569351	70222064	100
Dissent	-	-	-	-
Total	1652713	68569351	70222064	100
Abstain	-	8535	8535	-

Resolution 2 Appointment of Mrs. Surbhi Garg (DIN No-01558782) who retires by rotation. (Ordinary Business)

Particulars	No. of Votes contained in			Percentage
	Remote e-votes	Voting at the AGM	Total	
Assent	1652713	1242554	2895267	100
Dissent	-	-	-	-
Total	1652713	1242554	2895267	100
Abstain	-	67335332	67335332	-

*Mr. Vijay Agarwal, Mrs. Mona Agarwal, Mr. Sorab Agarwal & Mrs. Surbhi Garg being interested, did not cast their vote for the above resolution.

Resolution 3 Declaration of Dividend on Preference Shares For F.Y. ended on 31st March 2016. (Ordinary Business)

Particulars	No. of Votes contained in			Percentage
	Remote e-votes	Voting at the AGM	Total	
Assent	1652713	68569351	70222064	100
Dissent	-	-	-	-
Total	1652713	68569351	70222064	100
Abstain	-	8535	8535	-

Resolution 4 Ratify and confirm the payment of Interim dividend for the year ended 31st March 2016. (Ordinary Business)

Particulars	No. of Votes contained in			Percentage
	Remote e-votes	Voting at the AGM	Total	
Assent	1652713	68569351	70222064	100

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Dissent	-	-	-	-
Total	1652713	68569351	70222064	100
Abstain	-	8535	8535	-

Resolution 5 Ratify the appointment of M/S Rajan Chhabra & CO., Chartered Accountant, as statutory Auditors and to fix their remuneration .(Ordinary Business)

Particular s	No. of Votes contained in			Perce ntage
	Remote e-votes	Voting at the AGM	Total	
Assent	1652713	68569351	70222064	100
Dissent	-	-	-	-
Total	1652713	68569351	70222064	100
Abstain	-	8535	8535	-

Resolution 6 Approve the remuneration of the cost auditor for the Financial year ended March 31, 2017

Particular s	No. of Votes contained in			Perce ntage
	Remote e-votes	Voting at the AGM	Total	
Assent	1652713	68569351	70222064	100
Dissent	-	-	-	-
Total	1652713	68569351	70222064	100
Abstain	-	8535	8535	-

Resolution 7 Re-appointment Of Mrs. Surbhi Garg, (DIN NO: 01558782 Executive Director for the period of three years w.e.f. 1st April, 2017 and fixation of her remuneration.

Particular s	No. of Votes contained in			Perce ntage
	Remote e-votes	Voting at the AGM	Total	
Assent	1652713	1242554	2895267	100
Dissent	-	-	-	-
Total	1652713	1242554	2895267	100
Abstain	-	67335332	67335332	-

***Mr. Vijay Agarwal, Mrs. Mona Agarwal, Mr. Sorab Agarwal & Mrs. Surbhi Garg being interested, did not cast their vote for the above resolution.**

The Resolutions for the ordinary and special businesses as set out in Item Nos. 1 to 7 in the Notice of the 22nd Annual General Meeting, duly approved by the members with requisite majority, are recorded hereunder as part of the proceedings of 22nd Annual General Meeting of the Members held on 23rd September, 2016.

Ordinary Business

Item No. 1 (a): Ordinary Resolution for adoption of Audited Financial Statements for the Financial Year ended 31st March, 2016.

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"RESOLVED THAT the Financial Statements of the Company (standalone) for the year ended 31st March, 2016 including audited Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the cash flow statement for the year ended on that date as audited and certified by the Company's Auditors and the Report of Directors and Auditor's thereon, be and are hereby approved and adopted."

Item No. 1 (b): Ordinary Resolution for adoption of Audited Consolidated Financial Statements for the Financial Year ended 31st March, 2016.

"RESOLVED THAT the consolidated Financial Statements of the Company for the year ended 31st March, 2016 including audited Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the cash flow statement for the year ended on that date as audited and certified by the Company's Auditors and the Report of Auditor's thereon, be and are hereby approved and adopted."

Item No. 2: Ordinary Resolution for re-appointment of Smt. Surbhi Garg (DIN: 01558782), who retires by rotation.

"RESOLVED THAT Smt. Surbhi Garg (DIN: 01558782), who retires by rotation in accordance with the Companies Act, 2013 and has offered herself for re-appointment, be and is hereby re-appointed as a Director of the Company."

Item No. 3: Ordinary Resolution for approval of dividend on Preference Shares for the Financial Year ended 31st March, 2016.

"RESOLVED THAT pursuant to the recommendations of the Board of Directors, the consent of the members be and is hereby accorded for payment of dividend on Preference Shares of Rs. 0.08 Paisa on pro rata basis from the allotment date i.e. 15th March, 2016 per preference share of face value of Rs. 10/- each on 30219380 preference shares of the Company, out of the current profits of the Company for the financial year 2015-16 and that the same be paid to those Members whose name appear on the Company's register of members as on 16th September, 2016."

Item No. 4: Ordinary Resolution for ratification and confirm the payment of interim dividend for the Financial Year ended 31st March, 2016.

"RESOLVED THAT an interim dividend of Rs. 0.20/- per equity share on 98940000 Equity Shares of the Company of face value of Rs. 2/- each, declared by the Board of Directors of the Company on 15th March, 2016, be and is hereby approved as final dividend for the year ended 31st March, 2016."

Item No. 5: Ordinary Resolution for appointment of M/s. Rajan Chhabra & Co., Chartered Accountants, as Auditors and fixing their remuneration.

"RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the appointment of M/s Rajan Chhabra & Co., Chartered Accountants (Firm registration No: 009520N), as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the twenty-third AGM of the

Company to be held in the year 2017 to examine and audit the accounts of the Company at such remuneration as may be determined by the Board of Directors of the Company."

Item No. 6: Ordinary Resolution for approve the remuneration of the Cost Auditors for the financial year ending March 31, 2017.

"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, remuneration of Rs One lac plus applicable taxes, payable to M/s Vandana Bansal & Associates, (Firm registration No: 100203), Cost Accountants, the cost auditors appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending March 31, 2017, be and hereby ratified."

Item No. 7: Special Resolution for re-appointment of Mrs. Surbhi Garg (DIN: 01558782) Executive Director for the period of three years w.e.f. 1st April, 2017 and fixation of her remuneration.

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 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(s) thereof for the time being in force), read with Schedule V of the Companies Act, 2013 and Articles of Association of the Company and subject to the approval of Central Government or other Government authority/agency/board, if any, consent of the members of the Company be and is hereby accorded to re-appoint Mrs. Surbhi Garg (DIN: 01558782) as Whole-time Director with the designation of Executive Director for a period of three years with effect from 1st April, 2017 at a remuneration in the scale of Rs 3.50 lacs (Rupees Three Lacs Fifty Thousand only) to Rs.10 lacs (Rupee Ten Lacs) per month. The details of terms of re-appointment and remuneration payable to Mrs. Surbhi Garg are as under:

(a) Salary, Perquisites and Allowances per annum:

Salary	In the scale of Rs. 40 lacs to Rs. 100 lacs
Perquisites and Allowances	In the scale of Rs. 2.40 lacs to Rs. 20 Lacs

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 utilisation 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 there under or

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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 Mrs. Surbhi Garg 's spouse and dependents during business trips, any medical assistance provided for her family members and provision of cars for use on Company's business and telephone expenses at residence shall be reimbursed at actual and not considered as perquisites.

(c) General:

(i) Whole-time Director will perform her duties as such with regard to all work of the Company and 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 and the functions of the Whole-time Director will be under the overall authority of the Chairman & Managing Director.

(ii) Whole-time Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.

(iii) Whole-time Director shall adhere to the Company's Code of Conduct.

RESOLVED FURTHER THAT in the absence of profits or inadequacy of profits in any financial year, the remuneration as set out in the Explanatory Statement be paid to Mrs. Surbhi Garg 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 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 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. Surbhi Garg (Din No -01558782), Whole Time Executive Director, including the components of the above mentioned remuneration payable to her subject to the overall limit of Rs 1.20 crs per annum.

RESOLVED FURTHER THAT Mr. Vijay Agarwal, Chairman & Managing Director, Mr. Rajan Luthra, CFO and Mrs. Yashika, Company Secretary 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, NCLT of Delhi & Haryana and/or Ministry of Corporate Affairs

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(Government of India) and taking necessary approval from the governmental or other authorities etc., as may be required."

All the above resolutions, which were put to vote, were passed with requisite majority.

The meeting concluded at 12:30 p.m.

Place: Palwal
Date: 03/10/2016


Vijay Agarwal
Chairman

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