

Action Construction Equipment Ltd.

Corporate & Regd. Office

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

ACE

An ISO 9001 Certified Co.

Date: 17th May, 2018

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

Subject: Notices of the National Company Law Tribunal ("NCLT") convened Meetings of the Company.

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the copies of the Notices along with the Explanatory Statements of the NCLT convened meetings of the Equity Shareholders, Secured Creditors and Unsecured Creditors of the Company, as directed by the Hon'ble National Company Law Tribunal ('NCLT'), Chandigarh Bench vide its order dated 04th May, 2018 for the purpose of considering and if thought fit, approving with or without modifications, the amalgamation embodied in the Scheme of Amalgamation between Frested Limited ('Frested Ltd') and Action Construction Equipment Limited ('ACE' or 'Applicant Company') and their respective Shareholders and Creditors ('Scheme'). In pursuance of the said order and as directed therein, that separate meetings of Equity Shareholders, Secured Creditors and Unsecured Creditors of the Applicant Company will be held as under.

S.No.	Class of Meetings	Day and Date of Meetings	Time (IST)	Place/Venue of Meeting
1.	Equity Shareholders	Saturday, 23 rd June, 2018	10.00 A.M.	Aravali Golf Club, New Industrial Township (NIT), Faridabad, Haryana - 121001
2.	Secured Creditors		11.00 A.M.	
3.	Unsecured Creditors		12.00 P.M.	



Corporate Office & Regd. Office : Phone : +91-1275-280111 (50 Lines), Fax : +91-1275-280133, E-mail : works2@ace-cranes.com

Mktg. H.Q.: 4th Floor, Pinnacle, Surajkund, Faridabad, NCR-121009, Phone: +91-129-4550000 (100 Lines), Fax : +91-129-4550022, E-mail: marketing@ace-cranes.com

Customer Care No.: 1800 1800 004 (Toll Free), CIN : L74899HR1995PLC053860

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www.ace-cranes.com

Pursuant to SEBI (LODR) Regulations 2015 and such other provisions as may be applicable the **16th June, 2018** is the **cut-off date** for determining the Members who shall be entitled to vote through remote e-voting or voting at the meeting.

As per terms of the provisions of Section 230 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company is pleased to provide to its members the facility to cast their vote(s) on all resolutions set forth in the notice by electronic means ("e-voting"). Following is the Schedule of events for e-voting.

Cut-off date for e-voting	16 th June, 2018
Remote e-voting start Date	19 th June, 2018 (Tuesday)
Remote e-voting start Time	8:30 A.M.
Remote e-voting end Date	22 nd June, 2018 (Friday)
Remote e-voting end Time	5:00 P.M.

In case of meetings of the secured creditors and the unsecured creditors of the Company, the voting shall be carried out through ballot/polling paper at the venue of the meeting.

The above notices along with the explanatory Statements of the meetings are also available on the website of the Company at www.ace-cranes.com.

This is for your information and records please.

Thanking you

For Action Construction Equipment Limited



Anil Kumar
Company Secretary





Action Construction Equipment Limited

CIN: L74899HR1995PLC053860; PAN: AAACA6189P

Registered & Corporate Office: Dudhola Link Road, Dudhola, District – Palwal, Haryana 121102

Tel. No. - +91-1275-280111 ; Fax : +91-1275-280133

Website: www.ace-cranes.com; Email-Id: cs@ace-cranes.com

**Notice of Meeting of the Equity Shareholders of
Action Construction Equipment Limited being convened as per the
directions of National Company Law Tribunal ('NCLT'),
Chandigarh Bench**

(Convened pursuant to order dated 04 May, 2018 passed by the National Company Law Tribunal
("NCLT" or "Tribunal"), Chandigarh Bench)

**&
E-Voting**

Day :	Saturday
Date :	23 June, 2018
Time :	10:00 A.M.
Venue :	Aravali Golf Club, New Industrial Township (NIT), Faridabad, Haryana – 121001
Remote E Voting	Start Date & Time : 8:30 A.M. on 19 June, 2018 End Date & Time : 5:00 P.M. on 22 June, 2018

S. No.	Contents	Page No.
1.	Notice of meeting of the Equity Shareholders of Action Construction Equipment Limited ('the Company') being convened pursuant to the order of NCLT, Chandigarh	2
2.	Notice of E-Voting	5
3.	Explanatory Statement under Section 230 and Section 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016	9
4.	Scheme of Amalgamation under Sections 230 to 232 and 234 and other applicable provisions of the Companies Act, 2013 and Sections 261 to 264 and other applicable provisions, if any, of the Mauritius Companies Act, 2001	16
5.	Acknowledgement of filing of a copy of the Scheme of Amalgamation with the Registrar of Companies	22
6.	Report adopted by the directors of Action Construction Equipment Limited explaining effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders pursuant to the provisions of Section 232(2)(c) of the Companies Act, 2013	23
7.	Supplementary accounting statement of the Action Construction Equipment Limited as on 31 December, 2017	24
8.	Form of Proxy	29
9.	Attendance Slip	31
10.	Route Map	32

FORM NO. CAA.2
[PURSUANT TO SECTION 230(3) AND RULES 6 AND 7]
IN THE NATIONAL COMPANY LAW TRIBUNAL, CHANDIGARH BENCH
ORIGINAL JURISDICTION
IN THE MATTER OF THE COMPANIES ACT, 2013
COMPANY APPLICATION NO CA (CAA) No. 24 / CHD /Hry / 2017
(UNDER SECTIONS 230 TO 232 AND 234 OF THE COMPANIES ACT, 2013 AND PART II SECTION (4)
OF THE XIV SCHEDULE AND THE OTHER APPLICABLE PROVISIONS OF THE MAURITIUS
COMPANIES ACT, 2001)
AND
IN THE MATTER OF SCHEME OF AMALGAMATION
BETWEEN
FRESTED LIMITED ('AMALGAMATING COMPANY / TRANSFEROR COMPANY')
AND
ACTION CONSTRUCTION EQUIPMENT LIMITED ('AMALGAMATED COMPANY /
TRANSFeree COMPANY / APPLICANT COMPANY')
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS
NOTICE CONVENING MEETING OF THE EQUITY SHAREHOLDERS OF
ACTION CONSTRUCTION EQUIPMENT LIMITED

To,
The Equity Shareholders of
Action Construction Equipment Limited, the Applicant Company

TAKE NOTICE that in the Company Application No. CA (CAA) No. 24/CHD/Hry/2017, by an Order dated 04 May, 2018, the Hon'ble National Company Law Tribunal ('NCLT'), Chandigarh Bench, has directed that a Meeting of the Equity Shareholders of Applicant Company be convened and held for the purpose of considering and if thought fit, approving with or without modifications, the amalgamation embodied in the Scheme of Amalgamation between Frested Limited ('Frested Ltd') and Action Construction Equipment Limited ('ACE' or 'Applicant Company') and their respective Shareholders and Creditors.

TAKE FURTHER NOTICE that in pursuance of the said Order and as directed therein, a Meeting of the Equity Shareholders of Applicant Company will be held at Aravali Golf Club, New Industrial Township (NIT), Faridabad, Haryana – 121001 **on Saturday the 23rd day of June, 2018 at 10:00 A.M.** under the supervision of the Hon'ble Tribunal appointed Chairperson Mr. Justice Ashutosh Mohunta (Retd.), which you are requested to attend.

TAKE FURTHER NOTICE that you may attend and vote at the said Meeting in person or by proxy, provided that a proxy in the prescribed form, duly signed by you or your Authorized Representative is deposited at the Registered Office of the Applicant Company at Dudhola Link Road, Dudhola, District – Palwal, Haryana – 121102 not later than 48 hours before the Meeting.

The Hon'ble Tribunal has appointed Mr. Justice Ashutosh Mohunta (Retd.) as Chairperson and failing him, Mr. Arihant Jain as Alternate Chairperson of the said Meeting.

TAKE FURTHER NOTICE that in terms of the provisions of (i) Section 230 read with Section 108 of the Companies Act, 2013, (ii) Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, (iii) Rule 20 of the Companies (Management and Administration) Rules, 2014, and (iv) Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing facility to exercise votes on the items of business given in the Notice through electronic voting system.

To consider and if thought fit to pass, with or without modification(s) the following resolution:

“RESOLVED THAT pursuant to the provisions of Sections 230 to 232 and 234 of the Companies Act, 2013 read with Companies (Compromises, Arrangements, Amalgamations) Rules, 2016 and other applicable provisions, if any, including any statutory

modification or re-enactments thereof for the time being in force, and subject to the relevant provisions of the Memorandum and Articles of Association of Action Construction Equipment Limited ('the Company' or 'ACE') and subject to requisite approval of the shareholders and creditors of the Company and sanction of the Hon'ble National Company Law Tribunal (NCLT), Chandigarh Bench, Reserve Bank of India (RBI) and other regulatory authorities, as may be necessary and required and recommendation of the Board of Directors and Audit Committee, the consent of the Equity Shareholders be and is hereby accorded to the Scheme of Amalgamation between Frested Limited ('Frested Ltd') and Action Construction Equipment Limited ('ACE') and their respective Shareholders and Creditors (hereinafter referred to as 'the Scheme'), placed before the meeting of the Equity Shareholders."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolutions, the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any committee constituted by the Board of Directors of the Company or any person(s) authorized by the Board to exercise the powers conferred on the Board of Directors of the Company by this Resolution) be and is hereby authorised on behalf of the Company to do all acts, deeds, matters and things as it may at its discretion deem necessary, proper and desirable for effective implementation of the Scheme and to accept such modification/condition, if any, which may be required by Hon'ble NCLT, RBI and/or any other authority and for such purpose to settle any question or difficulty or doubt that may arise in regard to the Scheme, as it may in its absolute discretion deem fit, and to finalise and execute all documents and writings as may be necessary without being required to seek any further consent or approval of the members or otherwise to this end and intent and that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution to do and perform all such acts, deeds and things as may be necessary, desirable or expedient to give effect to this Resolution including filing of necessary e-forms with Ministry of Corporate Affairs/ Registrar of Companies."

Explanatory Statement pertaining to the said resolution setting out the material facts and reasons thereof under Section 230, Section 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 along with copy of the Scheme, Proxy Form, Attendance Slip and route map are enclosed herewith. Copies of the same can also be obtained free of cost on any day (except Saturdays, Sundays and Public Holidays) from the registered office of the Company situated at Dudhola Link Road, Dudhola, District – Palwal, Haryana – 121102.

Sd/-
Rajan Luthra
Chief Financial Officer

Dated this 15th day of May, 2018

Registered Office: Dudhola Link Road, Dudhola, District – Palwal, Haryana – 121102

NOTES:

1. All alterations made in the Form of Proxy should be initialed.
2. Only registered members of the Applicant Company may attend and vote (either in person or by proxy) at the Equity Shareholders Meeting. The Authorized Representative of a body corporate which is a registered Equity Shareholder of the Applicant Company may attend and vote at the Equity Shareholders Meeting provided a certified true copy of the Resolution of the Board of Directors or other governing body of the body corporate is deposited at the Registered Office of the Company not later than 48 hours before the Meeting authorizing such representative to attend and vote at the Equity Shareholders' Meeting. **The members / authorized representatives/ proxies are advised to bring original photo identity for verification.**
3. Members who hold Shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the Meeting.
4. As per Section 105 of the Companies Act, 2013 and rules made thereunder, a member entitled to attend and vote at the Equity Shareholders Meeting is entitled to appoint a proxy/proxies to attend and vote in the meeting instead of himself / herself. Such a proxy/ proxies need not be a member of the company. A person cannot act as proxy for more than 50 members, holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. Further, a member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
5. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form for the Equity Shareholders Meeting is enclosed, proxy submitted on behalf of the Companies, Societies etc. must be supported by an appropriate resolution/ authority, as applicable.
6. Electronic copy of the Notice is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, notice is being sent by Registered post. Attendance Slip, Proxy form and process and manner of e-voting are part of notice.

7. Members may also note that the Notice will also be available on the Company's website www.ace-cranes.com for their download. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same by post, free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: cs@ace-cranes.com.
8. Pursuant to SEBI (LODR) Regulations 2015 and such other provisions as may be applicable, 16 June, 2018 is the cut-off date for determining the Members who shall be entitled to vote through remote e-voting or voting at the meeting. A member who is not a member as on the cut-off date shall treat this notice for information purpose only.
9. The Notice convening the aforesaid meeting will be published through advertisement in Financial Express in English language and in Jansatta in Hindi language, having wide circulation in the district where the registered office of the Applicant Company is situated.
10. A separate notice is being given for consideration of the resolution by e-voting pursuant to Section 108 and other applicable provisions of the Companies Act, 2013.
11. Members are informed that in case of joint holders attending the Meeting; only such joint holder whose name stands first in the Register of Members of the Applicant Company in respect of such joint holding will be entitled to vote.
12. During the period beginning 24 (twenty four) hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than 3 (three) days of notice in writing is given to the Company.
13. The quorum of the meeting of the equity shareholders of the Applicant Company shall be 30 (thirty) equity shareholders of the Applicant Company, present in person or through proxy or through authorised representatives. In case the quorum is not present at the meeting, then the meeting shall be adjourned by half an hour, and thereafter the persons present and voting shall be deemed to constitute the quorum.
14. In accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013, the Scheme shall be acted upon only if a majority in number representing three fourth in value of the members of the Applicant Company, voting in person or by proxy or by e-voting, agree to the Scheme.
15. Route map of the venue of the meeting is annexed hereto.
16. The Register of Director and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and Register of Contracts or Arrangements in which Directors are interested under Section 189 will be made available for inspection by members of the Company at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Saturdays, Sundays and Public Holidays up to and including the date of the Meeting of the Company.
17. In case of any grievances, an Equity Shareholder may contact either of the below mentioned person:

Asstt. Manager, Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 or at evoting@karvy.com or phone no. for any further clarifications.

Name of the Contact Person	Mr. V Kishor
Designation	Assistant Manager-RIS (Corporate Registry), Karvy Computershare Private Limited
Email Id	Kishore.bv@karvy.com / evoting@karvy.com
Phone Number	040 – 6716 1585/ Toll free No. 1-800-34-54-001

Name of the Contact Person	Anil Kumar
Designation	Company Secretary, Action Construction Equipment Limited
Email Id	cs@ace-cranes.com
Phone Number	91 – 9268066992/01275—280103

Please also refer to the notes contained in the Notice of E-Voting.

Enclosure – as above



Action Construction Equipment Limited

CIN: L74899HR1995PLC053860; PAN: AAACA6189P

Registered & Corporate Office: Dudhola Link Road, Dudhola, District – Palwal, Haryana 121102

Tel. No. - +91-1275-280111 ; Fax : +91-1275-280133

Website: www.ace-cranes.com; Email-Id: cs@ace-cranes.com

NOTICE OF E-VOTING

[NOTICE PURSUANT TO SECTION 108 OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014 AND FURTHER READ WITH REGULATION 44 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015]

Sub: Passing of Resolution(s) by E-Voting

Dear Shareholder(s),

Notice is hereby given pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (including any amendment, re – enactment, substitution thereof) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to consider, and if thought fit, to pass the Resolution set out below in connection with the amalgamation embodied in the Scheme of Amalgamation between Frested Limited ('Frested Ltd') and Action Construction Equipment Limited ('ACE') and their respective Shareholders and Creditors('the Scheme') through E-Voting.

E-Voting

We are pleased to offer E-Voting facility to our members which would enable them to cast their votes electronically. For this purpose, the Company has entered into an agreement with Karvy Computershare Private Limited (Karvy) for facilitating E-Voting to enable the shareholders to cast their votes electronically. Please carefully read and follow the instructions on E-Voting printed in this Notice.

The Hon'ble NCLT has appointed Mr. Vivek Goel, Chartered Accountant as Scrutinizer for conducting the voting process in a fair and transparent manner.

The Scrutinizer will submit his report to the Chairman of the Meeting or any other person authorised by him in writing upon completion of scrutiny, in a fair and transparent manner, of voting through E-voting platform and ballot paper (poll process) not later than 25 June, 2018. The Chairman shall announce the results of voting done through E-voting platform by 25 June, 2018 at the Registered Office of the Company and posted on the Company's website, besides communicating the same to the National Stock Exchange of India Limited and BSE Ltd.

To consider and if thought fit to pass, with or without modification(s) the following resolution:

“RESOLVED THAT pursuant to the provisions of Sections 230 to 232 and 234 of the Companies Act, 2013 read with Companies (Compromises, Arrangements, Amalgamations) Rules, 2016 and other applicable provisions, if any, including any statutory modification or re-enactments thereof for the time being in force, and subject to the relevant provisions of the Memorandum and Articles of Association of Action Construction Equipment Limited ('the Company' or 'ACE') and subject to requisite approval of the shareholders and creditors of the Company and sanction of the Hon'ble National Company Law Tribunal (NCLT), Chandigarh Bench, Reserve Bank of India (RBI) and other regulatory authorities, as may be necessary and required and recommendation of the Board of Directors and Audit Committee, the consent of the Equity Shareholders be and is hereby accorded to the Scheme of Amalgamation between Frested Limited ('Frested Ltd') and Action Construction Equipment Limited ('ACE') and their respective Shareholders and Creditors (hereinafter referred to as 'the Scheme'), placed before the meeting of the Equity Shareholders.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolutions, the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall include any committee constituted by the Board of Directors of the Company or any person(s) authorized by the Board to exercise the powers conferred on the Board of Directors of the Company by this Resolution) be and is hereby authorised on behalf of the Company to do all acts, deeds, matters and things as it may at its discretion deem necessary, proper and desirable for effective implementation of the Scheme and to accept such modification/condition, if any, which may be required by Hon'ble NCLT, RBI and/or any other authority and for such purpose to settle any question or difficulty or doubt that may arise in regard to the Scheme, as it may in its absolute discretion deem fit, and to finalise and execute all documents and writings as may be necessary without being required to seek any further consent or approval of the members or otherwise to this end and intent and that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution to do and perform all such acts, deeds and things as may be necessary, desirable or expedient to give effect to this Resolution including filing of necessary e-forms with Ministry of Corporate Affairs/ Registrar of Companies.”

The explanatory statement under Section 102 and 230 of the Companies Act, 2013 setting out the material facts and the reasons for the resolution, is annexed hereto.

**By Order of the Board of Directors
Action Construction Equipment Limited**

Sd/-
Rajan Luthra
Chief Financial Officer

Registered Office:
Dudhola Link Road, Dudhola,
District – Palwal, Haryana – 121 102
CIN: [L74899HR1995PLC053860](https://www.mca.gov.in/india/company/748999/1995PLC053860)

Dated: 15 May, 2018

NOTES

1. The Register of Members and the Share Transfer books of the Company will remain closed from Saturday, 16 June, 2018 to Saturday 23 June, 2018 (both days inclusive) for the purpose of Equity Shareholders meeting. The remote e-voting period ends on 22 June, 2018 at 5:00 PM
 2. The Explanatory Statement pursuant to Section 102 and Section 230 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, is annexed hereto.
 3. The Applicant Company has engaged the services of Karvy Computershare Private Limited for the purpose of providing remote e-voting facility to all its members. Equity shareholders desiring to exercise their vote by using e-voting facility are requested to carefully follow the instructions in the Notes under the Part A. of point No. 8 below.
 4. Pursuant to SEBI (LODR) Regulations 2015 and such other provisions as may be applicable the 16 June, 2018 is the cut-off date for determining the Members who shall be entitled to vote through remote e-voting or voting at the meeting. A member who is not a member as on the cut-off date shall treat this notice for information purpose only.
 5. The Notice convening the aforesaid meeting will be published through advertisement in Financial Express in English language and in Jansatta in Hindi language, having wide circulation in the district where the registered office of the Applicant Company is situated.
 6. Facility for voting through poll papers shall also be made available at the Meeting convened by the Tribunal and members attending the Meeting who did not cast their vote by e-voting shall be able to exercise their right to vote at the meeting.
 7. It is clarified that votes may be cast by shareholders by e-voting and casting of votes by e-voting does not disentitle them from attending at the Meeting convened by the Tribunal. Shareholders after exercising his right to vote through e-voting shall not be allowed to vote again at the Meeting convened by the Tribunal.
 8. **Voting through Electronic means (e-voting)**
- A. The instructions for voting via Electronic means (e-voting) are as under:**
- I. **Remote e-voting:** In compliance with 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 the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Karvy Computershare Private Limited (Karvy) on all resolutions set forth in this Notice, from a place other than the venue of the Meeting (Remote e-voting).
 - a) In case a Member receives an email from Karvy [for Members whose email IDs are registered with the Company/ Depository Participants (s)]:
 - i. Launch internet browser by typing the URL: <https://evoting.karvy.com>.
 - ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxx followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
 - iii. After entering these details appropriately, click on “LOGIN”.
 - iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the “EVENT” i.e., ‘Name of the Company’
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under “FOR/AGAINST” or alternatively, you may partially enter any number in “FOR” and partially “AGAINST” but the total number in “FOR/AGAINST” taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either “FOR” or “AGAINST” it will be treated as “ABSTAIN” and the shares held will not be counted under either head.
- viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.
- ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- x. You may then cast your vote by selecting an appropriate option and click on “Submit”.
- xi. A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- xii. Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email vpachd@gmail.com with a copy marked to Kishore.bv@karvy.com/ evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format “**Corporate Name_Event No.**”

b) In case of Members receiving physical copy of Notice [for Members whose email IDs are not registered with the Company/Depository Participants (s)]:

- i. E-Voting Event Number – XXXX (EVEN), User ID and Password is provided in the E-voting form.
- ii. Please follow all steps from S. No. (i) to (xii) above to cast your vote by electronic means.

II. Voting at Meeting: The Members, who have not cast their vote through remote e-voting can exercise their voting rights at the Meeting through ballot process. The Company will make necessary arrangements in this regard at the Meeting Venue. Members who have already cast their votes by Remote e-voting are eligible to attend the Meeting; however those Members are not entitled to cast their vote again in the Meeting.

A Member can opt for only single mode of voting i.e. through remote e-voting or voting at the Meeting. If a Member casts votes by both modes then voting done through remote e-voting shall prevail and vote at the meeting shall be treated as invalid.

B. General Instructions

- a) In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.karvy.com> (Karvy Website) or contact to Mr. V Kishor, Asstt. Manager, Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 or at evoting@karvy.com or phone no. 040 – 6716 1585 or call Karvy’s toll free No. 1-800-34-54-001 for any further clarifications.
- b) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- c) The remote e-voting period commences on 19 June, 2018 (8:30 A.M.) and ends on 22 June, 2018 (5:00 P.M.). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 16 June, 2018 may cast their votes electronically. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.
- d) The voting rights of Members shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date i.e. 16 June, 2018.
- e) In case a person has become the Member of the Company between the date of dispatch of Notice and the cut-off date i.e. 16 June, 2018, it may write to cs@ace-cranes.com with a copy mark to evoting@karvy.com, requesting for the User ID and Password. After receipt of the above credentials, please follow all the steps from Sr. No.(i) to (xii) as mentioned in (A) above, to cast the vote.

Alternatively such shareholder may obtain the User ID and Password in the manner as mentioned below:

- i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number + Folio No. or DP ID Client ID to 9212993399

Example for NSDL:

MYEPWD <SPACE> in12345612345678

Example for CDSL:

MYEPWD <SPACE> 1402345612345678

Example for Physical:
MYEPWD <SPACE> XXXX1234567890

- ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
 - iii. Member may call Karvy's toll free number 1800-3454-001.
 - iv. Member may send an e-mail request to evoting@karvy.com. However, Karvy shall endeavour to send User ID and Password to those new Members whose mail ids are available
- f) Members holding shares either in demat or physical mode who are in receipt of the Notice in physical form and members on the cut-off date, may cast their votes through e-voting or through Poll by attending the Meeting convened by the Tribunal.
 - g) Mr. Vivek Goel, Chartered Accountant has been appointed as the Scrutinizer by the Hon'ble NCLT to scrutinize the voting process in a fair and transparent manner.
 - h) The Scrutinizer shall, within a period of not exceeding forty eight (48) hours from the conclusion of the e-voting, unlock the votes in the presence of at least two (2) witnesses, not in the employment of the company and make a Scrutinizer's Report of the votes cast in favour or against, if any, and submit them to the Chairperson of the Meeting appointed by the Hon'ble NCLT and/or to any other person authorised by him in writing who shall countersign the same.
 - i) Scrutinizer shall prepare a consolidated report considering the votes cast by e-voting and Poll together for the purpose of passing the resolution under the Meeting convened by the Tribunal, subject to receipt of sufficient votes in favour of the resolution. The results of the Meeting convened by the Tribunal shall be declared on 25 June, 2018 and placed on the company's website, agency's website and sent to Stock Exchanges.
9. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Saturdays, Sundays and Public Holidays up to and including the date of the Meeting of the Company.
 10. For effecting change of Address/Bank details/Electronic Clearing Service (ECS) Mandate, if any, Members are requested to notify the same to the Company and/or Registrar and Share Transfer Agent (R&T Agent) of the Company, i.e. **Karvy Selenium Tower-B, Plot No. 31 & 32, Financial District, Gachibowli Nanakramguda, Serilingampally, Hyderabad 500 008**. Members must quote their Folio/DP & Client Id No. in all correspondence with the Company/R&T Agent.
 11. Members / Proxies are requested to:-
 - a. Bring their copy of Notice and attendance slip duly filled in at the venue of the meeting.
 - b. Quote their Folio/DP & Client Id No. in all correspondence with the Company/RTA.
 - c. Note that briefcase, bag, eatables etc. will not be allowed to be taken inside the venue of the meeting for security purposes and shareholders will be required to take care of their belongings.
 - d. Note that shareholders present in person or through registered proxy or through authorized representatives shall only be entertained.
 - e. The attendance slips/proxy form should be signed as per the specimens signatures registered with the R&T Agent/ Depository Participant (DP). Please carry Original photo ID card for identification/verification purposes.

Enclosed – As above

IN THE NATIONAL COMPANY LAW TRIBUNAL, CHANDIGARH BENCH

ORIGINAL JURISDICTION

IN THE MATTER OF THE COMPANIES ACT, 2013

COMPANY APPLICATION NO CA (CAA) No. 24/ CHD/Hry// 2017

(UNDER SECTIONS 230 TO 232 AND 234 OF THE COMPANIES ACT, 2013 AND PART II SECTION (4) OF THE XIV SCHEDULE AND THE OTHER APPLICABLE PROVISIONS OF THE MAURITIUS COMPANIES ACT, 2001)

AND

IN THE MATTER OF SCHEME OF AMALGAMATION

BETWEEN

FRESTED LIMITED ('AMALGAMATING COMPANY/TRANSFEROR COMPANY')

AND

ACTION CONSTRUCTION EQUIPMENT LIMITED ('AMALGAMATED COMPANY / TRANSFEREE COMPANY / APPLICANT COMPANY')

EXPLANATORY STATEMENT UNDER SECTION 230 AND SECTION 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 FOR THE MEETING CONVENED BY TRIBUNAL OF EQUITY SHAREHOLDERS OF ACTION CONSTRUCTION EQUIPMENT LIMITED AND E-VOTING

1. Pursuant to an Order dated 04 May, 2018 of the Hon'ble National Company Law Tribunal, Chandigarh Bench in the Company Application referred to hereinabove, a Meeting of the Equity Shareholders of Action Construction Equipment Limited ('ACE' or 'Applicant Company') will be convened and held at Aravali Golf Club, New Industrial Township (NIT), Faridabad, Haryana – 121001 **on Saturday the 23rd day of June, 2018 at 10:00 A.M.** for the purpose of considering and if thought fit, approving with or without modification(s), the amalgamation embodied in the Scheme of Amalgamation between Frested Limited ('Frested Ltd') and Action Construction Equipment Limited ('ACE') and their respective Shareholders and Creditors.
2. The proposed Scheme envisages Amalgamation of Frested Ltd. into and with ACE pursuant to Sections 230 to 232 and 234 read with Companies (Compromises, Arrangements & Amalgamations) Rules, 2016 and other applicable provisions of the Companies Act, 2013.
3. A copy of the Scheme setting out in detail the terms and conditions of the proposed Scheme of Amalgamation, which have been approved by the Board of Directors of Applicant Company as well as the Amalgamating/ Transferor Company at their Board Meetings held on November 11,2017 and November 10,2017 respectively, is attached herewith and forms a part of this Statement.
4. The details of the Directors of the Applicant Company who voted in favor of the resolution, against the resolution and who did not participate or vote on such resolution are as under :

S. No.	Name of Director	Voted for the Resolution	Voted Against the Resolution	Did not Vote or Participate
1.	Mr. Vijay Agarwal	Yes	-	-
2.	Mrs. Mona Agarwal	Yes	-	-
3.	Mr. Sorab Agarwal	Yes	-	-
4.	Mrs. Surbhi Garg	Yes	-	-
5.	Mr. Subhash Chander Verma	Yes	-	-
6.	Dr. Amar Singhal	Yes	-	-
7.	Mr. Girish Narain Mehra (IAS Retd.)	Yes	-	-
8	Mr. Keshav Chandra Agrawal	Absent	Absent	Absent

5. Background of the Companies

I. Frested Limited (i.e. 'Transferor Company' or 'Amalgamating Company' or 'Frested Ltd')

- a) The Transferor Company, a wholly owned subsidiary of Applicant Company, was incorporated on December 29, 2006 in Cyprus under the Cyprus Companies Law, Cap. 113, 2001.

- b) The Transferor Company vide Certificate of Consent for the continuation of a Company outside the Republic of Cyprus dated October 19, 2017 issued by Registrar of Companies, Cyprus and Certificate of Registration by Continuation dated November 7, 2017 issued by Registrar of Companies, Mauritius was re-domiciled to Mauritius w.e.f. October 19, 2017.
- c) The registered office of the Transferor Company is Suite 204, Grand Baie Business Quarter, Chemin Vingt Pieds, Grand Bay 30529, Mauritius.
- d) The Transferor Company is engaged in investment holding activities.
- e) The main objects of the Transferor Company are set out in Clause 6 of its Constitution, which are stated below:
“The Company is engaged in investment holding activities as stated in the business plan submitted to the Financial Services Commission of Mauritius (FSC).”
- f) The Share Capital of Transferor Company as per the audited balance sheet on January 31, 2017 is as under:

Particulars	Amount (USD)
Authorized Capital	
1,000 Ordinary Shares of USD 1.3/- each	1,300
Total	1,300
Issued, Subscribed and Paid-up Capital	
1,000 Ordinary Shares of USD 1.3/- each	1,300
Total	1,300

Subsequent to the Balance Sheet date, there has been no change in the issued, subscribed and paid-up capital of Frested Limited.

- g) Post sanction of the proposed Scheme, the Transferor Company shall stand dissolved and its shares shall get extinguished.

II. Action Construction Equipment Limited (i.e. Applicant Company or ‘ACE’)

- a) The Applicant Company was incorporated on January 13, 1995 under the provisions of Companies Act, 1956 under the name and style of Action Construction Equipments Private Limited.
- b) Subsequently, name of the Applicant Company was changed to Action Construction Equipments Limited vide Certificate of Incorporation dated October 04, 2005 issued by Registrar of Companies, NCT of Delhi and Haryana. Further, the name was changed to Action Construction Equipment Limited vide Certificate of Incorporation dated March 23, 2006 issued by Registrar of Companies, NCT of Delhi and Haryana.
- c) Furthermore, the Registered office of the Applicant Company was shifted from Delhi to Haryana vide Certificate of Registration dated November 28, 2014 by Registrar of Companies, NCT of Delhi and Haryana. Therefore, currently the Applicant Company has its Registered Office at Dudhola Link Road, Dudhola, District – Palwal, Haryana – 121102.
- d) The Applicant Company is engaged in the business of manufacturing of three types of heavy equipments – (i) mobile cranes / tower cranes (ii) material handling, construction equipments and (iii) agri equipments etc.
- e) The main objects of the Applicant Company are set out in Clause III (A) of its Memorandum of Association, which are stated below :
 - *To carry on business of designing, developing, fabricating, processing, repairing, assembling, manufacturing, buying, selling, reselling, importing, exporting, imported machinery and equipment, distributing, hiring, letting, on hire dealing in all kinds of construction machinery, plant, equipments, instruments and appliances, operated by the use of electricity, steam, motive power or mechanical force or otherwise for all chemical, mechanical, electrical, electronic, metallurgical, agricultural, constructional and other engineering industries.*
 - *To manufacture, assemble, produce, work, repair, distribute, buy, and sell or otherwise deal in all kinds of lathes, shapers, drillers, grinders, boring, machines, slotters, milling machines, scientific and precision instruments and surgical instruments.*
 - *To carry on and conduct workshops, engineering works of every description and kind and foundries of iron and steel, brass and other metals, wood and any other substances.*
 - *To carry on business of designing, developing, processing, manufacturing, buying, selling, reselling, importing, exporting, imported goods, materials, etc., distributing and dealing in all kinds of machinery.*
 - *To carry on the trades or business of builders, contractors, sub-contractors, decorators, plumbers, technicians, mechanics, masons, electricians, scaffolding and tower setters, engineers, including civil, sanitary, structural, electrical, mechanical, mining and chemical engineers, architects, planners, designers, technical advices, analysts, investigators, consultants, fabricators and founders in their various fields and branches and whether in India or abroad.*

f) The Share Capital of Applicant Company as per the audited balance sheet on March 31, 2017 was as under:

Particulars	Amount (INR)
Authorized Capital	
125,000,000 Equity Shares of Rs. 2/- each	250,000,000
30,250,000 8% Cumulative Non – Participating Redeemable Preference Shares of Rs. 10/- each	302,500,000
Total	552,500,000
Issued, Subscribed and Paid-up Share Capital	
117,323,000 Equity Shares of Rs. 2/- each fully paid up	234,646,000
30,219,380 8% Cumulative Non – Participating Redeemable Preference Shares of Rs. 10/- each	302,194,000
Total	536,840,000

Subsequent to the Balance Sheet date, following preference shares have been redeemed by the Applicant Company:

- (1) 15,00,000, 8% cumulative non-participating redeemable preference shares of Rs.10 on 11th January, 2018.
- (2) 1,16,31,628, 8% cumulative non-participating redeemable preference shares of Rs.10 on 31st March, 2018.

The revised share capital of the Applicant Company, post redemption of the Preference shares as on 31 March, 2018 is as follows:

Particulars	Amount (INR)
Authorized Capital	
125,000,000 Equity Shares of Rs. 2/- each	250,000,000
30,250,000 8% Cumulative Non – Participating Redeemable Preference Shares of Rs. 10/- each	302,500,000
Total	552,500,000
Issued, Subscribed and Paid-up Share Capital	
117,323,000 Equity Shares of Rs. 2/- each fully paid up	234,646,000
17,087,752 8% Cumulative Non – Participating Redeemable Preference Shares of Rs. 10/- each	170,877,520
Total	405,523,520

g) The Equity Shares of the Applicant Company are listed on National Stock Exchange of India Limited and BSE Ltd.

6. Rationale for the Scheme of Amalgamation

The rationale for entering into the Scheme of Amalgamation are as follows:

- a) Rationalizing and optimizing the group legal entity structure to ensure greater alignment with the business by reducing the number of legal entities;
- b) Reduction in the legal and regulatory compliances required at present to be carried out by Frested Ltd and by ACE in relation to Frested Ltd;
- c) Overall Reduction in administrative, managerial and other expenditure and operational rationalization, organizational efficiency and optimal utilization of various resources.

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Company and the Applicant Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the respective companies.

7. The Scheme is not prejudicial to the interests of the key managerial personnel, directors, promoters, non-promoter members, creditors, employees of the Transferor Company and Applicant Company, as no sacrifice or waiver is, at all, called from them nor are their rights sought to be modified in any manner.

8. Salient features of the Scheme of Amalgamation

- (a) The Scheme provides for the amalgamation of Frested Limited (wholly owned subsidiary of ACE) into and with ACE pursuant to a Scheme of Amalgamation under Sections 230 to 232 and 234 read with Companies (Compromises, Arrangements, Amalgamations) Rules, 2016 and Part II Section (4) of the XIV Schedule and the other applicable provisions of the Mauritius

Companies Act, 2001 involving inter-alia approval of National Company Law Tribunal, Chandigarh Bench and Reserve Bank of India.

- (b) As per Clause 1.4, the Appointed Date means January 1, 2018 being the date with effect from which Frested Limited shall stand amalgamated into and with ACE in terms of this Scheme, upon sanction of the Scheme by the National Company Law Tribunal, Chandigarh Bench and Supreme Court of Mauritius and the Scheme coming into effect.
- (c) "NCLT" means National Company Law Tribunal at Chandigarh.
- (d) As per Clause 1.6 of the Scheme Effective Date means the last of the dates on which certified copy(s) of the Order of the Hon'ble National Company Law Tribunal, Chandigarh Bench or Supreme Court of Mauritius or any other appropriate authority sanctioning this Scheme are filed with the Registrar of Companies by the Applicant Company and all filings are made under applicable laws of Mauritius by Transferor Company.
- (e) On the Scheme becoming effective and with effect from the Appointed Date, Frested Limited shall pursuant to the provisions of sections 230 to 232 and 234 and all other applicable provisions of the Companies Act, 2013 and Part II Section (4) of the XIV Schedule and the other applicable provisions of the Mauritius Companies Act, 2001, and order of the National Company Law Tribunal, Chandigarh Bench and Supreme Court of Mauritius or other appropriate authority, if any, sanctioning the Scheme, stand transferred to and vested in the Applicant Company, as a going concern, so as to become the properties of the Applicant Company within the meaning of Section 2(1B) of the Income Tax Act, 1961.
- (f) As per clause 6.1 of the Scheme, the entire paid-up equity share capital of the Frested Limited is held by ACE. Therefore, upon this Scheme being effective, the entire Issued, Subscribed and Paid up share capital of Frested Limited shall, *ipso facto*, without any further application, act or deed stand cancelled on the Effective Date. Further, since ACE is not permitted to issue shares to itself under the provisions of the Indian Act, no shares of ACE will be issued or allotted with respect to the Equity Shares held by ACE in Frested Limited in consideration for amalgamation. Therefore, there is no requirement to obtain Valuation Report and Fairness Opinion.
- (g) As per clause 7 of the scheme, the accounting treatment of the proposed amalgamation shall be done by the Applicant Company/Amalgamated Company in its books of accounts with effect from the Appointed Date in accordance with Indian Accounting Standard (Ind AS) – 103 "Business Combinations" issued by the Ministry of Corporate Affairs. M/s BRAN & Associates, Chartered Accountants, the Statutory auditors of the Applicant Company have certified that the accounting treatment proposed in the Scheme of Amalgamation is in conformity with the provisions of the Accounting Standards prescribed under Section 133 of the Companies Act, 2013.
- (h) On the Scheme becoming effective, all employees, if any, of the Transferor Company in service on the Effective Date shall be deemed to have become employees of the Applicant Company with effect from the Appointed Date without any break, discontinuance or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Applicant Company shall not be less favorable than those applicable to them with reference to the Transferor Company on the Effective date.
- (i) This Scheme is and shall be conditional upon and subject to:
- The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/ or creditors of the Amalgamating Company and the Amalgamated Company as prescribed under the Indian Act and relevant provisions of the Mauritius Act and as may be directed by the NCLT and Supreme Court of Mauritius or any other appropriate authority in the Relevant Jurisdiction as may be applicable.
 - The sanction of this Scheme by the NCLT and Supreme Court of Mauritius.
 - Certified or authenticated copy of the Order of the NCLT sanctioning the Scheme being filed with the Registrar of Companies by the Amalgamated Company.
 - Compliance by the Amalgamating Company of all necessary and applicable provisions of its applicable law including without limitation, all necessary filings to be made under applicable law of Mauritius.
 - The requisite, consent, approval or permission of the Central Government or any other statutory or regulatory authority including the Reserve Bank of India, which by law may be necessary for the implementation of this Scheme.
- (j) All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Company and the Applicant Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the respective companies.
- (k) The Scheme also provides for:
- The manner of vesting and transfer of the properties of the Transferor Company to the Applicant Company;
 - The transfer of all contracts, deeds, agreements, schemes, arrangements, insurance policies, and other instruments of whatsoever nature, of the Transferor Company to the Applicant Company;
 - The transfer of all legal proceedings by or against the Transferor Company to the Applicant Company;
 - The manner in which the business is to be carried on by the Transferor Company until the Effective date.

The features set out above being only the salient features of the Scheme of Amalgamation, the Equity Shareholders of Action Construction Equipment Limited are requested to read the entire text of the Scheme of Amalgamation to get themselves fully acquainted with the provisions thereof.

9. No investigation proceedings have been instituted or are pending in relation to Action Construction Equipment Limited under the provisions of the Companies Act, 2013, as applicable.
10. The Pre and Post amalgamation shareholding of ACE shall be same as the scheme provides for the merger of Frested Limited, wholly owned subsidiary of ACE into and with ACE and no shares are being issued as part of the consideration. The Pre scheme shareholding of ACE based on 31 March, 2018 shareholding would be as detailed below:

Category of Shareholder	No. of Shares held		Total Shareholding as a % of total no. of Shares	
	Pre Scheme	Post Scheme	Pre Scheme	Post Scheme
Promoter				
• Individuals / Hindu Undivided Family	8,08,45,120	8,08,45,120	68.91%	68.91%
Non Promoter				
• Institutions	61,00,825	61,00,825	5.20%	5.20%
• Bodies Corporate	34,39,953	34,39,953	2.93%	2.93%
• Public (Individuals)	2,50,54,070	2,50,54,070	21.35%	21.35%
• Others (NRI/CM/Trust/HUF/NBFC/IEPF)	18,83,032	18,83,032	1.61%	1.61%
Total	11,73,23,000	11,73,23,000	100.00%	100.00%

11. Details of Approval from regulatory authorities:

- Since the Transferor Company is a wholly owned subsidiary of Applicant Company in accordance with Clause 7 of the SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017, the provisions of Regulation 37 and 94 of Listing Obligations and Disclosure Requirements shall not be applicable on the merger.
 - In terms of Proviso to Regulations 37(6) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ACE has filed the draft Scheme with the National Stock Exchange of India Limited and BSE Limited on November 22, 2017 for the purpose of disclosures.
 - In accordance with Section 234 of the Companies Act, 2013 read with Rule 25A of Companies (Compromises, Arrangements and Amalgamations) Amendment Rules, 2017, the Foreign Transferor Company merging with Indian Applicant Company is required to obtain prior approval of Reserve Bank of India ('RBI'). Therefore, the Applicant Company had obtained the approval of the RBI vide order dated March 8, 2018.
 - The Transferee Company has made application before the Hon'ble National Company Law Tribunal, Chandigarh Bench for the sanction of the Scheme of Amalgamation under Sections 230 to 232 and 234 of the Companies Act, 2013 read with Companies (Compromises, Arrangements, Amalgamations) Rules, 2016
 - A copy of the Scheme along with the necessary statement under Section 230 read with Rules 6 and 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, will be forwarded to the Registrar of Companies, in terms of the order dated 04 May, 2018 of the Hon'ble National Company Law Tribunal, Chandigarh Bench.
 - The Transferee Company is required to seek approval / sanction / no-objection from certain regulatory and governmental authorities for the Scheme such as a concerned Registrar of Companies, Regional Director and will obtain the same at the relevant time.
12. The Directors of the Applicant Company may be deemed to be concerned and/ or interested in the Scheme only to the extent of their Shareholding in the Applicant Company or to the extent the said Directors are common Directors in the Applicant Company/ Transferor Company, or to the extent the said Directors are the partners, directors, members of the Applicant Company/ Transferor Company, firms, association of persons, bodies corporate and/or beneficiary of trust, that hold Shares in Applicant Company/ Transferor Company.
13. The details of the directors of the Transferor Company and their shareholding in the Transferor Company and Applicant Company as on 31 March, 2018 are as follows:

S. No.	Name of Director	Address	Position	Equity Shares Held in Transferor Company	Equity Shares Held in Applicant Company
1.	Mr. Vijay Agarwal	854, Sector-15A, Faridabad-121007	Director	NIL	4,14,01,907
2.	Mr. Devindra Collappen	Mon Désir, Rue Remy Ollier, Vacoas, Republic of Mauritius	Director	NIL	NIL

14. The details of the directors and Key Managerial Personnel ('KMP') of the Applicant Company and their shareholding in the Applicant Company and Transferor Company as on 31 March, 2018 are as follows:

S. No.	Name of Director/ KMP	Address	Position	Equity Shares Held in Applicant Company	Equity Shares Held in Transferor Company
1.	Mr. Vijay Agarwal	854, Sector 15A, Faridabad – 121007, Haryana	Chairman and Managing Director	4,14,01,907	NIL
2.	Mrs. Mona Agarwal	854, Sector 15A, Faridabad – 121007, Haryana	Whole Time Director	2,53,14,407	NIL
3.	Mr. Sorab Agarwal	854, Sector 15A, Faridabad – 121007, Haryana	Executive Director	71,48,650	NIL
4.	Mrs. Surbhi Garg	H.No.-118, Sector-28A, Chandigarh-160001	Executive Director	69,30,156	NIL
5.	Mr. Girish Narain Mehra(IAS Retd.)	House No. 217, Sector 15A, Noida – 201301	Independent Director	NIL	NIL
6.	Mr. Subhash Chander Varma	House No. 34, First Floor, Greater Kailash I, New Delhi – 110048	Independent Director	15000	NIL
7.	Mr. Keshav Chandra Agrawal	House No. 350, Sector 29, Noida – 201303	Independent Director	NIL	NIL
8.	Dr. Amar Singhal	D-11, Pushpanjali Enclave, New Delhi –110 034	Independent Director	NIL	NIL
9.	Mr. Rajan Luthra	K-14, Lajpat Nagar-III, New Delhi - 110024	Chief Financial Officer	91	NIL
10.	Mr. Anil Kumar	H.No.342, Sector-10, H.B.C., Faridabad, Haryana - 121006	Company Secretary	NIL	NIL

15. The details (names and address) of the Promoters of the Applicant Company as on 31 March, 2018 are as follows:

S. No.	Name of Promoter	Address
1.	Mr. Vijay Agarwal	854, Sector 15A, Faridabad – 121007, Haryana
2.	Mrs. Mona Agarwal	854, Sector 15A, Faridabad – 121007, Haryana
3.	Mr. Sorab Agarwal	854, Sector 15A, Faridabad – 121007, Haryana
4.	Mrs. Surbhi Garg	H.No.-118, Sector-28A, Chandigarh-160001
5.	Ms. Anuradha Garg	H.No. 55, Distt. Gautam Budh Nagar, Noida-201301, Uttar Pradesh.

16. The amount due to Unsecured Creditors of the Applicant Company as on November 11, 2017 is INR 1,35,87,99,293/-.
17. The rights and interests of the Members and Creditors of the Applicant Company will not be prejudicially affected by the Scheme as no sacrifice or waiver at all called from them, nor are their rights sought to be modified in any manner
18. This statement may also be treated as an Explanatory Statement under Section 102, 108 and 230 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and Rule 20 of the Companies (Management and Administration) Rules, 2014 .
19. On the Scheme being approved by the requisite majority of the Shareholders and Creditors (secured and unsecured), the Applicant Company shall file a petition with the Hon'ble National Company Law Tribunal, Chandigarh Bench for sanction of the Scheme under Sections 230 to 232 and 234 read with Companies (Compromises, Arrangements, Amalgamations) Rules, 2016 and other applicable provisions of the Act
20. It is further provided that there are no other contracts or agreements that are material to the proposed scheme.
21. The following documents are available for inspection by the Equity Shareholders of Action Construction Equipment Limited at the Registered Office of the Company up to and including the date of the Meeting between 9.00 A.M to 5.00 P.M on all working days (except Saturdays, Sundays and public holidays)

- (a) Copy of the Company Application No. CA (CAA) No. 24/ CHD/Hry/2017.
- (b) Copy of the Order dated 04 May, 2018 of the National Company Law Tribunal, Chandigarh Bench passed in Company Application No. CA (CAA) No. 24/ CHD/Hry/2017 directing the convening of the Meeting of the Equity Shareholders of Action Construction Equipment Limited, being Applicant Company.
- (c) Copy of the Scheme of Amalgamation between Frested Limited and Action Construction Equipment Limited.
- (d) Copy of the Memorandum and Articles of Association of the Applicant Company and Transferor Company.
- (e) Copy of the audited accounts of the Applicant Company for the financial year ending March 31, 2017
- (f) Copy of the Supplementary financials of the Applicant Company as on December 31, 2017.
- (g) Copy of the extracts of the Board Resolution dated November 10, 2017 and November 11, 2017 of the Transferor Company and Applicant Company approving the Scheme;
- (h) Copy of certificate issued by M/s BRAN & Associates, Chartered Accountants, the Statutory auditors of the Applicant Company certifying that the accounting treatment proposed in the Scheme of Amalgamation is in conformity with the provisions of the Accounting Standards prescribed under Section 133 of the Companies Act, 2013;
- (i) Register of Director's and Key Managerial Personnel's shareholding in Applicant Company
- (j) The soft copies of the documents mentioned supra (except the one mentioned in [i]) are uploaded on the Company website.

Sd/-
Rajan Luthra
Chief Financial Officer

Dated this 15th day of May, 2018

Registered Office: Dudhola Link Road, Dudhola, District – Palwal, Haryana – 121102

SCHEME OF AMALGAMATION
BETWEEN
FRESTED LIMITED
AND
ACTION CONSTRUCTION EQUIPMENT LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

PREAMBLE

(A) Background and Description of Companies

1. **FRESTED LIMITED**, (hereinafter called '**Frested Ltd** or '**Amalgamating Company**' or '**Transferor Company**') is a company incorporated under the provisions of the Mauritius Companies Act, 2001 having its registered office at Suite 204, Grand Baie Business Quarter, Chemin Vingt Pieds, Grand Bay 30529, Mauritius.
2. **Action Construction Equipment Limited**, (hereinafter called '**ACE**' or '**Amalgamated Company**' or '**Transferee Company**') is a public listed company incorporated under the provisions of Indian Companies Act, 1956 having its registered office at Dudhola Link Road, District – Palwal , Haryana – 121102.
3. ACE is the holding company of Frested Ltd.
4. ACE is engaged in the business of manufacturing of three types of heavy equipments – (i) mobile cranes / tower cranes ; (ii) material handling / construction equipment and (iii) agri equipments etc.

(B) Purpose and Rationale of the Scheme of Amalgamation

This Scheme of Amalgamation (hereinafter called 'the Scheme') is presented under Sections 230 to 232 and 234 and other applicable provisions, if any, of the Indian Act (as defined in clause 1.1 hereinafter) and Sections 261 to 264 and other applicable provisions, if any, of the Mauritius Act (as defined in clause 1.7 hereinafter), for amalgamation of Frested Ltd. into and with ACE. The Indian Act enables a foreign transferor company to merge into an Indian transferee company.

The Board of Directors of Frested Ltd and ACE consider that the Scheme of Amalgamation would benefit the respective companies and the various stakeholders on account of the following reasons:

1. Rationalizing and optimizing the group legal entity structure to ensure greater alignment with the business by reducing the number of legal entities;
2. Reduction in the legal and regulatory compliances required at present to be carried out by Frested Ltd and by ACE in relation to Frested Ltd ;
3. Overall reduction in administrative, managerial and other expenditure and operational rationalization, organizational efficiency and optimal utilization of various resources.

In consideration of the above rationale and benefits, this Scheme is now presented for amalgamation of Frested Ltd into and with ACE in accordance with the terms set out hereunder.

(C) Parts of the Scheme of Amalgamation

This Scheme of Amalgamation is divided into the following parts:

1. **PART I** - Definitions and Share Capital;
2. **PART II** - Amalgamation of Frested Ltd with ACE;
3. **PART III** – General Clauses, Terms and Conditions.

PART – I

DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme (as defined hereinafter), unless repugnant to the meaning or context thereof, the following expressions shall have the meaning mentioned herein below:

- 1.1 **“Act” or “the Act” or “Indian Act” or “The Indian Act”** means the Companies Act, 2013 of India, and shall include the rules and regulations made thereunder and any statutory modifications, re-enactments and / or amendments thereof.
- 1.2 **“Amalgamated Company” or “Transferee Company” or “ACE”** means Action Construction Equipment Limited, a public listed company incorporated under the provisions of Indian Companies Act, 1956 having its registered office at Dudhola Link Road, District – Palwal , Haryana – 121102.
- 1.3 **“Amalgamating Company” or “Transferor Company” or “Frested Ltd”** means Frested Limited, a private company incorporated under the provisions of the Mauritius Companies Act, 2001 having its registered office at Suite 204, Grand Baie Business Quarter, Chemin Vingt Pieds, Grand Bay 30529, Mauritius.
- 1.4 **“Appointed Date”** means January 1, 2018 being the date with effect from which Frested Ltd shall stand amalgamated into and with ACE in terms of this Scheme, upon sanction of the Scheme by the NCLT and Supreme Court of Mauritius and the Scheme coming into effect.
- 1.5 **“Appropriate Authority”** means any government, statutory, regulatory, departmental or public body or authority of the Relevant Jurisdiction, including Registrar of Companies and the NCLT and Supreme Court of Mauritius. .
- 1.6 **“Effective Date”** means the last of the dates on which the conditions specified in Clause 17 are complied with. Any references in this Scheme to “upon this Scheme becoming effective” or “effectiveness of this Scheme” shall mean and refer to the Effective Date.
- 1.7 **“Mauritius Act”** means The Companies Act, 2001 of Mauritius or any statutory modification or re-enactment thereof for the time being in force.
- 1.8 **“NCLT”** means National Company Law Tribunal at Chandigarh;
- 1.9 **“Registrar of Companies”** means Registrar of Companies, New Delhi and the Registrar of Companies, Mauritius, individually or collectively, as the context may require.
- 1.10 **“Relevant Jurisdiction”** means the territories of the Republic of India and Mauritius.
- 1.11 **“Scheme” or “the Scheme” or “this Scheme”** means this Scheme of Amalgamation, in its present form or with any modification(s) made under Clause 16 of this Scheme as approved or directed by NCLT and Supreme Court of Mauritius or any other appropriate authority in the relevant jurisdictions.
- 1.12 **“Supreme Court of Mauritius”** means the Bankruptcy Division of the Supreme Court of Mauritius.
- 1.13 **“Transferred Undertaking”** means the whole of the undertaking(s) of Frested Ltd., on the Appointed Date. For the avoidance of doubt Frested Ltd. will have no immovable property, debts (except inter-group debts) or other liabilities as on the Appointed Date.
- 1.14 In this Scheme, unless the context otherwise requires:
 - a) references to persons shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;
 - b) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;
 - c) words in the singular shall include the plural and vice versa;
 - d) any references in the Scheme to “upon the Scheme becoming effective” or “effectiveness of the Scheme” shall mean the Effective Date; and
 - e) all terms and words used but not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Indian Act and other applicable laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

- 2.1 The Scheme set out herein in its present form or with any modification(s) approved or directed by the NCLT and Supreme Court of Mauritius or any other appropriate authority in the Relevant Jurisdictions shall have legal effect and force from the Appointed Date but shall be operative from the Effective Date.
- 2.2 Any reference in this Scheme to “upon the Scheme becoming effective” or “effectiveness of the Scheme” or “upon the coming into effect of the Scheme” shall mean the Effective Date.

3. SHARE CAPITAL

3.1 The Share Capital of Frested Ltd as per the audited balance sheet as on January 31, 2017 is as under:

Particulars	As at January 31, 2017(USD)
Issued, Subscribed and Paid-up	
1,000 Ordinary Share of USD 1.3/-each	1,300
TOTAL	1,300

Subsequent to the Balance Sheet date, there has been no change in the issued, subscribed and paid-up capital of Frested Ltd.

3.2 The Share Capital of ACE as per the audited balance sheet as on March 31, 2017 is as under:

Particulars	As at March 31, 2017(Rs.)
Authorized Capital	
125,000,000 Equity Shares of Rs. 2/- each	250,000,000
30,250,000 8% Cumulative Non – Participating Redeemable Preference Shares of Rs. 10/- each	302,500,000
TOTAL	552,500,000
Issued, Subscribed and Paid-up	
117,323,000 Equity Shares of Rs. 2/- each fully paid up	234,646,000
30,219,380 8% Cumulative Non – Participating Redeemable Preference Shares of Rs. 10/- each	302,194,000
TOTAL	536,840,000

Subsequent to the Balance Sheet date, there has been no change in the issued, subscribed and paid-up capital of ACE.

PART – II

AMALGAMATION OF FRESTED LTD. WITH ACE

4. PROVISIONS UNDER THE MAURITIUS LAWS PERTAINING TO AMALGAMATION

- 4.1 Amalgamating Company is incorporated under the Mauritius Act.
- 4.2 In terms of Section 4(2)(b) of Part II of the Fourteenth Schedule of the Mauritius Act, the Amalgamated Company, being incorporated under the laws of the jurisdiction other than Mauritius, must submit to the Registrar of Companies, Mauritius the following:
 - 4.2.1 An agreement that a service of process may be effected on and against it as the surviving company (being “Amalgamated Company” or the consolidated company) in Mauritius in respect of proceedings for the enforcement of any claim, debt, liability or obligation of the constituent company (being the “Amalgamating Company”) incorporated under the Mauritius Act or in respect of proceedings for the enforcement of the rights of a dissenting member of a constituent company incorporated under the Mauritius Act;
 - 4.2.2 An irrevocable appointment of the Registered Agent as its agent to accept service of process in proceedings referred to in sub paragraph 4.2.1 above.
 - 4.2.3 An agreement that the Amalgamated Company shall promptly pay to the dissenting members, if any, of the constituent company incorporated under the Mauritius Act, the amount, if any, to which they are entitled under the Mauritius Act, with respect to the rights of dissenting members; and
 - 4.2.4 A certificate of merger or consolidation issued by the appropriate authority of the foreign jurisdiction (being the Order of the NCLT sanctioning the Scheme) where it is incorporated.
- 4.3 In terms of Paragraph 4(3) of Part II of the Fourteenth Schedule to the Mauritius Act, where the surviving company (being the ‘Amalgamated Company’) is incorporated under the laws of a jurisdiction other than that of Mauritius, the effect of the merger shall be the same as in the case of a merger under Part XVI of the Mauritius Act except in so far as the laws of other jurisdiction, i.e. the laws of India otherwise provide.
- 4.4 In terms of Paragraph 4(4) of Part II of the Fourteenth Schedule to the Mauritius Act, since the surviving company (being the ‘Amalgamated Company’) is incorporated under the laws of a jurisdiction other than that of Mauritius, the merger will be effective as provided for by the laws of that jurisdiction i.e. the laws of India.

- 4.5 The Amalgamating Company shall be required to file certain documents including those set out in Paragraph (4)(2)(b) of Part II of the Fourteenth Schedule to the Mauritius Act with the Registrar of Companies, Mauritius along with this Scheme and the corporate resolution of the Amalgamated Company or relevant extract thereof and the Amalgamating Company will be struck off the register maintained by the Registrar of Companies, Mauritius from the effective date of merger under the laws of India without the need for winding up.
- 4.6 Amalgamating Company shall with all reasonable dispatch make application under Section 261 to 264 and other applicable provisions of the Mauritius Act for seeking sanction of the Supreme Court of Mauritius to the Scheme subject to such other terms and conditions as the Supreme Court of Mauritius may deem fit.

5. TRANSFER AND VESTING

- 5.1 Upon the Scheme becoming effective and with effect from the Appointed Date, the Transferred Undertaking shall, pursuant to the applicable provisions of the Indian Act, and applicable provisions of the Mauritius Act and pursuant to the order of the NCLT and Supreme Court of Mauritius or other appropriate authority in the Relevant Jurisdictions, if any, sanctioning the Scheme, shall without any further act, deed, matter or thing, stand transferred to and vested in and/ or deemed to be transferred to and vested in the Amalgamated Company, as a going concern, so as to become the properties of the Amalgamated Company within the meaning of Section 2(1B) of the Indian Income Tax Act, 1961.

6. DISCHARGE OF CONSIDERATION

- 6.1 The entire paid-up equity share capital of the Frested Limited is held by ACE. Therefore, upon this Scheme being effective, the entire Issued, Subscribed and paid up share capital of Frested Limited shall, *ipso facto*, without any further application, act or deed stand cancelled on the Effective Date and since ACE is not permitted to issue shares to itself under the provisions of the Indian Act, no shares of ACE will be issued or allotted with respect to the Equity Shares held by ACE in Frested Limited in consideration for amalgamation.

7. ACCOUNTING TREATMENT

Upon the Scheme becoming effective, the Amalgamated Company shall account for the amalgamation of the Amalgamating Company in its books of accounts with effect from the Appointed Date in accordance with the provisions of the Indian Accounting Standard (Ind AS) – 103 “Business Combinations” issued by the Ministry of Corporate Affairs, such that:

- 7.1 All assets, liabilities and debts of the Amalgamating Company are transferred to and vested in the Amalgamated Company pursuant to the Scheme and shall be recorded by the Amalgamated Company at their respective book values as on the Appointed Date.
- 7.2 With effect from the Appointed Date and upon the Scheme becoming effective, the investment of the Amalgamated Company in the Amalgamating Company shall stand cancelled.
- 7.3 Loans, advances, amount receivable or payable inter-se between the Amalgamating Company and the Amalgamated Company, appearing in the books of accounts of the Amalgamated Company and/or the Amalgamating Company, if any, shall stand cancelled.
- 7.4 The difference in the net value of assets and liabilities of the Amalgamating Company to be vested in the Amalgamated Company as per clause 7.1, after adjustment of the cancellation of investments of the Amalgamated Company as per clause 7.2 above and loans, advances, amount receivable or payable as per clause 7.3 above, shall be recorded as Capital Reserve.
- 7.5 In case of any difference in the accounting policies between the Amalgamating Company and the Amalgamated Company, the impact of the same till the Appointed Date will be adjusted in accordance with Ind AS- 8 “Accounting Policies, Changes in Accounting Estimates and Errors” to ensure that the financial statements of the Amalgamated Company reflect the financial position on the basis of consistent accounting policy.

8. LEGAL PROCEEDINGS

- 8.1 All legal proceedings of whatsoever nature by or against the Amalgamating Company pending and / or arising on or after of the Appointed Date and relating to the Amalgamating Company shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against the Amalgamated Company as the case may be, in the manner and to the same extent as would or might have been continued and enforced by or against the Amalgamating Company.
- 8.2 The Amalgamated Company undertakes to have all legal or other proceedings initiated by or against the Amalgamating Company referred to in clause 8.1 above transferred in its name and to have the same continued, prosecuted and enforced by or against the Amalgamated Company, to the exclusion of the Amalgamating Company. The Amalgamating Company confirms that there are no suits/proceedings pending against it as of the date of filing of the Scheme.

9. CONTRACTS, DEEDS, APPROVALS, EXEMPTIONS, ETC

- 9.1 Upon the Scheme becoming effective but with effect from the Appointed Date, all contracts, deeds, agreements, schemes, arrangements, and other instruments of whatsoever nature in relation to the Amalgamating Company, or to the benefit of which the Amalgamating Company may be eligible, and which are subsisting or having effect on or immediately before the Effective Date, shall be in full force and effect on or against or in favour of the Amalgamated Company and

may be enforced as fully and effectually as if, instead of the Amalgamating Company, the Amalgamated Company had been a party or beneficiary or obligee thereto.

9.2 The Amalgamated Company shall be entitled to the benefit of all insurance policies (if any) which have been issued in respect of the Amalgamating Company and the name of the Amalgamated Company shall be substituted as "Insured" in the policies as if the Amalgamated Company was initially a party.

9.3 The Amalgamated Company, at any time after the Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, will execute deeds of confirmation or other writings with any party to any contract in relation to the Amalgamating Company or to which the Amalgamating Company is a party in order to give formal effect to the above provisions. The Amalgamated Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Amalgamating Company and to carry out or perform all such formalities or compliances, referred to above, on behalf of the Amalgamating Company.

10. OTHER ENTITLEMENTS

10.1 On the Scheme becoming effective, all employees, if any, of the Amalgamating Company in service on the Effective Date shall be deemed to have become employees of the Amalgamated Company with effect from the Appointed Date without any break, discontinuance or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Amalgamated Company shall not be less favorable than those applicable to them with reference to the Amalgamating Company on the Effective Date.

11. CONDUCT OF AFFAIRS UNTIL THE EFFECTIVE DATE

11.1 With effect from the Appointed Date and up to and including the Effective Date:

- (a) All profits or income arising or accruing in favour of the Amalgamating Company or losses arising or incurred by the Amalgamating Company shall, for all purposes, be treated as and deemed to be the profits or income, or losses, as the case may be, of the Amalgamated Company;
- (b) Amalgamating Company shall carry on its activities with reasonable diligence and prudence and in the same manner as it had been doing hitherto.
- (c) Amalgamating Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which may be required pursuant to this Scheme; and
- (d) Amalgamating Company and /or Amalgamated Company may, during the pendency of the Scheme, make any alterations to their respective share capital structure, whether by way of increase (by issue of equity shares on a rights basis, bonus shares or otherwise) decrease, reduction, reclassification, sub-division or consolidation, re-organisation or in any other manner.

12. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the Transferred Undertaking, pursuant to this Scheme, and the continuance of the legal proceedings by or against the Amalgamated Company, under clause 8 hereof shall not affect any transactions or proceedings already completed by the Amalgamating Company, on the Effective Date to the end and intent that the Amalgamated Company accepts all acts, deeds and things done and executed by and / or on behalf of the Amalgamating Company, as acts, deeds and things done and executed by and on behalf of the Amalgamated Company.

13. APPLICABILITY OF THE PROVISIONS OF THE INDIAN INCOME TAX ACT, 1961

13.1 The provisions of this Scheme have been drawn up to comply with the conditions relating to "amalgamation" as defined under Section 2(1B) of the Indian Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Indian Income-tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Indian Income-tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Indian Income-tax Act, 1961. Such modification will, however, not affect the other parts of the Scheme.

14. DISSOLUTION OF AMALGAMATING COMPANY

Upon the Scheme becoming effective and upon the Supreme Court of Mauritius giving an Order under appropriate provisions of the Mauritius Act, Amalgamating Company shall be dissolved, without any further act or deed, without being wound up.

PART – III

GENERAL TERMS AND CONDITIONS

15. APPLICATION AND PETITION TO THE NCLT AND SUPREME COURT OF MAURITIUS

The Amalgamating Company and the Amalgamated Company shall, with all reasonable dispatch, make applications to the respective NCLT and Supreme Court of Mauritius, under the relevant provisions of applicable law, if any, seeking orders for

dispensing with or convening, holding and/or conducting of the meetings of the classes of their respective shareholders and/ or creditors and for sanctioning the Scheme with such modifications, as may be approved by the NCLT and Supreme Court of Mauritius..

Upon the Scheme being approved by the requisite majority of the shareholders and creditors of the Amalgamating Company and the Amalgamated Company (wherever required), the said companies shall, with all reasonable dispatch, file petitions before the respective NCLT and Supreme Court of Mauritius for sanction of the Scheme, and for such other order or orders, as the NCLT and Supreme Court of Mauritius may deem fit for carrying the Scheme into effect. Upon the Scheme becoming effective, the shareholders of the Amalgamating Company and the Amalgamated Company, shall be deemed to have also accorded their approval under all relevant provisions of the Indian Act, and the relevant provisions of the applicable Mauritius Act, if any, for giving effect to the provisions contained in the Scheme.

16. MODIFICATIONS/ AMENDMENTS TO THE SCHEME

The Amalgamating Company and the Amalgamated Company, by their respective board of directors may assent to any modifications/ amendments to the Scheme or to any conditions or limitations that the NCLT and Supreme Court of Mauritius and/ or any other appropriate authority in the Relevant Jurisdiction may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e. the board of directors). The Amalgamating Company and the Amalgamated Company, by their respective board of directors, be and are hereby authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions of law or otherwise, whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/ or any matter concerned or connected therewith.

The Amalgamating Company and the Amalgamated Company (acting through their respective boards of directors) shall be at liberty to withdraw the Scheme in entirety, or to decide not to give effect to any one or more of the parts contained herein, whether for the reason of any condition or alteration imposed by the NCLT and Supreme Court of Mauritius or any other governmental/regulatory authority not being acceptable to them, or any other reason whatsoever.

If any part of the Scheme is held to be invalid or illegal by NCLT or Supreme Court of Mauritius or unenforceable under present or future laws, then the parties may decide that such part shall be severable from the remainder of the Scheme and the Scheme shall not be affected thereby, unless the deletion of such part shall cause the Scheme to become materially adverse to any party, in which case the Amalgamating Company and the Amalgamated Company, shall attempt to bring about a modification in the Scheme, as will best preserve for the Amalgamating Company and the Amalgamated Company, the benefits and obligations of this Scheme, including but not limited to such part.

17. CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

- 17.1 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/ or creditors of the Amalgamating Company and the Amalgamated Company as prescribed under the Indian Act and relevant provisions of the Mauritius Act and as may be directed by the NCLT and Supreme Court of Mauritius or any other appropriate authority in the Relevant Jurisdiction as may be applicable.
- 17.2 The sanction of this Scheme by the NCLT and Supreme Court of Mauritius.
- 17.3 Certified or authenticated copy of the Order of the NCLT sanctioning the Scheme being filed with the Registrar of Companies by the Amalgamated Company.
- 17.4 Compliance by the Amalgamating Company of all necessary and applicable provisions of its applicable law including without limitation, all necessary filings to be made under applicable law of Mauritius.
- 17.5 The requisite, consent, approval or permission of the Central Government or any other statutory or regulatory authority including the Reserve Bank of India, which by law may be necessary for the implementation of this Scheme.

18. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in clause 17 not being obtained and/ or the Scheme not being sanctioned by the NCLT and Supreme Court of Mauritius or such other appropriate authority, if any, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law and agreed between the respective parties to this Scheme. Each party shall bear and pay its respective costs, charges and expenses for and or in connection with the Scheme unless otherwise mutually agreed.

19. COSTS, CHARGES AND EXPENSES

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Amalgamating Company and the Amalgamated Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the respective companies.

**ACKNOWLEDGEMENT OF FILING OF A COPY OF THE SCHEME OF
AMALGAMATION WITH THE REGISTRAR OF COMPANIES**

**MINISTRY OF CORPORATE AFFAIRS
ACKNOWLEDGEMENT**

SRN : G87125787

Service Request Date : 15/05/2018

Received From :

Name : ACTION CONSTRUCTION EQUIPMENT LIMITED

Address : DUDHOLLA LINK ROAD

PALWAL, Haryana

IN - 121102

Entity on whose behalf money is paid

CIN: L74899HR1995PLC053860

Name : ACTION CONSTRUCTION EQUIPMENT LIMITED

Address : Dudhola Link Road

Dudhola

Palwal, Haryana

India - 121102

Full Particulars of Remittance

Service Type: eFiling

Service Description

Fee For Form GNL-1

Note: The defects or incompleteness in any respect in this eForm as noticed shall be placed on the Ministry's website (www.mca.gov.in). In case the eForm is marked as RSUB or PUCL, please resubmit the eForm or file Form GNL-4(Addendum), respectively. Please track the status of your transaction at all times till it is finally disposed off. (Please refer Rule 10 of the Companies (Registration offices and Fees) Rules, 2014) It is compulsory to file Form GNL-4 (Addendum) electronically within the due date whenever the document is put under PUCL, failing which the system will treat the document as invalid and will not be taken on record in accordance with Rule 10(4) of the Companies (Registration offices and Fees) Rules, 2014

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF ACTION CONSTRUCTION EQUIPMENT LIMITED AT ITS MEETING HELD ON SATURDAY 11TH NOVEMBER, 2017 AT THE SURYAA HOTEL, NEW FRIENDS COLONY, NEW DELHI-110025. EXPLAINING EFFECT OF THE SCHEME OF AMALGAMATION ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTER AND NON-PROMOTER SHAREHOLDERS

The proposed Scheme of Amalgamation between Frested Limited ('Frested Ltd' or 'Transferor Company' or 'Amalgamating Company') a wholly owned subsidiary of Action Construction Equipment Limited ('ACE') and ACE ('Transferee Company' or 'Amalgamated Company') and their respective shareholders and Creditors ('the Scheme') was approved by Board of Directors of the Transferor Company and Transferee Company vide resolution passed at its meeting held on November 10, 2017 and November 11, 2017 respectively.

The provisions of Section 232(2)(c) of the Companies Act, 2013, requires the directors to adopt a report explaining the effect of the amalgamation under the Scheme on each class of shareholders, key managerial personnel ('KMP'), promoter and non-promoter shareholders. The said report is required to be circulated to the Shareholders along with the notice convening the Meeting. The Board noted that the Scheme does not contemplate any allotment of shares of the Transferee Company.

Having regard to the aforesaid provision, the Board of Directors have taken into consideration the report prepared by the Company's management in relation to the Scheme which *inter-alia* includes the following:

1. Upon the Scheme becoming effective and with effect from the Appointed Date, the Transferred Undertaking shall, pursuant to the applicable provisions of the Companies Act, 2013 and applicable provisions of the Mauritius Act and pursuant to the order of the National Company Law Tribunal, Chandigarh Bench and Supreme Court of Mauritius or other appropriate authority in the Relevant Jurisdictions, if any, sanctioning the Scheme, shall without any further act, deed, matter or thing, stand transferred to and vested in and/ or deemed to be transferred to and vested in the Transferee Company, as a going concern, so as to become the properties of the Transferee Company within the meaning of Section 2(1B) of the Indian Income Tax Act, 1961
2. Valuation Report is not required in cases where there is no issue of shares by the Transferee Company pursuant to the amalgamation. Since Frested Limited is a wholly owned subsidiary of the Transferee Company, no shares shall be issued and allotted by the Transferee Company pursuant to the amalgamation and the shares of Frested Limited held by the Transferee Company shall stand cancelled. The shareholders of the Transferee Company will continue to remain beneficial owners of the Transferee Company in the same proportion in which they held shares in the Transferee Company prior to amalgamation. Accordingly, there will be no change in the shareholding pattern of the Transferee Company.
3. There will be no adverse effect of the said Scheme on the equity shareholders, preference shareholders, key managerial personnel, promoter and non – promoter shareholders of the Transferee Company.
4. Further, no change in the Key Managerial Personnel of the Transferee Company is expected pursuant to the Scheme becoming effective.

By Order of the Board of Directors
Action Construction Equipment Limited

Sd/-
Vijay Agarwal
Chairman & Managing Director
DIN: 00057634



BRAN & ASSOCIATES
CHARTERED ACCOUNTANTS

B-374-376, Nehru Ground, N.I.T.,
Faridabad-121001
Tel. : 0129-4172796, 9811372796
E-mail : ravikulati@cabran.in
Website : www.cabran.in

**LIMITED REVIEW REPORT ON STANDALONE FINANCIAL RESULTS FOR THE
QUARTER ENDED 31st DECEMBER, 2017**

To,
THE BOARD OF DIRECTORS
ACTION CONSTRUCTION EQUIPMENT LIMITED

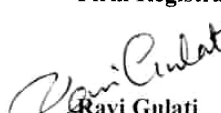
We have reviewed the accompanying statement of unaudited standalone financial results ('the statement') of **Action Construction Equipment Limited** ('the company') for the quarter/nine months ended 31st December, 2017, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, '*Review of interim financial information performed by the independent auditor of the entity*' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results for the quarter/nine months ended 31st December, 2017 prepared in accordance with applicable accounting standards i.e Indian Accounting Standard ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated 05th July, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **BRAN & ASSOCIATES**
Chartered Accountants
Firm Registration No. -014544N


Ravi Gulati
(Partner)
Membership Number- 090672



Place: New Delhi
Date: 25th January, 2018



Action Construction Equipment Limited

CIN: L74899HR1995PLC053860; PAN: AAACA6189P

Registered & Corporate Office: Dudhola Link Road, Dudhola, District – Palwal, Haryana 121102

Tel. No. - +91-1275-280111 ; Fax : +91-1275-280133

Website: www.ace-cranes.com; Email-Id: cs@ace-cranes.com

Statement of Standalone Un-Audited Results for the Quarter and Nine Months ended 31st December,2017

(Rs. In lakh)

S. No.	Particulars	Quarter ended			Year to date figure for the period ended		Previous year ended
		31-Dec-17	31-Dec-16	30-Sep-17	31-Dec-17	31-Dec-16	31-Mar-17
		(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Audited)
1	Income						
	(a) Revenue from operations	27,907.46	19,798.98	25,099.43	73,118.63	55,227.83	79,726.42
	(b) Other Income	165.49	171.17	213.80	548.44	537.85	646.04
	Total Income	28,072.95	19,970.15	25,313.23	73,667.07	55,765.68	80,372.46
2	Expenses						
	(a) Cost of materials consumed	21,365.85	14,774.54	21,195.73	56,726.22	40,773.63	58,999.50
	(b) Purchase of stock-in-trade	52.54	83.90	111.59	361.21	223.76	344.72
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	147.22	(346.66)	(1,210.69)	(587.64)	(769.33)	(422.20)
	(d) Excise duty	-	1,021.30	-	1,215.43	3,110.76	4,603.13
	(e) Employee benefits expense	1,711.69	1,592.41	1,742.11	4,981.59	4,372.84	5,865.40
	(f) Finance costs	328.87	371.53	341.38	1,007.81	1,142.48	1,305.25
	(g) Depreciation and amortisation expense	304.38	309.05	303.14	908.08	903.85	1,253.96
	(h) Other expenses	1,739.30	1,549.51	1,525.56	4,856.30	4,423.38	5,963.45
	(i) Provision for doubtful loan & advances	182.56	-	-	182.56	-	-
	Total expenses	25,832.41	19,355.58	24,008.82	69,651.56	54,181.37	77,913.21
3	Profit/(Loss) from operations before exceptional items and tax (1-2)	2,240.54	614.57	1,304.41	4,015.51	1,584.31	2,459.25
4	Exceptional items	-	-	-	-	-	-
5	Profit/ (Loss) before Tax (3-4)	2,240.54	614.57	1,304.41	4,015.51	1,584.31	2,459.25
6	Tax expense	599.29	126.97	204.53	897.69	348.14	494.99
7	Net Profit/(Loss) for the period from operations (5-6)	1,641.25	487.60	1,099.88	3,117.82	1,236.17	1,964.26
8	Total other comprehensive income for the Year/Period	-	-	-	-	-	-
	(a) Items that will not be reclassified to profit or loss	-	-	-	-	-	-
	(b) Items that will be reclassified to profit or loss	-	-	-	-	-	-
9	Total comprehensive income for the Year/Period (7+8)	1,641.25	487.60	1,099.88	3,117.82	1,236.17	1,964.26
10	Paid up Equity Share Capital (Face Value Rs. 2/-Per Share)	2,346.46	2,346.46	2,346.46	2,346.46	2,346.46	2,346.46
11	Earnings per share (Face Value Rs 2/- each) (not annualised)						
	a) Basic (in Rs.)	1.40	0.42	0.94	2.66	1.05	1.43
	b) Diluted (in Rs.)	1.40	0.42	0.94	2.66	1.05	1.43

Notes :

- 1) The above financial results have been reviewed by Audit Committee and approved by the Board of Directors at their meeting held on 25th January, 2018.
- 2) The Statutory Auditors of the Company have carried out a "Limited Review" of the above results as per Regulations 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The Ind AS compliant corresponding figures of the previous year have not been subjected to the limited review or audit. However, the management has exercised necessary due diligence to ensure that such financial results provide a true and fair view of its affairs.
- 3) The Segment-wise Reporting has been prepared in accordance with the Ind AS 108 "Operating Segments".
- 4) Tax expense includes Current Tax (including Minimum Alternate Tax) and deferred tax.
- 5) The Company has adopted Indian Accounting Standards ("Ind AS") effective April 01, 2017 (transition date being April 01, 2016) and accordingly, the financial results for the Quarter and period ended December 31, 2017 have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India. Accordingly, the impact of transition has been provided in the opening equity as on April 01, 2016 and figures for the corresponding quarter have been prepared to comply with Ind AS.
- 6) Reconciliation between financial results as previously reported (referred to as "Previous GAAP") and Ind AS for the period ended December 31, 2016:

Particulars	Quarter Ended 31st December, 2016 (Rs. In lakh)	Nine Months Ended 31st December, 2016 (Rs. In lakh)
Net Profit/(Loss) as per erstwhile Indian GAAP	482.78	1,227.08
Adjustments (net of tax impact)		
Impact of adjustment in Fixed Assets	9.18	28.01
Interest Income on loan given to Subsidiary	47.23	136.03
Dividend on Cumulative Redeemable Preference Share considered as interest	(47.57)	(142.63)
Deferred Tax expense on above adjustments	(4.02)	(12.32)
Net Profit/(Loss) as per Ind AS	487.60	1,236.17
Other comprehensive income	-	-
Total comprehensive income as per Ind AS	487.60	1,236.17

- 7) The statement does not include Ind AS compliant results for the previous year ended March 31, 2017 as the same is not mandatory as per SEBI's circular dated July 05, 2016
- 8) Consequent to the introduction of Goods and Service Tax (GST) with effect from 01.07.2017, Central Excise, Value Added Tax (VAT) etc. have been subsumed into GST. In accordance with Indian Accounting Standard-18 on "Revenue" and schedule-III of the Companies Act, 2013, unlike excise duty, levies like GST, VAT etc. are not part of Revenue from Operations. Accordingly the figures for the period upto 30th June, 2017 are not strictly relatable to those thereafter. The following additional information is being provided to facilitate such understanding.

(Rs. In Lakh)

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	31.12.17	30.09.17	31.12.16	31.12.17	31.12.16	31.03.17
Revenue from continuing operations (A)	27,907.46	25,099.43	19,798.98	73,118.63	55,227.83	79726.42
Excise duty on sale (B)	-	-	1,021.30	1215.43	3110.76	4603.13
Revenue from continuing operations excluding excise duty on sale (A-B)	27,907.46	25,099.43	18,777.68	71,903.20	52,117.07	75,123.29

- 9) The above financial results are available on the company's website www.ace-cranes.com and also on the web site of NSE (www.nseindia.com) and BSE (www.bseindia.com)

For Action Construction Equipment Limited

Place: New Delhi
Date: January 25, 2018

Sd/-
Vijay Agarwal
Chairman & Managing Director

SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES, FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2017

(Rs. In Lakh)

Sl. No.	Particulars	Quarter ended			Year to date figure for the period ended		Previous year ended
		31-Dec-17	31-Dec-16	30-Sep-17	31-Dec-17	31-Dec-16	31-Mar-17
		(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Audited)
1.	Segment Revenue						
	A) Cranes	18,513.32	10,916.84	16,363.57	48,636.77	33,440.73	49,641.72
	B) Construction Equipment	2,164.37	1,379.34	1,432.92	4,712.56	3,121.84	4,885.47
	C) Material Handling	1,953.32	1,342.33	2,255.07	5,799.63	3,877.46	5,290.01
	D) Agri Equipment	5,276.45	5,139.17	5,047.87	12,754.24	11,677.04	15,306.09
	E) Excise Duty	-	1,021.30	-	1,215.43	3,110.76	4,603.13
	Total	27,907.46	19,798.98	25,099.43	73,118.63	55,227.83	79,726.42
	Less-Inter Segment Revenue	-	-	-	-	-	-
	Gross Sale / Income from Operations	27,907.46	19,798.98	25,099.43	73,118.63	55,227.83	79,726.42
2.	Segment Results						
	A) Cranes	2,175.26	930.82	1,455.00	4,928.10	3,001.64	4,035.53
	B) Construction Equipment	174.32	29.06	60.19	139.01	50.36	67.23
	C) Material Handling	228.12	148.07	236.53	700.18	440.91	561.65
	D) Agri Equipment	305.55	164.74	167.31	113.92	92.22	206.09
	Total	2,883.25	1,272.69	1,919.03	5,881.21	3,585.13	4,870.50
	Less- Interest	328.87	371.53	341.38	1,007.81	1,142.48	1,305.25
	Less- Other Unallocable Expenditure	313.84	286.59	273.24	857.89	858.34	1,106.00
	Total Profit before Tax	2,240.54	614.57	1,304.41	4,015.51	1,584.31	2,459.25
3.	Segment Assets						
	A) Cranes	55,306.88	51,488.38	55,296.30	55,306.88	51,488.38	47,978.21
	B) Construction Equipment	6,323.29	3,710.42	4,396.20	6,323.29	3,710.42	4,259.18
	C) Material Handling	2,736.71	2,116.39	3,153.46	2,736.71	2,116.39	1,896.00
	D) Agri Equipment	5,341.41	5,382.22	4,686.49	5,341.41	5,382.22	3,924.87
	E) Unallocated	11,988.36	9,088.25	9,098.68	11,988.36	9,088.25	9,178.02
	Total Segment Assets	81,696.65	71,785.66	76,631.13	81,696.65	71,785.66	67,236.28
4.	Segment Liabilities						
	A) Cranes	17,017.67	11,109.03	15,020.49	17,017.67	11,109.03	14,487.76
	B) Construction Equipment	1,085.10	838.78	955.64	1,085.10	838.78	1,476.89
	C) Material Handling	934.93	945.77	1,254.75	934.93	945.77	958.91
	D) Agri Equipment	5,251.14	4,737.26	5,442.27	5,251.14	4,737.26	3,982.00
	E) Unallocated	57,407.81	54,154.82	53,957.98	57,407.81	54,154.82	46,330.72
	Total Segment Liabilities	81,696.65	71,785.66	76,631.13	81,696.65	71,785.66	67,236.28

For Action Construction Equipment Limited

Place : New Delhi
Date: January 25, 2018

Sd/-
Vijay Agarwal
Chairman & Managing Director

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IN THE NATIONAL COMPANY LAW TRIBUNAL
CHANDIGARH BENCH
ORIGINAL JURISDICTION
COMPANY APPLICATION No. CA (CAA) No. 24/ CHD/Hry/2017

In the matter of the Companies Act, 2013;

AND

In the matter of Sections 230 to 232 and 234 of the Companies Act, 2013 read with Companies (Compromises, Arrangements, Amalgamations) Rules, 2016 and Part II Section (4) of the XIV Schedule and the other Applicable Provisions of the Mauritius Companies Act, 2001;

AND

In the matter of Scheme of Amalgamation between Frested Limited ('Frested Ltd' or 'Amalgamating Company/Transferor Company') and Action Construction Equipment Limited ('ACE' or 'Applicant Company') and their respective Shareholders and Creditors

Action Construction Equipment Limited, a Company incorporated under the provisions of Companies Act, 1956 having its Registered Office at Dudhola Link Road, Dudhola, District – Palwal, Haryana – 121102 (**'Applicant Company'**), **CIN - L74899HR1995PLC053860**

FORM NO. MGT-11

PROXY FORM

[Pursuant to the provisions of Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L74899HR1995PLC053860
Name of the Company : Action Construction Equipment Limited
Registered Office : Dudhola Link Road, Dudhola, District – Palwal, Haryana – 121102

Name of the Member(s)	:	
Registered Address	:	
E-mail Id	:	
Folio No./ Client Id	:	
DP ID	:	

I/We, being the member(s) of shares of the above named company, hereby appoint

1. Name: E-mail Id:
Address:
..... Signature: or failing him
2. Name: E-mail Id:
Address:
..... Signature: or failing him
3. Name: E-mail Id:
Address:
..... Signature:

as my / our proxy, to attend and vote (on a poll) for me / us and on my / our behalf act for me / us at the meeting of the Equity Shareholders of the Company, to be held on Saturday, the 23rd day of June, 2018, At 10:00 A.M. at Aravali Golf Club, New Industrial Township (NIT), Faridabad, Haryana – 121001 or any adjournment/ adjournments thereof, (here if 'for' insert 'for', if 'against' insert 'against') in respect of such resolutions as are indicated below:

Resolution No.	Particulars	For	Against
Special Business			
1.	<p>“RESOLVED THAT pursuant to the provisions of Sections 230 to 232 and 234 of the Companies Act, 2013 read with Companies (Compromises, Arrangements, Amalgamations) Rules, 2016 and other applicable provisions, if any, including any statutory modification or re-enactments thereof for the time being in force, and subject to the relevant provisions of the Memorandum and Articles of Association of Action Construction Equipment Limited (‘the Company’ or ‘ACE’) and subject to requisite approval of the shareholders and creditors of the Company and sanction of the Hon’ble National Company Law Tribunal (NCLT), Chandigarh Bench , Reserve Bank of India (RBI) and other regulatory authorities, as may be necessary and required and recommendation of the Board of Directors and Audit Committee, the consent of the Equity Shareholders be and is hereby accorded to the Scheme of Amalgamation between Frested Limited (‘Frested Ltd’) and Action Construction Equipment Limited (‘ACE’) and their respective Shareholders and Creditors (hereinafter referred to as ‘the Scheme’), placed before the meeting of the Equity Shareholders.”</p> <p>“RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolutions, the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall include any committee constituted by the Board of Directors of the Company or any person(s) authorized by the Board to exercise the powers conferred on the Board of Directors of the Company by this Resolution) be and is hereby authorised on behalf of the Company to do all acts, deeds, matters and things as it may at its discretion deem necessary, proper and desirable for effective implementation of the Scheme and to accept such modification/condition, if any, which may be required by Hon’ble NCLT, RBI and/or any other authority and for such purpose to settle any question or difficulty or doubt that may arise in regard to the Scheme, as it may in its absolute discretion deem fit, and to finalise and execute all documents and writings as may be necessary without being required to seek any further consent or approval of the members or otherwise to this end and intent and that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution to do and perform all such acts, deeds and things as may be necessary, desirable or expedient to give effect to this Resolution including filing of necessary e-forms with Ministry of Corporate Affairs/ Registrar of Companies.”</p>		

Signed this day of2018

Affix Re. 1 Revenue Stamp

Signature across the Stamp

Signature of shareholder:

Signature of Proxy Holder (s):

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



Action Construction Equipment Limited

CIN: L74899HR1995PLC053860; PAN: AAACA6189P

Registered & Corporate Office: Dudhola Link Road, Dudhola, District – Palwal, Haryana – 121102

Tel. No. - +91-1275-280111 ; Fax : +91-1275-280133

Website: www.ace-cranes.com; Email-Id: cs@ace-cranes.com

ATTENDANCE SLIP

Folio No./DP ID* :
Client Id No. * :
No. of shares :
Name :
Address :

*Applicable for the members holding shares in the electronic form.

I hereby record my presence at the Meeting of the Equity Shareholders of Action Construction Equipment Limited, convened pursuant to the Order dated 04 May, 2018 of the Hon'ble National Company Law Tribunal, Chandigarh Bench, at Aravali Golf Club, New Industrial Township (NIT), Faridabad, Haryana – 121001 on Saturday, the 23rd day of June, 2018 at 10:00 A.M.

.....
Signature of Shareholder/Proxy

Note:

- (a) Only Members/Proxy can attend the meeting. No minors would be allowed at the meeting.
- (b) Member/Proxy wish to attend the meeting must bring this attendance slip to the meeting and handover at the entrance duly filed in and signed.

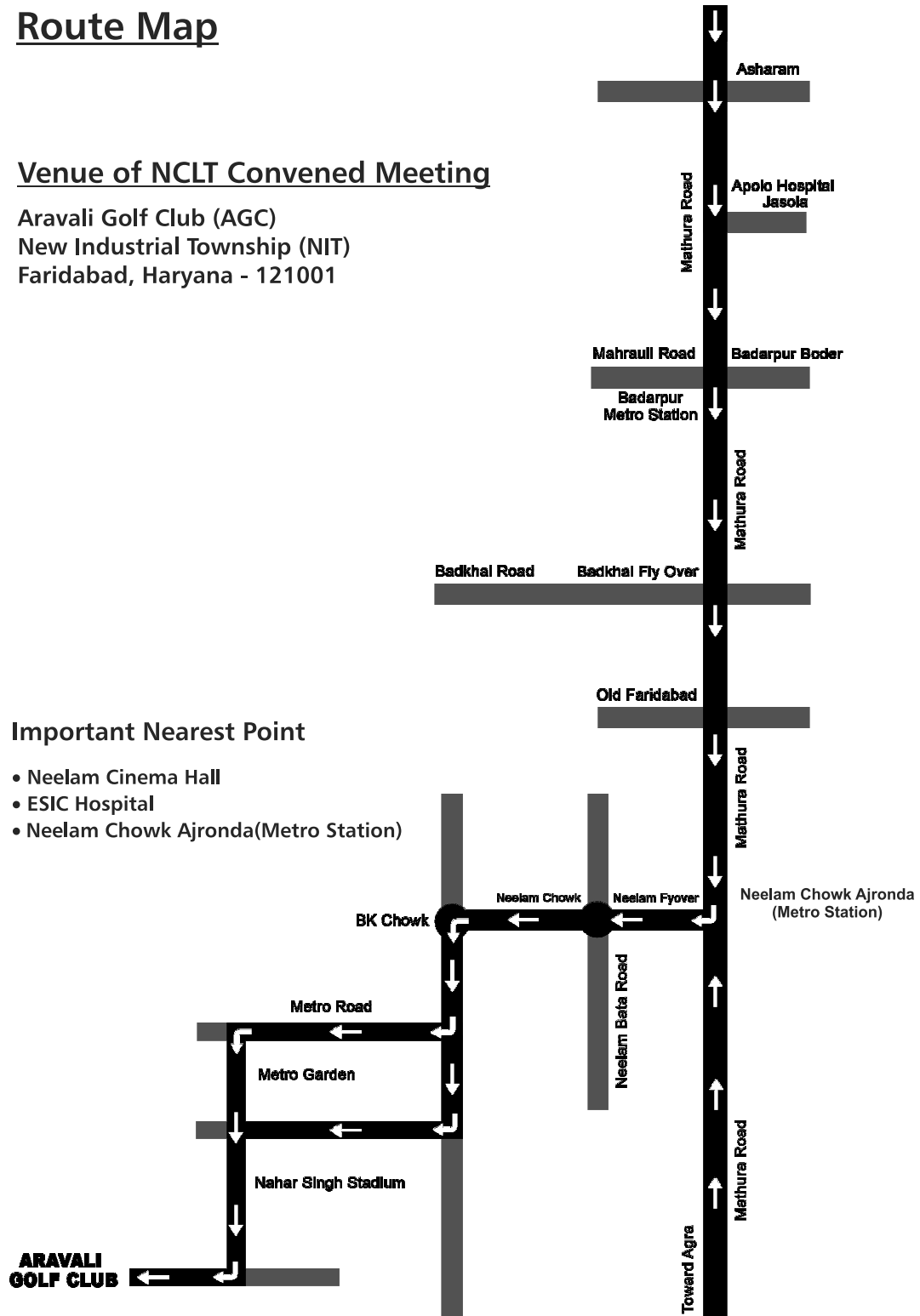
Route Map

Venue of NCLT Convened Meeting

Aravali Golf Club (AGC)
New Industrial Township (NIT)
Faridabad, Haryana - 121001

Important Nearest Point

- Neelam Cinema Hall
- ESIC Hospital
- Neelam Chowk Ajronda(Metro Station)





Action Construction Equipment Limited

Registered & Corporate Office: Dudhola Link Road, Dudhola, District – Palwal, Haryana 121102

Tel. No. - +91-1275-280111 ; Fax : +91-1275-280133

CIN: L74899HR1995PLC053860; PAN: AAACA6189P

Website: www.ace-cranes.com; Email-Id: cs@ace-cranes.com

**Notice of Meeting of the Secured Creditors of
Action Construction Equipment Limited being convened as per the
directions of National Company Law Tribunal ('NCLT'),
Chandigarh Bench**

(Convened pursuant to order dated 04 May, 2018 passed by the National Company Law Tribunal (“NCLT” or
“Tribunal”), Chandigarh Bench)

Day :	Saturday
Date :	23 June, 2018
Time :	11:00 A.M.
Venue :	Aravali Golf Club, New Industrial Township (NIT), Faridabad, Haryana – 121001

S. No.	Contents	Page No.
1.	Notice of meeting of the Secured Creditors of Action Construction Equipment Limited ('the Company') being convened pursuant to the order of NCLT, Chandigarh	2
2.	Explanatory Statement under Section 230 and Section 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016	5
3.	Scheme of Amalgamation under Sections 230 to 232 and 234 and other applicable provisions of the Companies Act, 2013 and Sections 261 to 264 and other applicable provisions, if any, of the Mauritius Companies Act, 2001	12
4.	Acknowledgement of filing of a copy of the Scheme of Amalgamation with the Registrar of Companies	18
5.	Report adopted by the directors of Action Construction Equipment Limited explaining effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders pursuant to the provisions of Section 232(2)(c) of the Companies Act, 2013	19
6.	Supplementary accounting statement of the Action Construction Equipment Limited as on 31 December, 2017	20
7.	Form of Proxy	25
8.	Attendance Slip	27
9.	Route Map	28

FORM NO. CAA. 2

[PURSUANT TO SECTION 230(3) AND RULES 6 AND 7]

IN THE NATIONAL COMPANY LAW TRIBUNAL, CHANDIGARH BENCH

ORIGINAL JURISDICTION

IN THE MATTER OF THE COMPANIES ACT, 2013

COMPANY APPLICATION NO CA (CAA) NO.24/CHD/Hry/2017

(UNDER SECTIONS 230 TO 232 AND 234 OF THE COMPANIES ACT, 2013 AND PART II SECTION (4) OF THE XIV SCHEDULE AND THE OTHER APPLICABLE PROVISIONS OF THE MAURITIUS COMPANIES ACT, 2001)

AND

IN THE MATTER OF SCHEME OF AMALGAMATION

BETWEEN

FRESTED LIMITED ('AMALGAMATING COMPANY / TRANSFEROR COMPANY')

AND

ACTION CONSTRUCTION EQUIPMENT LIMITED ('AMALGAMATED COMPANY / TRANSFEREE COMPANY / APPLICANT COMPANY')

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

NOTICE CONVENING MEETING OF THE SECURED CREDITORS OF
ACTION CONSTRUCTION EQUIPMENT LIMITED

To,

The Secured Creditors of

Action Construction Equipment Limited, the Applicant Company

TAKE NOTICE that in the Company Application No. CA(CAA)No.24/CHD/Hry/2017 of 2017, by an Order dated 04 May, 2018, the Hon'ble National Company Law Tribunal ('NCLT'), Chandigarh Bench, has directed that a Meeting of the Secured Creditors of Applicant Company be convened and held for the purpose of considering and if thought fit, approving with or without modifications, the amalgamation embodied in the Scheme of Amalgamation between Frested Limited ('Frested Ltd') and Action Construction Equipment Limited ('ACE' or 'Applicant Company') and their respective Shareholders and Creditors.

TAKE FURTHER NOTICE that in pursuance of the said Order and as directed therein, a Meeting of the Secured Creditors of Applicant Company will be held at Aravali Golf Club, New Industrial Township (NIT), Faridabad, Haryana – 121001 **on Saturday, the 23rd day of June, 2018 at 11:00 A.M.** under the supervision of the Hon'ble Tribunal appointed Chairperson Mr. Justice Ashutosh Mohunta, (Retd.) which you are requested to attend.

TAKE FURTHER NOTICE that you may attend and vote at the said Meeting in person or by proxy, provided that a proxy in the prescribed form, duly signed by you or your Authorized Representative is deposited at the Registered Office of the Applicant Company at Dudhola Link Road, Dudhola, District – Palwal, Haryana – 121102 not later than 48 hours before the Meeting.

The Hon'ble Tribunal has appointed Mr. Justice Ashutosh Mohunta, (Retd.) as Chairperson and failing him, Mr. Arihant Jain as Alternate Chairperson of the said Meeting.

To consider and if thought fit to pass, with or without modification(s) the following resolution:

"RESOLVED THAT pursuant to the provisions of Sections 230 to 232 and 234 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions, if any, including any statutory modification or re-enactments thereof for the time being in force, and subject to the relevant provisions of the Memorandum and Articles of Association of Action Construction Equipment Limited ('the Company' or 'ACE') and subject to requisite approval of the shareholders and creditors of the Company and sanction of the Hon'ble National Company Law Tribunal (NCLT), Chandigarh Bench, Reserve Bank of India (RBI) and other regulatory authorities, as may be necessary and required and recommendation of the Board of Directors and Audit Committee, the consent of the Secured Creditors be and is hereby accorded to the Scheme of Amalgamation between Frested Limited ('Frested Ltd') and Action Construction Equipment Limited ('ACE') and their respective Shareholders and Creditors (hereinafter referred to as 'the Scheme'), placed before the meeting of the Secured Creditors".

“RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolutions, the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall include any committee constituted by the Board of Directors of the Company or any person(s) authorized by the Board to exercise the powers conferred on the Board of Directors of the Company by this Resolution) be and is hereby authorised on behalf of the Company to do all acts, deeds, matters and things as it may at its discretion deem necessary, proper and desirable for effective implementation of the Scheme and to accept such modification/condition, if any, which may be required by Hon’ble NCLT, RBI and/or any other authority and for such purpose to settle any question or difficulty or doubt that may arise in regard to the Scheme, as it may in its absolute discretion deem fit, and to finalise and execute all documents and writings as may be necessary without being required to seek any further consent or approval of the Secured creditors or otherwise to this end and intent and that the Secured Creditors shall be deemed to have given their approval thereto expressly by the authority of this resolution to do and perform all such acts, deeds and things as may be necessary, desirable or expedient to give effect to this Resolution including filing of necessary e-forms with Ministry of Corporate Affairs/Registrar of Companies.”

Explanatory Statement pertaining to the said resolution setting out the material facts and reasons thereof under Section 230, Section 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 along with copy of the Scheme, Proxy Form, Attendance Slip and route map are enclosed herewith. Copies of the same can also be obtained free of cost on any day (except Saturdays, Sundays and Public Holidays) from the registered office of the Company situated at Dudhola Link Road, Dudhola, District – Palwal, Haryana – 121102.

Sd/-
Rajan Luthra
Chief Financial Officer

Dated this 15th day of May, 2018

Registered Office: Dudhola Link Road, Dudhola, District – Palwal, Haryana – 121102

Notes:

1. All alterations made in the Form of Proxy should be initialed.
2. Only Secured Creditors of the Applicant Company may attend and vote (either in person or by proxy) at the Secured Creditors Meeting. The Authorized Representative of a body corporate which is a Secured Creditor of the Applicant Company may attend and vote at the Secured Creditors Meeting provided a certified true copy of the Resolution of the Board of Directors or other governing body of the body corporate is deposited at the Registered Office of the Company not later than 48 hours before the Meeting authorizing such representative to attend and vote at the Secured Creditors Meeting. The secured creditors / authorized representatives/ proxies are advised to bring original photo identity for verification.
3. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form for the secured creditors meeting is enclosed, proxy submitted on behalf of the Companies, societies etc. must be supported by an appropriate resolution/ authority, as applicable.
4. The quorum for the meeting of the Secured Creditors of the Applicant Company shall be 3 (Three) in number and 40% of the value of secured creditors present in person or through proxy or through authorized representative. In case the quorum is not present at the commencement of the meeting, then the meeting shall be adjourned by half an hour, and thereafter the persons present and voting shall be deemed to constitute the quorum.
5. In accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013, the Scheme shall be acted upon only if a majority in number representing three fourth in value of the Secured Creditors of the Applicant Company, voting in person or by proxy or by authorized representative, agree to the Scheme.
6. The Notice together with the documents accompanying the same is being sent to all the Secured Creditors as on 11 November, 2017 by Registered post. The notice may also be accessed on the website of the Company viz. www.ace-cranes.com.
7. Mr. Vivek Goel, Chartered Accountant, has been appointed as the scrutinizer by the Hon’ble NCLT to conduct the voting process through ballot/polling paper at the venue of the meeting in a fair and transparent manner.
8. The scrutinizer will submit his report to the Chairperson of the meeting after completion of the scrutiny of the votes cast by the Secured Creditors of the Applicant Company through ballot/polling paper at the venue of the meeting. The scrutinizer’s decision on the validity of the vote shall be final. The results of votes cast through ballot/polling paper at the venue of the meeting will be announced on or before 25th day of June, 2018 at the registered office of the Applicant Company. The results, together with the Scrutinizer’s Reports, will be displayed at the registered office of the Applicant Company and on the website of the Applicant Company www.ace-cranes.com.

9. During the period beginning 24 (twenty four) hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a secured creditor would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than 3 (three) days of notice in writing is given to the Company.
10. The Notice convening the aforesaid meeting will be published through advertisement in Financial Express in English language and translation thereof in Jansatta in Hindi language, having wide circulation in the district where the registered office of the Applicant Company is situated.
11. Each Secured creditor is requested to bring the copy of the notice to the meeting and produce at the entrance of the meeting venue, the attendance slip duly completed and signed.
12. Route map of the venue of the meeting is annexed hereto
13. In case of any grievances, Secured Creditor may contact the below mentioned person:

Name of the Contact Person : Anil Kumar
Designation : Company Secretary, Action Construction Equipment Limited
Email Id : cs@ace-cranes.com
Phone Number : 91-9268066992/01275-280103

Enclosure – as above

IN THE NATIONAL COMPANY LAW TRIBUNAL, CHANDIGARH BENCH

ORIGINAL JURISDICTION

IN THE MATTER OF THE COMPANIES ACT, 2013

COMPANY APPLICATION NO CA(CAA)NO.24/CHD/Hry/2017

(UNDER SECTIONS 230 TO 232 AND 234 OF THE COMPANIES ACT, 2013 AND PART II SECTION (4) OF THE XIV SCHEDULE AND THE OTHER APPLICABLE PROVISIONS OF THE MAURITIUS COMPANIES ACT, 2001)

AND

IN THE MATTER OF SCHEME OF AMALGAMATION

BETWEEN

FRESTED LIMITED ('AMALGAMATING COMPANY/TRANSFEROR COMPANY')

AND

ACTION CONSTRUCTION EQUIPMENT LIMITED ('AMALGAMATED COMPANY / TRANSFEREE COMPANY / APPLICANT COMPANY')

EXPLANATORY STATEMENT UNDER SECTION 230 AND SECTION 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 FOR THE MEETING CONVENED BY TRIBUNAL OF SECURED CREDITORS OF ACTION CONSTRUCTION EQUIPMENT LIMITED

1. Pursuant to an Order dated 04 May, 2018 of the Hon'ble National Company Law Tribunal, Chandigarh Bench in the Company Application referred to hereinabove, a Meeting of the Secured Creditors of Action Construction Equipment Limited ('ACE' or 'Applicant Company') will be convened and held at Aravali Golf Club, New Industrial Township (NIT), Faridabad, Haryana – 121001 **on Saturday, the 23rd day of June, 2018 at 11:00 A.M.** for the purpose of considering and if thought fit, approving with or without modification(s), the amalgamation embodied in the Scheme of Amalgamation between Frested Limited ('Frested Ltd') and Action Construction Equipment Limited ('ACE') and their respective Shareholders and Creditors.
2. The proposed Scheme envisages Amalgamation of Frested Ltd. into and with ACE pursuant to Sections 230 to 232 and 234 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions of the Companies Act, 2013.
3. A copy of the Scheme setting out in detail the terms and conditions of the proposed Scheme of Amalgamation, which have been approved by the Board of Directors of Applicant Company as well as the Amalgamating/ Transferor Company at their Board Meetings held on November 11, 2017 and November 10, 2017 respectively, is attached herewith and forms a part of this Statement.
4. The details of the Directors of the Applicant Company who voted in favor of the resolution, against the resolution and who did not participate or vote on such resolution are as under :

S. No.	Name of Director	Voted for the Resolution	Voted Against the Resolution	Did not Vote or Participate
1.	Mr. Vijay Agarwal	Yes	-	-
2.	Mrs. Mona Agarwal	Yes	-	-
3.	Mr. Sorab Agarwal	Yes	-	-
4.	Mrs. Surbhi Garg	Yes	-	-
5.	Mr. Subhash Chander Verma	Yes	-	-
6.	Dr. Amar Singhal	Yes	-	-
7.	Mr. Girish Narain Mehra (IAS Retd.)	Yes	-	-
8.	Mr. Keshav Chandra Agrawal	Absent	Absent	Absent

5. Background of the Companies

I. Frested Limited (i.e. 'Transferor Company' or 'Amalgamating Company' or 'Frested Ltd')

- a) The Transferor Company, a wholly owned subsidiary of Applicant Company, was incorporated on December 29, 2006 in Cyprus under the Cyprus Companies Law, Cap. 113, 2001.
- b) The Transferor Company vide Certificate of Consent for the continuation of a Company outside the Republic of Cyprus dated October 19, 2017 issued by Registrar of Companies, Cyprus and Certificate of Registration by Continuation dated November 7, 2017 issued by Registrar of Companies, Mauritius was re-domiciled to Mauritius w.e.f. October 19, 2017.
- c) The registered office of the Transferor Company is Suite 204, Grand Baie Business Quarter, Chemin Vingt Pieds, Grand Bay 30529, Mauritius.
- d) The Transferor Company is engaged in investment holding activities.
- e) The main objects of the Transferor Company are set out in Clause 6 of its Constitution, which are stated below:
"The Company is engaged in investment holding activities as stated in the business plan submitted to the Financial Services Commission of Mauritius (FSC)."
- f) The Share Capital of Transferor Company as per the audited balance sheet on January 31, 2017 is as under:

Particulars	Amount (USD)
Authorized Capital	
1,000 Ordinary Shares of USD 1.3/- each	1,300
Total	1,300
Issued, Subscribed and Paid-up Capital	
1,000 Ordinary Shares of USD 1.3/- each	1,300
Total	1,300

Subsequent to the Balance Sheet date, there has been no change in the issued, subscribed and paid-up capital of Frested Limited.

- g) Post sanction of the proposed Scheme, the Transferor Company shall stand dissolved and its shares shall get extinguished.

II. Action Construction Equipment Limited (i.e. Applicant Company or 'ACE')

- a) The Applicant Company was incorporated on January 13, 1995 under the provisions of Companies Act, 1956 under the name and style of Action Construction Equipments Private Limited.
- b) Subsequently, name of the Applicant Company was changed to Action Construction Equipments Limited vide Certificate of Incorporation dated October 04, 2005 issued by Registrar of Companies, NCT of Delhi and Haryana. Further, the name was changed to Action Construction Equipment Limited vide Certificate of Incorporation dated March 23, 2006 issued by Registrar of Companies, NCT of Delhi and Haryana.
- c) Furthermore, the Registered office of the Applicant Company was shifted from Delhi to Haryana vide Certificate of Registration dated November 28, 2014 by Registrar of Companies, NCT of Delhi and Haryana. Therefore, currently the Applicant Company has its Registered Office at Dudhola Link Road, Dudhola, District – Palwal, Haryana – 121102.
- d) The Applicant Company is engaged in the business of manufacturing of three types of heavy equipments – (i) mobile cranes / tower cranes (ii) material handling construction equipments and (iii) agri equipments etc.
- e) The main objects of the Applicant Company are set out in Clause III (A) of its Memorandum of Association, which are stated below :
 - *To carry on business of designing, developing, fabricating, processing, repairing, assembling, manufacturing, buying, selling, reselling, importing, exporting, imported machinery and equipment, distributing, hiring, letting, on hire dealing in all kinds of construction machinery, plant, equipments, instruments and appliances, operated by the use of electricity, steam, motive power or mechanical force or otherwise for all chemical, mechanical, electrical, electronic, metallurgical, agricultural, constructional and other engineering industries.*
 - *To manufacture, assemble, produce, work, repair, distribute, buy, and sell or otherwise deal in all kinds of lathes, shapers, drillers, grinders, boring, machines, slotters, milling machines, scientific and precision instruments and surgical instruments.*
 - *To carry on and conduct workshops, engineering works of every description and kind and foundries of iron and steel, brass and other metals, wood and any other substances.*

- To carry on business of designing, developing, processing, manufacturing, buying, selling, reselling, importing, exporting, imported goods, materials, etc., distributing and dealing in all kinds of machinery.
- To carry on the trades or business of builders, contractors, sub-contractors, decorators, plumbers, technicians, mechanics, masons, electricians, scaffolding and tower setters, engineers, including civil, sanitary, structural, electrical, mechanical, mining and chemical engineers, architects, planners, designers, technical advices, analysts, investigators, consultants, fabricators and founders in their various fields and branches and whether in India or abroad.

f) The Share Capital of Applicant Company as per the audited balance sheet on March 31, 2017 was as under:

Particulars	Amount (INR)
Authorized Capital	
125,000,000 Equity Shares of Rs. 2/- each	250,000,000
30,250,000 8% Cumulative Non – Participating Redeemable Preference Shares of Rs. 10/- each	302,500,000
Total	552,500,000
Issued, Subscribed and Paid-up Share Capital	
117,323,000 Equity Shares of Rs. 2/- each fully paid up	234,646,000
30,219,380 8% Cumulative Non – Participating Redeemable Preference Shares of Rs. 10/- each	302,194,000
Total	536,840,000

Subsequent to the Balance Sheet date, following preference shares have been redeemed by the Applicant Company:

- (1) 15,00,000, 8% cumulative non-participating redeemable preference shares of Rs.10 on 11th January, 2018.
- (2) 1,16,31,628, 8% cumulative non-participating redeemable preference shares of Rs.10 on 31st March, 2018.

The revised share capital of the Applicant Company, post redemption of the Preference shares as on 31 March, 2018 is as follows:

Particulars	Amount (INR)
Authorized Capital	
125,000,000 Equity Shares of Rs. 2/- each	250,000,000
30,250,000 8% Cumulative Non – Participating Redeemable Preference Shares of Rs. 10/- each	302,500,000
Total	552,500,000
Issued, Subscribed and Paid-up Share Capital	
117,323,000 Equity Shares of Rs. 2/- each fully paid up	234,646,000
17,087,752 8% Cumulative Non – Participating Redeemable Preference Shares of Rs. 10/- each	170,877,520
Total	405,523,520

g) The Equity Shares of the Applicant Company are listed on National Stock Exchange of India Limited and BSE Ltd.

6. Rationale for the Scheme of Amalgamation

The rationale for entering into the Scheme of Amalgamation are as follows:

- Rationalizing and optimizing the group legal entity structure to ensure greater alignment with the business by reducing the number of legal entities;
- Reduction in the legal and regulatory compliances required at present to be carried out by Frested Ltd and by ACE in relation to Frested Ltd;
- Overall Reduction in administrative, managerial and other expenditure and operational rationalization, organizational efficiency and optimal utilization of various resources.

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the

Transferor Company and the Applicant Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the respective companies.

7. The Scheme is not prejudicial to the interests of the key managerial personnel, directors, promoters, non-promoter members, creditors, employees of the Transferor Company and Applicant Company, as no sacrifice or waiver is, at all, called from them nor are their rights sought to be modified in any manner.

8. Salient features of the Scheme of Amalgamation

- (a) The Scheme provides for the amalgamation of Frested Limited (wholly owned subsidiary of ACE) into and with ACE pursuant to a Scheme of Amalgamation under Sections 230 to 232 and 234 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and Part II Section (4) of the XIV Schedule and the other applicable provisions of the Mauritius Companies Act, 2001 involving inter-alia approval of National Company Law Tribunal, Chandigarh Bench and Reserve Bank of India.
- (b) As per Clause 1.4, the Appointed Date means January 1, 2018 being the date with effect from which Frested Limited shall stand amalgamated into and with ACE in terms of this Scheme, upon sanction of the Scheme by the National Company Law Tribunal, Chandigarh Bench and Supreme Court of Mauritius and the Scheme coming into effect.
- (c) "NCLT" means National Company Law Tribunal at Chandigarh.
- (d) As per Clause 1.6 of the Scheme, Effective Date means the last of the dates on which certified copy(s) of the Order of the Hon'ble National Company Law Tribunal, Chandigarh Bench or Supreme Court of Mauritius or any other appropriate authority sanctioning this Scheme are filed with the Registrar of Companies by the Applicant Company and all filings are made under applicable laws of Mauritius by Transferor Company.
- (e) On the Scheme becoming effective and with effect from the Appointed Date, Frested Limited shall pursuant to the provisions of sections 230 to 232 and 234 and all other applicable provisions of the Companies Act, 2013 and Part II Section (4) of the XIV Schedule and the other applicable provisions of the Mauritius Companies Act, 2001, and order of the National Company Law Tribunal, Chandigarh Bench and Supreme Court of Mauritius or other appropriate authority, if any, sanctioning the Scheme, stand transferred to and vested in the Applicant Company, as a going concern, so as to become the properties of the Applicant Company within the meaning of Section 2(1B) of the Income Tax Act, 1961.
- (f) As per clause 6.1 of the Scheme, the entire paid-up equity share capital of the Frested Limited is held by ACE. Therefore, upon this Scheme being effective, the entire Issued, Subscribed and Paid up share capital of Frested Limited shall, *ipso facto*, without any further application, act or deed stand cancelled on the Effective Date. Further, since ACE is not permitted to issue shares to itself under the provisions of the Indian Act, no shares of ACE will be issued or allotted with respect to the Equity Shares held by ACE in Frested Limited in consideration for amalgamation. Therefore, there is no requirement to obtain Valuation Report and Fairness Opinion.
- (g) As per clause 7 of the scheme, the accounting treatment of the proposed amalgamation shall be done by the Applicant Company/Amalgamated Company in its books of accounts with effect from the Appointed Date in accordance with Indian Accounting Standard (Ind AS) – 103 "Business Combinations" issued by the Ministry of Corporate Affairs. M/s BRAN & Associates, Chartered Accountants, the Statutory auditors of the Applicant Company have certified that the accounting treatment proposed in the Scheme of Amalgamation is in conformity with the provisions of the Accounting Standards prescribed under Section 133 of the Companies Act, 2013.
- (h) On the Scheme becoming effective, all employees, if any, of the Transferor Company in service on the Effective Date shall be deemed to have become employees of the Applicant Company with effect from the Appointed Date without any break, discontinuance or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Applicant Company shall not be less favorable than those applicable to them with reference to the Transferor Company on the Effective date.
- (i) This Scheme is and shall be conditional upon and subject to:
- The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/ or creditors of the Amalgamating Company and the Amalgamated Company as prescribed under the Indian Act and relevant provisions of the Mauritius Act and as may be directed by the NCLT and Supreme Court of Mauritius or any other appropriate authority in the Relevant Jurisdiction as may be applicable.
 - The sanction of this Scheme by the NCLT and Supreme Court of Mauritius.
 - Certified or authenticated copy of the Order of the NCLT sanctioning the Scheme being filed with the Registrar of Companies by the Amalgamated Company.
 - Compliance by the Amalgamating Company of all necessary and applicable provisions of its applicable law including without limitation, all necessary filings to be made under applicable law of Mauritius.
 - The requisite, consent, approval or permission of the Central Government or any other statutory or regulatory authority including the Reserve Bank of India, which by law may be necessary for the implementation of this Scheme.
- (j) All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Company and the Applicant Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the respective companies.

- (k) The Scheme also provides for:
- the manner of vesting and transfer of the properties of the Transferor Company to the Applicant Company;
 - the transfer of all contracts, deeds, agreements, schemes, arrangements, insurance policies, and other instruments of whatsoever nature, of the Transferor Company to the Applicant Company;
 - the transfer of all legal proceedings by or against the Transferor Company to the Applicant Company;
 - the manner in which the business is to be carried on by the Transferor Company until the Effective date.

The features set out above being only the salient features of the Scheme of Amalgamation, the Secured Creditors of Action Construction Equipment Limited are requested to read the entire text of the Scheme of Amalgamation to get themselves fully acquainted with the provisions thereof.

9. No investigation proceedings have been instituted or are pending in relation to Action Construction Equipment Limited under the provisions of the Companies Act, 2013, as applicable.
10. The Pre and Post amalgamation shareholding of ACE shall be same as the scheme provides for the merger of Frested Limited, wholly owned subsidiary of ACE into and with ACE and no shares are being issued as part of the consideration. The Pre scheme shareholding of ACE based on 31 March, 2018 shareholding would be as detailed below:

Category of Shareholder	No. of Shares held		Total Shareholding as a % of total no. of Shares	
	Pre Scheme	Post Scheme	Pre Scheme	Post Scheme
Promoter				
• Individuals / Hindu Undivided Family	8,08,45,120	8,08,45,120	68.91%	68.91%
Non Promoter				
• Institutions	61,00,825	61,00,825	5.20%	5.20%
• Bodies Corporate	34,39,953	34,39,953	2.93%	2.93%
• Public (Individuals)	2,50,54,070	2,50,54,070	21.35%	21.35%
• Others (NRI / CM / Trust / HUF / NBFC / IEPF)	18,83,032	18,83,032	1.61%	1.61%
Total	11,73,23,000	11,73,23,000	100.00%	100.00%

11. Details of Approval from regulatory authorities:

- Since the Transferor Company is a wholly owned subsidiary of Applicant Company in accordance with Clause 7 of the SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017, the provisions of Regulation 37 and 94 of Listing Obligations and Disclosure Requirements shall not be applicable on the merger.
 - In terms of Proviso to Regulations 37(6) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ACE has filed the draft Scheme with the National Stock Exchange of India Limited and BSE Limited on November 22, 2017 for the purpose of disclosures
 - In accordance with Section 234 of the Companies Act, 2013 read with Rule 25A of Companies (Compromises, Arrangements and Amalgamations) Amendment Rules, 2017, the Foreign Transferor Company merging with Indian Applicant Company is required to obtain prior approval of Reserve Bank of India ('RBI'). Therefore, the Applicant Company had obtained the approval of the by RBI vide order dated March 8, 2018.
 - The Transferee Company has made application before the Hon'ble National Company Law Tribunal, Chandigarh Bench for the sanction of the Scheme of Amalgamation under Sections 230 to 232 and 234 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016
 - A copy of the Scheme along with the necessary statement under Section 230 read with Rules 6 and 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, will be forwarded to the Registrar of Companies, in terms of the order dated 04 May, 2018 of the Hon'ble National Company Law Tribunal, Chandigarh Bench.
 - The Transferee Company is required to seek approval / sanction / no-objection from certain regulatory and governmental authorities for the Scheme such as a concerned Registrar of Companies, Regional Director and will obtain the same at the relevant time.
12. The Directors of the Applicant Company may be deemed to be concerned and/ or interested in the Scheme only to the extent of their Shareholding in the Applicant Company or to the extent the said Directors are common Directors in the Applicant Company/ Transferor Company, or to the extent the said Directors are the partners, directors, members of the Applicant Company/ Transferor Company, firms, association of persons, bodies corporate and/or beneficiary of trust, that hold Shares in Applicant Company/ Transferor Company.

13. The details of the directors of the Transferor Company and their shareholding in the Transferor Company and Applicant Company as on 31 March, 2018 are as follows:

S. No.	Name of Director	Address	Position	Equity Shares Held in Transferor Company	Equity Shares Held in Applicant Company
1.	Mr. Vijay Agarwal	854, Sector-15A, Faridabad-121007	Director	NIL	4,14,01,907
2.	Mr. Devindra Collappen	Mon Désir, Rue Remy Ollier, Vacoas, Republic of Mauritius	Director	NIL	NIL

14. The details of the directors and Key Managerial Personnel ('KMP') of the Applicant Company and their shareholding in the Applicant Company and Transferor Company as on 31 March, 2018 are as follows:

S. No.	Name of Director/ KMP	Address	Position	Equity Shares Held in Applicant Company	Equity Shares Held in Transferor Company
1.	Mr. Vijay Agarwal	854, Sector 15A, Faridabad – 121007, Haryana	Chairman and Managing Director	4,14,01,907	NIL
2.	Mrs. Mona Agarwal	854, Sector 15A, Faridabad – 121007, Haryana	Whole Time Director	2,53,14,407	NIL
3.	Mr. Sorab Agarwal	854, Sector 15A, Faridabad – 121007, Haryana	Executive Director	71,48,650	NIL
4.	Mrs. Surbhi Garg	H.No. 118, Sector - 28 A, Chandigarh - 160001	Executive Director	69,30,156	NIL
5.	Mr. Girish Narain Mehra (IAS Retd.)	House No. 217, Sector 15A, Noida – 201301	Independent Director	NIL	NIL
6.	Mr. Subhash Chander Varma	House No. 34, First Floor, Greater Kailash I, New Delhi – 110048	Independent Director	15,000	NIL
7.	Mr. Keshav Chandra Agarwal	House No. 350, Sector 29, Noida – 201303	Independent Director	NIL	NIL
8.	Dr. Amar Singhal	D – 11, Pushpanjali Enclave, New Delhi –110 034	Independent Director	NIL	NIL
9.	Mr. Rajan Luthra	K - 14, Lajpat Nagar - III, New Delhi - 110024	Chief Financial Officer	91	NIL
10.	Mr. Anil Kumar	H. No. - 342, Sector - 10, H.B.C., Faridabad, Haryana - 121006	Company Secretary	NIL	NIL

15. The details (names and address) of the Promoters of the Applicant Company as on 31 March, 2018 are as follows:

S. No.	Name of Promoter	Address
1.	Mr. Vijay Agarwal	854, Sector 15A, Faridabad – 121007, Haryana
2.	Mrs. Mona Agarwal	854, Sector 15A, Faridabad – 121007, Haryana
3.	Mr. Sorab Agarwal	854, Sector 15A, Faridabad – 121007, Haryana
4.	Mrs. Surbhi Garg	H.No. 118, Sector - 28 A, Chandigarh - 160001
5.	Ms. Anuradha Garg	H.No. 55, Distt. Gautam Budh Nagar, Noida-201301, Uttar Pradesh

16. The amount due to Unsecured Creditors of the Applicant Company as on November 11, 2017 is INR 1,35,87,99,293/-.
17. The rights and interests of the Members and Creditors of the Applicant Company will not be prejudicially affected by the Scheme as no sacrifice or waiver at all called from them, nor are their rights sought to be modified in any manner

18. This statement may also be treated as an Explanatory Statement under Section 102 and 230 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
19. On the Scheme being approved by the requisite majority of the Shareholders and Creditors (secured and unsecured), the Applicant Company shall file a petition with the Hon'ble National Company Law Tribunal, Chandigarh Bench for sanction of the Scheme under Sections 230 to 232 and 234 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions of the Act.
20. It is further provided that there are no other contracts or agreements that are material to the proposed scheme.
21. The following documents are available for inspection by the Secured Creditors of Action Construction Equipment Limited at the Registered Office of the Company up to and including the date of the Meeting between 9.00 A.M to 5.00 P.M on all working days (except Saturdays, Sundays and public holidays)
 - (a) Copy of the Company Application No. CA (CAA)No.24/CHD/Hry/2017.
 - (b) Copy of the Order dated 04 May, 2018 of the National Company Law Tribunal, Chandigarh Bench passed in Company Application No. CA(CAA)No.24/CHD/Hry/2017 directing the convening of the Meeting of the Secured Creditors of Action Construction Equipment Limited, being Applicant Company.
 - (c) Copy of the Scheme of Amalgamation between Frested Limited and Action Construction Equipment Limited.
 - (d) Copy of the Memorandum and Articles of Association of the Applicant Company and Transferor Company.
 - (e) Copy of the audited accounts of the Applicant Company for the financial year ending March 31, 2017
 - (f) Copy of the Supplementary accounting Statement of Applicant Company as on 31 December, 2017.
 - (g) Copy of the extracts of the Board Resolution dated November 10, 2017 and November 11, 2017 of the Transferor Company and Applicant Company approving the Scheme;
 - (h) Copy of certificate issued by M/s BRAN & Associates, Chartered Accountants, the Statutory auditors of the Applicant Company certifying that the accounting treatment proposed in the Scheme of Amalgamation is in conformity with the provisions of the Accounting Standards prescribed under Section 133 of the Companies Act, 2013;
 - (i) Register of Director's and Key Managerial Personnel's shareholding in Applicant Company
 - (j) The soft copies of the documents mentioned supra (except the one mentioned in [i]) are uploaded on the Company website

Sd/-
Rajan Luthra
Chief Financial Officer

Dated this day 15th of May, 2018

Registered Office: Dudhola Link Road, Dudhola, District – Palwal, Haryana – 121 102

SCHEME OF AMALGAMATION
BETWEEN
FRESTED LIMITED
AND
ACTION CONSTRUCTION EQUIPMENT LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

PREAMBLE

(A) Background and Description of Companies

1. **FRESTED LIMITED**, (hereinafter called '**Frested Ltd** or '**Amalgamating Company**' or '**Transferor Company**') is a company incorporated under the provisions of the Mauritius Companies Act, 2001 having its registered office at Suite 204, Grand Baie Business Quarter, Chemin Vingt Pieds, Grand Bay 30529, Mauritius.
2. **Action Construction Equipment Limited**, (hereinafter called '**ACE**' or '**Amalgamated Company**' or '**Transferee Company**') is a public listed company incorporated under the provisions of Indian Companies Act, 1956 having its registered office at Dudhola Link Road, District – Palwal , Haryana – 121102.
3. ACE is the holding company of Frested Ltd.
4. ACE is engaged in the business of manufacturing of three types of heavy equipments – (i) mobile cranes / tower cranes ; (ii) material handling / construction equipment and (iii) agri equipments etc.

(B) Purpose and Rationale of the Scheme of Amalgamation

This Scheme of Amalgamation (hereinafter called 'the Scheme') is presented under Sections 230 to 232 and 234 and other applicable provisions, if any, of the Indian Act (as defined in clause 1.1 hereinafter) and Sections 261 to 264 and other applicable provisions, if any, of the Mauritius Act (as defined in clause 1.7 hereinafter), for amalgamation of Frested Ltd. into and with ACE. The Indian Act enables a foreign transferor company to merge into an Indian transferee company.

The Board of Directors of Frested Ltd and ACE consider that the Scheme of Amalgamation would benefit the respective companies and the various stakeholders on account of the following reasons:

1. Rationalizing and optimizing the group legal entity structure to ensure greater alignment with the business by reducing the number of legal entities;
2. Reduction in the legal and regulatory compliances required at present to be carried out by Frested Ltd and by ACE in relation to Frested Ltd ;
3. Overall reduction in administrative, managerial and other expenditure and operational rationalization, organizational efficiency and optimal utilization of various resources.

In consideration of the above rationale and benefits, this Scheme is now presented for amalgamation of Frested Ltd into and with ACE in accordance with the terms set out hereunder.

(C) Parts of the Scheme of Amalgamation

This Scheme of Amalgamation is divided into the following parts:

1. **PART I** - Definitions and Share Capital;
2. **PART II** - Amalgamation of Frested Ltd with ACE;
3. **PART III** – General Clauses, Terms and Conditions.

PART – I
DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme (as defined hereinafter), unless repugnant to the meaning or context thereof, the following expressions shall have the meaning mentioned herein below:

- 1.1 **“Act” or “the Act” or “Indian Act” or “The Indian Act”** means the Companies Act, 2013 of India, and shall include the rules and regulations made thereunder and any statutory modifications, re-enactments and / or amendments thereof.
- 1.2 **“Amalgamated Company” or “Transferee Company” or “ACE”** means Action Construction Equipment Limited, a public listed company incorporated under the provisions of Indian Companies Act, 1956 having its registered office at Dudhola Link Road, District – Palwal , Haryana – 121102.
- 1.3 **“Amalgamating Company” or “Transferor Company” or “Frested Ltd”** means Frested Limited, a private company incorporated under the provisions of the Mauritius Companies Act, 2001 having its registered office at Suite 204, Grand Baie Business Quarter, Chemin Vingt Pieds, Grand Bay 30529, Mauritius.
- 1.4 **“Appointed Date”** means January 1, 2018 being the date with effect from which Frested Ltd shall stand amalgamated into and with ACE in terms of this Scheme, upon sanction of the Scheme by the NCLT and Supreme Court of Mauritius and the Scheme coming into effect.
- 1.5 **“Appropriate Authority”** means any government, statutory, regulatory, departmental or public body or authority of the Relevant Jurisdiction, including Registrar of Companies and the NCLT and Supreme Court of Mauritius. .
- 1.6 **“Effective Date”** means the last of the dates on which the conditions specified in Clause 17 are complied with. Any references in this Scheme to “upon this Scheme becoming effective” or “effectiveness of this Scheme” shall mean and refer to the Effective Date.
- 1.7 **“Mauritius Act”** means The Companies Act, 2001 of Mauritius or any statutory modification or re-enactment thereof for the time being in force.
- 1.8 **“NCLT”** means National Company Law Tribunal at Chandigarh;
- 1.9 **“Registrar of Companies”** means Registrar of Companies, New Delhi and the Registrar of Companies, Mauritius, individually or collectively, as the context may require.
- 1.10 **“Relevant Jurisdiction”** means the territories of the Republic of India and Mauritius.
- 1.11 **“Scheme” or “the Scheme” or “this Scheme”** means this Scheme of Amalgamation, in its present form or with any modification(s) made under Clause 16 of this Scheme as approved or directed by NCLT and Supreme Court of Mauritius or any other appropriate authority in the relevant jurisdictions.
- 1.12 **“Supreme Court of Mauritius”** means the Bankruptcy Division of the Supreme Court of Mauritius.
- 1.13 **“Transferred Undertaking”** means the whole of the undertaking(s) of Frested Ltd., on the Appointed Date. For the avoidance of doubt Frested Ltd. will have no immovable property, debts (except inter-group debts) or other liabilities as on the Appointed Date.
- 1.14 In this Scheme, unless the context otherwise requires:
 - a) references to persons shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;
 - b) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;
 - c) words in the singular shall include the plural and vice versa;
 - d) any references in the Scheme to “upon the Scheme becoming effective” or “effectiveness of the Scheme” shall mean the Effective Date; and
 - e) all terms and words used but not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Indian Act and other applicable laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

- 2.1 The Scheme set out herein in its present form or with any modification(s) approved or directed by the NCLT and Supreme Court of Mauritius or any other appropriate authority in the Relevant Jurisdictions shall have legal effect and force from the Appointed Date but shall be operative from the Effective Date.
- 2.2 Any reference in this Scheme to “upon the Scheme becoming effective” or “effectiveness of the Scheme” or “upon the coming into effect of the Scheme” shall mean the Effective Date.

3. SHARE CAPITAL

3.1 The Share Capital of Frested Ltd as per the audited balance sheet as on January 31, 2017 is as under:

Particulars	As at January 31, 2017(USD)
Issued, Subscribed and Paid-up	
1,000 Ordinary Share of USD 1.3/-each	1,300
TOTAL	1,300

Subsequent to the Balance Sheet date, there has been no change in the issued, subscribed and paid-up capital of Frested Ltd.

3.2 The Share Capital of ACE as per the audited balance sheet as on March 31, 2017 is as under:

Particulars	As at March 31, 2017(Rs.)
Authorized Capital	
125,000,000 Equity Shares of Rs. 2/- each	250,000,000
30,250,000 8% Cumulative Non – Participating Redeemable Preference Shares of Rs. 10/- each	302,500,000
TOTAL	552,500,000
Issued, Subscribed and Paid-up	
117,323,000 Equity Shares of Rs. 2/- each fully paid up	234,646,000
30,219,380 8% Cumulative Non – Participating Redeemable Preference Shares of Rs. 10/- each	302,194,000
TOTAL	536,840,000

Subsequent to the Balance Sheet date, there has been no change in the issued, subscribed and paid-up capital of ACE.

PART – II

AMALGAMATION OF FRESTED LTD. WITH ACE

4. PROVISIONS UNDER THE MAURITIUS LAWS PERTAINING TO AMALGAMATION

- 4.1 Amalgamating Company is incorporated under the Mauritius Act.
- 4.2 In terms of Section 4(2)(b) of Part II of the Fourteenth Schedule of the Mauritius Act, the Amalgamated Company, being incorporated under the laws of the jurisdiction other than Mauritius, must submit to the Registrar of Companies, Mauritius the following:
 - 4.2.1 An agreement that a service of process may be effected on and against it as the surviving company (being “Amalgamated Company” or the consolidated company) in Mauritius in respect of proceedings for the enforcement of any claim, debt, liability or obligation of the constituent company (being the “Amalgamating Company”) incorporated under the Mauritius Act or in respect of proceedings for the enforcement of the rights of a dissenting member of a constituent company incorporated under the Mauritius Act;
 - 4.2.2 An irrevocable appointment of the Registered Agent as its agent to accept service of process in proceedings referred to in sub paragraph 4.2.1 above.
 - 4.2.3 An agreement that the Amalgamated Company shall promptly pay to the dissenting members, if any, of the constituent company incorporated under the Mauritius Act, the amount, if any, to which they are entitled under the Mauritius Act, with respect to the rights of dissenting members; and
 - 4.2.4 A certificate of merger or consolidation issued by the appropriate authority of the foreign jurisdiction (being the Order of the NCLT sanctioning the Scheme) where it is incorporated.
- 4.3 In terms of Paragraph 4(3) of Part II of the Fourteenth Schedule to the Mauritius Act, where the surviving company (being the ‘Amalgamated Company’) is incorporated under the laws of a jurisdiction other than that of Mauritius, the effect of the merger shall be the same as in the case of a merger under Part XVI of the Mauritius Act except in so far as the laws of other jurisdiction, i.e. the laws of India otherwise provide.
- 4.4 In terms of Paragraph 4(4) of Part II of the Fourteenth Schedule to the Mauritius Act, since the surviving company (being the ‘Amalgamated Company’) is incorporated under the laws of a jurisdiction other than that of Mauritius, the merger will be effective as provided for by the laws of that jurisdiction i.e. the laws of India.

- 4.5 The Amalgamating Company shall be required to file certain documents including those set out in Paragraph (4)(2)(b) of Part II of the Fourteenth Schedule to the Mauritius Act with the Registrar of Companies, Mauritius along with this Scheme and the corporate resolution of the Amalgamated Company or relevant extract thereof and the Amalgamating Company will be struck off the register maintained by the Registrar of Companies, Mauritius from the effective date of merger under the laws of India without the need for winding up.
- 4.6 Amalgamating Company shall with all reasonable dispatch make application under Section 261 to 264 and other applicable provisions of the Mauritius Act for seeking sanction of the Supreme Court of Mauritius to the Scheme subject to such other terms and conditions as the Supreme Court of Mauritius may deem fit.

5. TRANSFER AND VESTING

- 5.1 Upon the Scheme becoming effective and with effect from the Appointed Date, the Transferred Undertaking shall, pursuant to the applicable provisions of the Indian Act, and applicable provisions of the Mauritius Act and pursuant to the order of the NCLT and Supreme Court of Mauritius or other appropriate authority in the Relevant Jurisdictions, if any, sanctioning the Scheme, shall without any further act, deed, matter or thing, stand transferred to and vested in and/ or deemed to be transferred to and vested in the Amalgamated Company, as a going concern, so as to become the properties of the Amalgamated Company within the meaning of Section 2(1B) of the Indian Income Tax Act, 1961.

6. DISCHARGE OF CONSIDERATION

- 6.1 The entire paid-up equity share capital of the Frested Limited is held by ACE. Therefore, upon this Scheme being effective, the entire Issued, Subscribed and paid up share capital of Frested Limited shall, *ipso facto*, without any further application, act or deed stand cancelled on the Effective Date and since ACE is not permitted to issue shares to itself under the provisions of the Indian Act, no shares of ACE will be issued or allotted with respect to the Equity Shares held by ACE in Frested Limited in consideration for amalgamation.

7. ACCOUNTING TREATMENT

Upon the Scheme becoming effective, the Amalgamated Company shall account for the amalgamation of the Amalgamating Company in its books of accounts with effect from the Appointed Date in accordance with the provisions of the Indian Accounting Standard (Ind AS) – 103 “Business Combinations” issued by the Ministry of Corporate Affairs, such that:

- 7.1 All assets, liabilities and debts of the Amalgamating Company are transferred to and vested in the Amalgamated Company pursuant to the Scheme and shall be recorded by the Amalgamated Company at their respective book values as on the Appointed Date.
- 7.2 With effect from the Appointed Date and upon the Scheme becoming effective, the investment of the Amalgamated Company in the Amalgamating Company shall stand cancelled.
- 7.3 Loans, advances, amount receivable or payable inter-se between the Amalgamating Company and the Amalgamated Company, appearing in the books of accounts of the Amalgamated Company and/or the Amalgamating Company, if any, shall stand cancelled.
- 7.4 The difference in the net value of assets and liabilities of the Amalgamating Company to be vested in the Amalgamated Company as per clause 7.1, after adjustment of the cancellation of investments of the Amalgamated Company as per clause 7.2 above and loans, advances, amount receivable or payable as per clause 7.3 above, shall be recorded as Capital Reserve.
- 7.5 In case of any difference in the accounting policies between the Amalgamating Company and the Amalgamated Company, the impact of the same till the Appointed Date will be adjusted in accordance with Ind AS- 8 “Accounting Policies, Changes in Accounting Estimates and Errors” to ensure that the financial statements of the Amalgamated Company reflect the financial position on the basis of consistent accounting policy.

8. LEGAL PROCEEDINGS

- 8.1 All legal proceedings of whatsoever nature by or against the Amalgamating Company pending and / or arising on or after of the Appointed Date and relating to the Amalgamating Company shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against the Amalgamated Company as the case may be, in the manner and to the same extent as would or might have been continued and enforced by or against the Amalgamating Company.
- 8.2 The Amalgamated Company undertakes to have all legal or other proceedings initiated by or against the Amalgamating Company referred to in clause 8.1 above transferred in its name and to have the same continued, prosecuted and enforced by or against the Amalgamated Company, to the exclusion of the Amalgamating Company. The Amalgamating Company confirms that there are no suits/proceedings pending against it as of the date of filing of the Scheme.

9. CONTRACTS, DEEDS, APPROVALS, EXEMPTIONS, ETC

- 9.1 Upon the Scheme becoming effective but with effect from the Appointed Date, all contracts, deeds, agreements, schemes, arrangements, and other instruments of whatsoever nature in relation to the Amalgamating Company, or to the benefit of which the Amalgamating Company may be eligible, and which are subsisting or having effect on or immediately before the Effective Date, shall be in full force and effect on or against or in favour of the Amalgamated Company and

may be enforced as fully and effectually as if, instead of the Amalgamating Company, the Amalgamated Company had been a party or beneficiary or obligee thereto.

9.2 The Amalgamated Company shall be entitled to the benefit of all insurance policies (if any) which have been issued in respect of the Amalgamating Company and the name of the Amalgamated Company shall be substituted as "Insured" in the policies as if the Amalgamated Company was initially a party.

9.3 The Amalgamated Company, at any time after the Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, will execute deeds of confirmation or other writings with any party to any contract in relation to the Amalgamating Company or to which the Amalgamating Company is a party in order to give formal effect to the above provisions. The Amalgamated Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Amalgamating Company and to carry out or perform all such formalities or compliances, referred to above, on behalf of the Amalgamating Company.

10. OTHER ENTITLEMENTS

10.1 On the Scheme becoming effective, all employees, if any, of the Amalgamating Company in service on the Effective Date shall be deemed to have become employees of the Amalgamated Company with effect from the Appointed Date without any break, discontinuance or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Amalgamated Company shall not be less favorable than those applicable to them with reference to the Amalgamating Company on the Effective Date.

11. CONDUCT OF AFFAIRS UNTIL THE EFFECTIVE DATE

11.1 With effect from the Appointed Date and up to and including the Effective Date:

- (a) All profits or income arising or accruing in favour of the Amalgamating Company or losses arising or incurred by the Amalgamating Company shall, for all purposes, be treated as and deemed to be the profits or income, or losses, as the case may be, of the Amalgamated Company;
- (b) Amalgamating Company shall carry on its activities with reasonable diligence and prudence and in the same manner as it had been doing hitherto.
- (c) Amalgamating Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which may be required pursuant to this Scheme; and
- (d) Amalgamating Company and /or Amalgamated Company may, during the pendency of the Scheme, make any alterations to their respective share capital structure, whether by way of increase (by issue of equity shares on a rights basis, bonus shares or otherwise) decrease, reduction, reclassification, sub-division or consolidation, re-organisation or in any other manner.

12. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the Transferred Undertaking, pursuant to this Scheme, and the continuance of the legal proceedings by or against the Amalgamated Company, under clause 8 hereof shall not affect any transactions or proceedings already completed by the Amalgamating Company, on the Effective Date to the end and intent that the Amalgamated Company accepts all acts, deeds and things done and executed by and / or on behalf of the Amalgamating Company, as acts, deeds and things done and executed by and on behalf of the Amalgamated Company.

13. APPLICABILITY OF THE PROVISIONS OF THE INDIAN INCOME TAX ACT, 1961

13.1 The provisions of this Scheme have been drawn up to comply with the conditions relating to "amalgamation" as defined under Section 2(1B) of the Indian Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Indian Income-tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Indian Income-tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Indian Income-tax Act, 1961. Such modification will, however, not affect the other parts of the Scheme.

14. DISSOLUTION OF AMALGAMATING COMPANY

Upon the Scheme becoming effective and upon the Supreme Court of Mauritius giving an Order under appropriate provisions of the Mauritius Act, Amalgamating Company shall be dissolved, without any further act or deed, without being wound up.

PART – III

GENERAL TERMS AND CONDITIONS

15. APPLICATION AND PETITION TO THE NCLT AND SUPREME COURT OF MAURITIUS

The Amalgamating Company and the Amalgamated Company shall, with all reasonable dispatch, make applications to the respective NCLT and Supreme Court of Mauritius, under the relevant provisions of applicable law, if any, seeking orders for

dispensing with or convening, holding and/or conducting of the meetings of the classes of their respective shareholders and/or creditors and for sanctioning the Scheme with such modifications, as may be approved by the NCLT and Supreme Court of Mauritius..

Upon the Scheme being approved by the requisite majority of the shareholders and creditors of the Amalgamating Company and the Amalgamated Company (wherever required), the said companies shall, with all reasonable dispatch, file petitions before the respective NCLT and Supreme Court of Mauritius for sanction of the Scheme, and for such other order or orders, as the NCLT and Supreme Court of Mauritius may deem fit for carrying the Scheme into effect. Upon the Scheme becoming effective, the shareholders of the Amalgamating Company and the Amalgamated Company, shall be deemed to have also accorded their approval under all relevant provisions of the Indian Act, and the relevant provisions of the applicable Mauritius Act, if any, for giving effect to the provisions contained in the Scheme.

16. MODIFICATIONS/ AMENDMENTS TO THE SCHEME

The Amalgamating Company and the Amalgamated Company, by their respective board of directors may assent to any modifications/ amendments to the Scheme or to any conditions or limitations that the NCLT and Supreme Court of Mauritius and/ or any other appropriate authority in the Relevant Jurisdiction may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e. the board of directors). The Amalgamating Company and the Amalgamated Company, by their respective board of directors, be and are hereby authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions of law or otherwise, whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/ or any matter concerned or connected therewith.

The Amalgamating Company and the Amalgamated Company (acting through their respective boards of directors) shall be at liberty to withdraw the Scheme in entirety, or to decide not to give effect to any one or more of the parts contained herein, whether for the reason of any condition or alteration imposed by the NCLT and Supreme Court of Mauritius or any other governmental/regulatory authority not being acceptable to them, or any other reason whatsoever.

If any part of the Scheme is held to be invalid or illegal by NCLT or Supreme Court of Mauritius or unenforceable under present or future laws, then the parties may decide that such part shall be severable from the remainder of the Scheme and the Scheme shall not be affected thereby, unless the deletion of such part shall cause the Scheme to become materially adverse to any party, in which case the Amalgamating Company and the Amalgamated Company, shall attempt to bring about a modification in the Scheme, as will best preserve for the Amalgamating Company and the Amalgamated Company, the benefits and obligations of this Scheme, including but not limited to such part.

17. CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

- 17.1 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/ or creditors of the Amalgamating Company and the Amalgamated Company as prescribed under the Indian Act and relevant provisions of the Mauritius Act and as may be directed by the NCLT and Supreme Court of Mauritius or any other appropriate authority in the Relevant Jurisdiction as may be applicable.
- 17.2 The sanction of this Scheme by the NCLT and Supreme Court of Mauritius.
- 17.3 Certified or authenticated copy of the Order of the NCLT sanctioning the Scheme being filed with the Registrar of Companies by the Amalgamated Company.
- 17.4 Compliance by the Amalgamating Company of all necessary and applicable provisions of its applicable law including without limitation, all necessary filings to be made under applicable law of Mauritius.
- 17.5 The requisite, consent, approval or permission of the Central Government or any other statutory or regulatory authority including the Reserve Bank of India, which by law may be necessary for the implementation of this Scheme.

18. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in clause 17 not being obtained and/ or the Scheme not being sanctioned by the NCLT and Supreme Court of Mauritius or such other appropriate authority, if any, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law and agreed between the respective parties to this Scheme. Each party shall bear and pay its respective costs, charges and expenses for and or in connection with the Scheme unless otherwise mutually agreed.

19. COSTS, CHARGES AND EXPENSES

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Amalgamating Company and the Amalgamated Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the respective companies.

**ACKNOWLEDGEMENT OF FILING OF A COPY OF THE SCHEME OF
AMALGAMATION WITH THE REGISTRAR OF COMPANIES**

**MINISTRY OF CORPORATE AFFAIRS
ACKNOWLEDGEMENT**

SRN : G87125787

Service Request Date : 15/05/2018

Received From :

Name : ACTION CONSTRUCTION EQUIPMENT LIMITED

Address : DUDHOLLA LINK ROAD

PALWAL, Haryana

IN - 121102

Entity on whose behalf money is paid

CIN: L74899HR1995PLC053860

Name : ACTION CONSTRUCTION EQUIPMENT LIMITED

Address : Dudhola Link Road

Dudhola

Palwal, Haryana

India - 121102

Full Particulars of Remittance

Service Type: eFiling

Service Description

Fee For Form GNL-1

Note: The defects or incompleteness in any respect in this eForm as noticed shall be placed on the Ministry's website (www.mca.gov.in). In case the eForm is marked as RSUB or PUCL, please resubmit the eForm or file Form GNL-4(Addendum), respectively. Please track the status of your transaction at all times till it is finally disposed off. (Please refer Rule 10 of the Companies (Registration offices and Fees) Rules, 2014) It is compulsory to file Form GNL-4 (Addendum) electronically within the due date whenever the document is put under PUCL, failing which the system will treat the document as invalid and will not be taken on record in accordance with Rule 10(4) of the Companies (Registration offices and Fees) Rules, 2014

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF ACTION CONSTRUCTION EQUIPMENT LIMITED AT ITS MEETING HELD ON SATURDAY 11TH NOVEMBER, 2017 AT THE SURYAA HOTEL, NEW FRIENDS COLONY, NEW DELHI-110025. EXPLAINING EFFECT OF THE SCHEME OF AMALGAMATION ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTER AND NON-PROMOTER SHAREHOLDERS

The proposed Scheme of Amalgamation between Frested Limited ('Frested Ltd' or 'Transferor Company' or 'Amalgamating Company') a wholly owned subsidiary of Action Construction Equipment Limited ('ACE') and ACE ('Transferee Company' or 'Amalgamated Company') and their respective shareholders and Creditors ('the Scheme') was approved by Board of Directors of the Transferor Company and Transferee Company vide resolution passed at its meeting held on November 10, 2017 and November 11, 2017 respectively.

The provisions of Section 232(2)(c) of the Companies Act, 2013, requires the directors to adopt a report explaining the effect of the amalgamation under the Scheme on each class of shareholders, key managerial personnel ('KMP'), promoter and non-promoter shareholders. The said report is required to be circulated to the Shareholders along with the notice convening the Meeting. The Board noted that the Scheme does not contemplate any allotment of shares of the Transferee Company.

Having regard to the aforesaid provision, the Board of Directors have taken into consideration the report prepared by the Company's management in relation to the Scheme which *inter-alia* includes the following:

1. Upon the Scheme becoming effective and with effect from the Appointed Date, the Transferred Undertaking shall, pursuant to the applicable provisions of the Companies Act, 2013 and applicable provisions of the Mauritius Act and pursuant to the order of the National Company Law Tribunal, Chandigarh Bench and Supreme Court of Mauritius or other appropriate authority in the Relevant Jurisdictions, if any, sanctioning the Scheme, shall without any further act, deed, matter or thing, stand transferred to and vested in and/ or deemed to be transferred to and vested in the Transferee Company, as a going concern, so as to become the properties of the Transferee Company within the meaning of Section 2(1B) of the Indian Income Tax Act, 1961
2. Valuation Report is not required in cases where there is no issue of shares by the Transferee Company pursuant to the amalgamation. Since Frested Limited is a wholly owned subsidiary of the Transferee Company, no shares shall be issued and allotted by the Transferee Company pursuant to the amalgamation and the shares of Frested Limited held by the Transferee Company shall stand cancelled. The shareholders of the Transferee Company will continue to remain beneficial owners of the Transferee Company in the same proportion in which they held shares in the Transferee Company prior to amalgamation. Accordingly, there will be no change in the shareholding pattern of the Transferee Company.
3. There will be no adverse effect of the said Scheme on the equity shareholders, preference shareholders, key managerial personnel, promoter and non – promoter shareholders of the Transferee Company.
4. Further, no change in the Key Managerial Personnel of the Transferee Company is expected pursuant to the Scheme becoming effective.

By Order of the Board of Directors
Action Construction Equipment Limited

Sd/-
Vijay Agarwal
Chairman & Managing Director
DIN: 00057634



BRAN & ASSOCIATES
CHARTERED ACCOUNTANTS

B-374-376, Nehru Ground, N.L.T.,
Faridabad-121001
Tel. : 0129-4172796, 9811372796
E-mail : ravikulati@cabran.in
Website : www.cabran.in

**LIMITED REVIEW REPORT ON STANDALONE FINANCIAL RESULTS FOR THE
QUARTER ENDED 31st DECEMBER, 2017**

To,
THE BOARD OF DIRECTORS
ACTION CONSTRUCTION EQUIPMENT LIMITED

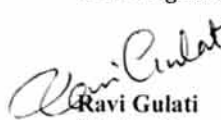
We have reviewed the accompanying statement of unaudited standalone financial results ('the statement') of **Action Construction Equipment Limited** ('the company') for the quarter/nine months ended 31st December, 2017, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.


This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, '*Review of interim financial information performed by the independent auditor of the entity*' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results for the quarter/nine months ended 31st December, 2017 prepared in accordance with applicable accounting standards i.e Indian Accounting Standard ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated 05th July, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **BRAN & ASSOCIATES**
Chartered Accountants
Firm Registration No.-014544N


Ravi Gulati
(Partner)
Membership Number- 090672



Place: New Delhi
Date: 25th January, 2018



Action Construction Equipment Limited

CIN: L74899HR1995PLC053860; PAN: AAACA6189P

Registered & Corporate Office: Dudhola Link Road, Dudhola, District – Palwal, Haryana 121102

Tel. No. - +91-1275-280111 ; Fax : +91-1275-280133

Website: www.ace-cranes.com; Email-Id: cs@ace-cranes.com

Statement of Standalone Un-Audited Results for the Quarter and Nine Months ended 31st December, 2017

(Rs. In lakh)

S. No.	Particulars	Quarter ended			Year to date figure for the period ended		Previous year ended
		31-Dec-17	31-Dec-16	30-Sep-17	31-Dec-17	31-Dec-16	31-Mar-17
		(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Audited)
1	Income						
	(a) Revenue from operations	27,907.46	19,798.98	25,099.43	73,118.63	55,227.83	79,726.42
	(b) Other Income	165.49	171.17	213.80	548.44	537.85	646.04
	Total Income	28,072.95	19,970.15	25,313.23	73,667.07	55,765.68	80,372.46
2	Expenses						
	(a) Cost of materials consumed	21,365.85	14,774.54	21,195.73	56,726.22	40,773.63	58,999.50
	(b) Purchase of stock-in-trade	52.54	83.90	111.59	361.21	223.76	344.72
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	147.22	(346.66)	(1,210.69)	(587.64)	(769.33)	(422.20)
	(d) Excise duty	-	1,021.30	-	1,215.43	3,110.76	4,603.13
	(e) Employee benefits expense	1,711.69	1,592.41	1,742.11	4,981.59	4,372.84	5,865.40
	(f) Finance costs	328.87	371.53	341.38	1,007.81	1,142.48	1,305.25
	(g) Depreciation and amortisation expense	304.38	309.05	303.14	908.08	903.85	1,253.96
	(h) Other expenses	1,739.30	1,549.51	1,525.56	4,856.30	4,423.38	5,963.45
	(i) Provision for doubtful loan & advances	182.56	-	-	182.56	-	-
	Total expenses	25,832.41	19,355.58	24,008.82	69,651.56	54,181.37	77,913.21
3	Profit/(Loss) from operations before exceptional items and tax (1-2)	2,240.54	614.57	1,304.41	4,015.51	1,584.31	2,459.25
4	Exceptional items	-	-	-	-	-	-
5	Profit/ (Loss) before Tax (3-4)	2,240.54	614.57	1,304.41	4,015.51	1,584.31	2,459.25
6	Tax expense	599.29	126.97	204.53	897.69	348.14	494.99
7	Net Profit/(Loss) for the period from operations (5-6)	1,641.25	487.60	1,099.88	3,117.82	1,236.17	1,964.26
8	Total other comprehensive income for the Year/Period	-	-	-	-	-	-
	(a) Items that will not be reclassified to profit or loss	-	-	-	-	-	-
	(b) Items that will be reclassified to profit or loss	-	-	-	-	-	-
9	Total comprehensive income for the Year/Period (7+8)	1,641.25	487.60	1,099.88	3,117.82	1,236.17	1,964.26
10	Paid up Equity Share Capital (Face Value Rs. 2/-Per Share)	2,346.46	2,346.46	2,346.46	2,346.46	2,346.46	2,346.46
11	Earnings per share (Face Value Rs 2/- each) (not annualised)						
	a) Basic (in Rs.)	1.40	0.42	0.94	2.66	1.05	1.43
	b) Diluted (in Rs.)	1.40	0.42	0.94	2.66	1.05	1.43

Notes :

- 1) The above financial results have been reviewed by Audit Committee and approved by the Board of Directors at their meeting held on 25th January, 2018.
- 2) The Statutory Auditors of the Company have carried out a "Limited Review" of the above results as per Regulations 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The Ind AS compliant corresponding figures of the previous year have not been subjected to the limited review or audit. However, the management has exercised necessary due diligence to ensure that such financial results provide a true and fair view of its affairs.
- 3) The Segment-wise Reporting has been prepared in accordance with the Ind AS 108 "Operating Segments".
- 4) Tax expense includes Current Tax (including Minimum Alternate Tax) and deferred tax.
- 5) The Company has adopted Indian Accounting Standards ("Ind AS") effective April 01, 2017 (transition date being April 01, 2016) and accordingly, the financial results for the Quarter and period ended December 31, 2017 have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India. Accordingly, the impact of transition has been provided in the opening equity as on April 01, 2016 and figures for the corresponding quarter have been prepared to comply with Ind AS.
- 6) Reconciliation between financial results as previously reported (referred to as "Previous GAAP") and Ind AS for the period ended December 31, 2016:

Particulars	Quarter Ended 31st December, 2016 (Rs. In lakh)	Nine Months Ended 31st December, 2016 (Rs. In lakh)
Net Profit/(Loss) as per erstwhile Indian GAAP	482.78	1,227.08
Adjustments (net of tax impact)		
Impact of adjustment in Fixed Assets	9.18	28.01
Interest Income on loan given to Subsidiary	47.23	136.03
Dividend on Cumulative Redeemable Preference Share considered as interest	(47.57)	(142.63)
Deferred Tax expense on above adjustments	(4.02)	(12.32)
Net Profit/(Loss) as per Ind AS	487.60	1,236.17
Other comprehensive income	-	-
Total comprehensive income as per Ind AS	487.60	1,236.17

- 7) The statement does not include Ind AS compliant results for the previous year ended March 31, 2017 as the same is not mandatory as per SEBI's circular dated July 05, 2016
- 8) Consequent to the introduction of Goods and Service Tax (GST) with effect from 01.07.2017, Central Excise, Value Added Tax (VAT) etc. have been subsumed into GST. In accordance with Indian Accounting Standard-18 on "Revenue" and schedule-III of the Companies Act, 2013, unlike excise duty, levies like GST, VAT etc. are not part of Revenue from Operations. Accordingly the figures for the period upto 30th June, 2017 are not strictly relatable to those thereafter. The following additional information is being provided to facilitate such understanding.

(Rs. In Lakh)

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	31.12.17	30.09.17	31.12.16	31.12.17	31.12.16	31.03.17
Revenue from continuing operations (A)	27,907.46	25,099.43	19,798.98	73,118.63	55,227.83	79726.42
Excise duty on sale (B)	-	-	1,021.30	1215.43	3110.76	4603.13
Revenue from continuing operations excluding excise duty on sale (A-B)	27,907.46	25,099.43	18,777.68	71,903.20	52,117.07	75,123.29

- 9) The above financial results are available on the company's website www.ace-cranes.com and also on the web site of NSE (www.nseindia.com) and BSE (www.bseindia.com)

For Action Construction Equipment Limited

Place: New Delhi
Date: January 25, 2018

Sd/-
Vijay Agarwal
Chairman & Managing Director

SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES, FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2017

(Rs. In Lakh)

Sl. No.	Particulars	Quarter ended			Year to date figure for the period ended		Previous year ended
		31-Dec-17	31-Dec-16	30-Sep-17	31-Dec-17	31-Dec-16	31-Mar-17
		(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Audited)
1.	Segment Revenue						
	A) Cranes	18,513.32	10,916.84	16,363.57	48,636.77	33,440.73	49,641.72
	B) Construction Equipment	2,164.37	1,379.34	1,432.92	4,712.56	3,121.84	4,885.47
	C) Material Handling	1,953.32	1,342.33	2,255.07	5,799.63	3,877.46	5,290.01
	D) Agri Equipment	5,276.45	5,139.17	5,047.87	12,754.24	11,677.04	15,306.09
	E) Excise Duty	-	1,021.30	-	1,215.43	3,110.76	4,603.13
	Total	27,907.46	19,798.98	25,099.43	73,118.63	55,227.83	79,726.42
	Less-Inter Segment Revenue	-	-	-	-	-	-
	Gross Sale / Income from Operations	27,907.46	19,798.98	25,099.43	73,118.63	55,227.83	79,726.42
2.	Segment Results						
	A) Cranes	2,175.26	930.82	1,455.00	4,928.10	3,001.64	4,035.53
	B) Construction Equipment	174.32	29.06	60.19	139.01	50.36	67.23
	C) Material Handling	228.12	148.07	236.53	700.18	440.91	561.65
	D) Agri Equipment	305.55	164.74	167.31	113.92	92.22	206.09
	Total	2,883.25	1,272.69	1,919.03	5,881.21	3,585.13	4,870.50
	Less- Interest	328.87	371.53	341.38	1,007.81	1,142.48	1,305.25
	Less- Other Unallocable Expenditure	313.84	286.59	273.24	857.89	858.34	1,106.00
	Total Profit before Tax	2,240.54	614.57	1,304.41	4,015.51	1,584.31	2,459.25
3.	Segment Assets						
	A) Cranes	55,306.88	51,488.38	55,296.30	55,306.88	51,488.38	47,978.21
	B) Construction Equipment	6,323.29	3,710.42	4,396.20	6,323.29	3,710.42	4,259.18
	C) Material Handling	2,736.71	2,116.39	3,153.46	2,736.71	2,116.39	1,896.00
	D) Agri Equipment	5,341.41	5,382.22	4,686.49	5,341.41	5,382.22	3,924.87
	E) Unallocated	11,988.36	9,088.25	9,098.68	11,988.36	9,088.25	9,178.02
	Total Segment Assets	81,696.65	71,785.66	76,631.13	81,696.65	71,785.66	67,236.28
4.	Segment Liabilities						
	A) Cranes	17,017.67	11,109.03	15,020.49	17,017.67	11,109.03	14,487.76
	B) Construction Equipment	1,085.10	838.78	955.64	1,085.10	838.78	1,476.89
	C) Material Handling	934.93	945.77	1,254.75	934.93	945.77	958.91
	D) Agri Equipment	5,251.14	4,737.26	5,442.27	5,251.14	4,737.26	3,982.00
	E) Unallocated	57,407.81	54,154.82	53,957.98	57,407.81	54,154.82	46,330.72
	Total Segment Liabilities	81,696.65	71,785.66	76,631.13	81,696.65	71,785.66	67,236.28

For Action Construction Equipment Limited

Place : New Delhi
Date: January 25, 2018

**Sd/-
Vijay Agarwal
Chairman & Managing Director**

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IN THE NATIONAL COMPANY LAW TRIBUNAL
CHANDIGARH BENCH
ORIGINAL JURISDICTION
COMPANY APPLICATION No. CA(CAA)NO.24/CHD/Hry/2017

In the matter of the Companies Act, 2013;

AND

In the matter of Sections 230 to 232 and 234 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and Part II Section (4) of the XIV Schedule and the other Applicable Provisions of the Mauritius Companies Act, 2001;

AND

In the matter of Scheme of Amalgamation between Frested Limited ('Frested Ltd' or 'Amalgamating Company/Transferor Company') and Action Construction Equipment Limited ('ACE' or 'Applicant Company') and their respective Shareholders and Creditors

Action Construction Equipment Limited, a Company incorporated under the provisions of Companies Act, 1956 having its Registered Office at Dudhola Link Road, Dudhola, District – Palwal, Haryana – 121102 (**'Applicant Company'**), **CIN - L74899HR1995PLC053860**

FORM NO. MGT-11

PROXY FORM

[Pursuant to the provisions of Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L74899HR1995PLC053860
Name of the Company : Action Construction Equipment Limited
Registered Office : Dudhola Link Road, Dudhola, District – Palwal, Haryana – 121102

Name of the Secured Creditor(s) :	
Registered Address :	
E-mail Id :	

I/We, being the Secured Creditor(s) of the above named company, hereby appoint:

1. Name: E-mail Id:
Address:
..... Signature: or failing him
2. Name: E-mail Id:
Address:
..... Signature: or failing him
3. Name: E-mail Id:
Address:
..... Signature:

as my / our proxy, to attend and vote (on a poll) for me / us and on my / our behalf act for me / us at the meeting of the Secured Creditors of the Company, to be held on Saturday, the 23rd day of June, 2018, At 11:00 A.M. at Aravali Golf Club, New Industrial Township (NIT), Faridabad, Haryana – 121001 or any adjournment/ adjournments thereof (here if 'for' insert 'for', if 'against' insert 'against') in respect of such resolutions as are indicated below:

Resolution No.	Particulars	For	Against
Special Business			
1.	<p>“RESOLVED THAT pursuant to the provisions of Sections 230 to 232 and 234 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions, if any, including any statutory modification or re-enactments thereof for the time being in force, and subject to the relevant provisions of the Memorandum and Articles of Association of Action Construction Equipment Limited ('the Company' or 'ACE') and subject to requisite approval of the shareholders and creditors of the Company and sanction of the Hon'ble National Company Law Tribunal (NCLT), Chandigarh Bench, Reserve Bank of India (RBI) and other regulatory authorities, as may be necessary and required and recommendation of the Board of Directors and Audit Committee, the consent of the Secured Creditors be and is hereby accorded to the Scheme of Amalgamation between Frested Limited ('Frested Ltd') and Action Construction Equipment Limited ('ACE') and their respective Shareholders and Creditors (hereinafter referred to as 'the Scheme'), placed before the meeting of the Secured Creditors”</p> <p>“RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolutions, the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall include any committee constituted by the Board of Directors of the Company or any person(s) authorized by the Board to exercise the powers conferred on the Board of Directors of the Company by this Resolution) be and is hereby authorised on behalf of the Company to do all acts, deeds, matters and things as it may at its discretion deem necessary, proper and desirable for effective implementation of the Scheme and to accept such modification/condition, if any, which may be required by Hon'ble NCLT, RBI and/or any other authority and for such purpose to settle any question or difficulty or doubt that may arise in regard to the Scheme, as it may in its absolute discretion deem fit, and to finalise and execute all documents and writings as may be necessary without being required to seek any further consent or approval of the Secured creditors or otherwise to this end and intent and that the Secured creditors shall be deemed to have given their approval thereto expressly by the authority of this resolution to do and perform all such acts, deeds and things as may be necessary, desirable or expedient to give effect to this Resolution including filing of necessary e-forms with Ministry of Corporate Affairs/ Registrar of Companies.”</p>		

Dated this day of2018

Affix Re. 1 Revenue Stamp

Signature across the Stamp

Signature of Secured Creditor:

Signature of Proxy Holder (s):

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



Action Construction Equipment Limited

CIN: L74899HR1995PLC053860; PAN: AAACA6189P

Registered & Corporate Office: Dudhola Link Road, Dudhola, District – Palwal, Haryana – 121102

Tel. No. - +91 1275-280111; Fax : +91-1275-280133

Website: www.ace-cranes.com; Email-Id: cs@ace-cranes.com

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

Name and Address of the Secured Creditor :

Signature :

Name of the proxy holder/
authorised representative :

Signature :

I hereby record my presence at the Meeting of the Secured Creditors of Action Construction Equipment Limited, convened pursuant to the Order dated 04 May, 2018 of the Hon'ble National Company Law Tribunal, Chandigarh Bench, at Aravali Golf Club, New Industrial Township (NIT), Faridabad, Haryana – 121001 on Saturday, the 23rd day of June, 2018 at 11:00 A.M.

NOTE: Secured Creditor(s) attending the Meeting in person or by proxy or through authorised representative are requested to complete and bring the Attendance Slip with them and hand it over at the entrance of the Meeting hall.

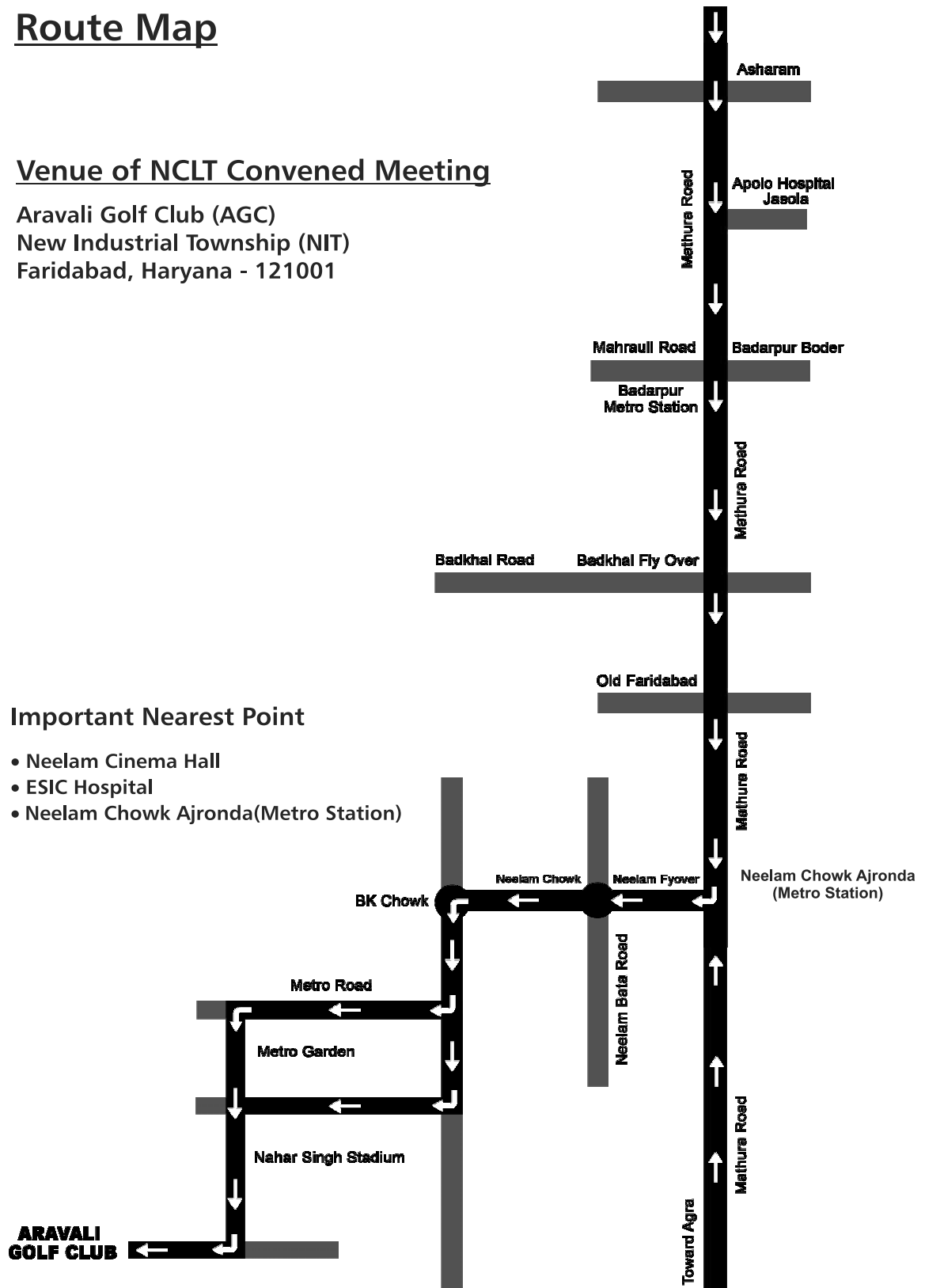
Route Map

Venue of NCLT Convened Meeting

Aravali Golf Club (AGC)
New Industrial Township (NIT)
Faridabad, Haryana - 121001

Important Nearest Point

- Neelam Cinema Hall
- ESIC Hospital
- Neelam Chowk Ajronda(Metro Station)





Action Construction Equipment Limited

Registered & Corporate Office: Dudhola Link Road, Dudhola, District – Palwal, Haryana – 121102

Tel. No. - +91-1275-280111 ; Fax : +91-1275-280133

CIN: L74899HR1995PLC053860; PAN: AAACA6189P

Website: www.ace-cranes.com; Email-Id: cs@ace-cranes.com

**Notice of Meeting of the Unsecured Creditors of
Action Construction Equipment Limited being convened as per the
directions of National Company Law Tribunal ('NCLT'),
Chandigarh Bench**

(Convened pursuant to order dated 04 May, 2018 passed by the National Company Law Tribunal (“NCLT” or
“Tribunal”), Chandigarh Bench)

Day :	Saturday
Date :	23 June, 2018
Time :	12:00 P.M.
Venue :	Aravali Golf Club, New Industrial Township (NIT), Faridabad, Haryana - 121001

S. No.	Contents	Page No.
1.	Notice of meeting of the Unsecured Creditors of Action Construction Equipment Limited ('the Company') being convened pursuant to the order of NCLT, Chandigarh	2
2.	Explanatory Statement under Section 230 and Section 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016	5
3.	Scheme of Amalgamation under Sections 230 to 232 and 234 and other applicable provisions of the Companies Act, 2013 and Sections 261 to 264 and other applicable provisions, if any, of the Mauritius Companies Act, 2001	12
4.	Acknowledgement of filing of a copy of the Scheme of Amalgamation with the Registrar of Companies	18
5.	Report adopted by the directors of Action Construction Equipment Limited explaining effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders pursuant to the provisions of Section 232(2)(c) of the Companies Act, 2013	19
6.	Supplementary accounting statement of the Action Construction Equipment Limited as on 31 December, 2017	20
7.	Form of Proxy	25
8.	Attendance Slip	27
9.	Route Map	28

FORM NO. CAA. 2

[PURSUANT TO SECTION 230(3) AND RULES 6 AND 7]

IN THE NATIONAL COMPANY LAW TRIBUNAL, CHANDIGARH BENCH

ORIGINAL JURISDICTION

IN THE MATTER OF THE COMPANIES ACT, 2013

COMPANY APPLICATION NO. CA (CAA) NO.24/CHD/Hry/2017

(UNDER SECTIONS 230 TO 232 AND 234 OF THE COMPANIES ACT, 2013 AND PART II SECTION (4) OF THE XIV SCHEDULE AND THE OTHER APPLICABLE PROVISIONS OF THE MAURITIUS COMPANIES ACT, 2001)

AND

IN THE MATTER OF SCHEME OF AMALGAMATION

BETWEEN

FRESTED LIMITED ('AMALGAMATING COMPANY / TRANSFEROR COMPANY')

AND

ACTION CONSTRUCTION EQUIPMENT LIMITED ('AMALGAMATED COMPANY / TRANSFEREE COMPANY / APPLICANT COMPANY')

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

NOTICE CONVENING MEETING OF THE UNSECURED CREDITORS OF
ACTION CONSTRUCTION EQUIPMENT LIMITED

To,

The Unsecured Creditors of

Action Construction Equipment Limited, the Applicant Company

TAKE NOTICE that in the Company Application No. CA (CAA) No.24/CHD/Hry/2017, by an Order dated 04 May, 2018, the Hon'ble National Company Law Tribunal ('NCLT'), Chandigarh Bench, has directed that a Meeting of the Unsecured Creditors of Applicant Company of value more than Rupees One Lakh be convened and held for the purpose of considering and if thought fit, approving with or without modifications, the amalgamation embodied in the Scheme of Amalgamation between Frested Limited ('Frested Ltd') and Action Construction Equipment Limited ('ACE' or 'Applicant Company') and their respective Shareholders and Creditors.

TAKE FURTHER NOTICE that in pursuance of the said Order and as directed therein, a Meeting of the Unsecured Creditors of Applicant Company will be held at Aravali Golf Club, New Industrial Township (NIT), Faridabad, Haryana – 121001 **on Saturday, the 23rd day of June, 2018 at 12:00 P.M.** under the supervision of the Hon'ble Tribunal appointed Chairperson Mr. Justice Ashutosh Mohunta (Retd.), which you are requested to attend.

TAKE FURTHER NOTICE that you may attend and vote at the said Meeting in person or by proxy, provided that a proxy in the prescribed form, duly signed by you or your Authorized Representative is deposited at the Registered Office of the Applicant Company at Dudhola Link Road, Dudhola, District – Palwal, Haryana – 121102 not later than 48 hours before the Meeting.

The Hon'ble Tribunal has appointed Mr. Justice Ashutosh Mohunta (Retd.), as Chairperson and failing him, Mr. Arihant Jain as Alternate Chairperson of the said Meeting.

To consider and if thought fit to pass, with or without modification(s) the following resolution:

"RESOLVED THAT pursuant to the provisions of Sections 230 to 232 and 234 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions, if any, including any statutory modification or re-enactments thereof for the time being in force, and subject to the relevant provisions of the Memorandum and Articles of Association of Action Construction Equipment Limited ('the Company' or 'ACE') and subject to requisite approval of the shareholders and creditors of the Company and sanction of the Hon'ble National Company Law Tribunal (NCLT), Chandigarh Bench, Reserve Bank of India (RBI) and other regulatory authorities, as may be necessary and required and recommendation of the Board of Directors and Audit Committee, the consent of the Unsecured Creditors of the Applicant Company of value more than Rupees One Lakh be and is hereby accorded to the Scheme of Amalgamation between Frested Limited ('Frested Ltd') and Action Construction Equipment Limited ('ACE') and their respective Shareholders and Creditors (hereinafter referred to as 'the Scheme'), placed before the meeting of the Unsecured Creditors"

“RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution, the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall include any committee constituted by the Board of Directors of the Company or any person(s) authorized by the Board to exercise the powers conferred on the Board of Directors of the Company by this Resolution) be and is hereby authorised on behalf of the Company to do all acts, deeds, matters and things as it may at its discretion deem necessary, proper and desirable for effective implementation of the Scheme and to accept such modification/condition, if any, which may be required by Hon’ble NCLT, RBI and/or any other authority and for such purpose to settle any question or difficulty or doubt that may arise in regard to the Scheme, as it may in its absolute discretion deem fit, and to finalise and execute all documents and writings as may be necessary without being required to seek any further consent or approval of the Unsecured Creditors or otherwise to this end and intent and that the Unsecured Creditors shall be deemed to have given their approval thereto expressly by the authority of this resolution to do and perform all such acts, deeds and things as may be necessary, desirable or expedient to give effect to this Resolution including filing of necessary e-forms with Ministry of Corporate Affairs/Registrar of Companies.”

Explanatory Statement pertaining to the said resolution setting out the material facts and reasons thereof under Section 230, Section 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 along with copy of the Scheme, Proxy Form, Attendance Slip and Route Map are enclosed herewith. Copies of the same can also be obtained free of cost from the registered office of the Company situated at Dudhola Link Road, Dudhola, District – Palwal, Haryana – 121102.

Sd/
Rajan Luthra
Chief Financial Officer

Dated this 15th day of May, 2018

Registered Office: Dudhola Link Road, Dudhola, District – Palwal, Haryana – 121102

Notes:

1. All alterations made in the Form of Proxy should be initialed.
2. Only Unsecured Creditors of the Applicant Company of value more than Rupees One Lakh may attend and vote (either in person or by proxy) at the Unsecured Creditors Meeting. The Authorized Representative of a body corporate which is a Unsecured Creditor of the Applicant Company may attend and vote at the Unsecured Creditors Meeting provided a certified true copy of the Resolution of the Board of Directors or other governing body of the body corporate is deposited at the Registered Office of the Company not later than 48 hours before the Meeting authorizing such representative to attend and vote at the Unsecured Creditors Meeting. The unsecured creditors / authorized representatives/ proxies are advised to bring original photo identity for verification.
3. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form for the Unsecured Creditors meeting is enclosed, proxy submitted on behalf of the Companies, societies etc. must be supported by an appropriate resolution/ authority, as applicable.
4. The quorum for the meeting of the Unsecured Creditors of the Applicant Company shall be 30 (Thirty) in number and 25% of the value of unsecured creditors present in person or through proxy or through authorized representative. In case the quorum is not present at the meeting, then the meeting shall be adjourned by half an hour, and thereafter the persons present and voting shall be deemed to constitute the quorum.
5. In accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013, the Scheme shall be acted upon only if a majority in number representing three fourth in value of the Unsecured Creditors of the Applicant Company, voting in person or by proxy or by authorized representative, agree to the Scheme.
6. The Notice together with the documents accompanying the same is being sent to all the Unsecured Creditors of value more than Rupees One Lakh as on 11 November, 2017 by Registered post. The notice may also be accessed on the website of the Company viz. www.ace-cranes.com.
7. Mr. Vivek Goel, Chartered Accountant has been appointed as the scrutinizer by the Hon’ble NCLT to conduct the voting process through ballot / polling paper at the venue of the meeting in a fair and transparent manner.
8. The scrutinizer will submit his report to the Chairperson of the meeting after completion of the scrutiny of the votes cast by the Unsecured Creditors of the Applicant Company through ballot / polling paper at the venue of the meeting. The scrutinizer’s decision on the validity of the vote shall be final. The results of votes cast through ballot / polling paper at the venue of the meeting will be announced on or before 25th day of June, 2018 at the registered office of the Applicant Company. The results, together with the scrutinizer’s Reports, will be displayed at the registered office of the Applicant Company and on the website of the Applicant Company www.ace-cranes.com.

9. During the period beginning 24 (twenty four) hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a unsecured creditor would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than 3 (three) days of notice in writing is given to the Company.
10. The Notice convening the aforesaid meeting will be published through advertisement in Financial Express in English language and translation thereof in Jansatta in Hindi language, having wide circulation in the district where the registered office of the Applicant Company is situated.
11. Each Unsecured creditor is requested to bring the copy of the notice to the meeting and produce at the entrance of the meeting venue, the attendance slip duly completed and signed
12. Route map of the venue of the meeting is annexed hereto.
13. In case of any grievances, Unsecured Creditor may contact the below mentioned person:

Name of the Contact Person	:	Anil Kumar
Designation	:	Company Secretary, Action Construction Equipment Limited
Email Id	:	cs@ace-cranes.com
Phone Number	:	91-9268066992/01275-280103

Enclosure – as above

IN THE NATIONAL COMPANY LAW TRIBUNAL, CHANDIGARH BENCH

ORIGINAL JURISDICTION

IN THE MATTER OF THE COMPANIES ACT, 2013

COMPANY APPLICATION NO. CA (CAA) NO.24/CHD/HRY/2017

(UNDER SECTIONS 230 TO 232 AND 234 OF THE COMPANIES ACT, 2013 AND PART II SECTION (4) OF THE XIV SCHEDULE AND THE OTHER APPLICABLE PROVISIONS OF THE MAURITIUS COMPANIES ACT, 2001)

AND

IN THE MATTER OF SCHEME OF AMALGAMATION

BETWEEN

FRESTED LIMITED ('AMALGAMATING COMPANY/TRANSFEROR COMPANY')

AND

ACTION CONSTRUCTION EQUIPMENT LIMITED ('AMALGAMATED COMPANY / TRANSFEREE COMPANY / APPLICANT COMPANY')

EXPLANATORY STATEMENT UNDER SECTION 230 AND SECTION 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 FOR THE MEETING CONVENED BY TRIBUNAL OF UNSECURED CREDITORS OF ACTION CONSTRUCTION EQUIPMENT LIMITED

1. Pursuant to an Order dated 04 May, 2018 of the Hon'ble National Company Law Tribunal, Chandigarh Bench in the Company Application referred to hereinabove, a Meeting of the Unsecured Creditors of value more than Rupees One Lakh of Action Construction Equipment Limited ('ACE' or 'Applicant Company') will be convened and held at Aravali Golf Club, New Industrial Township (NIT), Faridabad, Haryana – 121001 **on Saturday the 23rd day of June, 2018 at 12:00 P.M.** for the purpose of considering and if thought fit, approving with or without modification(s), the amalgamation embodied in the Scheme of Amalgamation between Frested Limited ('Frested Ltd') and Action Construction Equipment Limited ('ACE') and their respective Shareholders and Creditors.
2. The proposed Scheme envisages Amalgamation of Frested Ltd. into and with ACE pursuant to Sections 230 to 232 and 234 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions of the Companies Act, 2013.
3. A copy of the Scheme setting out in detail the terms and conditions of the proposed Scheme of Amalgamation, which have been approved by the Board of Directors of Applicant Company as well as the Amalgamating/ Transferor Company at their Board Meetings held on November 11, 2017 and November 10, 2017 respectively, is attached herewith and forms a part of this Statement.
4. The details of the Directors of the Applicant Company who voted in favor of the resolution, against the resolution and who did not participate or vote on such resolution are as under :

S. No.	Name of Director	Voted for the Resolution	Voted Against the Resolution	Did not Vote or Participate
1.	Mr. Vijay Agarwal	Yes	-	-
2.	Mrs. Mona Agarwal	Yes	-	-
3.	Mr. Sorab Agarwal	Yes	-	-
4.	Mrs. Surbhi Garg	Yes	-	-
5.	Mr. Subhash Chander Verma	Yes	-	-
6.	Dr. Amar Singhal	Yes	-	-
7.	Mr. Girish Narain Mehra (IAS Retd.)	Yes	-	-
8.	Mr. Keshav Chandra Agrawal	Absent	Absent	Absent

5. Background of the Companies

I. Frested Limited (i.e. 'Transferor Company' or 'Amalgamating Company' or 'Frested Ltd')

- a) The Transferor Company, a wholly owned subsidiary of Applicant Company, was incorporated on December 29, 2006 in Cyprus under the Cyprus Companies Law, Cap. 113, 2001.
- b) The Transferor Company vide Certificate of Consent for the continuation of a Company outside the Republic of Cyprus dated October 19, 2017 issued by Registrar of Companies, Cyprus and Certificate of Registration by Continuation dated November 7, 2017 issued by Registrar of Companies, Mauritius was re-domiciled to Mauritius w.e.f. October 19, 2017.
- c) The registered office of the Transferor Company is Suite 204, Grand Baie Business Quarter, Chemin Vingt Pieds, Grand Bay 30529, Mauritius.
- d) The Transferor Company is engaged in investment holding activities.
- e) The main objects of the Transferor Company are set out in Clause 6 of its Constitution, which are stated below:
"The Company is engaged in investment holding activities as stated in the business plan submitted to the Financial Services Commission of Mauritius (FSC)."
- f) The Share Capital of Transferor Company as per the audited balance sheet on January 31, 2017 is as under:

Particulars	Amount (USD)
Authorized Capital	
1,000 Ordinary Shares of USD 1.3/- each	1,300
Total	1,300
Issued, Subscribed and Paid-up Capital	
1,000 Ordinary Shares of USD 1.3/- each	1,300
Total	1,300

Subsequent to the Balance Sheet date, there has been no change in the issued, subscribed and paid-up capital of Frested Limited.

- g) Post sanction of the proposed Scheme, the Transferor Company shall stand dissolved and its shares shall get extinguished.

II. Action Construction Equipment Limited (i.e. Applicant Company or 'ACE')

- a) The Applicant Company was incorporated on January 13, 1995 under the provisions of Companies Act, 1956 under the name and style of Action Construction Equipments Private Limited.
- b) Subsequently, name of the Applicant Company was changed to Action Construction Equipments Limited vide Certificate of Incorporation dated October 04, 2005 issued by Registrar of Companies, NCT of Delhi and Haryana. Further, the name was changed to Action Construction Equipment Limited vide Certificate of Incorporation dated March 23, 2006 issued by Registrar of Companies, NCT of Delhi and Haryana.
- c) Furthermore, the Registered office of the Applicant Company was shifted from Delhi to Haryana vide Certificate of Registration dated November 28, 2014 by Registrar of Companies, NCT of Delhi and Haryana. Therefore, currently the Applicant Company has its Registered Office at Dudhola Link Road, Dudhola, District – Palwal, Haryana – 121102.
- d) The Applicant Company is engaged in the business of manufacturing of three types of heavy equipments – (i) mobile cranes / tower cranes (ii) material handling construction equipments and (iii) agri equipments etc.
- e) The main objects of the Applicant Company are set out in Clause III (A) of its Memorandum of Association, which are stated below :
 - *To carry on business of designing, developing, fabricating, processing, repairing, assembling, manufacturing, buying, selling, reselling, importing, exporting, imported machinery and equipment, distributing, hiring, letting, on hire dealing in all kinds of construction machinery, plant, equipments, instruments and appliances, operated by the use of electricity, steam, motive power or mechanical force or otherwise for all chemical, mechanical, electrical, electronic, metallurgical, agricultural, constructional and other engineering industries.*
 - *To manufacture, assemble, produce, work, repair, distribute, buy, and sell or otherwise deal in all kinds of lathes, shapers, drillers, grinders, boring, machines, slotters, milling machines, scientific and precision instruments and surgical instruments.*
 - *To carry on and conduct workshops, engineering works of every description and kind and foundries of iron and steel, brass and other metals, wood and any other substances.*

- To carry on business of designing, developing, processing, manufacturing, buying, selling, reselling, importing, exporting, imported goods, materials, etc., distributing and dealing in all kinds of machinery.
- To carry on the trades or business of builders, contractors, sub-contractors, decorators, plumbers, technicians, mechanics, masons, electricians, scaffolding and tower setters, engineers, including civil, sanitary, structural, electrical, mechanical, mining and chemical engineers, architects, planners, designers, technical advices, analysts, investigators, consultants, fabricators and founders in their various fields and branches and whether in India or abroad.

f) The Share Capital of Applicant Company as per the audited balance sheet on March 31, 2017 was as under:

Particulars	Amount (INR)
Authorized Capital	
125,000,000 Equity Shares of Rs. 2/- each	250,000,000
30,250,000 8% Cumulative Non – Participating Redeemable Preference Shares of Rs. 10/- each	302,500,000
Total	552,500,000
Issued, Subscribed and Paid-up Share Capital	
117,323,000 Equity Shares of Rs. 2/- each fully paid up	234,646,000
30,219,380 8% Cumulative Non – Participating Redeemable Preference Shares of Rs. 10/- each	302,194,000
Total	536,840,000

Subsequent to the Balance Sheet date, following preference shares have been redeemed by the Applicant Company:

- (1) 15,00,000, 8% cumulative non-participating redeemable preference shares of Rs.10 on 11th January, 2018.
- (2) 1,16,31,628, 8% cumulative non-participating redeemable preference shares of Rs.10 on 31st March, 2018.

The revised share capital of the Applicant Company, post redemption of the Preference shares as on 31 March, 2018 is as follows:

Particulars	Amount (INR)
Authorized Capital	
125,000,000 Equity Shares of Rs. 2/- each	250,000,000
30,250,000 8% Cumulative Non – Participating Redeemable Preference Shares of Rs. 10/- each	302,500,000
Total	552,500,000
Issued, Subscribed and Paid-up Share Capital	
117,323,000 Equity Shares of Rs. 2/- each fully paid up	234,646,000
17,087,752 8% Cumulative Non – Participating Redeemable Preference Shares of Rs. 10/- each	170,877,520
Total	405,523,520

g) The Equity Shares of the Applicant Company are listed on National Stock Exchange of India Limited and BSE Ltd.

6. Rationale for the Scheme of Amalgamation

The rationale for entering into the Scheme of Amalgamation are as follows:

- Rationalizing and optimizing the group legal entity structure to ensure greater alignment with the business by reducing the number of legal entities;
- Reduction in the legal and regulatory compliances required at present to be carried out by Frested Ltd and by ACE in relation to Frested Ltd;
- Overall Reduction in administrative, managerial and other expenditure and operational rationalization, organizational efficiency and optimal utilization of various resources.

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the

Transferor Company and the Applicant Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the respective companies.

7. The Scheme is not prejudicial to the interests of the key managerial personnel, directors, promoters, non-promoter members, creditors, employees of the Transferor Company and Applicant Company, as no sacrifice or waiver is, at all, called from them nor are their rights sought to be modified in any manner.

8. Salient features of the Scheme of Amalgamation

- (a) The Scheme provides for the amalgamation of Frested Limited (wholly owned subsidiary of ACE) into and with ACE pursuant to a Scheme of Amalgamation under Sections 230 to 232 and 234 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and Part II Section (4) of the XIV Schedule and the other applicable provisions of the Mauritius Companies Act, 2001 involving inter-alia approval of National Company Law Tribunal, Chandigarh Bench and Reserve Bank of India.
- (b) As per Clause 1.4, the Appointed Date means January 1, 2018 being the date with effect from which Frested Limited shall stand amalgamated into and with ACE in terms of this Scheme, upon sanction of the Scheme by the National Company Law Tribunal, Chandigarh Bench and Supreme Court of Mauritius and the Scheme coming into effect.
- (c) "NCLT" means National Company Law Tribunal at Chandigarh.
- (d) As per Clause 1.6 of the Scheme, Effective Date means the last of the dates on which certified copy(s) of the Order of the Hon'ble National Company Law Tribunal, Chandigarh Bench or Supreme Court of Mauritius or any other appropriate authority sanctioning this Scheme are filed with the Registrar of Companies by the Applicant Company and all filings are made under applicable laws of Mauritius by Transferor Company.
- (e) On the Scheme becoming effective and with effect from the Appointed Date, Frested Limited shall pursuant to the provisions of sections 230 to 232 and 234 and all other applicable provisions of the Companies Act, 2013 and Part II Section (4) of the XIV Schedule and the other applicable provisions of the Mauritius Companies Act, 2001, and order of the National Company Law Tribunal, Chandigarh Bench and Supreme Court of Mauritius or other appropriate authority, if any, sanctioning the Scheme, stand transferred to and vested in the Applicant Company, as a going concern, so as to become the properties of the Applicant Company within the meaning of Section 2(1B) of the Income Tax Act, 1961.
- (f) As per clause 6.1 of the Scheme, the entire paid-up equity share capital of the Frested Limited is held by ACE. Therefore, upon this Scheme being effective, the entire Issued, Subscribed and Paid up share capital of Frested Limited shall, *ipso facto*, without any further application, act or deed stand cancelled on the Effective Date. Further, since ACE is not permitted to issue shares to itself under the provisions of the Indian Act, no shares of ACE will be issued or allotted with respect to the Equity Shares held by ACE in Frested Limited in consideration for amalgamation. Therefore, there is no requirement to obtain Valuation Report and Fairness Opinion.
- (g) As per clause 7 of the scheme, the accounting treatment of the proposed amalgamation shall be done by the Applicant Company/Amalgamated Company in its books of accounts with effect from the Appointed Date in accordance with Indian Accounting Standard (Ind AS) – 103 "Business Combinations" issued by the Ministry of Corporate Affairs. M/s BRAN & Associates, Chartered Accountants, the Statutory auditors of the Applicant Company have certified that the accounting treatment proposed in the Scheme of Amalgamation is in conformity with the provisions of the Accounting Standards prescribed under Section 133 of the Companies Act, 2013.
- (h) On the Scheme becoming effective, all employees, if any, of the Transferor Company in service on the Effective Date shall be deemed to have become employees of the Applicant Company with effect from the Appointed Date without any break, discontinuance or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Applicant Company shall not be less favorable than those applicable to them with reference to the Transferor Company on the Effective date.
- (i) This Scheme is and shall be conditional upon and subject to:
- The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/ or creditors of the Amalgamating Company and the Amalgamated Company as prescribed under the Indian Act and relevant provisions of the Mauritius Act and as may be directed by the NCLT and Supreme Court of Mauritius or any other appropriate authority in the Relevant Jurisdiction as may be applicable.
 - The sanction of this Scheme by the NCLT and Supreme Court of Mauritius.
 - Certified or authenticated copy of the Order of the NCLT sanctioning the Scheme being filed with the Registrar of Companies by the Amalgamated Company.
 - Compliance by the Amalgamating Company of all necessary and applicable provisions of its applicable law including without limitation, all necessary filings to be made under applicable law of Mauritius.
 - The requisite, consent, approval or permission of the Central Government or any other statutory or regulatory authority including the Reserve Bank of India, which by law may be necessary for the implementation of this Scheme.
- (j) All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Company and the Applicant Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the respective companies.

- (k) The Scheme also provides for:
- the manner of vesting and transfer of the properties of the Transferor Company to the Applicant Company;
 - the transfer of all contracts, deeds, agreements, schemes, arrangements, insurance policies, and other instruments of whatsoever nature, of the Transferor Company to the Applicant Company;
 - the transfer of all legal proceedings by or against the Transferor Company to the Applicant Company;
 - the manner in which the business is to be carried on by the Transferor Company until the Effective date.

The features set out above being only the salient features of the Scheme of Amalgamation, the Unsecured Creditors of Action Construction Equipment Limited are requested to read the entire text of the Scheme of Amalgamation to get themselves fully acquainted with the provisions thereof.

9. No investigation proceedings have been instituted or are pending in relation to Action Construction Equipment Limited under the provisions of the Companies Act, 2013, as applicable.
10. The Pre and Post amalgamation shareholding of ACE shall be same as the scheme provides for the merger of Frested Limited, wholly owned subsidiary of ACE into and with ACE and no shares are being issued as part of the consideration. The Pre scheme shareholding of ACE based on 31 March, 2018 shareholding would be as detailed below:

Category of Shareholder	No. of Shares held		Total Shareholding as a % of total no. of Shares	
	Pre Scheme	Post Scheme	Pre Scheme	Post Scheme
Promoter				
• Individuals / Hindu Undivided Family	8,08,45,120	8,08,45,120	68.91%	68.91%
Non Promoter				
• Institutions	61,00,825	61,00,825	5.20%	5.20%
• Bodies Corporate	34,39,953	34,39,953	2.93%	2.93%
• Public (Individuals)	2,50,54,070	2,50,54,070	21.35%	21.35%
• Others (NRI / CM / Trust / HUF / NBFC / IEPF)	18,83,032	18,83,032	1.61%	1.61%
Total	11,73,23,000	11,73,23,000	100.00%	100.00%

11. Details of Approval from regulatory authorities:

- Since the Transferor Company is a wholly owned subsidiary of Applicant Company in accordance with Clause 7 of the SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017, the provisions of Regulation 37 and 94 of Listing Obligations and Disclosure Requirements shall not be applicable on the merger.
 - In terms of Proviso to Regulations 37(6) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ACE has filed the draft Scheme with the National Stock Exchange of India Limited and BSE Limited on November 22, 2017 for the purpose of disclosures.
 - In accordance with Section 234 of the Companies Act, 2013 read with Rule 25A of Companies (Compromises, Arrangements and Amalgamations) Amendment Rules, 2017, the Foreign Transferor Company merging with Indian Applicant Company is required to obtain prior approval of Reserve Bank of India ('RBI'). Therefore, the Applicant Company had obtained the approval of the RBI vide order dated March 08, 2018.
 - The Transferee Company has made application before the Hon'ble National Company Law Tribunal, Chandigarh Bench at Chandigarh for the sanction of the Scheme of Amalgamation under Sections 230 to 232 and 234 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016
 - A copy of the Scheme along with the necessary statement under Section 230 read with Rules 6 and 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, will be forwarded to the Registrar of Companies, in terms of the order dated 04 May, 2018 of the Hon'ble National Company Law Tribunal, Chandigarh Bench at Chandigarh.
 - The Transferee Company is required to seek approval / sanction / no-objection from certain regulatory and governmental authorities for the Scheme such as a concerned Registrar of Companies, Regional Director and will obtain the same at the relevant time.
12. The Directors of the Applicant Company may be deemed to be concerned and/ or interested in the Scheme only to the extent of their Shareholding in the Applicant Company or to the extent the said Directors are common Directors in the Applicant Company/ Transferor Company, or to the extent the said Directors are the partners, directors, members of the Applicant Company/ Transferor Company, firms, association of persons, bodies corporate and/or beneficiary of trust, that hold Shares in Applicant Company/ Transferor Company.

13. The details of the directors of the Transferor Company and their shareholding in the Transferor Company and Applicant Company as on 31 March, 2018 are as follows:

S. No.	Name of Director	Address	Position	Equity Shares Held in Transferor Company	Equity Shares Held in Applicant Company
1.	Mr. Vijay Agarwal	854, Sector-15A, Faridabad-121007	Director	NIL	4,14,01,907
2.	Mr. Devindra Collappen	Mon Désir, Rue Remy Ollier, Vacoas, Republic of Mauritius	Director	NIL	NIL

14. The details of the directors and Key Managerial Personnel ('KMP') of the Applicant Company and their shareholding in the Applicant Company and Transferor Company as on 31 March, 2018 are as follows:

S. No.	Name of Director/ KMP	Address	Position	Equity Shares Held in Applicant Company	Equity Shares Held in Transferor Company
1.	Mr. Vijay Agarwal	854, Sector 15A, Faridabad – 121007, Haryana	Chairman and Managing Director	4,14,01,907	NIL
2.	Mrs. Mona Agarwal	854, Sector 15A, Faridabad – 121007, Haryana	Whole Time Director	2,53,14,407	NIL
3.	Mr. Sorab Agarwal	854, Sector 15A, Faridabad – 121007, Haryana	Executive Director	71,48,650	NIL
4.	Mrs. Surbhi Garg	H.No. 118, Sector - 28 A, Chandigarh - 160001	Executive Director	69,30,156	NIL
5.	Mr. Girish Narain Mehra (IAS Retd.)	House No. 217, Sector 15A, Noida – 201301	Independent Director	NIL	NIL
6.	Mr. Subhash Chander Varma	House No. 34, First Floor, Greater Kailash I, New Delhi – 110048	Independent Director	15,000	NIL
7.	Mr. Keshav Chandra Agrawal	House No. 350, Sector 29, Noida – 201303	Independent Director	NIL	NIL
8.	Dr. Amar Singhal	D – 11, Pushpanjali Enclave, New Delhi –110 034	Independent Director	NIL	NIL
9.	Mr. Rajan Luthra	K - 14, Lajpat Nagar - III, New Delhi - 110024	Chief Financial Officer	91	NIL
10.	Mr. Anil Kumar	H. No. - 342, Sector - 10, H.B.C., Faridabad, Haryana - 121006	Company Secretary	NIL	NIL

15. The details (names and address) of the Promoters of the Applicant Company as on 31 March, 2018 are as follows:

S. No.	Name of Promoter	Address
1.	Mr. Vijay Agarwal	854, Sector 15A, Faridabad – 121007, Haryana
2.	Mrs. Mona Agarwal	854, Sector 15A, Faridabad – 121007, Haryana
3.	Mr. Sorab Agarwal	854, Sector 15A, Faridabad – 121007, Haryana
4.	Mrs. Surbhi Garg	H.No. 118, Sector - 28 A, Chandigarh - 160001
5.	Ms. Anuradha Garg	H.No. 55, Distt. Gautam Budh Nagar, Noida-201301, Uttar Pradesh

16. The amount due to Unsecured Creditors of the Applicant Company as on November 11, 2017 is INR 1,35,87,99,293/-.
17. The rights and interests of the Members and Creditors of the Applicant Company will not be prejudicially affected by the Scheme as no sacrifice or waiver at all called from them, nor are their rights sought to be modified in any manner.

18. This statement may also be treated as an Explanatory Statement under Section 102 and 230 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
19. On the Scheme being approved by the requisite majority of the Shareholders and Creditors (secured and unsecured), the Applicant Company shall file a petition with the Hon'ble National Company Law Tribunal, Chandigarh Bench for sanction of the Scheme under Sections 230 to 232 and 234 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions of the Act.
20. It is further provided that there are no other contracts or agreements that are material to the proposed scheme.
21. The following documents are available for inspection by the Unsecured Creditors of Action Construction Equipment Limited at the Registered Office of the Company up to and including the date of the Meeting between 9.00 A.M to 5.00 P.M on all working days (except Saturdays, Sundays and public holidays)
 - (a) Copy of the Company Application No. CA (CAA) No.24/CHD/Hry/2017.
 - (b) Copy of the Order dated 04 May, 2018 of the National Company Law Tribunal, Chandigarh Bench passed in Company Application No. CA (CAA) No.24/CHD/Hry/2017 directing the convening of the Meeting of the Unsecured Creditors of value more than Rupees One Lakh of Action Construction Equipment Limited, being Applicant Company.
 - (c) Copy of the Scheme of Amalgamation between Frested Limited and Action Construction Equipment Limited.
 - (d) Copy of the Memorandum and Articles of Association of the Applicant Company and Transferor Company.
 - (e) Copy of the audited accounts of the Applicant Company for the financial year ending March 31, 2017.
 - (f) Copy of the Supplementary accounting Statement of Applicant Company as on 31 December, 2017.
 - (g) Copy of the extracts of the Board Resolution dated November 10, 2017 and November 11, 2017 of the Transferor Company and Applicant Company approving the Scheme.
 - (h) Copy of certificate issued by M/s BRAN & Associates, Chartered Accountants, the Statutory auditors of the Applicant Company certifying that the accounting treatment proposed in the Scheme of Amalgamation is in conformity with the provisions of the Accounting Standards prescribed under Section 133 of the Companies Act, 2013.
 - (i) Register of Director's and Key Managerial Personnel's shareholding in Applicant Company.
 - (j) The soft copies of the documents mentioned supra (except the one mentioned in [i]) are uploaded on the Company website.

Sd/-
Rajan Luthra
Chief Financial Officer

Dated this day 15th of May, 2018

Registered Office: Dudhola Link Road, Dudhola, District – Palwal, Haryana – 121 102

SCHEME OF AMALGAMATION
BETWEEN
FRESTED LIMITED
AND
ACTION CONSTRUCTION EQUIPMENT LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

PREAMBLE

(A) Background and Description of Companies

1. **FRESTED LIMITED**, (hereinafter called '**Frested Ltd** or '**Amalgamating Company**' or '**Transferor Company**') is a company incorporated under the provisions of the Mauritius Companies Act, 2001 having its registered office at Suite 204, Grand Baie Business Quarter, Chemin Vingt Pieds, Grand Bay 30529, Mauritius.
2. **Action Construction Equipment Limited**, (hereinafter called '**ACE**' or '**Amalgamated Company**' or '**Transferee Company**') is a public listed company incorporated under the provisions of Indian Companies Act, 1956 having its registered office at Dudhola Link Road, District – Palwal , Haryana – 121102.
3. ACE is the holding company of Frested Ltd.
4. ACE is engaged in the business of manufacturing of three types of heavy equipments – (i) mobile cranes / tower cranes ; (ii) material handling / construction equipment and (iii) agri equipments etc.

(B) Purpose and Rationale of the Scheme of Amalgamation

This Scheme of Amalgamation (hereinafter called 'the Scheme') is presented under Sections 230 to 232 and 234 and other applicable provisions, if any, of the Indian Act (as defined in clause 1.1 hereinafter) and Sections 261 to 264 and other applicable provisions, if any, of the Mauritius Act (as defined in clause 1.7 hereinafter), for amalgamation of Frested Ltd. into and with ACE. The Indian Act enables a foreign transferor company to merge into an Indian transferee company.

The Board of Directors of Frested Ltd and ACE consider that the Scheme of Amalgamation would benefit the respective companies and the various stakeholders on account of the following reasons:

1. Rationalizing and optimizing the group legal entity structure to ensure greater alignment with the business by reducing the number of legal entities;
2. Reduction in the legal and regulatory compliances required at present to be carried out by Frested Ltd and by ACE in relation to Frested Ltd ;
3. Overall reduction in administrative, managerial and other expenditure and operational rationalization, organizational efficiency and optimal utilization of various resources.

In consideration of the above rationale and benefits, this Scheme is now presented for amalgamation of Frested Ltd into and with ACE in accordance with the terms set out hereunder.

(C) Parts of the Scheme of Amalgamation

This Scheme of Amalgamation is divided into the following parts:

1. **PART I** - Definitions and Share Capital;
2. **PART II** - Amalgamation of Frested Ltd with ACE;
3. **PART III** – General Clauses, Terms and Conditions.

PART – I
DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme (as defined hereinafter), unless repugnant to the meaning or context thereof, the following expressions shall have the meaning mentioned herein below:

- 1.1 **“Act” or “the Act” or “Indian Act” or “The Indian Act”** means the Companies Act, 2013 of India, and shall include the rules and regulations made thereunder and any statutory modifications, re-enactments and / or amendments thereof.
- 1.2 **“Amalgamated Company” or “Transferee Company” or “ACE”** means Action Construction Equipment Limited, a public listed company incorporated under the provisions of Indian Companies Act, 1956 having its registered office at Dudhola Link Road, District – Palwal , Haryana – 121102.
- 1.3 **“Amalgamating Company” or “Transferor Company” or “Frested Ltd”** means Frested Limited, a private company incorporated under the provisions of the Mauritius Companies Act, 2001 having its registered office at Suite 204, Grand Baie Business Quarter, Chemin Vingt Pieds, Grand Bay 30529, Mauritius.
- 1.4 **“Appointed Date”** means January 1, 2018 being the date with effect from which Frested Ltd shall stand amalgamated into and with ACE in terms of this Scheme, upon sanction of the Scheme by the NCLT and Supreme Court of Mauritius and the Scheme coming into effect.
- 1.5 **“Appropriate Authority”** means any government, statutory, regulatory, departmental or public body or authority of the Relevant Jurisdiction, including Registrar of Companies and the NCLT and Supreme Court of Mauritius. .
- 1.6 **“Effective Date”** means the last of the dates on which the conditions specified in Clause 17 are complied with. Any references in this Scheme to “upon this Scheme becoming effective” or “effectiveness of this Scheme” shall mean and refer to the Effective Date.
- 1.7 **“Mauritius Act”** means The Companies Act, 2001 of Mauritius or any statutory modification or re-enactment thereof for the time being in force.
- 1.8 **“NCLT”** means National Company Law Tribunal at Chandigarh;
- 1.9 **“Registrar of Companies”** means Registrar of Companies, New Delhi and the Registrar of Companies, Mauritius, individually or collectively, as the context may require.
- 1.10 **“Relevant Jurisdiction”** means the territories of the Republic of India and Mauritius.
- 1.11 **“Scheme” or “the Scheme” or “this Scheme”** means this Scheme of Amalgamation, in its present form or with any modification(s) made under Clause 16 of this Scheme as approved or directed by NCLT and Supreme Court of Mauritius or any other appropriate authority in the relevant jurisdictions.
- 1.12 **“Supreme Court of Mauritius”** means the Bankruptcy Division of the Supreme Court of Mauritius.
- 1.13 **“Transferred Undertaking”** means the whole of the undertaking(s) of Frested Ltd., on the Appointed Date. For the avoidance of doubt Frested Ltd. will have no immovable property, debts (except inter-group debts) or other liabilities as on the Appointed Date.
- 1.14 In this Scheme, unless the context otherwise requires:
 - a) references to persons shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;
 - b) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;
 - c) words in the singular shall include the plural and vice versa;
 - d) any references in the Scheme to “upon the Scheme becoming effective” or “effectiveness of the Scheme” shall mean the Effective Date; and
 - e) all terms and words used but not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Indian Act and other applicable laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

- 2.1 The Scheme set out herein in its present form or with any modification(s) approved or directed by the NCLT and Supreme Court of Mauritius or any other appropriate authority in the Relevant Jurisdictions shall have legal effect and force from the Appointed Date but shall be operative from the Effective Date.
- 2.2 Any reference in this Scheme to “upon the Scheme becoming effective” or “effectiveness of the Scheme” or “upon the coming into effect of the Scheme” shall mean the Effective Date.

3. SHARE CAPITAL

3.1 The Share Capital of Frested Ltd as per the audited balance sheet as on January 31, 2017 is as under:

Particulars	As at January 31, 2017(USD)
Issued, Subscribed and Paid-up	
1,000 Ordinary Share of USD 1.3/-each	1,300
TOTAL	1,300

Subsequent to the Balance Sheet date, there has been no change in the issued, subscribed and paid-up capital of Frested Ltd.

3.2 The Share Capital of ACE as per the audited balance sheet as on March 31, 2017 is as under:

Particulars	As at March 31, 2017(Rs.)
Authorized Capital	
125,000,000 Equity Shares of Rs. 2/- each	250,000,000
30,250,000 8% Cumulative Non – Participating Redeemable Preference Shares of Rs. 10/- each	302,500,000
TOTAL	552,500,000
Issued, Subscribed and Paid-up	
117,323,000 Equity Shares of Rs. 2/- each fully paid up	234,646,000
30,219,380 8% Cumulative Non – Participating Redeemable Preference Shares of Rs. 10/- each	302,194,000
TOTAL	536,840,000

Subsequent to the Balance Sheet date, there has been no change in the issued, subscribed and paid-up capital of ACE.

PART – II

AMALGAMATION OF FRESTED LTD. WITH ACE

4. PROVISIONS UNDER THE MAURITIUS LAWS PERTAINING TO AMALGAMATION

- 4.1 Amalgamating Company is incorporated under the Mauritius Act.
- 4.2 In terms of Section 4(2)(b) of Part II of the Fourteenth Schedule of the Mauritius Act, the Amalgamated Company, being incorporated under the laws of the jurisdiction other than Mauritius, must submit to the Registrar of Companies, Mauritius the following:
 - 4.2.1 An agreement that a service of process may be effected on and against it as the surviving company (being “Amalgamated Company” or the consolidated company) in Mauritius in respect of proceedings for the enforcement of any claim, debt, liability or obligation of the constituent company (being the “Amalgamating Company”) incorporated under the Mauritius Act or in respect of proceedings for the enforcement of the rights of a dissenting member of a constituent company incorporated under the Mauritius Act;
 - 4.2.2 An irrevocable appointment of the Registered Agent as its agent to accept service of process in proceedings referred to in sub paragraph 4.2.1 above.
 - 4.2.3 An agreement that the Amalgamated Company shall promptly pay to the dissenting members, if any, of the constituent company incorporated under the Mauritius Act, the amount, if any, to which they are entitled under the Mauritius Act, with respect to the rights of dissenting members; and
 - 4.2.4 A certificate of merger or consolidation issued by the appropriate authority of the foreign jurisdiction (being the Order of the NCLT sanctioning the Scheme) where it is incorporated.
- 4.3 In terms of Paragraph 4(3) of Part II of the Fourteenth Schedule to the Mauritius Act, where the surviving company (being the ‘Amalgamated Company’) is incorporated under the laws of a jurisdiction other than that of Mauritius, the effect of the merger shall be the same as in the case of a merger under Part XVI of the Mauritius Act except in so far as the laws of other jurisdiction, i.e. the laws of India otherwise provide.
- 4.4 In terms of Paragraph 4(4) of Part II of the Fourteenth Schedule to the Mauritius Act, since the surviving company (being the ‘Amalgamated Company’) is incorporated under the laws of a jurisdiction other than that of Mauritius, the merger will be effective as provided for by the laws of that jurisdiction i.e. the laws of India.

- 4.5 The Amalgamating Company shall be required to file certain documents including those set out in Paragraph (4)(2)(b) of Part II of the Fourteenth Schedule to the Mauritius Act with the Registrar of Companies, Mauritius along with this Scheme and the corporate resolution of the Amalgamated Company or relevant extract thereof and the Amalgamating Company will be struck off the register maintained by the Registrar of Companies, Mauritius from the effective date of merger under the laws of India without the need for winding up.
- 4.6 Amalgamating Company shall with all reasonable dispatch make application under Section 261 to 264 and other applicable provisions of the Mauritius Act for seeking sanction of the Supreme Court of Mauritius to the Scheme subject to such other terms and conditions as the Supreme Court of Mauritius may deem fit.

5. TRANSFER AND VESTING

- 5.1 Upon the Scheme becoming effective and with effect from the Appointed Date, the Transferred Undertaking shall, pursuant to the applicable provisions of the Indian Act, and applicable provisions of the Mauritius Act and pursuant to the order of the NCLT and Supreme Court of Mauritius or other appropriate authority in the Relevant Jurisdictions, if any, sanctioning the Scheme, shall without any further act, deed, matter or thing, stand transferred to and vested in and/ or deemed to be transferred to and vested in the Amalgamated Company, as a going concern, so as to become the properties of the Amalgamated Company within the meaning of Section 2(1B) of the Indian Income Tax Act, 1961.

6. DISCHARGE OF CONSIDERATION

- 6.1 The entire paid-up equity share capital of the Frested Limited is held by ACE. Therefore, upon this Scheme being effective, the entire Issued, Subscribed and paid up share capital of Frested Limited shall, *ipso facto*, without any further application, act or deed stand cancelled on the Effective Date and since ACE is not permitted to issue shares to itself under the provisions of the Indian Act, no shares of ACE will be issued or allotted with respect to the Equity Shares held by ACE in Frested Limited in consideration for amalgamation.

7. ACCOUNTING TREATMENT

Upon the Scheme becoming effective, the Amalgamated Company shall account for the amalgamation of the Amalgamating Company in its books of accounts with effect from the Appointed Date in accordance with the provisions of the Indian Accounting Standard (Ind AS) – 103 “Business Combinations” issued by the Ministry of Corporate Affairs, such that:

- 7.1 All assets, liabilities and debts of the Amalgamating Company are transferred to and vested in the Amalgamated Company pursuant to the Scheme and shall be recorded by the Amalgamated Company at their respective book values as on the Appointed Date.
- 7.2 With effect from the Appointed Date and upon the Scheme becoming effective, the investment of the Amalgamated Company in the Amalgamating Company shall stand cancelled.
- 7.3 Loans, advances, amount receivable or payable inter-se between the Amalgamating Company and the Amalgamated Company, appearing in the books of accounts of the Amalgamated Company and/or the Amalgamating Company, if any, shall stand cancelled.
- 7.4 The difference in the net value of assets and liabilities of the Amalgamating Company to be vested in the Amalgamated Company as per clause 7.1, after adjustment of the cancellation of investments of the Amalgamated Company as per clause 7.2 above and loans, advances, amount receivable or payable as per clause 7.3 above, shall be recorded as Capital Reserve.
- 7.5 In case of any difference in the accounting policies between the Amalgamating Company and the Amalgamated Company, the impact of the same till the Appointed Date will be adjusted in accordance with Ind AS- 8 “Accounting Policies, Changes in Accounting Estimates and Errors” to ensure that the financial statements of the Amalgamated Company reflect the financial position on the basis of consistent accounting policy.

8. LEGAL PROCEEDINGS

- 8.1 All legal proceedings of whatsoever nature by or against the Amalgamating Company pending and / or arising on or after of the Appointed Date and relating to the Amalgamating Company shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against the Amalgamated Company as the case may be, in the manner and to the same extent as would or might have been continued and enforced by or against the Amalgamating Company.
- 8.2 The Amalgamated Company undertakes to have all legal or other proceedings initiated by or against the Amalgamating Company referred to in clause 8.1 above transferred in its name and to have the same continued, prosecuted and enforced by or against the Amalgamated Company, to the exclusion of the Amalgamating Company. The Amalgamating Company confirms that there are no suits/proceedings pending against it as of the date of filing of the Scheme.

9. CONTRACTS, DEEDS, APPROVALS, EXEMPTIONS, ETC

- 9.1 Upon the Scheme becoming effective but with effect from the Appointed Date, all contracts, deeds, agreements, schemes, arrangements, and other instruments of whatsoever nature in relation to the Amalgamating Company, or to the benefit of which the Amalgamating Company may be eligible, and which are subsisting or having effect on or immediately before the Effective Date, shall be in full force and effect on or against or in favour of the Amalgamated Company and

may be enforced as fully and effectually as if, instead of the Amalgamating Company, the Amalgamated Company had been a party or beneficiary or obligee thereto.

9.2 The Amalgamated Company shall be entitled to the benefit of all insurance policies (if any) which have been issued in respect of the Amalgamating Company and the name of the Amalgamated Company shall be substituted as "Insured" in the policies as if the Amalgamated Company was initially a party.

9.3 The Amalgamated Company, at any time after the Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, will execute deeds of confirmation or other writings with any party to any contract in relation to the Amalgamating Company or to which the Amalgamating Company is a party in order to give formal effect to the above provisions. The Amalgamated Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Amalgamating Company and to carry out or perform all such formalities or compliances, referred to above, on behalf of the Amalgamating Company.

10. OTHER ENTITLEMENTS

10.1 On the Scheme becoming effective, all employees, if any, of the Amalgamating Company in service on the Effective Date shall be deemed to have become employees of the Amalgamated Company with effect from the Appointed Date without any break, discontinuance or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Amalgamated Company shall not be less favorable than those applicable to them with reference to the Amalgamating Company on the Effective Date.

11. CONDUCT OF AFFAIRS UNTIL THE EFFECTIVE DATE

11.1 With effect from the Appointed Date and up to and including the Effective Date:

- (a) All profits or income arising or accruing in favour of the Amalgamating Company or losses arising or incurred by the Amalgamating Company shall, for all purposes, be treated as and deemed to be the profits or income, or losses, as the case may be, of the Amalgamated Company;
- (b) Amalgamating Company shall carry on its activities with reasonable diligence and prudence and in the same manner as it had been doing hitherto.
- (c) Amalgamating Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which may be required pursuant to this Scheme; and
- (d) Amalgamating Company and /or Amalgamated Company may, during the pendency of the Scheme, make any alterations to their respective share capital structure, whether by way of increase (by issue of equity shares on a rights basis, bonus shares or otherwise) decrease, reduction, reclassification, sub-division or consolidation, re-organisation or in any other manner.

12. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the Transferred Undertaking, pursuant to this Scheme, and the continuance of the legal proceedings by or against the Amalgamated Company, under clause 8 hereof shall not affect any transactions or proceedings already completed by the Amalgamating Company, on the Effective Date to the end and intent that the Amalgamated Company accepts all acts, deeds and things done and executed by and / or on behalf of the Amalgamating Company, as acts, deeds and things done and executed by and on behalf of the Amalgamated Company.

13. APPLICABILITY OF THE PROVISIONS OF THE INDIAN INCOME TAX ACT, 1961

13.1 The provisions of this Scheme have been drawn up to comply with the conditions relating to "amalgamation" as defined under Section 2(1B) of the Indian Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Indian Income-tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Indian Income-tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Indian Income-tax Act, 1961. Such modification will, however, not affect the other parts of the Scheme.

14. DISSOLUTION OF AMALGAMATING COMPANY

Upon the Scheme becoming effective and upon the Supreme Court of Mauritius giving an Order under appropriate provisions of the Mauritius Act, Amalgamating Company shall be dissolved, without any further act or deed, without being wound up.

PART – III

GENERAL TERMS AND CONDITIONS

15. APPLICATION AND PETITION TO THE NCLT AND SUPREME COURT OF MAURITIUS

The Amalgamating Company and the Amalgamated Company shall, with all reasonable dispatch, make applications to the respective NCLT and Supreme Court of Mauritius, under the relevant provisions of applicable law, if any, seeking orders for

dispensing with or convening, holding and/or conducting of the meetings of the classes of their respective shareholders and/or creditors and for sanctioning the Scheme with such modifications, as may be approved by the NCLT and Supreme Court of Mauritius..

Upon the Scheme being approved by the requisite majority of the shareholders and creditors of the Amalgamating Company and the Amalgamated Company (wherever required), the said companies shall, with all reasonable dispatch, file petitions before the respective NCLT and Supreme Court of Mauritius for sanction of the Scheme, and for such other order or orders, as the NCLT and Supreme Court of Mauritius may deem fit for carrying the Scheme into effect. Upon the Scheme becoming effective, the shareholders of the Amalgamating Company and the Amalgamated Company, shall be deemed to have also accorded their approval under all relevant provisions of the Indian Act, and the relevant provisions of the applicable Mauritius Act, if any, for giving effect to the provisions contained in the Scheme.

16. MODIFICATIONS/ AMENDMENTS TO THE SCHEME

The Amalgamating Company and the Amalgamated Company, by their respective board of directors may assent to any modifications/ amendments to the Scheme or to any conditions or limitations that the NCLT and Supreme Court of Mauritius and/ or any other appropriate authority in the Relevant Jurisdiction may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e. the board of directors). The Amalgamating Company and the Amalgamated Company, by their respective board of directors, be and are hereby authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions of law or otherwise, whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/ or any matter concerned or connected therewith.

The Amalgamating Company and the Amalgamated Company (acting through their respective boards of directors) shall be at liberty to withdraw the Scheme in entirety, or to decide not to give effect to any one or more of the parts contained herein, whether for the reason of any condition or alteration imposed by the NCLT and Supreme Court of Mauritius or any other governmental/regulatory authority not being acceptable to them, or any other reason whatsoever.

If any part of the Scheme is held to be invalid or illegal by NCLT or Supreme Court of Mauritius or unenforceable under present or future laws, then the parties may decide that such part shall be severable from the remainder of the Scheme and the Scheme shall not be affected thereby, unless the deletion of such part shall cause the Scheme to become materially adverse to any party, in which case the Amalgamating Company and the Amalgamated Company, shall attempt to bring about a modification in the Scheme, as will best preserve for the Amalgamating Company and the Amalgamated Company, the benefits and obligations of this Scheme, including but not limited to such part.

17. CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

- 17.1 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/ or creditors of the Amalgamating Company and the Amalgamated Company as prescribed under the Indian Act and relevant provisions of the Mauritius Act and as may be directed by the NCLT and Supreme Court of Mauritius or any other appropriate authority in the Relevant Jurisdiction as may be applicable.
- 17.2 The sanction of this Scheme by the NCLT and Supreme Court of Mauritius.
- 17.3 Certified or authenticated copy of the Order of the NCLT sanctioning the Scheme being filed with the Registrar of Companies by the Amalgamated Company.
- 17.4 Compliance by the Amalgamating Company of all necessary and applicable provisions of its applicable law including without limitation, all necessary filings to be made under applicable law of Mauritius.
- 17.5 The requisite, consent, approval or permission of the Central Government or any other statutory or regulatory authority including the Reserve Bank of India, which by law may be necessary for the implementation of this Scheme.

18. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in clause 17 not being obtained and/ or the Scheme not being sanctioned by the NCLT and Supreme Court of Mauritius or such other appropriate authority, if any, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law and agreed between the respective parties to this Scheme. Each party shall bear and pay its respective costs, charges and expenses for and or in connection with the Scheme unless otherwise mutually agreed.

19. COSTS, CHARGES AND EXPENSES

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Amalgamating Company and the Amalgamated Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the respective companies.

**ACKNOWLEDGEMENT OF FILING OF A COPY OF THE SCHEME OF
AMALGAMATION WITH THE REGISTRAR OF COMPANIES**

**MINISTRY OF CORPORATE AFFAIRS
ACKNOWLEDGEMENT**

SRN : G87125787

Service Request Date : 15/05/2018

Received From :

Name : ACTION CONSTRUCTION EQUIPMENT LIMITED

Address : DUDHOLLA LINK ROAD

PALWAL, Haryana

IN - 121102

Entity on whose behalf money is paid

CIN: L74899HR1995PLC053860

Name : ACTION CONSTRUCTION EQUIPMENT LIMITED

Address : Dudhola Link Road

Dudhola

Palwal, Haryana

India - 121102

Full Particulars of Remittance

Service Type: eFiling

Service Description

Fee For Form GNL-1

Note: The defects or incompleteness in any respect in this eForm as noticed shall be placed on the Ministry's website (www.mca.gov.in). In case the eForm is marked as RSUB or PUCL, please resubmit the eForm or file Form GNL-4(Addendum), respectively. Please track the status of your transaction at all times till it is finally disposed off. (Please refer Rule 10 of the Companies (Registration offices and Fees) Rules, 2014) It is compulsory to file Form GNL-4 (Addendum) electronically within the due date whenever the document is put under PUCL, failing which the system will treat the document as invalid and will not be taken on record in accordance with Rule 10(4) of the Companies (Registration offices and Fees) Rules, 2014

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF ACTION CONSTRUCTION EQUIPMENT LIMITED AT ITS MEETING HELD ON SATURDAY 11TH NOVEMBER, 2017 AT THE SURYAA HOTEL, NEW FRIENDS COLONY, NEW DELHI-110025. EXPLAINING EFFECT OF THE SCHEME OF AMALGAMATION ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTER AND NON-PROMOTER SHAREHOLDERS

The proposed Scheme of Amalgamation between Frested Limited ('Frested Ltd' or 'Transferor Company' or 'Amalgamating Company') a wholly owned subsidiary of Action Construction Equipment Limited ('ACE') and ACE ('Transferee Company' or 'Amalgamated Company') and their respective shareholders and Creditors ('the Scheme') was approved by Board of Directors of the Transferor Company and Transferee Company vide resolution passed at its meeting held on November 10, 2017 and November 11, 2017 respectively.

The provisions of Section 232(2)(c) of the Companies Act, 2013, requires the directors to adopt a report explaining the effect of the amalgamation under the Scheme on each class of shareholders, key managerial personnel ('KMP'), promoter and non-promoter shareholders. The said report is required to be circulated to the Shareholders along with the notice convening the Meeting. The Board noted that the Scheme does not contemplate any allotment of shares of the Transferee Company.

Having regard to the aforesaid provision, the Board of Directors have taken into consideration the report prepared by the Company's management in relation to the Scheme which *inter-alia* includes the following:

1. Upon the Scheme becoming effective and with effect from the Appointed Date, the Transferred Undertaking shall, pursuant to the applicable provisions of the Companies Act, 2013 and applicable provisions of the Mauritius Act and pursuant to the order of the National Company Law Tribunal, Chandigarh Bench and Supreme Court of Mauritius or other appropriate authority in the Relevant Jurisdictions, if any, sanctioning the Scheme, shall without any further act, deed, matter or thing, stand transferred to and vested in and/ or deemed to be transferred to and vested in the Transferee Company, as a going concern, so as to become the properties of the Transferee Company within the meaning of Section 2(1B) of the Indian Income Tax Act, 1961
2. Valuation Report is not required in cases where there is no issue of shares by the Transferee Company pursuant to the amalgamation. Since Frested Limited is a wholly owned subsidiary of the Transferee Company, no shares shall be issued and allotted by the Transferee Company pursuant to the amalgamation and the shares of Frested Limited held by the Transferee Company shall stand cancelled. The shareholders of the Transferee Company will continue to remain beneficial owners of the Transferee Company in the same proportion in which they held shares in the Transferee Company prior to amalgamation. Accordingly, there will be no change in the shareholding pattern of the Transferee Company.
3. There will be no adverse effect of the said Scheme on the equity shareholders, preference shareholders, key managerial personnel, promoter and non – promoter shareholders of the Transferee Company.
4. Further, no change in the Key Managerial Personnel of the Transferee Company is expected pursuant to the Scheme becoming effective.

By Order of the Board of Directors
Action Construction Equipment Limited

Sd/-
Vijay Agarwal
Chairman & Managing Director
DIN: 00057634



BRAN & ASSOCIATES
CHARTERED ACCOUNTANTS

B-374-376, Nehru Ground, N.L.T.,
Faridabad-121001
Tel. : 0129-4172796, 9811372796
E-mail : ravigulati@cabran.in
Website : www.cabran.in

**LIMITED REVIEW REPORT ON STANDALONE FINANCIAL RESULTS FOR THE
QUARTER ENDED 31st DECEMBER, 2017**

To,
THE BOARD OF DIRECTORS
ACTION CONSTRUCTION EQUIPMENT LIMITED

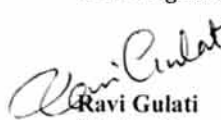
We have reviewed the accompanying statement of unaudited standalone financial results ('the statement') of **Action Construction Equipment Limited** ('the company') for the quarter/nine months ended 31st December, 2017, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.


This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, '*Review of interim financial information performed by the independent auditor of the entity*' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results for the quarter/nine months ended 31st December, 2017 prepared in accordance with applicable accounting standards i.e Indian Accounting Standard ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated 05th July, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **BRAN & ASSOCIATES**
Chartered Accountants
Firm Registration No.-014544N


Ravi Gulati
(Partner)
Membership Number- 090672



Place: New Delhi
Date: 25th January, 2018



Action Construction Equipment Limited

CIN: L74899HR1995PLC053860; PAN: AAACA6189P

Registered & Corporate Office: Dudhola Link Road, Dudhola, District – Palwal, Haryana 121102

Tel. No. - +91-1275-280111 ; Fax : +91-1275-280133

Website: www.ace-cranes.com; Email-Id: cs@ace-cranes.com

Statement of Standalone Un-Audited Results for the Quarter and Nine Months ended 31st December, 2017

(Rs. In lakh)

S. No.	Particulars	Quarter ended			Year to date figure for the period ended		Previous year ended
		31-Dec-17	31-Dec-16	30-Sep-17	31-Dec-17	31-Dec-16	31-Mar-17
		(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Audited)
1	Income						
	(a) Revenue from operations	27,907.46	19,798.98	25,099.43	73,118.63	55,227.83	79,726.42
	(b) Other Income	165.49	171.17	213.80	548.44	537.85	646.04
	Total Income	28,072.95	19,970.15	25,313.23	73,667.07	55,765.68	80,372.46
2	Expenses						
	(a) Cost of materials consumed	21,365.85	14,774.54	21,195.73	56,726.22	40,773.63	58,999.50
	(b) Purchase of stock-in-trade	52.54	83.90	111.59	361.21	223.76	344.72
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	147.22	(346.66)	(1,210.69)	(587.64)	(769.33)	(422.20)
	(d) Excise duty	-	1,021.30	-	1,215.43	3,110.76	4,603.13
	(e) Employee benefits expense	1,711.69	1,592.41	1,742.11	4,981.59	4,372.84	5,865.40
	(f) Finance costs	328.87	371.53	341.38	1,007.81	1,142.48	1,305.25
	(g) Depreciation and amortisation expense	304.38	309.05	303.14	908.08	903.85	1,253.96
	(h) Other expenses	1,739.30	1,549.51	1,525.56	4,856.30	4,423.38	5,963.45
	(i) Provision for doubtful loan & advances	182.56	-	-	182.56	-	-
	Total expenses	25,832.41	19,355.58	24,008.82	69,651.56	54,181.37	77,913.21
3	Profit/(Loss) from operations before exceptional items and tax (1-2)	2,240.54	614.57	1,304.41	4,015.51	1,584.31	2,459.25
4	Exceptional items	-	-	-	-	-	-
5	Profit/ (Loss) before Tax (3-4)	2,240.54	614.57	1,304.41	4,015.51	1,584.31	2,459.25
6	Tax expense	599.29	126.97	204.53	897.69	348.14	494.99
7	Net Profit/(Loss) for the period from operations (5-6)	1,641.25	487.60	1,099.88	3,117.82	1,236.17	1,964.26
8	Total other comprehensive income for the Year/Period	-	-	-	-	-	-
	(a) Items that will not be reclassified to profit or loss	-	-	-	-	-	-
	(b) Items that will be reclassified to profit or loss	-	-	-	-	-	-
9	Total comprehensive income for the Year/Period (7+8)	1,641.25	487.60	1,099.88	3,117.82	1,236.17	1,964.26
10	Paid up Equity Share Capital (Face Value Rs. 2/-Per Share)	2,346.46	2,346.46	2,346.46	2,346.46	2,346.46	2,346.46
11	Earnings per share (Face Value Rs 2/- each) (not annualised)						
	a) Basic (in Rs.)	1.40	0.42	0.94	2.66	1.05	1.43
	b) Diluted (in Rs.)	1.40	0.42	0.94	2.66	1.05	1.43

Notes :

- 1) The above financial results have been reviewed by Audit Committee and approved by the Board of Directors at their meeting held on 25th January, 2018.
- 2) The Statutory Auditors of the Company have carried out a "Limited Review" of the above results as per Regulations 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The Ind AS compliant corresponding figures of the previous year have not been subjected to the limited review or audit. However, the management has exercised necessary due diligence to ensure that such financial results provide a true and fair view of its affairs.
- 3) The Segment-wise Reporting has been prepared in accordance with the Ind AS 108 "Operating Segments".
- 4) Tax expense includes Current Tax (including Minimum Alternate Tax) and deferred tax.
- 5) The Company has adopted Indian Accounting Standards ("Ind AS") effective April 01, 2017 (transition date being April 01, 2016) and accordingly, the financial results for the Quarter and period ended December 31, 2017 have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India. Accordingly, the impact of transition has been provided in the opening equity as on April 01, 2016 and figures for the corresponding quarter have been prepared to comply with Ind AS.
- 6) Reconciliation between financial results as previously reported (referred to as "Previous GAAP") and Ind AS for the period ended December 31, 2016:

Particulars	Quarter Ended 31st December, 2016 (Rs. In lakh)	Nine Months Ended 31st December, 2016 (Rs. In lakh)
Net Profit/(Loss) as per erstwhile Indian GAAP	482.78	1,227.08
Adjustments (net of tax impact)		
Impact of adjustment in Fixed Assets	9.18	28.01
Interest Income on loan given to Subsidiary	47.23	136.03
Dividend on Cumulative Redeemable Preference Share considered as interest	(47.57)	(142.63)
Deferred Tax expense on above adjustments	(4.02)	(12.32)
Net Profit/(Loss) as per Ind AS	487.60	1,236.17
Other comprehensive income	-	-
Total comprehensive income as per Ind AS	487.60	1,236.17

- 7) The statement does not include Ind AS compliant results for the previous year ended March 31, 2017 as the same is not mandatory as per SEBI's circular dated July 05, 2016
- 8) Consequent to the introduction of Goods and Service Tax (GST) with effect from 01.07.2017, Central Excise, Value Added Tax (VAT) etc. have been subsumed into GST. In accordance with Indian Accounting Standard-18 on "Revenue" and schedule-III of the Companies Act, 2013, unlike excise duty, levies like GST, VAT etc. are not part of Revenue from Operations. Accordingly the figures for the period upto 30th June, 2017 are not strictly relatable to those thereafter. The following additional information is being provided to facilitate such understanding.

(Rs. In Lakh)

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	31.12.17	30.09.17	31.12.16	31.12.17	31.12.16	31.03.17
Revenue from continuing operations (A)	27,907.46	25,099.43	19,798.98	73,118.63	55,227.83	79726.42
Excise duty on sale (B)	-	-	1,021.30	1215.43	3110.76	4603.13
Revenue from continuing operations excluding excise duty on sale (A-B)	27,907.46	25,099.43	18,777.68	71,903.20	52,117.07	75,123.29

- 9) The above financial results are available on the company's website www.ace-cranes.com and also on the web site of NSE (www.nseindia.com) and BSE (www.bseindia.com)

For Action Construction Equipment Limited

Place: New Delhi
Date: January 25, 2018

Sd/-
Vijay Agarwal
Chairman & Managing Director

SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES, FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2017

(Rs. In Lakh)

Sl. No.	Particulars	Quarter ended			Year to date figure for the period ended		Previous year ended
		31-Dec-17	31-Dec-16	30-Sep-17	31-Dec-17	31-Dec-16	31-Mar-17
		(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Audited)
1.	Segment Revenue						
	A) Cranes	18,513.32	10,916.84	16,363.57	48,636.77	33,440.73	49,641.72
	B) Construction Equipment	2,164.37	1,379.34	1,432.92	4,712.56	3,121.84	4,885.47
	C) Material Handling	1,953.32	1,342.33	2,255.07	5,799.63	3,877.46	5,290.01
	D) Agri Equipment	5,276.45	5,139.17	5,047.87	12,754.24	11,677.04	15,306.09
	E) Excise Duty	-	1,021.30	-	1,215.43	3,110.76	4,603.13
	Total	27,907.46	19,798.98	25,099.43	73,118.63	55,227.83	79,726.42
	Less-Inter Segment Revenue	-	-	-	-	-	-
	Gross Sale / Income from Operations	27,907.46	19,798.98	25,099.43	73,118.63	55,227.83	79,726.42
2.	Segment Results						
	A) Cranes	2,175.26	930.82	1,455.00	4,928.10	3,001.64	4,035.53
	B) Construction Equipment	174.32	29.06	60.19	139.01	50.36	67.23
	C) Material Handling	228.12	148.07	236.53	700.18	440.91	561.65
	D) Agri Equipment	305.55	164.74	167.31	113.92	92.22	206.09
	Total	2,883.25	1,272.69	1,919.03	5,881.21	3,585.13	4,870.50
	Less- Interest	328.87	371.53	341.38	1,007.81	1,142.48	1,305.25
	Less- Other Unallocable Expenditure	313.84	286.59	273.24	857.89	858.34	1,106.00
	Total Profit before Tax	2,240.54	614.57	1,304.41	4,015.51	1,584.31	2,459.25
3.	Segment Assets						
	A) Cranes	55,306.88	51,488.38	55,296.30	55,306.88	51,488.38	47,978.21
	B) Construction Equipment	6,323.29	3,710.42	4,396.20	6,323.29	3,710.42	4,259.18
	C) Material Handling	2,736.71	2,116.39	3,153.46	2,736.71	2,116.39	1,896.00
	D) Agri Equipment	5,341.41	5,382.22	4,686.49	5,341.41	5,382.22	3,924.87
	E) Unallocated	11,988.36	9,088.25	9,098.68	11,988.36	9,088.25	9,178.02
	Total Segment Assets	81,696.65	71,785.66	76,631.13	81,696.65	71,785.66	67,236.28
4.	Segment Liabilities						
	A) Cranes	17,017.67	11,109.03	15,020.49	17,017.67	11,109.03	14,487.76
	B) Construction Equipment	1,085.10	838.78	955.64	1,085.10	838.78	1,476.89
	C) Material Handling	934.93	945.77	1,254.75	934.93	945.77	958.91
	D) Agri Equipment	5,251.14	4,737.26	5,442.27	5,251.14	4,737.26	3,982.00
	E) Unallocated	57,407.81	54,154.82	53,957.98	57,407.81	54,154.82	46,330.72
	Total Segment Liabilities	81,696.65	71,785.66	76,631.13	81,696.65	71,785.66	67,236.28

For Action Construction Equipment Limited

Place : New Delhi
Date: January 25, 2018

Sd/-
Vijay Agarwal
Chairman & Managing Director

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IN THE NATIONAL COMPANY LAW TRIBUNAL
CHANDIGARH BENCH
ORIGINAL JURISDICTION
COMPANY APPLICATION NO. CA (CAA) NO.24/CHD/HRY/2017

In the matter of the Companies Act, 2013;

AND

In the matter of Sections 230 to 232 and 234 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and Part II Section (4) of the XIV Schedule and the other Applicable Provisions of the Mauritius Companies Act, 2001;

AND

In the matter of Scheme of Amalgamation between Frested Limited ('Frested Ltd' or 'Amalgamating Company/Transferor Company') and Action Construction Equipment Limited ('ACE' or 'Applicant Company') and their respective Shareholders and Creditors

Action Construction Equipment Limited, a Company incorporated under the provisions of Companies Act, 1956 having its Registered Office at Dudhola Link Road, Dudhola, District – Palwal, Haryana – 121102 (**'Applicant Company'**), **CIN - L74899HR1995PLC053860**

FORM NO. MGT-11

PROXY FORM

[Pursuant to the provisions of Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L74899HR1995PLC053860
Name of the Company : Action Construction Equipment Limited
Registered Office : Dudhola Link Road, Dudhola, District – Palwal, Haryana – 121102

Name of the Unsecured Creditor(s):	
Registered Address	:
E-mail Id	:

I/We, being the Unsecured Creditor(s) of the above named company, hereby appoint:

1. Name: E-mail Id:
Address:
..... Signature: or failing him

2. Name: E-mail Id:
Address:
..... Signature: or failing him

3. Name: E-mail Id:
Address:
..... Signature:

as my / our proxy, to attend and vote (on a poll) for me / us and on my / our behalf act for me / us at the meeting of the Unsecured Creditors of the Company, to be held on Saturday, the 23rd day of June, 2018, At 12:00 P.M. at Aravali Golf Club, New Industrial Township (NIT), Faridabad, Haryana – 121001 or any adjournment/ adjournments thereof, (here if 'for' insert 'for', if 'against' insert 'against') in respect of such resolutions as are indicated below:

Resolution No.	Particulars	For	Against
Special Business			
1.	<p>“RESOLVED THAT pursuant to the provisions of Sections 230 to 232 and 234 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions, if any, including any statutory modification or re-enactments thereof for the time being in force, and subject to the relevant provisions of the Memorandum and Articles of Association of Action Construction Equipment Limited ('the Company' or 'ACE') and subject to requisite approval of the shareholders and creditors of the Company and sanction of the Hon'ble National Company Law Tribunal (NCLT), Chandigarh Bench , Reserve Bank of India (RBI) and other regulatory authorities, as may be necessary and required and recommendation of the Board of Directors and Audit Committee, the consent of the Unsecured Creditors of the Applicant Company of value more than Rupees One Lakh be and is hereby accorded to the Scheme of Amalgamation between Frested Limited ('Frested Ltd') and Action Construction Equipment Limited ('ACE') and their respective Shareholders and Creditors (hereinafter referred to as 'the Scheme'), placed before the meeting of the Unsecured Creditors”</p> <p>“RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution, the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall include any committee constituted by the Board of Directors of the Company or any person(s) authorized by the Board to exercise the powers conferred on the Board of Directors of the Company by this Resolution) be and is hereby authorised on behalf of the Company to do all acts, deeds, matters and things as it may at its discretion deem necessary, proper and desirable for effective implementation of the Scheme and to accept such modification/condition, if any, which may be required by Hon'ble NCLT, RBI and/or any other authority and for such purpose to settle any question or difficulty or doubt that may arise in regard to the Scheme, as it may in its absolute discretion deem fit, and to finalise and execute all documents and writings as may be necessary without being required to seek any further consent or approval of the Unsecured Creditors or otherwise to this end and intent and that the Unsecured Creditors shall be deemed to have given their approval thereto expressly by the authority of this resolution to do and perform all such acts, deeds and things as may be necessary, desirable or expedient to give effect to this Resolution including filing of necessary e-forms with Ministry of Corporate Affairs/ Registrar of Companies.”</p>		

Signed this day of2018

Affix Re. 1 Revenue Stamp

Signature across the Stamp

Signature of Unsecured Creditor:

Signature of Proxy Holder (s):

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



Action Construction Equipment Limited

CIN: L74899HR1995PLC053860; PAN: AAACA6189P

Registered & Corporate Office: Dudhola Link Road, Dudhola, District – Palwal, Haryana – 121102

Tel. No. - +91 1275-280111 ; Fax : +91-1275-280133

Website: www.ace-cranes.com; Email-Id: cs@ace-cranes.com

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

Name and Address of the Unsecured Creditor :

Signature :

Name of the proxy holder/
authorised representative :

Signature :

I hereby record my presence at the Meeting of the Unsecured Creditors of Action Construction Equipment Limited, convened pursuant to the Order dated 04 May, 2018 of the Hon'ble National Company Law Tribunal, Chandigarh Bench, at Aravali Golf Club, New Industrial Township (NIT), Faridabad, Haryana – 121001 on Saturday, the 23rd day of June, 2018 at 12:00 P.M.

NOTE: Unsecured Creditor(s) attending the Meeting in person or by proxy or through authorised representative are requested to complete and bring the Attendance Slip with them and hand it over at the entrance of the Meeting hall.

Route Map

Venue of NCLT Convened Meeting

Aravali Golf Club (AGC)
New Industrial Township (NIT)
Faridabad, Haryana - 121001

Important Nearest Point

- Neelam Cinema Hall
- ESIC Hospital
- Neelam Chowk Ajronda(Metro Station)

