

Compliance Report on Corporate Governance

Name of the Company: Action Construction Equipment Ltd.

Quarter ending on: 30th June, 2014

Particulars	Clause of Listing Agreement	Compliance Status Yes/No	Remarks
I Board of Directors	49 I	Yes	
(A) Composition of Board	49(IA)	Yes	The Company has 4 (Four) Executive Directors and 4 (Four) Non Executive & Independent Directors.
(B) Non-executive Directors' Compensation & Disclosures	49 (IB)	Yes	Non-Executive Directors other than Promoter Directors are paid only Sitting Fees.
(C) Other Provisions as to Board and Committees	49 (IC)	Yes	During the Quarter ended 30.06.2014, 2(two) Board Meetings was held.
D) Code of Conduct	(49 (ID)	Yes	
II. Audit Committee	49 (II)		
(A) Qualified & Independent Audit Committee	49 (IIA)	Yes	Company has an Audit Committee comprising of 4 Directors out of which 3 are Independent, all having required accounting/finance expertise.
(B) Meeting of Audit Committee	49 (IIB)	Yes	Held on 21 st May, 2014 and 7 th June, 2014.
(C) Powers of Audit Committee	49 (IIC)	Yes	As per law
(D) Role of Audit Committee	49 II(D)	Yes	As per law
(E) Review of Information by Audit Committee	49 (IIE)	Yes	
III. Subsidiary Companies	49 (III)	Yes	
IV. Disclosures	49 (IV)		
(A) Basis of Related Party Transactions	49 (IV A)	Yes	
(B) Disclosure of Accounting Treatment	49 (IV B)	Yes	Disclosed in the financial statements of the Company.
(C) Board Disclosures	49 (IV C)	Yes	
(D) Proceeds from Public Issues, Rights Issues, Preferential Issues etc.	49 (IV D)	Yes	
(E) Remuneration of Directors	49 (IV E)	Yes	Requisite information forms part of disclosure in 20 th Annual Report.
(F) Management	49 (IV F)	Yes	
(G) Shareholders	49 (IV G)	Yes	
V. CEO/CFO Certification	49 (V)	Yes	CEO/CFO Certification was placed before the Board in its Meeting held on 21 st May, 2014.
VI. Report on Corporate Governance	49 (VI)	Yes	Report on Corporate Governance is included in the 20 th Annual Report of the Company.
VII. Compliance	49 (VII)	Yes	Compliances included in the 20 th Annual Report of the Company.

For Action Construction Equipment Ltd.


Rajan Luthra
Company Secretary & Compliance Officer