



A & M FEBCON LIMITED

ANNUAL REPORT 2019-20

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SEVENTH ANNUAL REPORT

2019-20

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Varun Shah	: Managing Director
Mrs. Renukaben Shah	: Non-Executive Director (till 10.02.2020)
Mr. Amit P. Kadiya	: Non-Executive Independent Director
Mr. Abhishek Lodha	: Non-Executive Director (till 27.01.2020)
Mrs. Rupal Thakkar	: Non-Executive Director (till 19.03.2020)
Mr. Tejasbhai Harshadbhai Patel	: Executive Director
Ms. Avani Koshti	: Non-Executive Independent Director (From 10.09.2019)
Ms. Misbahuzma Shaikh	: Non-Executive Independent Director (30.06.2020)

CHIEF FINANCIAL OFFICER

Mr. Tejasbhai Harshadbhai Patel

COMPANY SECRETARY

Mr. Tajendra Nayak (21/11/2019 to 31/05/2020)
Ms. Komal Madhyani (From 13/06/2020)

REGISTERED OFFICE

A-2, Hira Anand Tower, Gordhanwadi Tekara, Kankaria, Ahmedabad - 380008

STATUTORY AUDITORS

M/S. Parekh Parekh And Associates,
Chartered Accountant
201 Abhijyot, Near Avanti Bungalows, Billeswar
Mahadev Road, Satellite, Ahmedabad - 380015

REGISTRAR & TRANSFER AGENT

KFIN TECHNOLOGIES PRIVATE LIMITED
(Previously known as Karvy Fintech Private Limited)
Selenium Building, Tower B, Plot 31-32,
Gachibowli, Financial District, Nanakramguda,
Hyderabad- 500 032

BANKER:

1. Tamilnadu Mercantile Bank Ltd.
2. Punjab National Bank

LISTING

BSE Limited

MESSAGE FROM CHAIRPERSON

Dear Shareholders,

It is my privilege to present the 7th Annual Report of your company. Our Company is committed to providing excellent customer solutions in the field of structural steel fabrication.

To maintain a glorious position in the league of heavy fabrication industries, we constantly increase our efforts in reaching the pinnacle in robust structural design and implementation. For steadfast engineering and superior quality structural steel products, we don't compromise on quality. Our expert team strives to deliver structural steel products as per your precise specifications.

The Company intends to significantly grow each of its businesses from this point onwards – through the quality of business and the quantum of business generated.

Going forward, we will sustain our efforts to concentrate on every aspects and opportunities for Company's growth.

As we proceed to write the next chapters of our journey, I must reiterate that I am grateful for continued support of all the stakeholders. Your confidence in us has enabled us to steer our ship past the difficult challenges of the recent years.

Wishing all of you good health and safety.

Warm Regards,

Varun Shah

Chairperson &. Managing Director

DIN: 07740874

MANAGEMENT DISCUSSION AND ANALYSIS

Business Overview

Our Company was originally formed and registered as a partnership firm under the Partnership Act, 1932 in name and style of Messrs. 'A & M MARKETING' Thereafter, by and under a partnership deed dated March 8, 2013 the name of the firm was changed to Messrs. 'A & M FEBCON'

M/s. A & M FEBCON was thereafter converted from a partnership firm to a private limited company under Part IX of Companies Act, 1956 under the name of "A & M FEBCON PRIVATE LIMITED". Our Company on March 15, 2017, was converted from a private limited company to a public limited company under the provisions of Companies Act, 2013. Consequent upon the conversion of our Company into a public limited company, the name of our Company was changed to "A & M Febcon Limited" and a fresh certificate of incorporation dated 15th March 2017 bearing registration no. 075662 was issued by the Registrar of Companies, Ahmedabad. The Equity Shares of the Company has been migrated from BSE SME Platform to Mainboard Platform in the list of 'B' Group with effect from February 12, 2020.

Our Company is basically engaged in the services of engineering which is applied to the planning, designing and control of industrial operations and in the business of Industrial equipment and metal fabrication. Industrial equipment fabrication is the most complex out of the three i.e. structural, commercial and industrial which is used primarily to develop industrial machinery. Our equipments and machineries are manufactured through industrial fabrication that include boilers, storage tanks, heat exchangers, columns, and towers etc, collectively called as process plant equipments. These process plant equipments are widely used in petrochemical plants, oil and gas refinery, metal industry, cement plants, pulp & paper manufacturing plants etc.

Our Competitive Strengths:

- ❖ Wide Product Range covering different Industry verticals
- ❖ Our Product Development and Technological capabilities
- ❖ Our Cost effective production and timely fulfillment of orders
- ❖ Strategic Location of Manufacturing Unit

Our Strategy:

- ❖ Improving cost structure
- ❖ To enhance our customer base by entering new geographies to establish long-term Relationships
- ❖ To focus on Quality and on timely project schedule delivery
- ❖ Optimal Utilization of Resources

HUMAN RESOURCES AND INDUSTRIAL RELATIONS:

The Company's workforce is its biggest asset and central to its success through the years. With dedicated human resource policies in place, the Company endeavours to provide a learning-oriented high-performance work culture. In this manner, it not only establishes a transparent and supportive work environment but also nurtures the holistic growth of employees in conjunction with that of the organisation. There are several training and development programmes conducted throughout the year to build capabilities and upskill staff members.

ENVIRONMENT, HEALTH & SAFETY:

The Company adheres to mandatory Environment, Health and Safety (EHS) requirements and is committed to adopting stricter standards wherever suitable. It is fully cognisant of its responsibility towards the environment it operates in and the welfare of the people it employs. Workers' safety is paramount and a comprehensive array of measures is implemented across all manufacturing locations to ensure the same.

INTERNAL CONTROL:

The Company has formulated a well-defined and structured internal control system, commensurate to the size and nature of its business. The strong internal control systems have been designed in such a way that, not only it prevent fraud and misuse of the Company's resources but also protect shareholders interest. Industry structure and developments: engineering and metal fabrication

- (a) Opportunities and Threats : Government's continued impetus through different initiatives like "Make in India" push will boost growth.
- (b) Segment-wise or product-wise performance : The Company operates in Single Segment
- (c) Outlook : Your Company is well positioned in industry innovative and Cost effective products.
- (d) Risks and concerns: Volatility in price of raw materials can be risk to industry.
- (e) Internal control systems and their adequacy: The Company has an adequate internal control system for safeguarding the assets and financial transactions of the Company. The strong internal control systems have been designed in such a way that, not only it prevent fraud and misuse of the Company's resources but also protect shareholders interest.
- (f) Discussion on financial performance with respect to operational performance : For the period ended March 31, 2020 our Company's total income and profit after tax was Rs. 16,630.
- (g) Material developments in Human Resources / Industrial Relations front, including number of people employed : There has been no any material changes during the year as compared to previous year.
- (h) details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations: No significant change compared to the immediately previous financial year.

NOTICE

Dear Member(s),

NOTICE is hereby given that the 7th ANNUAL GENERAL MEETING of the members of A & M FEBCON LIMITED ("the Company") will be held on Thursday, the 18th day of March, 2021 at 12.30 P.M. at the registered office of the Company situated at the following business:

ORDINARY BUSINESS:

1. To Receive, Consider and Adopt Audited Financial Statement of the Company for the financial year ended on March 31st, 2020 together with Report of Board of Directors and Auditors' Report thereon and to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**

"RESOLVED THAT the audited Standalone Financial Statement of the Company for the financial year ended March 31, 2020, together with the Reports of the Board and the Auditors thereon, be and are hereby received, considered and adopted."

2. To Appoint a Director in place of Mr. Varun Jigneshkumar Shah (DIN: 07740874), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers herself for re-appointment and in this connection to consider and if deemed fit, to pass the following Resolution as an **Ordinary Resolution:**

"RESOLVED THAT, pursuant to the provisions of Section 152(6) of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014 Mr. Varun Jigneshkumar Shah, be and is hereby re-appointed as a Director of the Company, who is liable to retire by rotation."

SPECIAL BUSINESS:

3. Regularisation & Appointment of Ms. AVANI KOSHTI (DIN- 08559002) as non-executive independent director of the company.

To consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution:**

RESOLVED THAT pursuant to the provisions of Sections 149, 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and pursuant to the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any modification or amendment thereof Ms. AVANI KOSHTI (DIN 08559002), who was appointed as an Additional Director of the Company with effect from 10th September, 2019 under Section 161 of the Act, who holds office up to the date of this Annual General Meeting, be and is hereby appointed as Director of the Company

4. Regularisation & Appointment of Ms. MISBAHUZMA SHAIKH (DIN- 08776790) as non-executive independent director of the company.

To consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and pursuant to the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any modification or amendment thereof Ms. MISBAHUZMA SHAIKH (DIN 08776790), who was appointed as an Additional Director of the Company with effect from 30th June 2020 under Section 161 of the Act, who holds office up to the date of this Annual General Meeting, be and is hereby appointed as Director of the Company.

RESOLVED FURTHER THAT, the Board of Directors of the Company be and are hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

Place: Ahmedabad

Date: 19th February 2021

**By Order of the Board
For A & M Febcon Limited**

Sd/-

**VARUNJIGNESHKUMARSHAH
Managing Director
DIN: 07740874**

NOTES:

KFin Technologies Private Limited will be providing facility for voting through remote e-voting,

1. Dispatch of Notice and Annual Report through electronic means

Pursuant to Sections 101 and 136 of the Act read with rules framed thereunder and Regulation 36(1) of the SEBI (LODR) Regulations, 2015, in compliance with the said MCA Circulars and the Securities and Exchange Board of India ("SEBI") Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 ("SEBI Circular"), owing to the difficulties involved in dispatching of physical copies of the Financial Statements (including Report of the Board of Directors, the Auditor's report or other documents required to be attached therewith), such statements including the Notice of the 7th AGM of the Company along with the Annual Report 2019-20, is being sent only through electronic mode to those Members whose e-mail address is registered with the Company or the Depository Participant(s).

2. Request for updating email address, contact No., Bank Details, PAN No. and other details

- a) Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone / mobile numbers, Permanent Account Number (PAN), bank details including change in bank account number, IFSC Code, MICR Code, name of bank and branch details, to their Depository Participant(s) (DPs) in case the shares are held by them in electronic form and to the Registrar and Share Transfer Agent of the Company, viz., M/s. Kfin Technologies Private Limited.
- b) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in dematerialized form are, therefore, requested to submit their PAN to the Depository Participant(s) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to Kfin Technologies Private Limited, Registrar and Share Transfer Agent of the Company.

3. Web link to access Notice of 7th AGM and Annual Report

Members may note that the Notice of the 7th AGM along with the Annual Report 2019-20 is uploaded and available electronically at the following links:

Company's website	<u>www.aandmfebcon.com</u>
Website of stock exchanges where equity shares of the Company are listed	<u>www.bseindia.com</u>
Website of KFin Technologies Private Limited	<u>evoting@kfintech.com</u>

4. Registrar and Share Transfer Agent

The Company's Registrar and Share Transfer Agent for its share registry work is Kfin Technologies Private Limited.

M/s. Kfin Technologies Private Limited

Selenium Tower B, Plot 31-32, Gachibowli, Financial District,

Nanakramguda, Hyderabad 500 032

Website: <https://www.kfintech.com/>

Queries relating to the equity shares of the Company or other correspondence may be addressed to the Company's Registrar and Share Transfer Agent: Kfin Technologies Private Limited at their correspondence details given above or to the Company's investor desk at: aandmfebcon@gmail.com.

5. Explanatory Statement and details of Directors seeking appointment/re-appointment:

Explanatory Statements pursuant to Section 102 of the Companies Act, 2013, setting out the material facts relating to Special Businesses under Item Nos. 3 and 4 of the accompanying Notice are annexed hereto.

Further, additional information pursuant to Regulations 26(4) and 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India (ICSI), in respect of Directors seeking appointment / re-appointment at this AGM as mentioned in Item No. 3,4 of this AGM Notice are also annexed hereto.

6. Proxy Form, Attendance Slip and Route Map:

A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF, AND THE PROXY NEED NOT BE A MEMBER.

A person can act as proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. However, a Member holding more than ten percent 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 Member. The instrument appointing a proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Meeting.

All Proxy-holder should carry their identity card at the time of attending the Meeting.

Proxies, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

Members are requested to bring their copy of notice of the AGM. The Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the meeting.

During the period beginning 24 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 three days of notice in writing is given to the Company

Attendance Slip and Route Map is attached with notice of Annual General Meeting.

7. Corporate Representations:

Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.

Institutional Members and Corporate Members are encouraged to attend the 7th AGM through their Authorized Representatives.

8. Joint Holders:

In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.

9. Dividend on equity shares for the financial year ended March 31, 2020:

Directors have not recommended any Dividend on Equity Shares of the Company for financial year ended March 31, 2020.

10. Documents for Inspection:

Any request for inspection of the Register of Directors and Key Managerial Personnel and their Shareholding, maintained under Section 170 of the Act, Register of Contracts and Arrangements in which the Directors are interested, maintained under Section 189 of the Act may please be sent to aandmfebcon@gmail.com.

All the documents in connection with the accompanying Notice and Explanatory Statement are available for inspection through electronic mode on the basis of request being sent on aandmfebcon@gmail.com.

11. Book Closure:

The Register of members and the Share Transfer Books of the company will remain closed from Friday, 12th March, 2021 to Thursday, 18th March, 2021 (both days inclusive) for the purpose of Annual General Meeting.

12. Green Initiative:

Members are requested to support the GREEN Initiative by registering/updating their e-mail address with the Depository Participant (in case of equity shares held in dematerialised form) or with KFin Technologies Pvt. Ltd., Registrar and Transfer Agent (in case of equity shares held in physical form).

This initiative would enable the Members to receive Company communications promptly besides protecting the environment by reducing consumption of paper.

13. Nomination

Members can avail facility of nomination in respect of equity shares held by them pursuant to Section 72 of the Act and rules made thereunder.

Members holding equity shares in dematerialized form may contact their respective Depository Participant for availing this facility.

Members holding equity shares in physical form desiring to avail this facility may send their nominations in the prescribed Form No. SH-13 duly filled in, to KFin technologies Private Limited at the above-mentioned address.

14. Transfer of securities only in demat mode:

SEBI vide its Circular No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018, has mandated that securities of listed companies can be transferred only in dematerialized form from April 1, 2019, except in case of transmission and transposition of securities. However, it is clarified that, members can continue holding shares in physical form. Transfer of securities in demat form will facilitate convenience and ensure safety of transactions for investors.

Members holding shares in physical form are requested to convert their holding(s) to dematerialized form to eliminate all risks associated with physical shares. Members can contact the Company or Registrar and Share Transfer Agents of the Company for assistance in this regard.

Members holding shares in more than one folio in the same name(s) are requested to send the details of their folios along with share certificates so as to enable the Company to consolidate their holding into one folio.

15. PROCEDURE AND INSTRUCTIONS OF E-VOTING:

- 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 KFin Technologies Private Limited (KFin) 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 KFin [for Members whose email IDs are registered with the Company/Depository Participants (s)]: