

31st Annual Report 2013 - 2014



CARNATION INDUSTRIES LTD.

BOARD OF DIRECTORS

Mr. Ramesh Chandra Jha	– Chairman
Mr. Ravindra Prakash Sehgal	– Managing Director
Mr. Suvabrata Saha	– Joint Managing Director
Mr. Arun Kumar Bose	– Whole Time Director
Mr. Manoj Bose	– Director
Mr. Debajyoti Chakrabarti	– Director

REGISTERED OFFICE

28/1, Jheel Road, Liluah,
P.O. Salkia, Howrah - 711 106
Telephone : (033) 2645 4785

AUDIT COMMITTEE

Mr. Ramesh Chandra Jha
Mr. Manoj Bose
Mr. Debajyoti Chakrabarti
Mr. Ravindra Prakash Sehgal

NOMINATION & REMUNERATION COMMITTEE

Mr. Ramesh Chandra Jha
Mr. Manoj Bose
Mr. Debajyoti Chakrabarti

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Ramesh Chandra Jha
Mr. Ravindra Prakash Sehgal

COMPANY SECRETARY

Mr. Sanjay Agarwal

AUDITORS

M/s. Jain & Bagaria
Chartered Accountants
27/8A, Waterloo Street
Kolkata-700 069

BANKERS

State Bank of Hyderabad
Punjab National Bank

CORPORATE & HEAD OFFICE

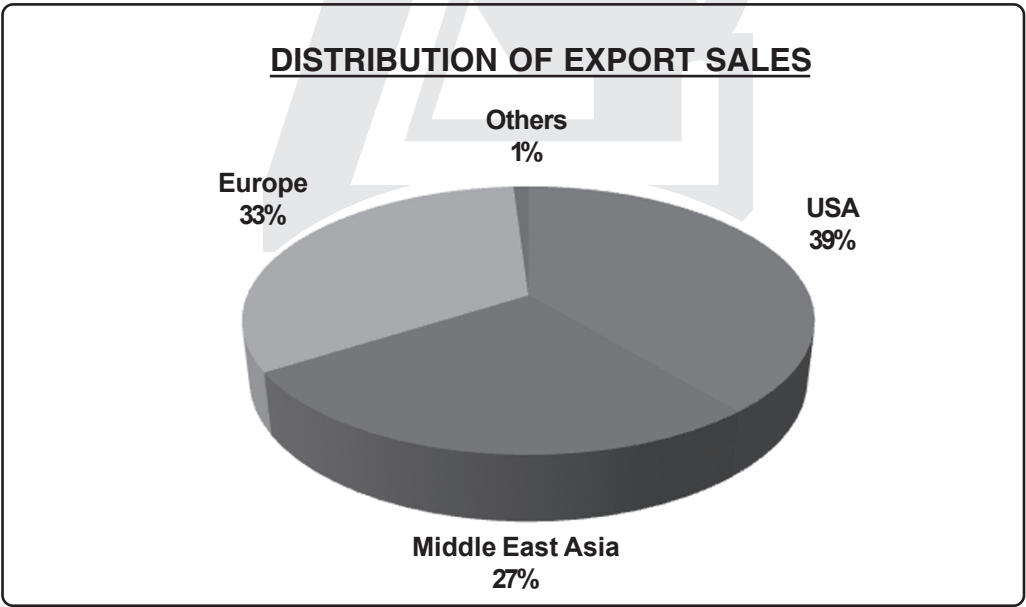
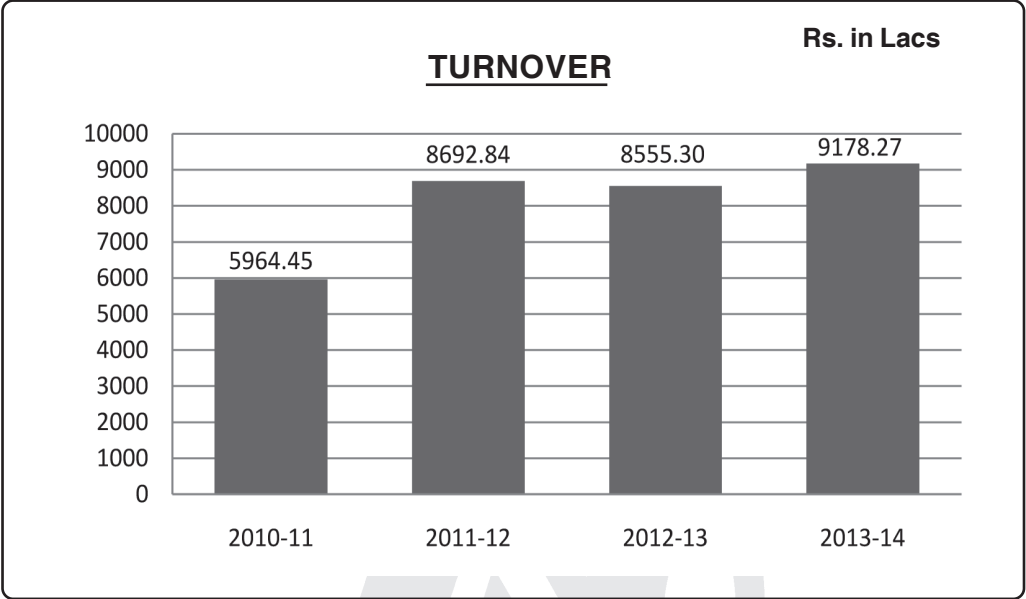
222, A. J. C. Bose Road
1st Floor, Room No. 4 & 5, Kolkata – 700 017
Phone: (033) 2290 2256/2287 8229
Fax: (033) 2287 9938
E-Mail: info@carnationindustries.com
Website: www.carnationindustries.com

REGISTRAR & SHARE TRANSFER AGENT

R&D Infotech Private Limited
7A, Beltala Road, 1st Floor
Kolkata – 700 026
Phone: (033) 24192641, 24192642
Email: rd.infotec@vsnl.net

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Mr. R. P. Sehgal, Managing Director, Carnation Industries Ltd., receiving an award from Shri Saurabh Patel, Minister of Finance, Energy and Petrochemicals, Govt. of Gujarat, at the Institute of Indian Foundrymen Awards Ceremony at Ahmedabad, in February 2014, where Carnation Industries received the highest honour for Foundry Goods Exports.



Mr. Suvabrata Saha, Jt. Managing Director

NOTICE

Notice is hereby given that the 31st Annual General Meeting of the Members of Carnation Industries Limited will be held on Friday, 26th September, 2014 at 10.00 A.M. at “SARAT SADAN”, 5, Mahatma Gandhi Road, Howrah-711 101 to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2014 together with the reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on equity shares.
3. To appoint a Director in place of Mr. Suvabrata Saha who retires by rotation and being eligible offers himself for re-election.
4. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:
“**RESOLVED THAT** M/s. Jain and Bagaria, Chartered Accountants (Registration No. 310045E) be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the Thirty Fourth (34th) Annual General Meeting of the Company on such remuneration as may be fixed by the Board of Directors.”

SPECIAL BUSINESS

5. To consider and if thought fit to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement consent of the Company be and is hereby given to the appointment of Mr. Ramesh Chandra Jha (DIN: 01538982), whose period of office was liable to determination by retirement of Directors by rotation and in respect of whom the Company has received a notice in writing in terms of Section 160 of the Act, as an Independent Director of the Company who shall hold office from the date of this Annual General Meeting till 31st March, 2019 and whose office shall not, henceforth, be liable to determination by retirement of Directors by rotation.”
6. To consider and if thought fit to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable

provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement consent of the Company be and is hereby given to the appointment of Mr. Manoj Bose (DIN: 06645209), whose period of office was liable to determination by retirement of Directors by rotation and in respect of whom the Company has received a notice in writing in terms of Section 160 of the Act, as an Independent Director of the Company who shall hold office from the date of this Annual General Meeting till 31st March, 2019 and whose office shall not, henceforth, be liable to determination by retirement of Directors by rotation.”

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement consent of the Company be and is hereby given to the appointment of Mr. Debajyoti Chakrabarti (DIN: 06655796), whose period of office was liable to determination by retirement of Directors by rotation and in respect of whom the Company has received a notice in writing in terms of Section 160 of the Act, as an Independent Director of the Company who shall hold office from the date of this Annual General Meeting till 31st March, 2019 and whose office shall not, henceforth, be liable to determination by retirement of Directors by rotation.”

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

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, the Company hereby ratifies the remuneration of Rs.30,000/- all inclusive payable to Mr. Deep Narayan Bandyopadhyay who is appointed as Cost Auditor of the Company to conduct Cost Audits relating to such business of the Company as may be ordered by the Central Government under the Act and the Rules thereunder, for the year ending 31st March, 2015.”

9. To consider and if thought fit to pass with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** in supersession of all earlier resolutions passed under Section 293(1)(a) of the Companies Act, 1956 and pursuant to Section 180 (1)(a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, the consent of the Company

be and is hereby accorded to the creation by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any Committee thereof for the time being exercising the powers conferred on the Board by this Resolution) of such mortgages, charges, hypothecations or any other encumbrances as may be necessary on all moveable and immoveable assets and properties of the Company, both present and future, in such manner as the Board/Committee of the Board may direct, to or in favour of financial institutions, foreign financial institutions, investment institutions and their subsidiaries, banks, mutual funds, trusts, any other bodies corporate (hereinafter referred to as the “Lending Agencies”) and Trustees for the holders of debentures/bonds and/or other instruments which may be issued on private placement basis or otherwise, to secure rupee term loans/foreign currency loans, debentures, bonds and other instruments of an outstanding aggregate value not exceeding Rs. 65 crore together with interest thereon at the agreed rates, further interest, liquidated damages, premium on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company to the Trustees under the Trust Deed and to the Lending Agencies under their respective Agreements/Loan Agreements/ Debenture Trust Deeds entered/to be entered into by the Company in respect of the said borrowings.

RESOLVED FURTHER THAT the Board be and is hereby authorized to finalize with the Lending Agencies/Trustees, the documents for creating the aforesaid mortgages, charges and/or hypothecations and to accept any modifications to, or to modify, alter or vary, the terms and conditions of the aforesaid documents and to do all such acts and things and to execute all such documents as may be necessary for giving effect to this Resolution.”

10. To consider and if thought fit to pass with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to Section 14 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force, the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

RESOLVED FURTHER THAT the Board of the Company, be and are hereby severally authorized to perform all acts, deeds and things, execute documents, and make all filings, as may be necessary to give effect to the above resolution and to take all such steps for giving any such direction as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise for the purpose of giving effect to this resolution.”

11. To consider and if thought fit to pass with or without modification(s), the following resolution as a **Special Resolution** :

“RESOLVED THAT pursuant to the provisions contained in Section 188 of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and in terms of applicable provisions of Listing Agreement executed with the Stock Exchanges (including any amendment, modification or re-enactment thereof), the consent of the members be and is hereby accorded to the Board of Directors (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) to supply Grey Iron /Ductile Iron Castings, Steel fabrications & other related products to NACIP Inc. on such terms and conditions as it may deem fit, for an aggregate value not exceeding Rs. 17 Crores (Rupees Seventeen Crores only) in a financial year.

RESOLVED FURTHER THAT subject to prior approval of Audit Committee of Board of Directors of the Company for the related party transactions, the Board of Directors of the Company be and are hereby authorized to finalize the terms and to execute agreements, deeds or writings required to be executed in relation to the proposed related party transactions and to do all acts, things and deeds as may be deemed necessary to give effect to this resolution.”

By Order of the Board of Directors

Place: Kolkata
Date : 13th August, 2014

SANJAY AGARWAL
(Company Secretary)

NOTES

1. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
2. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and such proxy need not be a member of the Company.** Proxies in order to be effective must be received by the Company not less than 48 hours before the commencement of the meeting.

A person can act as proxy on behalf of member or members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. 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 a proxy for any other person or shareholder.

3. Members / Proxies should bring the attendance slip duly filled in for attending the meeting.
4. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
5. Statement containing details of the Directors seeking appointment/re-appointment at the Meeting as required under Clause 49 of the Listing Agreement is annexed.
6. Pursuant to the provision of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, September 23, 2014 to Friday, September 26, 2014 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
7. The dividend on Equity Shares, if declared at the Meeting, will be credited/dispatched between September 30, 2014 to 15th October, 2014 to those members whose name shall appear on the Company's Register of Members on 22nd September, 2014, in respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owner as on that date.
8. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change of address immediately to the Company/ Registrars and Transfer Agents, M/s R&D Infotech Private Limited.
9. The facility for making nomination is available to the members in respect of the shares held by him.
10. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company between 11.00 A.M. and 1.00 P.M. on all working days upto the date of the Meeting.