

Annual Report 2015 - 2016



CARNATION INDUSTRIES LTD.

BOARD OF DIRECTORS

Mr. Ramesh Chandra Jha
Mr. Ravindra Prakash Sehgal
Mr. Suvabrata Saha
Mr. Arun Kumar Bose
Mr. Manoj Bose
Dr. Sephali Roy

- Chairman
- Managing Director
- Joint Managing Director
- Whole Time Director
- Independent Director
- Independent Director

REGISTERED OFFICE

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

CORPORATE OFFICE

222, A. J. C. Bose Road
1st Floor, Room No. 4 & 5
Kolkata – 700 017
Phone: (033) 2280 3127/2287 8229
Fax: (033) 2287 9938
E-Mail: info@carnationindustries.com
Website: www.carnationindustries.com

AUDIT COMMITTEE

Mr. Ramesh Chandra Jha
Mr. Manoj Bose
Dr. Sephali Roy
Mr. Ravindra Prakash Sehgal
Mr. Suvabrata Saha

NOMINATION & REMUNERATION COMMITTEE

Dr. Sephali Roy
Mr. Ramesh Chandra Jha
Mr. Manoj Bose

REGISTRAR & SHARE TRANSFER AGENTS

R&D Infotech Private Limited
7A, Beltala Road, 1st Floor
Kolkata – 700 026

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Mr. Ramesh Chandra Jha
Mr. Ravindra Prakash Sehgal

Phone: (033) 24192641, 24192642
Email: rd.infotec@vsnl.net

COMPANY SECRETARY

Mr. Sanjay Agarwal

AUDITORS

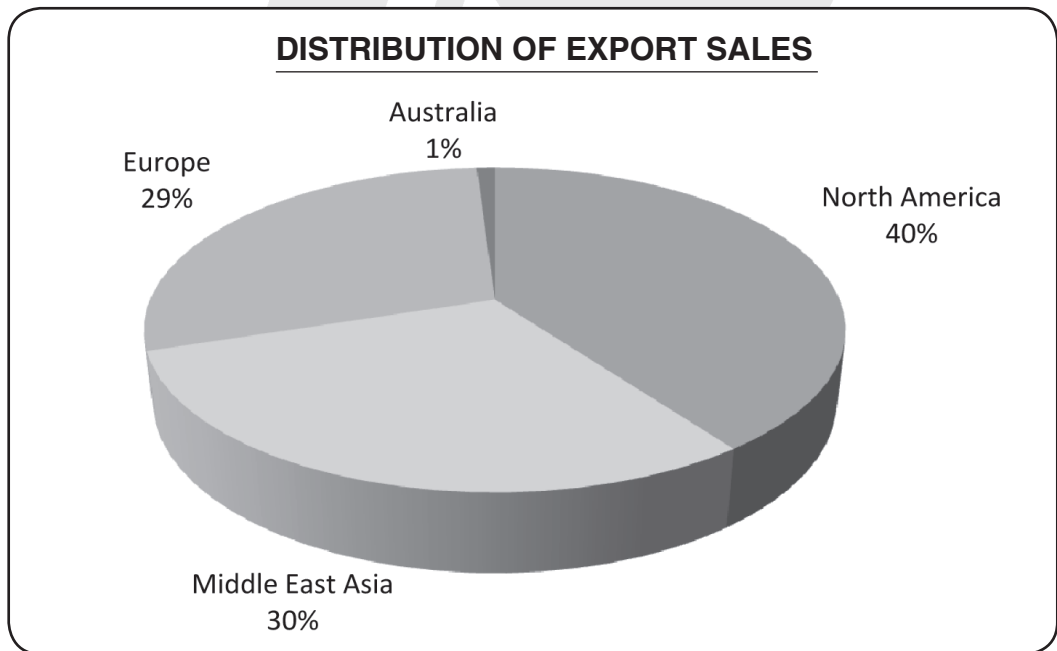
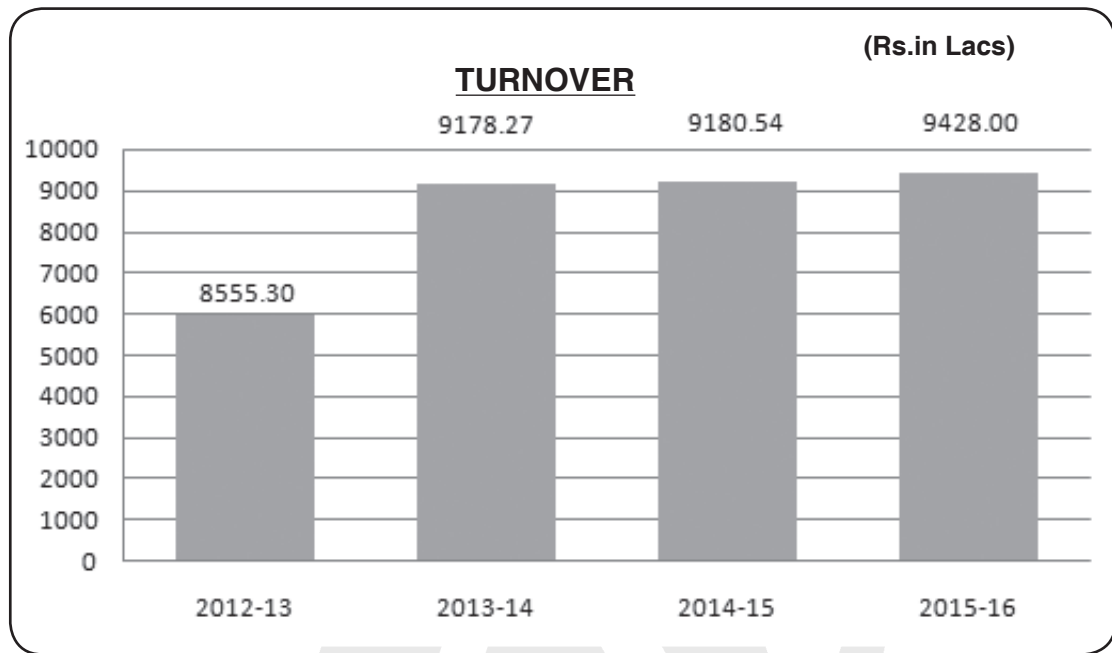
M/s. Jain & Bagaria
Chartered Accountants
27/8A, Waterloo Street
Kolkata-700 069

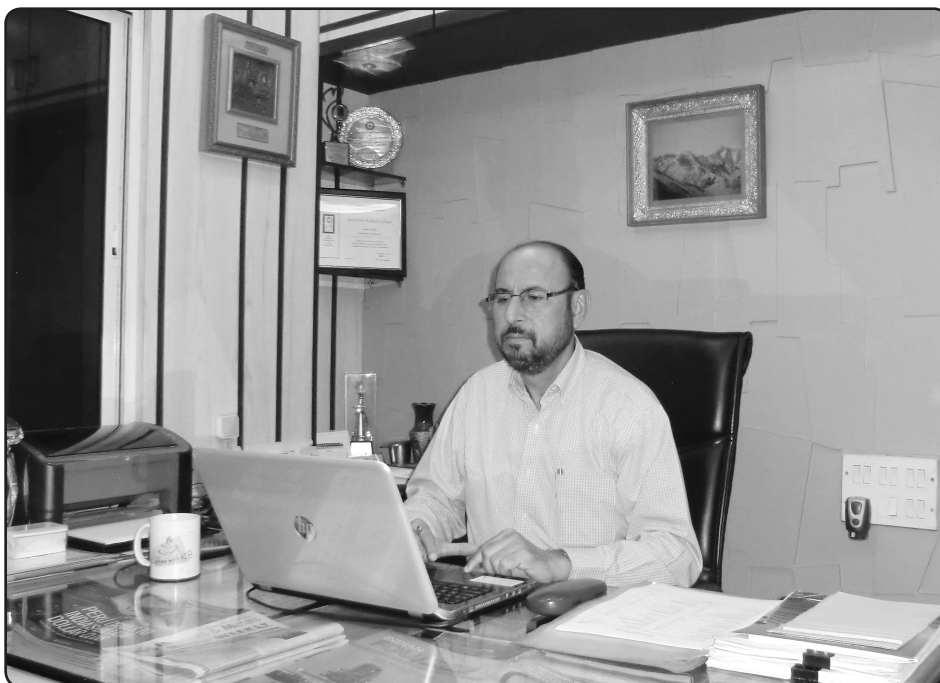
BANKERS

State Bank of Hyderabad
Punjab National Bank

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Mr. Ravindra Prakash Sehgal, Managing Director



Mr. Suvabrata Saha, Jt. Managing Director

NOTICE

Notice is hereby given that the 33rd Annual General Meeting of the Members of Carnation Industries Limited will be held on Wednesday, 28th September, 2016 at 10.00 A.M. at “SARAT SADAN”, 5, Mahatma Gandhi Road, Howrah- 711 101 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2016 together with the reports of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr. Ravindra Prakash Sehgal (DIN 00119477) who retires by rotation and being eligible offers himself for re-appointment.
4. To ratify the appointment of 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** pursuant to the provisions of Sections 139 and 142 of the Companies Act, 2013 and relevant rules prescribed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the resolution of the Members passed at the 31st Annual General Meeting held on 26th September, 2014, the appointment of M/s. Jain and Bagaria, Chartered Accountants (Registration No. 310045E) as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting be and is hereby ratified, and the remuneration and reimbursement of expenses in connection with the audit of the accounts of the Company, to 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 a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 and all other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modification(s) or re-enactment thereof for the time being in force, and the recommendations of the Nomination and Remuneration Committee and subject to all approvals, sanctions and permissions as may be necessary, the Company hereby accords its approval for the re-appointment of Mr. Arun Kumar Bose (DIN 00131295) as the Whole time Director of the Company for a period of 3 years with effect from 1.4.2016, on such terms

and conditions including remuneration as enumerated in the Explanatory Statement to this Notice and contained in the Agreement dated 27th May, 2016 entered into by the Company with Mr. Arun Kumar Bose, a copy whereof, initialed by the Chairman of the meeting for the purposes of identification, has been submitted to this meeting, which Agreement be and is hereby specifically approved with liberty to the Board of Directors to alter, vary and modify the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Arun Kumar Bose, subject to the same being in conformity with the provisions of Schedule V of the Companies Act, 2013 for the time being in force.

RESOLVED FURTHER THAT in pursuance of the provisions of Section 197(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder Mr. Arun Kumar Bose, Whole time Director of the Company, may be paid the above mentioned remuneration as minimum remuneration in the event of absence or inadequacy of profits in any financial year during his term of office as Whole time Director, within the overall ceiling as provided under Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to the above stated resolution.”

By Order of the Board of Directors

Place : Kolkata
Date : 11th August, 2016

(Sanjay Agarwal)
Company Secretary

NOTES

1. **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.
2. 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.
3. Members / Proxies should bring the attendance slip along with their copy of Annual Report to 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 the 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 Section 164(2) and other applicable provisions of the Companies Act, 2013 including rules framed thereunder 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 Thursday, September 22, 2016 to Wednesday, September 28, 2016 (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 on and from October 5, 2016 to those members whose name shall appear on the Company's Register of Members on 21st September, 2016. 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. i) Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrar and ShareTransfer Agents, M/s. R & D Infotech Pvt. Ltd. cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participants of the members.
ii) 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/ Registrar and Share 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.
11. SEBI has made it mandatory for all Companies to use bank details furnished by the investors for distributing dividend to them through National Electronic Clearing Services (NECS), wherever NECS and bank details are available. In the absence of NECS facility, the Companies are required to print the bank details, if available, on payment instrument, for distribution of dividends to the investors. Therefore members holding shares in physical mode are requested to provide their bank details to the Company/Registrar. Members holding shares in demat mode are requested to record the NECS mandate with their Depository Participants.
12. Electronic copy of the Annual Report for 2015-16 and Notice of the 33rd Annual General Meeting of the Company interalia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form, is being sent to all such members whose email IDs are registered with the Company/Depository Participant(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, physical copies of the Annual Report and Notice of the 33rd Annual General Meeting of the Company interalia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode. Members may also note that Notice of 33rd Annual General Meeting and Annual Report for 2015-16 will also be available on Company's website: www.carnationindustries.com for their download.
13. In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, the Company is pleased to provide Members holding shares either in physical form or in dematerialized form the facility to exercise their right to vote at the 33rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by National Securities Depository Limited (NSDL). The Board of Directors of the Company has appointed Mrs. Sweety Kapoor, Company Secretary in Practice, as the Scrutinizer for conducting the entire process (including remote e-voting) in a fair and transparent manner.
14. (i) Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members as on 21st September, 2016 (cut-off date). Only those members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or ballot paper at the AGM.
(ii) The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
15. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
16. The Results shall be declared after the AGM of the Company. The Scrutinizer shall submit a consolidated scrutinizer report of the total votes cast in favor or against, if any, to the

Chairman of the Company. The Chairman or any other person authorized by the Chairman, shall declare the results of the voting forthwith.

- 17.i) The result, alongwith the scrutinizer's report, will be placed on the Company's website : www.carnationindustries.com and on the website of NSDL immediately after the result is declared by the Chairman or any other person authorized by the Chairman and the same shall be communicated to BSE Limited and The Calcutta Stock Exchange Limited where the shares of the Company are listed.
- ii) The voting rights of shareholders shall be in proportion to their share of the paid up equity share capital of the Company. Those who become Members of the Company after dispatch of the AGM notice but on or before 21st September 2016 (cut-off date) may write to NSDL at evoting@nsdl.co.in or to the Company at evoting@carnationindustries.com requesting for e-voting details. However, those Members already registered with NSDL for remote e-voting can login to website <https://www.evoting.nsdl.com> and exercise their votes using their existing password.
18. 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 electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Share Transfer Agents, M/s R & D Infotech Private Limited.
19. The Company has transferred the unpaid or unclaimed dividends declared upto the financial year 2007-2008, within the due date to the Investor Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the website of the Company.
20. Members who have not registered their e-mail address so far are requested to register their e-mail address so that they can receive the Annual Report and other communications from the Company electronically.
21. Information and other instructions relating to e-voting are as under: -
- I. In case of Members who receive the Notice in electronic mode:
- (a) Open the e-mail and the PDF file viz. 'CIL e-voting.pdf' with your Client ID No.(in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as password. The said PDF file contains your user ID and password for remote e-voting. Please note that the password is an initial password.
- (b) Launch internet browser by typing the URL: <https://www.evoting.nsdl.com> and click on "Shareholder – Login".
- (c) Insert user ID and password as initial password stated in (a) above. Click on 'Login'.