Annual Report
2018-19

Carnation Industries Ltd.

BOARD OF DIRECTORS

Mr. Manoj Bose	–	Chairman & Independent Director
Mr. Ravindra Prakash Sehgal	–	Managing Director
Mr. Suvobrata Saha	–	Joint Managing Director
Mr. Arun Kumar Bose	–	Whole Time Director
Dr. Sephali Roy	–	Independent Director

REGISTERED OFFICE
28/1, Jheel Road
Liluah, P.O. Salkia, Howrah - 711 106
Telephone: (033) 2645 4785
CIN No. : L27209WB1983PLC035920

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

CHIEF FINANCIAL OFFICER
Mr. Somnath Pradhan

COMPANY SECRETARY
Mr. Sanjay Agarwal

AUDITORS
M/s. Jain Saraogi & Co.
Chartered Accountants
1, Crooked Lane
Kolkata-700 069

REGISTRAR AND SHARE TRANSFER AGENT
R&D Infotech Private Limited
7A, Beltala Road,1st Floor
Kolkata – 700 026
Phone: (033) 24192641, 24192642
Email: info@rdinfotech.net

BANKERS
State Bank of India
Punjab National Bank

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NOTICE

Notice is hereby given that the 36th Annual General Meeting of the Members of Carnation Industries Limited will be held on Friday 27th September, 2019 at 12 Noon at "the Registered Office" of the Company at 28/1, Jheel Road, Liluah, P.O. Salkia, Howrah 711 106 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, 2019 together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Suvobrata Saha (DIN: 00131180) who retires by rotation and being eligible, offers himself for re-appointment.

By Order of the Board of Directors

Place : Kolkata
Date : 29th May, 2019

(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 / herself and such proxy need not be a member of the Company. Proxy forms in order to be effective must be received by the Company at the Registered Office not less than 48 hours before the commencement of the meeting. A proxy form is enclosed herewith to be duly completed and signed.**

   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 carrying voting rights. 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.

   Proxies shall be made available for inspection during twenty four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting.

2. Members / Proxies/ Authorized Representatives should bring the attendance slip duly filled in along with their copy of Annual Report to the meeting. Proxy / Authorized Representative of a member should mark on the Attendance Slip as “Proxy” or “Representative” as the case may be. Members who hold shares in dematerialized form are requested to bring their DP ID and Client ID numbers for easy identification of attendance at the meeting.

3. In case of joint shareholders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

4. The business set out in the Notice will also be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No. 23. The Company will also send communication relating to remote e-voting which inter-alia would contain details about User ID and Password along with a copy of this Notice to the members, separately.

5. 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 at the Registered Office a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

6. Disclosure containing details of the Director seeking re-appointment at the Meeting in terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 read with Section 164(2) and other applicable provisions of the Companies Act, 2013 including rules framed thereunder is annexed hereto and forms part of the Notice. The Director concerned has furnished the requisite declaration for his re-appointment.

7. 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 Friday, September 20, 2019 to Friday, September 27, 2019 (both days inclusive) for the purpose of Annual General Meeting.

8. The facility for making nomination is available to the members in respect of the shares held by him. The members may submit such information in the prescribed form SH-13/14 as required, to the Company's Registrar and Share Transfer Agent.

9. Non-Resident Indian Members are requested to inform the RTA immediately of:

   - Change in their residential status on return to India for permanent settlement.
   - Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number.

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, except Saturdays, upto the date of the Meeting.

11. M/s. Jain Saraogi & Co., Chartered Accountants (Firm Registration No. 305004E), were appointed as the Statutory Auditors of the Company to hold office from the conclusion of the 34th Annual General Meeting of the Company held on 22nd September, 2017 till the conclusion of the 39th Annual General Meeting of the Company.

    In view of the amendment made to Section 139 of the Companies Act, 2013 vide the Companies (Amendment) Act, 2017 which is effective from 7th May, 2018, annual ratification of appointment of Statutory Auditors have been done away with.

12. Electronic copy of the Annual Report for 2018-19 and Notice of the 36th 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) unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the Annual Report and Notice of the 36th Annual General Meeting of the Company interalia indicating the process and manner of e-voting along with the Attendance Slip and Proxy Form is being sent in the permitted mode. Members may also note that Notice of 36th Annual General Meeting and Annual Report for 2018-19 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 36th 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 have appointed Mrs. Sweety Kapoor, Company Secretary in Practice, as the Scrutinizer for this purpose 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 Friday, 20th September, 2019 (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. A person who is not a member as on the cut off date should treat this Notice for information purpose only.

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. i) The result, along with the scrutinizer's report, will be placed on the Company's website: www.carnationindustries.com and also on the Notice Board of the Company at the Registered Office as well at the Corporate Office and on the website of NSDL immediately after the result is declared by the Managing Director or any other person authorized by the Managing Director 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 will become Members of the Company after dispatch of the AGM notice but on or before Friday, 20th September, 2019 (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.

17. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and the Register of Contract or Arrangements in which Directors are interested, maintained under Section 189 of the Act read with rules made thereunder will be available for inspection by the members at the Meeting.

18. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) and Bank Account details by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN and Bank Account Details to their Depository Participants with whom they

are maintaining their demat accounts. Members holding shares in physical form can submit their PAN and Bank Account details to the Company / Registrar and Share Transfer Agent, M/s R & D Infotech Private Limited.

19. The Securities and Exchange Board of India (SEBI) has mandated that the transfer of securities would be carried out in dematerialized form, from April 1, 2019.

20. The Company has transferred the unpaid or unclaimed dividends declared upto the financial year 2010-2011, within the due date to the Investor Education and Protection Fund (the IEPF) established by the Central Government as per Section 124 of the Companies Act, 2013. Members who have not yet encashed their dividend warrant(s) for the financial years ended 31st March, 2012 onwards, are requested to make their claim to the Company accordingly, without any delay. Members wishing to claim dividends, which remain unclaimed, are requested to write to the Company Secretary & Compliance Officer at the Registered Office or to the Registrar and Share Transfer Agent of the Company. Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the website of the Company. Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund on due dates. The due date for transfer of the unclaimed / unpaid dividend for the subsequent years to IEPF are as follows:

Dividend for the Financial Year Ended	Due Date for the transfer to IEPF
March 31, 2012	November 3, 2019
March 31, 2013	November 1, 2020
March 31, 2014	November 1, 2021
March 31, 2015	November 3, 2022
March 31, 2016	November 3, 2023
March 31, 2017	October 29, 2024
March 31, 2018	--
March 31, 2019	--

21. (a) Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has, during the financial year 2017-2018, transferred to the IEPF Authority all shares in respect of which dividend has remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer. Details of shares transferred to IEPF Authority are available on the website of the Company and the same can be accessed through the link: http/www.carnationindustries.com / investors. The said details have also been

uploaded on the website of the IEPF Authority and the same can be accessed through the link: www.iepf.gov.in

(b) Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned members / investors are advised to visit the weblink: http://iepf.gov.in/iepfa/refund.html or contact M/s. R & D Infotech Private Limited for lodging claim for refund of shares and / or dividend from the IEPF Authority.

22. 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.

23. Information and other instructions relating to e-voting are as under:

Step 1: Log-in to NSDL e-Voting system

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under "Shareholders" section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. directly to cast your vote electronically.
4. Your User ID details will be as per details given below :

   a) **For Members who hold shares in demat account with NSDL:**

   8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******).

   b) **For Members who hold shares in demat account with CDSL:**

   16 Digit Beneficiary ID (For example if your Beneficiary ID is 12********** then your user ID is 12**********).

   c) **For Members holding shares in Physical Form:**

   EVEN Number followed by Folio Number registered with the Company (For example if Folio Number is 001*** and EVEN is 101456 then user ID is 101456001***).
5. Your password details are given below:

   a. If you are already registered with NSDL for remote e-voting, then you can use your existing User ID and Password to login and cast your vote.

b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the "Initial Password" which was communicated to you. Once you retrieve your "Initial Password", you need to enter the "Initial Password" and the system will force you to change your Password.

c. How to retrieve your "Initial Password"?

i. Open the e-mail and open the the attachment i.e. a .pdf file. Open the .pdf file. The password to open the pdf file is your 8 digit Client ID of NSDL Demat Account, last 8 digits of Client ID of CDSL Demant Account or Folio Number for shares held in Physical form. The said .pdf file contains your "User ID" and "Initial Password" for remote e-voting purpose.

ii. If your email ID is not registered, your "Initial Password" is communicated to you on your registered postal address.

6. If you are unable to retrieve or have not received the "Initial Password" or have forgotten your Password:

a. Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com

b. **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com

c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number / folio number, your PAN, your name and your registered postal address.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

3. Select "EVEN" of the Company.

4. Now you are ready for e-Voting as the Voting page opens.

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify / modify the number of shares for which you wish to cast your vote and thereafter click on icon "Submit" and also "Confirm" when prompted.

6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for Shareholders:

1. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to send scanned copy (PDF / JPG Format) of the relevant Board Resolution / Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail on cs.sweetykapoor@gmail.com with a copy marked to evoting@nsdl.co.in
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for shareholders and e-voting user manual for shareholders available at the download section of https://www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

24. The period for remote e-voting starts at 9.00 a.m. on Tuesday, 24th September, 2019 and ends at 5.00 p.m. on Thursday, September 26, 2019. Remote e-voting will be blocked by NSDL at 5.00 p.m. on September 26, 2019.
25. Pursuant to the prohibition imposed vide Secretarial Standard on General Meetings (SS-2) issued by the ICSI and the MCA Circular, no gifts / coupons shall be distributed at the meeting.
26. Members desirous of obtaining any information concerning accounts and operations of the Company are requested to send their queries at an early date so that the desired information may be made available at the Meeting.
27. The Route map of the venue of Annual General Meeting is annexed at the end of the Annual Report and forms a part of this notice. Prominent Landmark is also marked therein for reference.

By Order of the Board of Directors

Place : Kolkata
Date : 29th May, 2019

Sanjay Agarwal
(Company Secretary)