

ANNUAL REPORT 2020-21



Carnation Industries Ltd.

BOARD OF DIRECTORS

Dr. Sephali Roy
Mr. Ravindra Prakash Sehgal
Mr. Suvobrata Saha
Mr. Subir Chatterjee
Mr. Arun Kumar Bose

- Chairman & Independent Director
- Managing Director
- Joint Managing Director
- Independent Director
- Non-Executive Director

REGISTERED OFFICE

28/1, Jheel Road
Liluah, P.O. Salkia
Howrah - 711 106
CIN No: L27209WB1983PLC035920

CORPORATE OFFICE

222, A. J. C. Bose Road
1st Floor, Room No. 7 & 8
Kolkata – 700 017
Phone: (033) 2280 8229
E-Mail: info@carnationindustries.com
Website: www.carnationindustries.com

CHIEF FINANCIAL OFFICER

Mr. Somnath Pradhan

COMPANY SECRETARY

Mr. Sanjay Agarwal

REGISTRAR AND SHARE TRANSFER AGENT

R & D Infotech Private Limited
15C, Beltala Road, Ground Floor
Kolkata – 700 026
Phone: (033) 2419 2641/2419 2642
Email: info@rdinfotech.net

AUDITORS

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

BANKERS

State Bank of India
Punjab National Bank
IDBI Bank

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NOTICE

Notice is hereby given that the 38th Annual General Meeting of the Members of Carnation Industries Limited will be held on Wednesday, 29th September, 2021 at 10 A.M. through video conferencing (VC) /other audio-visual means (OAVM) 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 31st March, 2021 together with the reports of the Board of Directors and Auditors thereon.
2. 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.

Place : Kolkata
Date : 13th August, 2021

By Order of the Board of Directors

(Sanjay Agarwal)
Company Secretary

NOTES

1. In view of the massive outbreak and continuing COVID-19 pandemic, social distancing is a norm to be followed and therefore Ministry of Corporate Affairs relaxed the provisions of Companies Act, 2013 (the Act) and allowed conducting Annual General Meeting through Video Conferencing (VC)/Other Audio Visual Means (OAVM) and dispensed personal presence of the members at a common venue. Accordingly, the Ministry of Corporate Affairs issued Circular No.14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 5, 2020 and Circular No. 02/2021 dated 13th January 2021 (collectively referred to as “said Circulars”) and the Securities and Exchange Board of India vide its circulars dated May 12, 2020 and January 15, 2021 prescribed the procedures and manner of conducting the Annual General Meeting through VC/OAVM. In terms of the said circular, the 38th AGM of the members will be held **through VC/ OAVM from its Registered Office, i.e, 28/1, Jheel Road, Howrah which shall be deemed to be venue of the meeting.** Hence, members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participating in the meeting through VC/OAVM is annexed herewith and available at the Company’s website www.carnationindustries.com
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since, the AGM is being conducted through VC/OAVM, physical attendance of the members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Pursuant to Section 113 of the Act, Institutional / Corporate Shareholders (i.e. Shareholders other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to sweetyp Kapoor53@rediffmail.com with a copy marked to helpdesk.evoting@cdslindia.com
4. Those shareholders whose email ID(s) are not registered can get their Email Id registered as follows;
 - Members holding shares in demat forms can get their email id registered by contacting their respective Depository participants.
 - Members holding shares in the physical form can get their e-mail registered by writing to the Registrar and Transfer Agent at the weblink: info@rdinfotech.net or sending it to the Company at investor@carnationindustries.com

5. The Shareholders can join the AGM in the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned herein below in the Notice. The facility of participation at the AGM through VC/ OAVM will be made available for 1,000 Shareholders on 'first come first serve' basis. This will not include large Shareholders (i.e. Shareholders holding 2% or more), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of 'first come first serve basis. Instruction and other information for members attending the AGM, the attendance of the Members attending the AGM through VC / OAVM is given in this Notice under Note No. 22.
6. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote electronically at the AGM.
7. The attendance of the Members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
8. Pursuant to Section 91 of the Companies Act, 2013, the Register of Members and Share transfer books of the Company will remain closed from Saturday 25th September, 2021 to Wednesday 29th September, 2021, both days inclusive.
9. 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.
10. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, Register of Contracts or arrangements in which Directors are interested maintained under Section 189 of the Act and all other documents referred to in this Notice will be available for inspection in electronic mode. Members can inspect the same by sending an email to the Company at investor@carnationindustries.com
11. Shareholders holding shares in identical order of names in more than one folio are requested to write to the Company or to the office of the Registrar & Share Transfer Agent, M/s R & D Infotech Private Limited, 15C, Beltala Road, Ground Floor, Kolkata - 700 026 enclosing their share certificate(s) to enable the Company to consolidate their holdings in one single folio.

12. Members holding shares in physical form are requested to notify immediately any change in their address/mandate/bank details to the Company or to the office of the Registrar & Share Transfer Agent M/s R & D Infotech Private Limited, quoting their folio number.
13. The Company has transferred the unpaid or unclaimed dividends declared upto the financial year 2012-2013, 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, 2014 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, 2014	November 1, 2021
March 31, 2015	November 3, 2022
March 31, 2016	November 3, 2023
March 31, 2017	October 29, 2024

14. Members who have neither received nor encashed their dividend warrant(s) so far, are requested to write to the Company, mentioning the relevant Folio Number or DP ID and Client ID, for issuance of duplicate/revalidated dividend warrant(s).
- 15.(a) Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit and Refund) Rules, 2016, as amended, the Company had, 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 weblink: <https://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 weblink: 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: <https://iepf.gov.in/iepf/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.
16. Disclosure pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Companies Act, 2013 and Secretarial Standard 2 on General Meeting regarding the Directors seeking appointment/re-appointment at the meeting is annexed.
17. Trading in Equity Shares of the Company is under compulsory demat trading. As per revised Regulation 40 of SEBI (LODR) 2015 shares are transferred only in dematerialized mode effective from 1st April, 2019, except for transmission or transposition and re-lodged transfer of securities. Further SEBI vide circular dated 2nd December, 2020 had fixed 31st March, 2021 as the cut-off date for re-lodgment of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode and therefore shareholders are requested to dematerialize their existing shares held in physical form.
18. In compliance with the aforesaid MCA Circulars and SEBI Circular, Notice of the AGM along with the Annual Report 2020-2021 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories. Members may note that the AGM Notice and the Annual Report 2020-2021 will also be available on the Company's website www.carnationindustries.com/investors and website of the Stock Exchange i.e. BSE Limited at www.bseindia.com
19. Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of Listing Regulations, the Company is pleased to provide the facility to Members to exercise their right to vote on the Resolutions proposed to be passed at the AGM by electronic means. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL), as the e-voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
20. The Members, whose names appear in the Register of Members/list of Beneficial Owners as on Wednesday, 22nd September, 2021, i.e. the date prior to the commencement of book closure, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. Members may cast their votes on electronic voting system from any place other than the venue of the meeting (remote e-voting). The remote e-voting period will commence at 9 A.M. on 26th September, 2021 and will end at 5 P.M., on Tuesday 28th September, 2021. In addition, the facility for voting through electronic voting system shall also be made available at the AGM and the Members attending the AGM who have not cast their vote by remote e-Voting shall be eligible to vote at the AGM, detailed procedure is annexed herewith.

21. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.
22. The details of the process and manner for remote e-Voting and joining virtual meeting is explained herein below:

- (i) The voting period begins at 9 A.M. on 26th September, 2021 and ends at 5 P.M. on Tuesday 28th September, 2021. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Wednesday 22nd September, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular **No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of **SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/ NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.
	2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.
	3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration
	4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from an e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

	<p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL