

SCRUTINIZER'S REPORT

To,

The Board of Directors

K-Lifestyle & Industries Limited

Ranghuvanshi Mills compound
11/12, Senapati Bapat Marg,
Lower Parel (W),
Mumbai- 400013

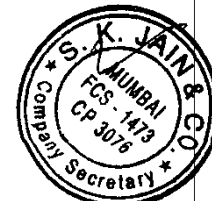
Dear Sir,

I, Dr. S. K. Jain, Practicing Company Secretary, appointed as Scrutinizer by the Board of Directors ("the Board") of K-Lifestyle & Industries Limited for seeking approval of the Shareholders by way of Special Resolutions for authorizing the Board to

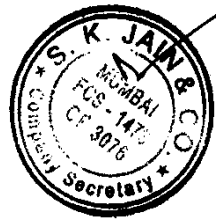
I hereby submit my report as under:-

- I) **Borrowing limits of the Company.**
- II) **Creation of Charge/ Mortgage on Assets of the Company.**
- III) **Loan/Guarantee/ Security and Investment by the Company.**
- IV) **Authorization for Related Party Transactions.**

- a. I had given my consent to act as Scrutinizer for the said Postal Ballot process vide my letter dated 11 July, 2014.
- b. The Company had offered e-voting facility as an alternative to all its Members, which enabled the Members to cast votes electronically instead of physically submitting dully filled in Postal Ballot Form. The instructions on e-voting were provided in the Notice.



- c. The Company was having 71,327 Shareholders as on 28 July, 2014. The Company has not provided me the proof of dispatch of Postal Ballot Notice in terms of Rule 22(2) of the Companies (Management and Administration) Rules, 2014.
- d. A Public Notice that the Company had sent Postal Ballot Notices along with other documents to the Shareholders was published in The Free Press Journal (English Newspaper) in Mumbai, Loksatta Janasatta (Regional Language) Vododara and Navshakti (Regional Language) Newspaper in Mumbai on Saturday, 2.08.2014.
- e. I was delivered in all 8 (Eight) numbers of Postal Ballot envelopes through Kalbadevi Post Office from the Shareholders. All the Postal Ballot Envelopes were opened in my presence. The particulars of all Postal Ballots received from the shareholders were entered in the Register in electronic form separately maintained for the purpose. For the purpose of my Report, the Postal Ballots received up to the close of working hours on 1st September, 2014 were scrutinized by me for the purpose of ascertaining assent, dissent of shareholders to the Special Resolutions and the invalid Postal Ballots.
- f. The result of the scrutiny is as under:



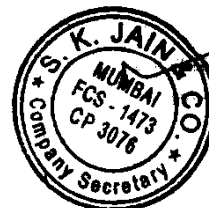
Item No. 1 Borrowing limits of the Company

Physical Voting Result:

Promoter/ Public	No. of shares held (1)	No. of Invalid Votes (2)	No. of Valid Votes (3)	No. of votes polled (4)	Interested Party voted in the Resolution (5)	% of votes polled on outstanding shares (6)= [(4)/(1)]x100	No. of votes in favour (7)	No. of votes against (8)	% of votes in favour on votes polled (9)= [(7)/(4)]x100	% of votes against on votes polled (10)= [(8)/(4)]x100
Promoter & Promoter Group	545838649	0	0	0	0	0	0	0	0	0
Public Institutional Holders	35395730	0	0	0	0	0	0	0	0	0
Public- Others	441148581	0	9000	9000	0	0.002%	9000	0	100%	0
Total	1022382960		9000	9000	0		9000	0		

E-voting Result:

Promoter/ Public	No. of shares held (1)	No. of Invalid Votes (2)	No. of Valid Votes (3)	No. of votes polled (4)	Interested Party voted in the Resolution (5)	% of votes polled on outstanding shares (6)= [(4)/(1)]x100	No. of votes in favour (7)	No. of votes against (8)	% of votes in favour on votes polled (9)= [(7)/(4)]x100	% of votes against on votes polled (10)= [(8)/(4)]x100
Promoter & Promoter Group	545838649	0	545838649	545838649	0	100%	545838649	0	100%	0
Public Institutional Holders	35395730	0	0	0	0	0	0	0	0	0
Public- Others	441148581	0	86550478	86550478	0	19.62%	86475400	75078	99.91%	0.09%
Total	1022382960		632389127	632389127	0		632314049	75078		



Combined Result:

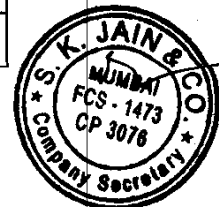
Promoter/ Public	No. of shares held (1)	No. of Invalid Votes (2)	No. of Valid Votes (3)	No. of votes polled (4)	Intereste d Party voted in the Resoluti on (5)	% of votes polled on outstandin g shares (6)= [(4)/(1)]x 100	No. of votes in favour (7)	No. of votes against (8)	% of votes in favour on votes polled (9)= [(7)/(4)]x 100	% of votes against on votes polled (10)= [(8)/(4)]x 100
Promoter & Promoter Group	545838649	0	545838649	545838649	0	100%	545838649	0	100%	0
Public Institutional holders	35395730	0	0	0	0	0	0	0	0	0
Public Others	441148581	0	86559478	86559478	0	19.62%	86484400	75078	99.91%	0.09%
Total	1022382960		632398127	632398127	0		632323049	75078		

Voted in favour of the Resolution:

S.No.	Category	Number of valid votes	% of valid votes to valid votes polled
1.	Promoter and promoter group	545838649	86.31%
2.	Public Financial Institution	0	0
3	Public – Others	86484400	13.68%
	Total	632323049	99.99%

Voted in against of the Resolution:

S.No.	Category	Number of valid votes	% of valid votes to valid votes polled
1.	Promoter and promoter group	0	0
2.	Public Financial Institution	0	0
3	Public – Others	75078	0.01%
	Total	75078	0.01%



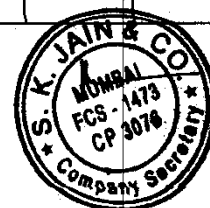
Item No.2 Creation of Charge/ Mortgage on Assets of the Company.

Physical Voting Result:

Promoter/ Public	No. of shares held (1)	No. of Invalid Votes (2)	No. of Valid Votes (3)	No. of votes polled (4)	Interested Party voted in the Resolution (5)	% of votes polled on outstanding shares (6)= [(4)/(1)]x100	No. of votes in favour (7)	No. of votes against (8)	% of votes in favour on votes polled (9)= [(7)/(4)]x100	% of votes against on votes polled (10)= [(8)/(4)]x100
Promoter & Promoter Group	545838649	0	0	0	0	0	0	0	0	0
Public Institutional Holders	35395730	0	0	0	0	0	0	0	0	0
Public- Others	441148581	0	9000	9000	0	0.002	9000	0	100%	0
Total	1022382960		9000	9000	0		9000	0		

E-voting Result:

Promoter/ Public	No. of shares held (1)	No. of Invalid Votes (2)	No. of Valid Votes (3)	No. of votes polled (4)	Interested Party voted in the Resolution (5)	% of votes polled on outstanding shares (6)= [(4)/(1)]x100	No. of votes in favour (7)	No. of votes against (8)	% of votes in favour on votes polled (9)= [(7)/(4)]x100	% of votes against on votes polled (10)= [(8)/(4)]x100
Promoter & Promoter Group	545838649	0	545838649	545838649	0	100%	545838649	0	100%	0
Public Institutional Holders	35395730	0	0	0	0	0	0	0	0	0
Public- Others	441148581	0	86550478	86550478	0	19.62%	86475400	75078	99.91%	0.09%
Total	1022382960		632389127	632389127	0		632314049	75078		



Combined Result:

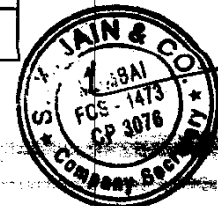
Promoter/ Public	No. of shares held (1)	No. of Invalid Votes (2)	No. of Valid Votes (3)	No. of votes polled (4)	Interested Party voted in the Resolution	% of votes polled on outstanding shares (5) = $[(4)/(1)] \times 100$	No. of votes in favour (6)	No. of votes against (7)	% of votes in favour on votes polled (8) = $[(6)/(4)] \times 100$	% of votes against on votes polled (9) = $[(7)/(4)] \times 100$
Promoter & Promoter Group	545838649	0	545838649	545838649	0	100%	545838649	0	100%	0
Public Institutional Holders	35395730	0	0	0	0	0	0	0	0	0
Public Others	441148581	0	86559478	86559478	0	19.62%	86484400	75078	99.91%	0.09%
Total	1022382960		632398127	632398127	0		632323049	75078		

Voted in favour of the Resolution:

S.No.	Category	Number of valid votes	% of valid votes to valid votes polled
1.	Promoter and promoter group	545838649	86.31%
2.	Public Financial Institution	0	0
3	Public – Others	86484400	13.68%
	Total	632323049	99.99%

Voted in against of the Resolution:

S.No.	Category	Number of valid votes	% of valid votes to valid votes polled
1.	Promoter and promoter group	0	0
2.	Public Financial Institution	0	0
3	Public – Others	75078	0.01%
	Total	75078	0.01%



Item No. 3 Loan/Guarantee/Security and Investment by the Company.

Physical Voting Result:

Promoter/ Public	No. of shares held (1)	No. of Invalid Votes (2)	No. of Valid Votes (3)	No. of votes polled (4)	Interested Party voted in the Resolution (5)	% of votes polled on outstanding shares (6)= [(4)/(1)]x100	No. of votes in favour (7)	No. of votes against (8)	% of votes in favour on votes polled (9)= [(7)/(4)]x100	% of votes against on votes polled (10)= [(8)/(4)]x100
Promoter & Promoter Group	545838649	0	0	0	0	0	0	0	0	0
Public Institutional Holders	35395730	0	0	0	0	0	0	0	0	0
Public- Others	441148581	0	9000	9000	0	0.002	9000	0	100%	0
Total	1022382960		9000	9000	0		9000	0		

E-voting Result:

Promoter/ Public	No. of shares held (1)	No. of Invalid Votes (2)	No. of Valid Votes (3)	No. of votes polled (4)	Interested Party voted in the Resolution (5)	% of votes polled on outstanding shares (6)= [(4)/(1)]x100	No. of votes in favour (7)	No. of votes against (8)	% of votes in favour on votes polled (9)= [(7)/(4)]x100	% of votes against on votes polled (10)= [(8)/(4)]x100
Promoter & Promoter Group	545838649	0	545838649	545838649	0	100%	545838649	0	100%	0
Public Institutional Holders	35395730	0	0	0	0	0	0	0	0	0
Public- Others	441148581	0	86550478	86550478	0	19.62%	86475400	75078	99.91%	0.09%
Total	1022382960		632389127	632389127	0		632314049	75078		



Combined Result:

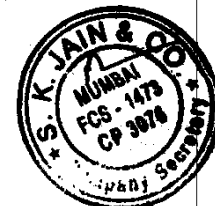
Promoter/ Public	No. of shares held (1)	No. of Invalid Votes (2)	No. of Valid Votes (3)	No. of votes polled (4)	Interested Party voted in the Resolution (5) = $[(4)/(1)] \times 100$	No. of votes in favour (6)	No. of votes against (7)	% of votes in favour on votes polled (8) = $[(6)/(4)] \times 100$	% of votes against on votes polled (9) = $[(7)/(4)] \times 100$
Promoter & Promoter Group	545838649	0	545838649	545838649	0	545838649	0	100%	0%
Public Institutional Holders	36395730	0	0	0	0	0	0	0	0
Public - Others	441148581	0	86559478	86559478	0	86484400	75078	99.91%	0.09%
Total	1022382960		632398127	632398127	0	632323049	75078		

Voted in favour of the Resolution:

S.No.	Category	Number of valid votes	% of valid votes to valid votes polled
1.	Promoter and promoter group	545838649	86.31%
2.	Public Financial Institution	0	0
3	Public - Others	86484400	13.68%
	Total	632323049	99.99%

Voted in against of the Resolution:

S.No.	Category	Number of valid votes	% of valid votes to valid votes polled
1.	Promoter and promoter group	0	0
2.	Public Financial Institution	0	0
3	Public - Others	75078	0.01%
	Total	75078	0.01%



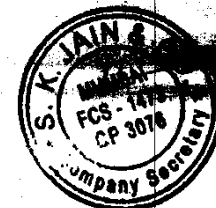
Item No.4 Authorization for Related Party Transactions.

Physical Report:-

Promoter/ Public	No. of shares held (1)	No. of Invalid Votes (2)	No. of Valid Votes (3)	No. of votes polled (4)	Interested Party voted in the Resolution (5)	% of votes polled on outstanding shares (6)= [(4)/(1)]x100	No. of votes in favour (7)	No. of votes against (8)	% of votes in favour on votes polled (9)= [(7)/(4)] x100	% of votes against on votes polled (10)= [(8)/(4)] x100
Promoter & Promoter Group	545838649	0	0	0	0	0	0	0	0	0
Public Institutional Holders	35395730	0	0	0	0	0	0	0	0	0
Public- Others	441148581	0	9000	9000	0	0.002%	9000	0	100%	0
Total	1022382960	0	9000	9000	0		9000	0		

E-voting Report:-

Promoter/Public (1)	No. of Shares Held (2)	No. of votes Polled (3)	Interested Party voted in favour of the Resolution (4)	No. Of valid Votes (5)	No. Of Invalid Votes (6)	% of Votes Polled on outstanding Shares (7)= [3/2]*100	No. of Votes in Favour (8)	No. of Votes against (9)	% of Votes in Favour on valid votes 10= (8/5)*100	% of votes against 11= (9/5)*100
Promoter and Promoter Group	545838649	545838649	545838649	0	0	100%	0	0	0	0
Public Institutional Holders	35395730	0	0	0	0	0	0	0	0	0
Public Others	441148581	86550478	0	86550478	0	19.62%	86475400	75078	99.91%	0.09%
Total	1022382960	632389127	545838649	86550478	0		86475400	75078		



Combined Report:-

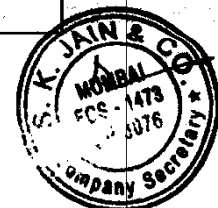
Promoter/Public (1)	No. of Shares Held (2)	No. of votes Polled (3)	Interested Party voted in favour of the Resolution (4)	No. Of valid Votes (5)	No. Of Invalid Votes (6)	% of Votes Polled on outstanding Shares (7)= (3/2)	No. of Votes in Favour (8)	No. of Votes against (9)	% of Votes in Favour on valid votes 10= (8/5)*100	% of votes against on valid votes 11= (9/5)
Promoter and Promoter Group	545838649	545838649	545838649	0	0	100%	0	0	0	0
Public Institutional holders	35395730	0	0	0	0	0	0	0	0	0
Public Others	441148581	86559478	0	86559478	0	19.62%	86484400	75078	99.91%	0.09%
Total	1022382960	632398127	545838649	86559478	0		86448400	75078		

Voted in favour of the Resolution:

S.No.	Category	Number of valid votes	% of valid votes to Total valid votes polled i.e. 86559478
1.	Promoter and promoter group	0	0
2.	Public Financial Institution	0	0
3.	Public – Others	86559478	99.91%
	Total	86559478	99.91%

Voted in against of the Resolution:

S.No.	Category	Number of valid votes	% of valid votes to valid votes polled
1.	Promoter and promoter group	0	0
2.	Public Financial Institution	0	0
3.	Public – Others	75078	0.09%
	Total	75078	0.09%

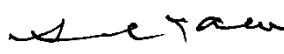



The Resolution has therefore been approved by the shareholders with the requisite majority.

Place: Mumbai

Dated: 03.09.2014

Thanking You
Yours Faithfully,

Chairman

Name/s and Signature/s of the Authorizer/s
Dr. S. K. Jain
Practicing Company Secretary