

REPORT OF SCRUTINIZER

[Pursuant to Sections 108 & 109 of the Companies Act, 2013 and rule 20 and 21 of the Companies (Management and Administration) Rules, 2014]

To

The Chairman of the 32nd (Thirty Second) Annual General Meeting (AGM) of Carnation Industries Limited (CIN NO.L27209WB1983PLC035920) held on Monday, the 28th September, 2015 at 10.00 am at "SARAT SADAN", 5, Mahatma Gandhi Road, Howrah, West Bengal - 711 101


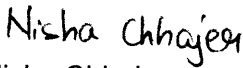
Dear Sir,

I, Sweety Kapoor, Practising Company Secretary, appointed by the Board of Directors of Carnation Industries Limited (the Company) as Scrutinizer for the purpose of scrutinizing the process of voting through Remote e-voting and poll taken on the below mentioned resolution(s), at the 32nd Annual General Meeting of the Equity Shareholders of Carnation Industries Limited, held on Monday, the 28th September, 2015 at 10.00 am at "SARAT SADAN", 5, Mahatma Gandhi Road, Howrah - 711 101, submit my report as under:

1. The Compliance with the provisions of the Companies Act, 2013 and the Rules made thereunder relating to voting through electronic means (by remote e-voting) and poll on the resolutions proposed in the Notice of the 32nd Annual General Meeting of the Company is the responsibility of the Management. My responsibility as a Scrutinizer is to ensure that the voting process both through electronic means and use of ballots by poll at the meeting are conducted in a fair and transparent manner and render consolidated scrutinizer report of the votes cast in favour or against, if any, to the Chairman on the resolutions, based on the reports generated from the electronic voting system provided by National Security Depository Limited (NSDL) and Voting at the AGM by Poll.
2. The Shareholders holding shares as on the cut-off date (i.e.,) 21st September, 2015 either in physical or dematerialized form were entitled to vote on the proposed resolutions (Item Nos. 1 to 7) as set out in the Notice of the 32nd Annual General Meeting of the Company;
3. The remote e-voting period remained open from 25th September, 2015 (9.00 am) to 27th September, 2015 (5.00 pm);



4. At the meeting, after the time fixed for closing of the poll by the Chairman, 1 (One) ballot box kept for polling was locked in my presence with due identification marks placed by me.
5. Immediately after conclusion of voting at the AGM, the locked ballot box was subsequently opened in my presence and poll papers were diligently scrutinized. The poll papers were reconciled with the records maintained by the Company/ Registrar and Share Transfer Agents of the Company and the authorizations/ Proxies lodged with the Company.
6. The votes cast at the meeting were counted and thereafter, the remote e-voting was unblocked on 28th September, 2015 in the presence of two witnesses viz., Mr. Bhagwat Nayak and Miss Nisha Chhajer, who are not in the employment of the Company. They have signed below in confirmation of the voted being unblocked in their presence.

| | |
|---|--|
|  Bhagwat Nayak 6, Old China Bazar Street, Kolkata – 700 001 |  Nisha Chhajer Nisha Chhajer 58, M.G. Road, Diamond City South Kolkata – 700 042 |
|---|--|

7. The details containing, inter alia, list of equity shareholders, who voted in respect of e-voting were downloaded from the e-voting website of NSDL – <https://www.evoting.nsdl.com>
8. The consolidated results (viz., Remote e-voting and Poll at AGM) are as under:

Ordinary Business

Item No. 1 – Adoption of Audited Financial Statements of the Company for the financial year ended March, 31, 2015 together with the reports of the Board of Directors and Auditors thereon- Ordinary Resolution

(i) Voted in favour of the resolution

| Particulars (remote e-voting/ poll at AGM) | No. of members voted | No. of Votes cast (Shares) | % of total number of valid votes cast (remote e-voting + poll at AGM) |
|---|-------------------------|-------------------------------|--|
| Remote E- Voting | 10 | 1,322,948 | 99.9788 |
| Poll at AGM | 12 | 281 | 0.0212 |
| Total (remote e- voting + poll at AGM) | 22 | 1,323,229 | 100 |



(ii) Voted against the resolution

| Particulars (remote e-voting/ poll at AGM) | No. of members voted | No. of Votes cast (Shares) | % of total number of valid votes cast (remote e-voting + poll at AGM) |
|---|-------------------------|-------------------------------|--|
| Remote E- Voting | 0 | 0 | 0 |
| Poll at AGM | 0 | 0 | 0 |
| Total (remote e- voting + poll at AGM) | 0 | 0 | 0 |

(iii) Invalid Votes

| Particulars (remote e-voting/ poll at AGM) | Total No. of members whose votes were declared invalid | Total number of votes cast |
|--|---|----------------------------|
| Remote E-Voting | 0 | 0 |
| Poll at AGM | 0 | 0 |
| Total (remote e-voting + poll at AGM) | 0 | 0 |

Item No. 2 – Declaration of Dividend for the year 2014-2015 (Re.060 per equity share of Rs.10/- each) – Ordinary Resolution

(i) Voted in favour of the resolution

| Particulars (remote e-voting/ poll at AGM) | No. of members voted | No. of Votes cast (Shares) | % of total number of valid votes cast (remote e-voting + poll at AGM) |
|---|-------------------------|-------------------------------|--|
| Remote E- Voting | 10 | 1,322,948 | 99.9788 |
| Poll at AGM | 12 | 281 | 0.0212 |
| Total (remote e- voting + poll at AGM) | 22 | 1,323,229 | 100 |



(ii) Voted against the resolution

| Particulars (remote e-voting/ poll at AGM) | No. of members voted | No. of Votes cast (Shares) | % of total number of valid votes cast (remote e-voting + poll at AGM) |
|---|-------------------------|-------------------------------|--|
| Remote E- Voting | 0 | 0 | 0 |
| Poll at AGM | 0 | 0 | 0 |
| Total (remote e- voting + poll at AGM) | 0 | 0 | 0 |

(iii) Invalid Votes

| Particulars (remote e-voting/ poll at AGM) | Total No. of members whose votes were declared invalid | Total number of votes cast |
|--|---|----------------------------|
| Remote E-Voting | 0 | 0 |
| Poll at AGM | 0 | 0 |
| Total (remote e-voting + poll at AGM) | 0 | 0 |

Item No. 3 – Appointment of a Director in place of Mr. Arun Kumar Bose (DIN: 00131295) who retires by rotation and being eligible offers himself for re-appointment, as a Director, liable to retire by rotation.-Ordinary Resolution

(i) Voted in favour of the resolution

| Particulars (remote e-voting/ poll at AGM) | No. of members voted | No. of Votes cast (Shares) | % of total number of valid votes cast (remote e-voting + poll at AGM) |
|---|-------------------------|-------------------------------|--|
| Remote E- Voting | 10 | 1,322,948 | 99.9788 |
| Poll at AGM | 12 | 281 | 0.0212 |
| Total (remote e- voting + poll at AGM) | 22 | 1,323,229 | 100 |



(ii) Voted against the resolution

| Particulars (remote e-voting/ poll at AGM) | No. of members voted | No. of Votes cast (Shares) | % of total number of valid votes cast (remote e-voting + poll at AGM) |
|---|-------------------------|-------------------------------|--|
| Remote E- Voting | 0 | 0 | 0 |
| Poll at AGM | 0 | 0 | 0 |
| Total (remote e- voting + poll at AGM) | 0 | 0 | 0 |

(iii) Invalid Votes

| Particulars (remote e-voting/ poll at AGM) | Total No. of members whose votes were declared invalid | Total number of votes cast |
|--|---|----------------------------|
| Remote E-Voting | 0 | 0 |
| Poll at AGM | 0 | 0 |
| Total (remote e-voting + poll at AGM) | 0 | 0 |

Item No. 4 – Ratification of appointment of M/s. Jain & Bagaria, Chartered Accountants as the Statutory Auditors of the Company, to hold office from the conclusion of this AGM till the conclusion of the next AGM - Ordinary Resolution

(i) Voted in favour of the resolution

| Particulars (remote e-voting/ poll at AGM) | No. of members voted | No. of Votes cast (Shares) | % of total number of valid votes cast (remote e-voting + poll at AGM) |
|---|-------------------------|-------------------------------|--|
| Remote E- Voting | 10 | 1,322,948 | 99.9788 |
| Poll at AGM | 12 | 281 | 0.0212 |
| Total (remote e- voting + poll at AGM) | 22 | 1,323,229 | 100 |



(ii) Voted against the resolution

| Particulars (remote e-voting/ poll at AGM) | No. of members voted | No. of Votes cast (Shares) | % of total number of valid votes cast (remote e-voting + poll at AGM) |
|---|-------------------------|-------------------------------|--|
| Remote E- Voting | 0 | 0 | 0 |
| Poll at AGM | 0 | 0 | 0 |
| Total (remote e- voting + poll at AGM) | 0 | 0 | 0 |

(iii) Invalid Votes

| Particulars (remote e-voting/ poll at AGM) | Total No. of members whose votes were declared invalid | Total number of votes cast |
|--|---|----------------------------|
| Remote E-Voting | 0 | 0 |
| Poll at AGM | 0 | 0 |
| Total (remote e-voting + poll at AGM) | 0 | 0 |

Special Business

Item No. 5 – Appointment of Dr. Sephali Roy (DIN: 07151823) as Independent Director for five years i.e. from 09.04.2015 upto 08.04.2020 – Ordinary Resolution

(i) Voted in favour of the resolution

| Particulars (remote e-voting/ poll at AGM) | No. of members voted | No. of Votes cast (Shares) | % of total number of valid votes cast (remote e-voting + poll at AGM) |
|---|-------------------------|-------------------------------|--|
| Remote E- Voting | 10 | 1,322,948 | 99.9788 |
| Poll at AGM | 12 | 281 | 0.0212 |
| Total (remote e- voting + poll at AGM) | 22 | 1,323,229 | 100 |



(ii) Voted against the resolution

| Particulars (remote e-voting/ poll at AGM) | No. of members voted | No. of Votes cast (Shares) | % of total number of valid votes cast (remote e-voting + poll at AGM) |
|---|-------------------------|-------------------------------|--|
| Remote E- Voting | 0 | 0 | 0 |
| Poll at AGM | 0 | 0 | 0 |
| Total (remote e- voting + poll at AGM) | 0 | 0 | 0 |

(iii) Invalid Votes

| Particulars (remote e-voting/ poll at AGM) | Total No. of members whose votes were declared invalid | Total number of votes cast |
|--|---|----------------------------|
| Remote E-Voting | 0 | 0 |
| Poll at AGM | 0 | 0 |
| Total (remote e-voting + poll at AGM) | 0 | 0 |

Item No. 6 – Re-appointment of Mr. Ravindra Prakash Sehgal (DIN: 00119477) as Managing Director w.e.f., 01.09.2015 whose office shall be liable to retire by rotation – Special Resolution

(i) Voted in favour of the resolution

| Particulars (remote e-voting/ poll at AGM) | No. of members voted | No. of Votes cast (Shares) | % of total number of valid votes cast (remote e-voting + poll at AGM) |
|---|-------------------------|-------------------------------|--|
| Remote E- Voting | 10 | 1,322,948 | 99.9788 |
| Poll at AGM | 12 | 281 | 0.0212 |
| Total (remote e- voting + poll at AGM) | 22 | 1,323,229 | 100 |



(ii) Voted against the resolution

| Particulars (remote e-voting/ poll at AGM) | No. of members voted | No. of Votes cast (Shares) | % of total number of valid votes cast (remote e-voting + poll at AGM) |
|---|-------------------------|-------------------------------|--|
| Remote E- Voting | 0 | 0 | 0 |
| Poll at AGM | 0 | 0 | 0 |
| Total (remote e- voting + poll at AGM) | 0 | 0 | 0 |

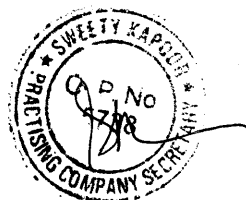
(iii) Invalid Votes

| Particulars (remote e-voting/ poll at AGM) | Total No. of members whose votes were declared invalid | Total number of votes cast |
|--|---|----------------------------|
| Remote E-Voting | 0 | 0 |
| Poll at AGM | 0 | 0 |
| Total (remote e-voting + poll at AGM) | 0 | 0 |

Item No. 7 – Re-appointment of Mr. Suvabrata Saha (DIN: 00131180) as Jt. Managing Director for a period of five years w.e.f., 01.09.2015 upto 31.08.2020 – Special Resolution

(i) Voted in favour of the resolution

| Particulars (remote e-voting/ poll at AGM) | No. of members voted | No. of Votes cast (Shares) | % of total number of valid votes cast (remote e-voting + poll at AGM) |
|---|-------------------------|-------------------------------|--|
| Remote E- Voting | 10 | 1,322,948 | 99.9788 |
| Poll at AGM | 12 | 281 | 0.0212 |
| Total (remote e- voting + poll at AGM) | 22 | 1,323,229 | 100 |



(ii) Voted against the resolution

| Particulars (remote e-voting/ poll at AGM) | No. of members voted | No. of Votes cast (Shares) | % of total number of valid votes cast (remote e-voting + poll at AGM) |
|---|-------------------------|-------------------------------|--|
| Remote E- Voting | 0 | 0 | 0 |
| Poll at AGM | 0 | 0 | 0 |
| Total (remote e- voting + poll at AGM) | 0 | 0 | 0 |

(iii) Invalid Votes

| Particulars (remote e-voting/ poll at AGM) | Total No. of members whose votes were declared invalid | Total number of votes cast |
|--|---|----------------------------|
| Remote E-Voting | 0 | 0 |
| Poll at AGM | 0 | 0 |
| Total (remote e-voting + poll at AGM) | 0 | 0 |

9. All relevant records of remote e-Voting and Poll Papers will remain in my custody until the Chairman considers, approves and sign the minutes of the 32nd AGM, upon which the records will be handled over to the Company Secretary for safe keeping.

Thanking you,

Yours faithfully



SWEETY KAPOOR
Practicing Company Secretary
FCS – 6410; COP – 5738
Place: Kolkata
Date: 29/09/2015