NOTICE

NOTICE is hereby given that the Twentieth Annual General Meeting of the Members of KAY POWER AND PAPER LIMITED will be held at 3.00 p.m. on Tuesday, 6th September, 2011 at Registered Office of the Company at Gat No. 454/457, Village Borgaon, Tal./Dist. Satara - 415 519, Maharashtra, to transact the following business:

ORDINARY BUSINESS

- To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and the Profit and Loss Account for the year ended on that date and the Directors' and Auditors' report thereon.
- To appoint a Director in place of Mr.Niraj Chandra, who retires by rotation and being eligible, offers himself for reappointment.
- 3. To appoint the Auditors and to fix their remuneration.

SPECIAL BUSINESS

4 To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, read with schedule XIII to the said act, the consent of the Company be and is hereby accorded to the re-appointment of Mr. Niraj Chandra, Chairman and Managing Director of the Company for a further period of 5 (five) years with effect from 1st January 2012, without remuneration, as offered by him, in the present conditions of the Company, with liberty to the Board of Directors to make such alteration/modifications as may be necessary and to give effect to the decisions taken herein."

"RESOLVED FURTHER THAT wherein any financial year, during the tenure of Mr. Niraj Chandra as the Chairman and

Managing Director, if the Board decides to pay remuneration to him and the Company has no profits or its profits are inadequate, the Company will pay him that remuneration, as minimum remuneration, subject to the provisions of schedule XIII to the Companies Act, 1956."

By Order of the Board of Directors For KAY POWER AND PAPER LTD.

Place : Satara Sham A.Mulye Date : 28th June, 2011 Company Secretary

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF ON A POLL ONLY AND PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- 2. An explanatory statement pursuant to Section 173 (2) of the Companies Act 1956, in respect of item No. 4 in the above notice, is annexed hereto.
- 3. Register of Members and Share Transfer Books of the Company will be closed from Thursday 1st September, 2011 to Tuesday 6th September, 2011 (both days inclusive).
- 4. In case, members wish to ask for any information about accounts and operations of the Company, they are requested to send their queries in writing at least 7 days in advance of the date of the Meeting so that the information can be made available at the time of the Meeting.
- 5. Share holders can send all documents/



transfers, share certificates and all communications directly to SHAREPRO SERVICES at the address given below: Sharepro Services (India) Private Limited, Unit: KAY POWER AND PAPER LTD. Sam Hita Warehousing Complex, Warehouse No. 52 & 53 Plot No 13AB, 2nd Floor Sakinaka, Mumbai-400072 Phone - (022) 67720400/347 Fax - (022) 67720416

- 6. The shares of the Company are compulsorily traded in demat w.e.f. 25th September, 2000. The shareholders who have not dematerialised their shares are requested to opt for dematerialisation of their shareholding by opening DP account with nearest Depository Participant at the earliest, which will facilitate smooth purchase/sale of Company's shares.
- 7. The Ministry of Corporate Affairs, vide its General Circular No. 18/2011 dated 29th April, 2011 has clarified that as a measure of "Green Initiative in Corporate Governance" it will be in compliance, if the Annual Report (i.e. documents listed in Section 219(1) of the Companies Act, 1956) is sent through e-mail. To support this green initiative, members holding shares in demat form are requested to provide their e-mail ID to concerned depository participant and members holding shares in physical form are requested to provide their e-mail to Company at kaypulp1@vsnl.net.

INFORMATION PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGE IN RESPECT OF THE DIRECTOR WHO IS RETIRING BY ROTATION AND BEING ELIGIBLE, HAVE OFFERED HIMSELF FOR REAPPOINTMENT AT THE ANNUAL GENERAL MEETING TO BE HELD ON 6TH SEPTEMBER, 2011.

Mr. Niraj Chandra age 47 years, is having rich experience of more than 24 years with good rapo with various industries, duly carrying the operations of the Company as Chairman and Managing Director for last 17 years.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

Item No 4:

Mr. Niraj Chandra was appointed as the Chairman and Managing Director of the Company for a period of five years w.e.f. 01-01-2007. Accordingly his term of appointment expires on 31.12.2011.

The Board of Directors in their meeting held on 28th June, 2011, have recommended this resolution for re-appointment of Mr. Niraj Chandra as Chairman and Managing Director of the Company for a further period of five years w.e.f. 01-01-2012, to the members for the want of disinterested quorum. Mr. Niraj Chandra had continously offered his services without payment of any salary since 1.07.2002.

The Board of Directors have appreciated the feelings of Mr. Niraj Chandra and opined to modify the salary as and when the situation permits. The Board of Directors recommends the proposed resolution as set out in item No. 4 of the notice for your approval.

Mr. Niraj Chandra and Ms. Deepa Agarwal being relative, are interested in the resolution. The other Director in no way is concerned or interested.

By Order of the Board of Directors For KAY POWER AND PAPER LTD.

sd/-

Place : Satara Sham A.Mulye Date : 28th June, 2011 Company Secretary