



KAY POWER AND PAPER LIMITED

Regd. Office: Gat No.454/457, At Post. Borgaon, Tal/Dist. Satara – 415 519.

Website- www.kaypowerandpaper.com, Email- kppl.secretarial@gmail.com

CIN- L21099MH1991PLC061709

POSTAL BALLOT NOTICE

(Notice pursuant to Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014)

Dear Members,

Notice is hereby given pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ("The Act") read with Companies (Management and Administration) Rules, 2014 ("The Rules") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), seeking approval of the Members of the Company to the proposed resolutions appended below by way postal ballot including electronic voting (e-voting).

The explanatory statement pertaining to the aforesaid resolutions setting out the material facts concerning each item and reasons thereof is annexed hereto with the Postal Ballot Notice.

The Board of Directors of the Company has appointed M/s. Neha Doshi & Co, Practicing Company Secretaries (Membership No. 5373 and CP No. 4631) as Scrutinizer for conducting the Postal Ballot and e-voting process in a fair and transparent manner.

The Members are requested to carefully read the instructions indicated in the Notice and record their assent (for) or dissent (against) in the Postal Ballot Form and return the same, in original duly completed and signed, in the enclosed self-addressed, postage prepaid business reply envelope, so as to reach the Scrutinizer on or before 5.00 p.m. IST on Saturday 23rd September 2017. Postal Ballot Forms received after that date will be strictly treated as if reply from such Member has not been received. The postage expense will be borne by the Company. However, envelopes containing Postal Ballot Form, if sent by courier or registered / speed post at the expense of the Members will also be accepted.

In compliance with the provisions of Sections 108 and 110 of the Act, read with Rules 20 and 22 of the aforesaid Rules and Regulation 44 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide e-Voting facility to all its Members to enable them to cast their votes electronically. The Company has engaged the services of Central Depository Services Limited (CDSL) for the purpose of providing e-Voting facility to all its Members. Members are requested to follow the procedure as stated in the notes and instructions for casting of votes by e-voting.

Upon completion of the scrutiny of the Postal Ballot Forms and votes cast through e-voting in a fair and transparent manner, the Scrutinizer will submit his report to the Chairman / Director of the Company within the seven days from the last date of receipt of postal ballot. The results of the Postal Ballot will be announced after the conclusion of board meeting convened in that behalf. The said results shall be displayed at the Registered Office of the Company, intimated to the BSE Limited, where the shares of the Company are listed. Additionally, the results will also be uploaded on the Company's website www.kaypowerandpaper.com and on the website of Central Depository Services limited www.evotingindia.com.

In the event the resolutions are approved by requisite majority of Members, the date of passing the resolution shall be deemed to be date of Board meeting convened in that behalf.

Item No. 1

To Sell, Lease or otherwise dispose of Assets of the Power Division of the Company:

To consider and if thought fit, to pass with or without modifications as may be practical and permissible the following Resolution as a **SPECIAL RESOLUTION:-**

"RESOLVED THAT pursuant to the provisions of Sections 180 (1) (a) and other applicable provisions, if any of the Companies Act, 2013 (including any salutatory modifications or re-enactment thereof for the time being enforce), and in accordance with the relevant provisions of the Memorandum and Articles of the Association of the Company, and in the listing agreement entered in to by the Company with Bombay Stock Exchange Ltd. Approval and consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred as the Board which term shall be deemed to include any Committee which the Board may have concluded or hereinafter constitute from time to time to exercise its powers including the power conferred by this resolution) to Sell, Lease or otherwise dispose off immovable / movable Assets of the Power Division of the Company situated at Gat No.454/457, A/P. Borgaon, Tal/Dist. Satara – 415519 or at any other place."

RESOLVED FURTHER THAT Mr. Niraj Chandra, Chairman and Managing Director and/or Mr. Sagar Mohite, Secretary of the Company be and are hereby individually authorised to sign, digitally or physically, all necessary papers, document and papers, to appoint qualified and competent representatives and consultants for carrying out the postal ballot process and do all necessary acts, deeds and things as may be necessary to give effect to this resolution."

Item No.2:-

To Create a Charge on the Assets of the Company.

To consider and if thought fit, to pass with or without modifications as may be practical and permissible the following Resolution as a **SPECIAL RESOLUTION:-**

"RESOLVED THAT pursuant to Section 180 (1)(a) and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or re-enactment thereof) (hereinafter referred to as the "Act") consent of the members, be

and is hereby accorded to the Board of Director (hereinafter referred to as the "Board" which term shall be deemed to include any committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this resolution) to create a mortgage and/or charge, on such terms and conditions and at such time(s) and in such form and manner, and with such ranking as to priority as the Board in its absolute discretion thinks fit, on the whole or substantially the whole of the Company's, any one or more of the undertakings or all of the undertakings, including present or future properties, whether immovable or movable assets, comprised in any undertaking of the Company, as may be agreed in favour of the bank or banks, Financial Institutions, person(s), hereinafter referred to as the lenders, and/or trustees to secure borrowings up to an aggregate amount not exceeding Rs 225/-Crores (Rupees Two Hundred and Twenty Five Crores only) subject to the limits approved under section 180 (1)(c) of the Act, together with interest at the respective agreed rates by issue of non-convertible debentures, bonds, term loans, and/or other instruments including foreign currency borrowings, as the Board may deem fit, to be issued in one or more tranches, to Indian/ foreign banks, institutions, investors, mutual funds, companies, other corporate bodies, Resident/ Non-resident Indians, Foreign Nationals, and other eligible investors, and upon such terms and conditions, as may be decided by the Board, including any increase as a result of devaluation/ revaluation or fluctuation in the rates of exchange, together with interest, at the respective agreed rates, compounded interest, additional interest, commitment charges, premium on prepayment or on redemption, costs, charges, expenses and other monies covered by the aforesaid financial assistance under the respective documents, entered into by the Company in respect of the said debentures/bonds/term loans/other instrument(s) in terms of their issue.

RESOLVED FURTHER THAT the securities to be created by the Company as aforesaid may rank prior/paripassu/subservient with/to the mortgages and/or charges already created or to be created in future by the Company and as may be agreed to between the concerned parties;

RESOLVED FURTHER THAT for the purpose of giving effect to the resolution, the Board, be and is hereby authorised to delegate all or any of the powers herein conferred, to any Committee(s) of Directors or any one or more Managing Directors /Whole time Directors of the Company, with the power to further delegate any such powers as they may deem fit, to finalize, settle and execute such documents / deeds / writings / agreements, as may be required, and to all such acts, matters and things as it may at its absolute discretion deem proper, fit and expedient and to settle any question, difficulty or doubt that may arise in regard to creating mortgage/charge as aforesaid or otherwise considered to be in the best interests of the Company."

By order of the Board of Directors
For **KAY POWER AND PAPER LIMITED**

Date :25/07/2017
Place : Satara

Niraj Chandra
Chairman & Managing Director

NOTES:

1. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 ("The Act") stating material facts and reasons for the proposed resolutions is annexed hereto.
2. Resolution passed by the Members through Postal Ballot is deemed to have been passed as if it has been passed at a General Meeting by the Members.
3. This notice is being sent by electronic mode to those Members, whose e-mail addresses are registered with the Company/ Depositories, unless any Member has registered for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may note that this Notice shall be available on the Company's website, www.kaypowerandpaper.com and on the website of CDSL, www.evotingindia.com.
4. The notice is being sent to all shareholders of the Company whose names appear in the Register of Members / Records of Depositories as on close of working hours of Friday, 11th August, 2017 (Cut-off date). Voting rights accordingly will be reckoned on the paid-up value of shares registered in the name of the Members on Friday, 11th August, 2017. 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 Postal Ballot or e-voting. A person who is not a member of the Company on the Cut-off date should treat the notice for information purpose only.
5. Members can opt for only one mode of voting i.e. either Postal Ballot Form or e-voting. In case any Member votes both by Postal Ballot Form and e-voting, the votes cast through e-voting shall prevail and the votes cast through Postal Ballot Form shall be considered invalid.
6. A member cannot exercise his vote by proxy on Postal Ballot.
7. Members who have received the Postal Ballot Notice by e-mail and who wish to vote through Physical Form may download the Postal Ballot Form from the link www.evotingindia.com or from the Company's website www.kaypowerandpaper.com or obtain duplicate Postal Ballot Form, by applying to the Company's RTA, M/s. Link Intime India services Private Limited, C 101, 247, Park, 1st Floor, L.B.S. Marg, Vikhroli (W) Mumbai – 400083 or by sending email at Email ID:- dematremat@linkintime.co.in or aishani.shetty@linkintime.co.in and send the duly completed and signed Postal Ballot Form to the Scrutinizer so as to reach on or before 5.00 p.m. IST, Saturday 23rd September 2017.
8. E- voting period commences from 25th August, 2017 at 9 am and ends on 23rd September, 2017 at 5 pm
9. All the documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the registered Office of the Company during office hours on all working days except holidays.
10. The instructions for e-voting are as under:

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 25th August, 2017 at 9 am and ends on 23rd September, 2017 at 5 pm. During this period shareholders' of the Company, holding shares

either in physical form or in dematerialized form, as on the cut-off date (record date) of 11th August 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders / Members
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <p>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</p>

- (vii) After entering these details appropriately, click on "SUBMIT" tab.

- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvi) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

- (xviii) **Note for Non – Individual Shareholders and Custodians**
Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to

www.evotingindia.com and register themselves as Corporates.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

ITEM NO. 1

The Company has two divisions 1) Paper Division and 2) Power Division.

The company has set up the Power Division with the financial assistance from I.R.E.D.A. as panacea to overcome the ever increasing power tariffs and uninterrupted power supply to help the operations of the Paper Division. Unfortunately the delay in sanctioning of Power Purchase Agreement (PPA) has delayed the implementation of project and resulted in to losses of carrying, inventories, man power etc. Teething troubles were continued for quite long and operation of the power division never reached the plant capacity of 6 M.W. resulting in to continuous losses.

The raw material for power division was bagasse, by-product of Sugar Industry, which is cyclical and the price of bagasse, varying on its availability and non-availability of bagasse resulting in to non-operation of power Division adding to the losses of the company. Due to these losses company became sick company registered with BIFR in 2003.

The Company could not operate the Power Division continuously for last couple of years, stressing the viability of the Company though the operations of paper division are quite streamlined.

The bagasse price is ruling very high and company is not expecting any reduction in price to run the Power Division economically viable.

In this situation company intends to Sell, Lease or otherwise dispose off immovable/ movable Assets of the Power Division of

the Company situated at Gat No.454/457, A/P. Borgaon, Tal/Dist. Satara – 415519 or at any other place.

The net Fixed Asset value of the Power Division as at 31.03.2017 was Rs.24,97,94,051/- and the outstanding term loan of IREDA Rs.3,98,07,859/-.

The Board of Directors of the company had taken a consent for sale/ transfer of companies power division by passing of ordinary resolution under the sect 293 (1) (a) through postal ballot voting conducted in 2013. Thereafter Companies Acts 2013 has notified by the Govt and pursuant to section 180(1) (a) of the companies act 2013 and General Circular no. 04/2014 has stated and clarified that the resolution passed under section 293 of the companies act 1956 prior to the implementation of aforesaid section with reference to creation of security on assets of the company will be regarded as sufficient compliance of the requirement of section 180 of the companies act 2013 for a period of one year from the date of notification of section 180 of the act. so as per this provision and clarification ordinary resolution which had passed was valid up to the September 2014 and thereafter required to take fresh consent only by way of passing special resolution in the general meeting of the company. So Board has proposed this resolution as a special resolution.

None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No.1 of the Notice

Item no. 2

Keeping in view the Company's existing and future financial requirements to support its business operations, the Company needs additional funds. For this purpose, the Company is desirous of raising finance from various Banks and/or Financial Institutions and/or any other lending institutions and/or Bodies Corporate and/or such other persons/ individuals as may be considered fit, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) up to the borrowing limit of Rs. 225 crores (Two hundred and Twenty Five Crores only) subject to the limits approved under section 180 (1)(c) of the Act.

In order to facilitate securing the borrowing made by the Company, it would be necessary to create charge on the assets or whole of the undertaking of the Company. Section 180(1)(a) of the Companies Act, 2013 provides for the power to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company subject to the approval of members in the general meeting. The Board recommends these resolutions for the approval of the members as Special Resolutions.

None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No.2 of the Notice.

By order of the Board of Directors
For **KAY POWER AND PAPER LIMITED**

Date : 25/07/2017
Place : Satara

Niraj Chandra
Chairman & Managing Director



KAY POWER AND PAPER LIMITED

Reg off:- Gat No. 454/457, Village Borgaon, Tal./Dist. Satara - 415 519
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POSTAL BALLOT FORM

Last Date:23/09/2017, 5:00 p.m.

Sr. No. :

1. Name & Registered Address of the :

Sole/ /first named Member

2. Name(s) of the Joint Holder(s), if any :

3. Registered Folio No./DP ID & Client :

ID No.

4. No. of Shares held :

I/ We hereby exercise my/ our vote in respect of the following special resolution to be passed through Postal Ballot for the businesses stated in the Notice of Postal Ballot dated 25th July, 2017 of the Company, by sending my/ our assent or dissent to the said special resolution by placing a tick (✓) mark at the appropriate box below:

Sr No.	Description	Nature of Resolution	No. Of Shares Held	(For)/We assent to the Resolution	(Against)/We dissent to the Resolution
1.	Resolution Under Section 180 (1) (a) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, To Sell, Lease or otherwise dispose off Assets of the Power Division of the Company.	Special			
2.	Resolution Under Section 180(1) (a) of Companies Act 2013, for creation of charge on the assets of the Company.	Special			

Place:

Date:

Signature of the Member/Beneficial Owner

ELECTRONIC VOTING PARTICULARS

(Please read the e-voting instructions given overleaf before exercising the e-vote)

EVSN (Electronic Voting Sequence Number)	User ID	*Default PAN / Password

* Only Members who have not updated their PAN with the Company / Depository Participant shall use default PAN in the PAN Field.

Note:

1. If the voting rights are exercised electronically, there is no need to use this form.
2. Please read the instructions overleaf before exercising your vote. For E-voting instructions, kindly refer the Notice of Postal Ballot.

INSTRUCTIONS FOR VOTING:

A. VOTING THROUGH PHYSICAL POSTAL BALLOT FORM

1. A member desiring to exercise vote by Postal Ballot shall complete the enclosed Postal Ballot Form with assent (for) or dissent (against) and send it to the Scrutinizer in the enclosed self-addressed postage prepaid envelope. Postage will be borne and paid by the Company. However, envelopes containing Postal Ballot Forms, if deposited in person or sent by courier at the expenses of the members, will also be accepted.
2. The Postal Ballot Form duly completed and signed should be returned in the enclosed self-addressed postage prepaid envelope directly to the Scrutinizer so as to reach the Scrutinizer not later than the close of working hours on 23rd September, 2017 at 5 pm. Postal Ballot Forms received after that date and time will be treated as if the reply from such members has not been received.
3. This form should be completed and signed by the sole / first named member. In case of joint holding, this Form should be completed and signed by the first named member and in his absence, by the next named joint holder. The signature of the member on this Postal Ballot Form should be as per the specimen signature registered with the Company or furnished by National Securities Depository Limited / Central Depository Services (India) Limited to the Company, in respect of shares held in the physical form or dematerialized form, respectively.
4. The company pleased to offer e-voting facility as an alternate for all the members of the company to enable them to cast their votes electronically. E-voting is optional. The E-voting period commences on 25th August, 2017 at 9 am and ends on 23rd September, 2017 at 5 pm. The detailed procedure for e-voting is enumerated in note no. 10 of postal ballot notice sent herewith.
5. Voting rights accordingly will be reckoned on the paid-up value of shares registered in the name of the Members on Friday, 11th August, 2017. 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 close of working hours of Friday 11th August, 2017.
6. In case of shares held by companies, trusts, societies, etc., the duly completed Postal Ballot Form should be accompanied by a certified true copy of the Board Resolution / Authorisation together with attached specimen signature(s) of the duly authorized signatories.
7. Members holding shares in dematerialised form are advised, in their own interest, to get their signatures verified by their Banker / Depository Participant (DP). Signatures should be verified by the Manager of the concerned Bank / DP by affixing a rubber stamp / seal mentioning name and address of the Bank / DP and name, stamp and signature of the Manager
8. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed envelope as all such envelopes will be sent to the Scrutinizer and any other paper found in such envelope, the same would not be considered and would be destroyed by the Scrutinizer.
9. The votes should be cast in favour of or against the Resolution by putting the tick mark (√) in the column provided for assent or dissent. Postal Ballot Form bearing (√) in both the column will render the form invalid. Incomplete, unsigned, incorrectly filled or bearing more than one Postal Ballot Forms will be subject to rejection by the Scrutinizer
10. The Postal Ballot shall not be exercised by a Proxy.
11. The Scrutinizer's decision on the validity of the Postal Ballot will be final.