

To,
Independent director

Sub- Appointment as an independent director of Kay Power and Paper Limited,

Dear _____,

I am pleased to inform you that, you have been appointed as an independent director on the Board of directors ('the Board') of Kay Power and Paper Limited ('The Company') to hold office for (.....) consecutive years for a term up to the conclusion of theth Annual General Meeting of the Company in the calendar year 20..... at therd Annual General Meeting of the company which was held on datednd September, 20..... This letter sets out the terms of your appointment.

1. Appointment.

In accordance with the provisions of the Companies Act 2013 and other applicable laws, you will serve as an Independent Director of the Board for (.....) consecutive years for a term up to the conclusion of theth Annual General Meeting of the Company in the calendar year 20.....

2. Board Committees.

2.1 As advised by the Board, during the tenure of office, you may be required to serve on one or more of the Committees of the Board established by the Company, upon your appointment to any one or more committees, you will be provided with the appropriate Committee charter which sets out the functions of the committee.

3. Professional Conduct

As an Independent director, you shall:

- 1) Uphold ethical standard of integrity and probity
- 2) Act objectively and constructively while exercising your duties
- 3) Exercise your responsibilities in bon fide manner in the interest of the company.
- 4) Devote sufficient time and attention to your professional obligations for informed and balance decision- making;
- 5) not allow any extraneous considerations that may vitiate your exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the aboard in its decision making.

- 6) Not abuse your position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person.
- 7) Refrain from any action that could lead to a loss of your independence.
- 8) Ensure that if circumstances arise under which you may lose your independence, you will immediately inform the board accordingly.
- 9) Assist the company in implementing the best corporate governance practices

4. Functions, responsibilities and duties of directors

4.1 Functions

As an Independent director, you shall:

- (1) help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- (2) bring an objective view in the evaluation of the performance of board and management;
- (3) scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- (4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- (5) safeguard the interests of all stakeholders, particularly the minority shareholders;
- (6) balance the conflicting interest of the stakeholders;
- (7) determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
- (8) Moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

4.2. Responsibilities

Independent directors have the same general legal responsibilities to the Company as that of any other director. The Board, as a whole, is collectively responsible for ensuring the success of the Company by directing and supervising the Company's affairs.

4.3. Duties

As an Independent director, you shall:

- 1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- 2) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;
- 3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- 4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- 5) strive to attend the general meetings of the company;
- 6) where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
- 7) keep themselves well informed about the company and the external environment in which it operates;
- 8) not to unfairly obstruct the functioning of an otherwise proper Board or Committee of the Board;
- 9) Pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;
- 10) Ascertain and ensure that the company has an adequate and functional vigil Mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- (11) Report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- (12) Acting within his authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
- (13) Not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price

sensitive information, unless such disclosure is expressly approved by the Board or required by law.

5. Independence:

The Board of the Company has determined you to be independent in accordance with your letter provided under Section 149 (6) and (7) of the of the Companies Act, 2013 read with applicable provisions of The Companies (Appointment and Qualification of Directors) , Rules, 2014 and Clause 49 of the Listing Agreement as entered into by the Company with Stock Exchanges.

If circumstances change and you believe it affects your Independence to the Company, you should discuss this with the Chairman as soon as practicable and inform the Board of Directors immediately

5. Fees

The compensation of the non-executive/independent directors is approved at a meeting of the Board.

6. Term

Subject to applicable law, non-executive/independent directors are eligible to serve two terms not exceeding of ten years.

7. Information on meetings

Company will inform the Scheduling and selection of agenda items for Board meetings.

8. Availability of information to the Board:-

The Board has full and unfettered access to any information of the Company, and to any employee of the Company. At Board meetings, the Board invites managers of the Company when additional details into the items being discussed are required.

It is a pleasure to have you on board. I am confident that your association, expertise and advice will immensely benefit the Company and the Board.

Best regards,

Yours sincerely,

For, **KAY POWER AND PAPER LIMITED**

CHAIRMAN OF THE BOARD