



KWALITY PHARMACEUTICALS LIMITED

Regd. Office.:- VILLAGE NAGKALAN, MAJITHA ROAD, AMRITSAR – 143601

CIN No.:- L24232PB1983PLC005426; Phone no. :- 8558820862

Email Id:-ramesh@kwalitypharma.com; Website :- www.kwalitypharma.com

POSTAL BALLOT NOTICE

(Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration Rules), 2014)

Dear Shareholders,

Notice is hereby given pursuant to the provisions of the Section 110 and other applicable provisions, if any of the Companies Act, 2013 read with rule 22 of the Companies (Management & Administration) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), read with the General Circular No. 14/2020 dated 8th April, 2020, General Circular No.17/2020 dated 13th April, 2020, General Circular No. 22/2020 dated 15th June, 2020, General Circular No. 33/2020 dated 28th September, 2020, General Circular No. 39/2020 dated 31st December, 2020 and General Circular No. 10/2021 dated 23rd June, 2021 issued by the Ministry of Corporate Affairs (the 'MCA Circulars') read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, issued by SEBI and pursuant to applicable provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 and as amended from time to time any statutory modification or re-enactment thereof for the time being in force, to transact the Special Business set out in this notice as Special Resolution through Postal Ballot by the members of **KWALITY PHARMACEUTICALS LIMITED** ("The Company") only through Remote E-voting.

The proposed resolution and explanatory statement pertaining to the said resolution, pursuant to sections 102 and 110 of the Companies Act, 2013 setting out the material facts are appended herewith for your consideration.

Members should note that in terms of the General Circulars, no physical ballot form is being dispatched by the Company and the Members can cast their vote using remote e-voting facility only.

In compliance with Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the provisions of Sections 108 and 110 of the Companies Act, 2013 read with the rules framed thereunder and the MCA Circulars, the Company has extended only the remote e-voting facility for its shareholders, to enable them to cast their votes electronically instead of submitting the Postal Ballot Form. The instructions for remote e-voting are appended to the Notice. The shareholders can vote on the resolution through remote e-voting facility. Assent (FOR) or dissent (AGAINST) of the shareholders of the resolution mentioned in the Notice would only be taken through the remote e-voting system as per the MCA circulars.



The Company has engaged the services of National Securities Depository Limited (“NSDL”) to provide the e-voting facility. Accordingly, members shall have to cast their vote electronically through the NSDL e-voting platform. Instructions on E-voting are enumerated as part of the Notice.

E-voting facility is available from Tuesday, 16th November, 2021, 9.00 a.m. (IST) onwards to Wednesday, 15th December, 2021, 5.00 p.m. (IST) and voting shall not be allowed beyond the said date and time. Shareholders are requested to read carefully the e-voting instructions given in the Notes forming part of the Postal Ballot Notice, before logging into the e-voting link.

The Board of Directors of the Company, at its meeting held on Wednesday, 10th November, 2021 has appointed Mr. Rishi Mittal, (Membership No. A12613) Proprietor of M/s. Rishi Mittal & Associates, Practicing Company Secretaries, as the Scrutinizer for conducting the Postal Ballot (only through Remote E-voting process) in a fair and transparent manner. The Scrutinizer, after completion of scrutiny, will submit his report to the Chairman of the Company. Thereafter, the results of the Postal Ballot would be announced by the Chairman of the Company on **Thursday, 16th December, 2021** at the Company’s registered office. In addition to the results being communicated to BSE Limited (BSE), the results along with Scrutinizer’s report will also be placed on Company’s website viz. www.kwalitypharma.com and shall also be available at the Company’s registered office.

The resolution, if passed by the requisite majority, shall be deemed to have been passed on the last date specified by the Company for e-voting i.e. 15th December, 2021.

The resolution for the purpose as stated herein below is proposed to be passed by Postal Ballot (only through Remote E-voting):

SPECIAL BUSINESS:

ITEM NO. 1- MIGRATION OF EQUITY SHARES OF THE COMPANY FROM SME PLATFORM OF BSE LIMITED (BSE) TO MAIN BOARD OF BSE:

To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution:**

Note: Pursuant to Regulation 277 of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, the below mentioned resolution shall be acted upon if and only if the votes cast by Shareholders other than Promoters in favour of the proposal amounts to at least two times the number of votes cast by Shareholders other than Promoter shareholders against the proposal.

“RESOLVED THAT pursuant to the Regulation 277 and other applicable provisions laid down in Chapter IX of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, applicable SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder, including any statutory modification(s) and re-enactment(s) thereof for the time being in force, the consent of shareholders of the company be and is hereby accorded for migration of the Company’s present listing of equity shares from SME Platform of BSE to Main Board of BSE.



RESOLVED FURTHER THAT Mr. Ramesh Arora (Managing Director), Mr. Ajay Kumar Arora (Whole Time Director), Mr. Aditya Arora (Chief Financial officer) and Ms. Gurpreet Kaur (Company Secretary & Compliance Officer), be and are hereby jointly/ severally authorized to deal with any Government or semi government authorities or any other concerned intermediaries including but not limited to BSE, Securities and Exchange Board of India, Registrar of the Companies, to apply, modify, rectify and submit any application and/or related documents on behalf of the company for the purpose of migration of the Company's present listing from SME platform of BSE to Main Board of BSE and to appoint any such attorney/ person to represent before the concerned authority and to delegate such power to such person/ representative and to do all such acts, deeds, matters and things as may be necessary, expedient or desirable for giving effect to the aforesaid resolution and in connection with any matter incidental thereto."

**By Order of the Board of Directors
For KQUALITY PHARMAECUTICALS LIMITED**

**Sd/-
GURPREET KAUR
COMPANY SECRETARY & COMPLIANCE OFFICER
M.No.: A52091**

**Place: Amritsar, Punjab
Date: 10th November, 2021**

NOTES:

1. The relevant Explanatory Statement pursuant to Section 102 read with Section 110 of the Companies Act, 2013 setting out material facts of the proposed resolution is annexed to the notice.
2. The Board of Directors of the Company ("the Board") at its meeting held on 10th November, 2021 has appointed M/s. Rishi Mittal & Associates, Practicing Company Secretary firm (Membership No. A12613 & COP No. 3004) to act as "The Scrutinizer" for conducting the Postal Ballot by way of remote e-voting process in accordance with the Act and in a fair and transparent manner.
3. On account of the threat posed by COVID-19 and in terms of the MCA Circulars, the Company will send this postal notice in electronic form only. The hard copy of this Postal ballot notice along with postal ballot forms will not be sent to the members for the postal ballot in accordance with the requirements specified under the MCA Circulars. Accordingly, the communication of the assent or dissent of the members would take place through the remote e-voting system only.
4. **The voting period begins on Tuesday, 16th November, 2021, 9.00 a.m. (IST) onwards to Wednesday, 15th December, 2021, 5.00 p.m. (IST).** During this period, shareholders of the Company, holding shares either in physical form or in dematerialised form as on the cut-off date of 12th November, 2021, may cast their vote electronically. Once vote on a resolution is cast by the member, he/ she shall not be allowed to change it subsequently or cast the vote again.
5. Process for those shareholders whose email ids are not registered with the depositories for procuring user id & password and registration of e mail ids for e-voting for the resolution set out in this notice:



A) In case shares are held in physical mode please provide Folio No., Name of Shareholders, scanned copy of the share certificate (front and back), PAN (self –attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to cs@kwalitaPharma.com

B) In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID+CLID or 16- digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to cs@kwalitaPharma.com

6. Voting rights in e-voting cannot be exercised by a proxy. However, corporate and institutional members shall be entitled to vote through their authorised representatives with proof of their authorization.

7. The results of the Postal Ballot will be declared on Thursday, 16th December, 2021. The results of the Postal Ballot will be hosted on the website of the Company viz. www.kwalitaPharma.com and will also be communicated to the Stock Exchange where the equity shares of the Company are listed. The results of the Postal Ballot will be declared by the Chairman, or in his absence by the Whole Time Director or Company Secretary, or any other person so authorised by the Chairman and it will display at Company's Registered Office. The resolution will be taken as passed if the results of the Postal Ballots indicate that the requisite majority of the shareholders assented to the Resolution.

8. The resolution, if passed by the requisite majority, shall be deemed to have been passed on the last date specified by the Company for e-voting i.e. 15th December, 2021.

9. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 12th November, 2021.

10. Shareholders who have registered their e-mail IDs with their Depository Participants/Company are being sent Notice of Postal ballot by e-mail and Shareholders who have not registered their e-mail id will request to please register their mail ids with the Company.

11. The Scrutinizer's decision on the validity or otherwise of the Postal Ballot (only through remote E-Voting) will be final.

12. Documents referred to in this notice and explanatory statement are open for inspection by the shareholders at the Registered Office of the Company on all working days (except Saturday & Sunday) from 11:00 am to 5:00 pm till from the date of dispatch of the Postal Ballot Notice up to the completion of Postal Ballot i.e., 15th December, 2021.

13. VOTING THROUGH ELECTRONIC MEANS: In compliance with provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management & Administration) Rules, 2014, the Company is pleased to provide its members the facility to exercise their right to vote by electronic means as an alternate mechanism. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating e-voting in order to enable the members to cast their votes electronically instead of dispatching postal ballot form.



14. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on Tuesday, 16th November, 2021 at 9:00 A.M. and ends on Wednesday, 15th December, 2021 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 12th November, 2021 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 12th November, 2021.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none">Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jspVisit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of



e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

- Shareholders/Members can also download NSDL Mobile App “**NSDL Speede**” facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



Individual Shareholders holding securities in demat mode with CDSL

- Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <https://web.cdslindia.com/myeasi/home/login> or www.cdslindia.com and click on New System Myeasi.
- After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL**. Click on **NSDL** to cast your vote.
- If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>
- Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.



Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

B) Login Method for e-Voting shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :



Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - How to retrieve your 'initial password'?
 - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**



6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
 - a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period. Now you are ready for e-Voting as the Voting page opens.
3. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
4. Upon confirmation, the message “Vote cast successfully” will be displayed.
5. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
6. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to rmittalcs@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five



unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Soni Singh at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories/ company for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@kwalitiypharma.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@kwalitiypharma.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

ITEM NO. 1- MIGRATION OF EQUITY SHARES OF THE COMPANY FROM SME PLATFORM OF BSE LIMITED (BSE) TO MAIN BOARD OF BSE:

The Company’s equity shares have been listed on a SME Platform of BSE Limited since 18th July, 2016 and it intends to migrate to the Main Board of BSE Limited as it is listed on SME platform of BSE for more than two years and become eligible to migrate to the main Board of BSE Limited as per the guidelines specified and the procedures laid down under Chapter IX of SEBI ICDR Regulations, 2018.

Further, the Company’s Operations have been increasing at a rapid pace. In view of increasing business activities and for strong brand building, the Board of Directors in its meeting held on 10th November,



2021 has accordingly decided to migrate the Company's Listing from SME Platform of BSE to Main Board of BSE.

The proposed migration of the Company on the main Board of BSE limited will enhance recognition of the company, branding, better transparency, accountability, visibility and prestige of the Company, improve the liquidity of the shareholders and will also open up avenues for considering further resource raising, if required, for the business purpose. Also listing on the Main Board of BSE Limited will take the Company into a different league altogether with increased participation by retail investors and overall wealth creation of the stakeholders.

By Migrating on the Main Board, the goodwill and the growth of the Company will increase and Company will be able to expand its business. Your Directors are of the view that migration to Main Board will act as a catalyst in the growth and expansion of your Company and will also help the shareholders of the Company to unlock the value of their investments by improved liquidity.

The Migration Policy from SME Platform to Main Board requires approval of members by way of Special Resolution. In accordance with the Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended from time to time) and applicable SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the above mentioned special resolution shall be acted upon if and only if the votes cast by shareholders other than promoters in favor of the proposed resolution amounts to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Accordingly, your Directors recommend the Special Resolution mentioned in item no. 1 for approval of the shareholders.

None of the Directors and Key Managerial Persons or their relatives has any interest in the passing of the said resolution except to the extent of equity shares held by them in the Company.

By Order of the Board of Directors
For **KWALITY PHARMACEUTICALS LIMITED**

Sd/-
GURPREET KAUR
COMPANY SECRETARY & COMPLIANCE OFFICER
M.NO- A52091

Date: 10th November, 2021
Place: Amritsar