



QUANTUM BUILD-TECH LIMITED

Registered Office : 8-1-405/A/66, Dreamvalley, Near O.U.Colony, Shaikpet, Hyderabad - 500 008.

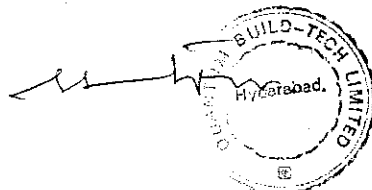
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QUARTERLY COMPLIANCE REPORT ON CORPORATE GOVERNANCE

Name of the Company: **QUANTUM BUILD-TECH LIMITED**

Quarter ending on : **30.09.2015**

| Particulars | Clause of Listing agreement | Compliance Status Yes/No/NA | Remarks |
|---|-----------------------------|--|---------------------------------|
| II. Board of Directors | 49 (II) | - | AS PER THE NOTES ANNEXED HERETO |
| (A) Composition of Board | 49 (IIA) | Yes | |
| (B) Independent Directors | 49 (IIB) | Yes | |
| (C) Non-executive Directors' compensation & disclosures | 49 (IIC) | Yes | |
| (D) Other provisions as to Board and Committees | 49 (IID) | Yes | |
| (E) Code of Conduct | 49 (IIE) | Yes | |
| (F) Whistle Blower Policy | 49 (IIF) | Yes | |
| III. Audit Committee | 49 (III) | - | |
| (A) Qualified & Independent Audit Committee | 49 (IIIA) | Yes | |
| (B) Meeting of Audit Committee | 49 (IIIB) | Yes | |
| (C) Powers of Audit Committee | 49 (IIIC) | Yes | |
| (D) Role of Audit Committee | 49 (IIID) | Yes | |
| (E) Review of Information by Audit Committee | 49 (IIIE) | Yes | |
| IV. Nomination and Remuneration Committee | 49 (IV) | Yes | |
| V. Subsidiary Companies | 49 (V) | NA | |
| VI. Risk Management | 49 (VI) | Yes | |
| VII. Related Party Transactions | 49 (VII) | Yes | |
| VIII. Disclosures | 49 (VIII) | - | |
| (A) Related party transactions | 49 (VIII A) | Yes | |
| (B) Disclosure of Accounting Treatment | 49 (VIII B) | Yes | |
| (C) Remuneration of Directors | 49 (VIII C) | Yes | |
| (D) Management | 49 (VIII D) | Yes | |
| (E) Shareholders | 49 (VIII E) | Yes | |
| (F) Proceeds from public issues, rights issue, preferential issues etc. | 49 (VIII F) | NA | |
| IX. CEO/CFO Certification | 49 (IX) | Yes | |
| X. Report on Corporate Governance | 49 (X) | Complied in the 17 th AGM- Annual Report- 2014-15 | |
| XI. Compliance | 49 (XI) | Complied in the 17 th AGM- Annual Report- 2014-15 | |





Note 1: Clause 49 (II)-BOARD OF DIRECTORS

Clause 49 (IIA)

Composition of Board

BOARD OF DIRECTORS

- | | |
|------------------------------|-------------------------|
| 1. Mr. Guduru Satayanarayana | - Managing Director** |
| 2. Mr.M. Rambabu | - Whole-Time Director** |
| 3. Mrs. Kodali Vijaya Rani | - Director# |
| 4. Mr. K. Saraswathi Kumar | - Director* |
| 5. Mr. Sripathi Ram Reddy | - Director* |
| 6. Mr. K. Prabhaker Reddy | - Director* |

**Executive Directors

* Independent Non-Executive Directors

#Non Executive Women Director pursuant to the requirement of Clause 49(II)(A)(1) of Listing Agreement

Clause 49 (IIB)

Independent Directors

The Board of Directors of the Company is comprised of requisite number of Independent Directors as per Clause 49(II)(A) and further, all the directors fulfill the criteria of Independent Director as mentioned under Clause 49(II)(B) of the listing agreement.

The Company has adopted a policy on terms and conditions of appointment of Independent Directors and the same is disclosed in the Annual report- 2014-15 and also made available on the Company's website.

Clause 49 (IIC)

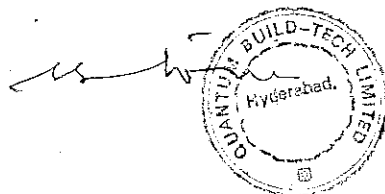
Non-executive Directors' compensation & disclosures

The Non-executive directors are not paid any remuneration or sitting fees for attending Board and Committee meetings.

Clause 49 (IID)

Other provisions as to Board and Committees

1. The Company is conducting the Board Meetings regularly and it is also ensured that the gap between two Board Meetings conducted does not exceed a period of one hundred and twenty days.
2. No Director is a Member of more than 10 committees or chairman of more than 5 committees across all companies in which he/she is a director.





Clause 49 (IIE)
Code of Conduct

Code of conduct for all the Board members and senior management was adopted in the Board meeting and the same is posted on the website. Affirmation of compliance to the Code on annual basis by the Board and senior management is complied in the Annual Report 2014-15 and the same is updated in the Company's website.

Clause 49 (IIF)
Whistle Blower Policy

The Company has established a Vigil mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy and also to provide for adequate safeguards against victimization of director(s) / employee(s) who avail of the mechanism. The Whistle Blower Policy has been updated in the Company's website.

Note 2: Clause 49 (III)-AUDIT COMMITTEE
Clause 49 (IIIA)
Qualified & Independent Audit Committee

The following are the members of the Audit Committee:

- | | |
|----------------------------|-----------|
| 1. Mr. K. Prabhakar Reddy | Chairman* |
| 2. Mr. S. Ram Reddy | Member * |
| 3. Mr. K. Saraswathi Kumar | Member* |

* Independent Non-Executive Directors

Clause 49 (IIIB)
Meeting of Audit Committee

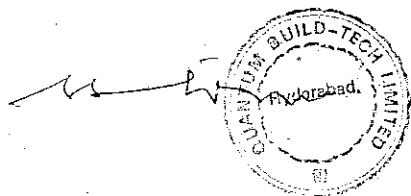
The Audit Committee met as and when required and all the members were present at the meeting and it is ensured that at least four meetings are held in a year with not more than four months gap between two meetings.

Clause 49 (IIIC) (IIID) (IIIE)
Powers, Role of and Review of Information by Audit Committee

The power, role of and review of information by the Audit Committee are as per the Listing Agreement and the Companies Act, 2013.

Note 3: Clause 49 (IV)-NOMINATION AND REMUNERATION COMMITTEE

The Committee constituted by the Company is responsible for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.





The following are the members of the Remuneration Committee:

1. Mr. Kanduri Sarswathi Kumar - Chairman*
2. Mr. Ram Reddy Sripathi - Member*
3. Mr K. Prabhakar Reddy - Member*

* Independent and Non-Executive Directors

INVESTORS GRIEVANCE COMMITTEE

The following are the members of Investor Grievance Committee:

1. Mr. Sripathi Ram Reddy - Chairman
2. Mrs. Kodali Vijaya Rani - Member
3. Mr. Kanduri Sarswathi Kumar - Member

Note 4: Clause 49 (V)-SUBSIDIARY COMPANIES

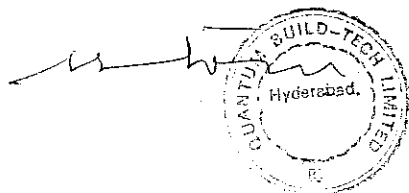
- a. At least one independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of material non listed Indian subsidiary companies. – N.A.
- b. The Audit Committee of the listed holding company shall also review the financial statements, in particular, the investments made by the unlisted subsidiary companies. – N.A.
- c. The Minutes of the Board Meetings of the unlisted subsidiary companies shall be placed at the Board meeting of the listed holding company. The management should periodically bring to the attention of the Board of Directors of the listed holding company, a statement of all significant transactions and arrangements entered into by the unlisted subsidiary Companies. – N.A.

Note 5: Clause 49 (VI)-RISK MANAGEMENT

The Company has laid down procedures to inform Board Members about the risk assessment and minimization procedures and the Board is responsible for framing, implementing and monitoring the risk management plan for the company.

Note 6: Clause 49 (VII)-RELATED PARTY TRANSACTIONS

The basis of related party transactions are reviewed and approved by the Audit Committee and none of the transactions are in potential conflict with the interests of the Company. The Company has also adopted a policy on Related Party Transactions and the same is made available in the Annual Report- 2014-15 and website of the Company.





Note 7: Clause 49 (VIII)-DISCLOSURES

Clause 49 (VIII A)-

Related Party Transactions

The basis of related party transactions are reviewed and approved by the Audit Committee and none of the transactions are in potential conflict with the interests of the Company. The details of Related Party Transactions entered into by the Company during the quarter are as under:

A) Related parties and their relationship

I. Associate Concerns

1. M/s.Vijaya Madhavi Investments Private Limited

B) Transactions with related parties during the quarter ended 30th September, 2015

| Nature of Transactions | Amount of Transactions from 01.07.2015-30.09.2015 (In Rs.) |
|---|--|
| (a) Transactions during the Quarter | |
| . M/s.Vijaya Madhavi Investments Private Limited | NIL |
| (b) Balance outstanding as at the end of Quarter | NIL |

Clause 49 (VIII B)-

Disclosure of Accounting Treatment

The Company follows Accounting Standards notified under the Companies Act, 2013 in the preparation of financial statements. The Company has not adopted a treatment different from that prescribed in an Accounting Standards.

Clause 49 (VIII C)-

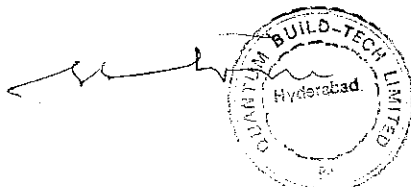
Remuneration of Directors

The details of the remuneration paid to the Managing Director and Director- Technical are compiled in the Annual Report - 2014-15.

Clause 49 (VIII D)-

Management

The Management Discussion and Analysis Report is compiled in the Annual Report- 2014-15.





Clause 49 (VIII E)-

Shareholders

1. Quarterly results are being sent to the stock exchange on timely basis.
2. There are no pending investor grievances.
3. The share transfers work has been delegated to the Registrars which are attended once in a fortnight.
4. There was no appointment or cessation of directors during the quarter. Further, the shareholders in their 17th Annual General Meeting have re-appointed the rotational director Smt. Kodali Vijaya Rani, as the director of the Company, liable to retire by rotation.

Clause 49 (VIII F)-

Proceeds from public issues, rights issue, preferential issues etc.

There was no public, rights or preferential issue proceeds outstanding and hence the compliance of the sub clause does not arise.

Note 8: Clause 49 (IX) -CEO/CFO CERTIFICATION

The CEO/CFO certification is included in the Annual Report- 2014-15.

Note 9: Clause 49 (X)- REPORT ON CORPORATE GOVERNANCE

The corporate governance report is compiled in the Annual Report- 2014-15.

Note 10: Clause 49 (XI)- COMPLIANCE

Certificate from the Practicing Company Secretary for compliance with Clause 49 is compiled in the Annual Report.

Yours truly,

For Quantum Build-Tech Limited


(Guduru Satyanarayana)
Managing Director
DIN: 02051710

