



QUANTUM BUILD-TECH LIMITED

Registered Office : 8-1-405/A/66, Dreamvalley, Near O.U.Colony, Shaikpet, Hyderabad - 500 008. GSTIN : 36AAACQ0601L1ZP
Ph: 040-23568766, 23568990, Website: www.quantumbuild.com, E-mail: info@quantumbuild.com, CIN: L72200TG1998PLC030071

Date: 04.12.2021

To
The Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street, Fort,
Mumbai-400 001, Maharashtra

Re: Notice of 23rd Annual General Meeting (AGM) of the Company along with Annual Report for the Financial Year 2020-21.

Ref: QUANTBUILD | Scrip Code: 538596 | INE222B01028

Dear Sir,

Pursuant to the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, please find enclosed herewith copy of Annual Report of the Company for the Financial Year 2020-21 along with the Notice convening the Twenty Third (23rd) Annual General Meeting (AGM) of the members of Company scheduled to be held on Thursday, 30th December, 2021 at 12.00 Noon, through Video Conferencing (VC) / other Audio Visual Means (OAVM) facility.

The Annual Report including Notice is also available on the website of the Company and can be accessed at (<http://www.quantumbuild.com/images/pdf/annual-report-23rd-agm-2020-21.pdf>)

This is for your information and records in compliance with the listing Regulations.

Thanking You

Yours Faithfully,
For Quantum Build-Tech Limited

Suman
Gupta

Digitally signed
by Suman Gupta
Date: 2021.12.04
12:03:51 +05'30'

CS Suman Gupta
Company Secretary & Compliance Officer
Encl: Annual Report_2020-21



QUANTUM BUILD-TECH LIMITED

**23rd Annual Report
2020 – 2021**

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BOARD OF DIRECTORS:

Mr. Guduru Satyanarayana
Smt. Kodali Vijaya Rani
Mr. Kyatham Prabhakar Reddy
Mr. Sripathi Ram Reddy
Mr. Kanduri Saraswathi Kumar
Smt. Yelledi Padmavathi

- Managing Director
- Promoter Director
- Non-Executive Independent Director
- Non-Executive Independent Director
- Non-Executive Independent Director
- Non-Executive Non Independent

REGISTERED OFFICE

8-1-405/A/66, Dream Valley, Shaikpet,
Hyderabad – 500008
Phone No. 040–23568766, 23568990
E-mail: info@quantumbuild.com
Website: www.quantumbuild.com

STATUTORY AUDITORS:

M/s SURYANARAYANA & SURESH
Chartered Accountants
Flat No. C2, Millenium House, Road No. 10,
Near Zaheer Nagar X Road, Banjara Hills,
Hyderabad – 500034
Phone No. 040-23386783, 23386784

BANKERS TO THE COMPANY

Karur Vysya Bank Limited
Manikonda Branch, Hyderabad

SHARE TRANSFER AGENTS

Venture Capital & Corporate
Investments Private Limited
12-10-167, Bharat Nagar Colony,
Hyderabad - 500018
Phone : 040-23818475, Fax : 040-23568024
E-mail : investor.relations@vccipl.com

COMPLIANCE OFFICER & COMPANY SECRETARY

Ms. Suman Gupta (w.e.f. 15-07-2020)
E-mail : cs@quantumbuild.com



NOTICE

NOTICE IS HEREBY GIVEN THAT THE 23rd (TWENTY THIRD) ANNUAL GENERAL MEETING OF THE MEMBERS OF QUANTUM BUILD-TECH LIMITED WILL BE HELD ON THURSDAY THE 30TH DAY OF DECEMBER, 2021 AT 12.00 NOON, THROUGH VIDEO CONFERENCING (“VC”) / OTHER AUDIO VISUAL MEANS (“OAVM”), TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2021, together with the Reports of the Board of Directors' and Auditor's thereon;
2. To re-appoint Mrs. Padmavathi Yelledi (DIN: 01721333) who retires by rotation and being eligible offers herself for re-appointment.

SPECIAL BUSINESS:

3. Reclassification of Promoter(s) / Promoter group person of the Company as Public Shareholders

To consider and approve reclassification of Promoter(s) / Promoter group person of the Company and in this regard to consider and fit to pass, with or without modification(s), the following resolution as Ordinary Resolution.

“RESOLVED THAT pursuant to provisions of Regulation 31A of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (Including any amendments made thereto) (hereinafter referred to as “Listing Regulations”) or any other applicable provisions of Listing Regulations and other applicable laws as may be applicable from time to time and subject to the approval of BSE Limited, Securities & Exchange Board of India (SEBI) / other statutory authorities as may be required, the approval of Members of the Company be and is hereby accorded for reclassification of the following Promoter / Promoter Group members (hereinafter called the Applicant) from Promoter(s) / Promoter Group category to Public Category:

| S. No. | Name of Promoter(s) / Promoter Group member(s) | Existing category (Promoter(s) / Promoter Group) | Number of shares held | % of total shareholding |
|--------|--|--|-----------------------|-------------------------|
| 1. | Ms. Punukollu Rachana | Promoter Group (Person Acting in Concert) | 50,000 | 0.20 % |

“RESOLVED FURTHER THAT it is hereby confirmed that

- i. the aforesaid person do not hold more than 10% of the Paid-up Capital of the Company.
- ii. the shareholding of the aforesaid Promoter(s) / Promoter Group person is only upto 0.20% of the equity share capital of the Company.
- iii. the aforesaid person has not and will not exercise direct or indirect control over the Company.
- iv. No director of the above said person has been or would be appointed as key managerial personnel of the Company.
- v. No special right were even held and would not be ever held by the above reclassified above said person.

“RESOLVED FURTHER THAT the Board of Directors of the Company and the Officers of the Company be and are hereby severally authorized to perform and execute all such acts, deeds and matters and things including but not limited to making intimations, filings to BSE Limited or any other authorities as may be applicable and to execute all other documents required to be filed in this connection and to settle all such questions, difficulties or doubts whatsoever which may arise and to amend such details / documents and to represent before such authorities as may be required and to take all such steps and decisions in this regard to give full effect to the aforesaid resolution without requiring the Board to secure any further consent or approval of the members of the Company”.

By Order of the Board

Date : 23.11.2021

Regd. off. : 8-1-405/A/66, Dream Valley,
Near O.U Colony, Shaikpet, Hyderabad -500008, TG

Guduru Satyanarayana
Managing Director
DIN: 02051710

NOTES:

- As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. Annual General Meeting (AGM) will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC / OAVM.
- Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
- The Members can join the AGM in the VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- The attendance of the Members attending the AGM through VC / OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.



- Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC / OAVM and cast their votes through e-voting.
- In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.quantumbuild.com. The Notice can also be accessed from the website of the Stock Exchange at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL at www.evotingindia.com.
- The AGM has been convened through VC / OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
- Members are hereby requested to register their E-mail addresses with their Depository Participant or with **Venture Capital & Corporate Investments Private Limited, 12-10-167, Bharat Nagar Colony, Hyderabad– 500018 (Telangana) Registrar and Share Transfer Agent (RTA)** of the Company, for sending various Notices, Dividend intimation and other documents through Electronic Mode. Those members who have changed their E-mail addresses are requested to register their E-mail ID / New Addresses with RTA, in case the shares are held in physical form and with the Depository Participants where shares are held in Demat mode.
- In continuation of this Ministry's **General Circular No. 20/2020**, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in virtual mode in accordance with the directives provided in paragraphs 3 and 4 of the General Circular No. 20/2020 and MCA circular no. 02/2021 dated January 13, 2021.
- The company has made an application vide SRN T35486646 on 13-08-2021 requesting for an extension of time for the purpose of holding AGM and that the extension for three months ending on 31.12.2021 was approved by the Registrar of Companies, Telangana on 24.08.2021.
- Your attention is invited on the Companies (Significant Beneficial Ownership) Amendment Rules, 2019 issued by the Ministry of Corporate Affairs on 8th February, 2019. A person is considered as a Significant Beneficial Owner (SBO) if he / she, whether acting alone, together or through one or more individuals or trust holds a beneficial interest of at least 10% or more. The beneficial interest could be in the form of a Company's shares or the right to exercise significant influence or control over the Company. If any members holding shares in the Company on behalf of other or fulfilling the criteria, is required to give a declaration specifying the nature of his / her interest and other essential particulars in the prescribed manner and within the permitted time frame.
- All the relevant documents referred to in the accompanying Notice are available for inspection at the Registered Office of the Company on all working days (From Monday to Friday) during the business hours up to the date of AGM.

- The Register of Members and Share Transfer Books of the Company will remain closed from **Friday 24th December, 2021 to Thursday 30th December, 2021** (both days inclusive) for the purpose of Annual General Meeting.
- The Notice and Annual Reports will be despatched to members as on 26th November, 2021.
- CS Ajay S. Shrivastava, Practicing Company Secretary has been appointed as “Scrutinizer” for the Business mentioned to be conducted by e-voting.
- The Results of the e-voting will be declared by Director by **01st January, 2022**, by 05:00 P.M. at the Registered Office of the Company at Hyderabad and shall be hosted on the website of the Company, www.quantumbuild.com and on website of the Stock Exchange, www.bseindia.com.
- The Explanatory Statement under Section 102(1) of the Companies Act, 2013 in respect of Item No. 3 is annexed herewith.
- Since the AGM will be held through VC, the Route Map is not annexed in this Notice.
- The details pertaining to Director(s) liable to retire by rotation and Director(s) proposed to be appointed / re-appointed as required to be provided pursuant to the Listing Agreement with the Stock Exchange are as follows:
- **PROFILE OF THE DIRECTOR RETIRING BY ROTATION AND THOSE FOR REAPPOINTMENT:**

Mrs. Padmavathi Yelledi :

Mrs. Padmavathi Yelledi is aged above 41 years and resident of Hyderabad. She is Graduate and hails from the business family. She is having 10 years of experience in administration. She is capable of handling the administration works independently.

A. THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM / EGM AND JOINING MEETING THROUGH VC / OAVM ARE AS UNDER:

- (i) The e-voting period begins on **27th December, 2021 at 9.00 AM and ends on 29th December, 2021 at 5.00 PM**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the **Cut-off date i.e. 24th December, 2021** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of



all shareholders' resolutions. However, it has been observed that the participation by the public non institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 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.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual Meetings for Individual shareholders holding securities in Demat mode is given below:

| Type of shareholders | Login Method |
|---|---|
| Individual Shareholders holding securities in Demat mode with CDSL | <ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing 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 visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL / NSDL / KARVY / LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi / Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. |

| Type of shareholders | Login Method |
|--|--|
| | <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com / Evoting / EvotingLogin. 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 able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p> |
| <p>Individual Shareholders holding securities in demat mode with NSDL</p> | <p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting 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 name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2) If the user is 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.jsp.</p> <p>3) 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. 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> |



| | |
|--|---|
| <p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p> | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL / CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> |
|--|---|

Important Note: Members who are unable to retrieve User ID / Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

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

| Login Type | Helpdesk details |
|---|---|
| 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 and 022-23058542/43. |
| 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. |

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form**

1. The shareholders should log on to the e-voting website www.evotingindia.com.
2. Click on "Shareholders" module.
3. Now enter your User ID
 For CDSL: 16 digits beneficiary ID,
 For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
6. If you are a first time user follow the steps given below:

| | For Physical shareholders and other than individual shareholders holding shares in Demat |
|--|---|
| PAN | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number sent by Company / RTA or contact Company / RTA. |
| Dividend Bank Details OR Date of Birth (DOB) | 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. • 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 (v). |

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant **Quantum Build-Tech Limited** on which you choose to vote.
- (x) 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.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) **Additional Facility for Non – Individual Shareholders and Custodians - for remote e-voting only**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - 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.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; info@quantumbuild.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM / EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM / EGM is same as the instructions mentioned above for e-voting.
2. The link for VC / OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM / EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views / ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **Seven(7) days prior to meeting** mentioning their name, demat account number / folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **Three(3) days prior to meeting** mentioning their name, demat account number / folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views /ask questions during the meeting.
9. Only those shareholders, who are present in the AGM / EGM through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM / AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM / AGM and if the same shareholders have not participated in the meeting through VC / OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL / MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES:

1. For Physical shareholders- please provide necessary details like 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 **Company / RTA email id**.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

Explanatory Statement

(pursuant to Section 102(1) of the Companies Act, 2013)

The following Statement sets out material facts relating to the Business mentioned in the Notice for:

Item No: 3

The Company had received the request letter cum undertaking from the following person on 15.11.2021 falling under the category of Promoter(s) / Promoter Group person of the Company requesting to be reclassified from the Category of “Promoter(s) / Promoter Group” to “Public Category”. Further the Company has intimated to BSE Ltd regarding receipt of cited request on 15.11.2021.

| Name of the Person acting in concert | No. of shares held | Percentage % of holding |
|---|---------------------------|--------------------------------|
| Ms. Pudukollu Rachana | 50,000 | 0.20% |

Pursuant to Regulation 31A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”) along with amendments thereto and based on the letter received from above promoter person, the matter was discussed by the Board of Directors at their meeting held on 23rd November, 2021 and places the resolution as stated at Item No. 3 to get the above Promoter(s) / Promoter group person reclassified from the “Promoter Category” to “Public Category”, subject to the approval of the Members of the Company at the general meeting by Ordinary Resolution and once approved by the Members, the same shall be subject to the approval of the BSE Limited and / or such other authorities as may be required.

After analysis, the view of the Board are as follows:

As for the application of the said Regulation to the Company, w.r.t the below:



the Company is :

- (i) compliant with the requirement for minimum public shareholding as required under regulation 38 of these regulations; -
- (ii) does not have trading in its shares suspended by the stock exchanges; -
- (iii) not have any outstanding dues to the Board, the stock exchanges or the depositories-

In accordance with the applicable provisions, the analysis placed before the Board for consideration is:

1. That Ms. Punukollu Rachana is a relative (Daughter) of the erstwhile Promoter Mr. P. Kodanda Rambabu who was a Promoter due to the Takeover Offer and that he has sold his 10,85,114 Equity shares to the another Promoter Mrs. K. Vijaya Rani on 18.06.2020 in an Inter-se transfer of shares amongst Promoters.
2. That Ms. Punukollu Rachana holds 50,000 shares comprising of 0.20% of the total Paid up and Listed Equity Share Capital of the Company.
3. That Ms. Punukollu Rachana:
 - i. Does not hold more than ten percent of the total voting rights in the listed entity;
 - ii. Does not exercise control over the affairs of the listed entity directly or indirectly;
 - iii. Does not have any special rights with respect to the listed entity through formal or informal arrangements including through any shareholder agreements;
 - iv. Does not represent nor any of her relatives represent on the board of directors (including not having a nominee director) of the listed entity;
 - v. Does not act as a key managerial person in the listed entity;
 - vi. Is not declared as a 'wilful defaulter' as per the Reserve Bank of India Guidelines;
 - vii. Is not declared to be a fugitive economic offender.

Accordingly, Ms. Punukollu Rachana, satisfies the requirements of Clause b of Regulation 31A(3) and accordingly is eligible to be considered for the re-classification as requested by her and the Board considered to place the enabling resolution before the members in the ensuing Annual General Meeting.

Except as mentioned above, none of the Directors / Key Managerial Personnel of the Company / their relatives are in any way, concerned or interested, financially or otherwise is/are concerned or interested in the resolution. The Board therefore commends the Resolution no. 3 for approval of the members as Ordinary Resolution.

BOARD'S REPORT

(For the Financial Year Ended 31-03-2021)

To,
The Members
Quantum Build-Tech Limited,
Hyderabad.

1. INTRODUCTION :

Your Board of Directors ('Board') have pleasure in presenting their Twenty Third (23rd) Annual Report on the business and operations of the Company and the Audited Financial Statements and developments for the financial year ended on 31st March, 2021.

2. FINANCIAL SUMMARY :

During the year under review, financial performance of your company is as under:

(Amount In Lakhs)

| Particulars | Year ended on 31.03.2021 | Year ended on 31.03.2020 |
|--|-----------------------------|-----------------------------|
| Revenue from operations | - | 12.81 |
| Other Income | - | 4.22 |
| Total Income | - | 17.03 |
| Less: Total Expenses | 53.27 | (74.84) |
| Profit / (Loss) before Taxation / Exceptional Item | (53.27) | (57.81) |
| Less: Exceptional Item | 19.82 | (1228.81) |
| Profit / (Loss) after tax / after Exceptional Item | (33.45) | (1286.61) |
| Profit / (Loss) C/F to the Next Year | (33.45) | (1286.61) |

3. BRIEF DESCRIPTION THE STATE OF COMPANYS AFFAIRS/ PERFORMANCE:

The Company has not undertaken any construction activity during the Financial Year under review and has incurred loss of Rs.(33.45) Lakhs as against loss of Rs. (1286.61) Lakhs in previous financial year 2019-20.

The real estate sector has become more efficient to operate in India due to implementation of Real Estate (Regulation and Development) Act, 2016, hence more opportunities in Real Estate Business for orderly growth are slated to arise in future. The Company is currently under negotiations for a land parcel for future project if the same can be undertaken and the same will be informed to the Members in due course. Your Directors are optimistic about Company's better performance with increased revenue in next year.

4. CHANGE IN NATURE OF BUSINESS:

During the year under review, there was no change in the nature of the business of the Company.

**5. DIVIDEND:**

Due to losses, the Directors of the Company have not recommended any dividend for the current financial year.

6. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

The provisions of Section 125(2) of the Companies Act, 2013 are not applicable as the Company has not declared and paid any dividend in previous years.

7. TRANSFER TO RESERVES:

For the FY 2020-21, the Company has transferred Rs. (33.45) Lakhs as loss, therefore as at 31st March 2021, the accumulated loss stands at Rs. (2,088.33) Lakhs.

8. SHARE CAPITAL:

The Share capital of your Company is Rs. 25,06,56,300/- divided into 2,50,65,630 Equity Shares of Rs. 10/- each with Voting Rights as at 31.03.2021.

a. Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees:

The Company has not made any provision of money for purchase of its own shares by employees or by trustees for the benefit of employees as per Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.

b. Issue of Sweat Equity Shares:

The Company has not issued any sweat equity share during the financial year in accordance with the provisions of Section 54 of Companies Act, 2013 read with Rule 8 of the Companies (Share Capital and Debentures) Rules, 2014.

c. Issue of Equity Shares with Differential Voting Rights:

The Company has not issued any equity shares with differential voting rights during the financial year as per Rule 4(4) of Companies (Share Capital and Debentures) Rules, 2014.

d. Issue of Employee Stock Option:

The Company has not issued any employee stock option during the financial year as per Rule 12 of Companies (Share Capital and Debentures) Rules, 2014.

9. PUBLIC DEPOSITS:

There were no outstanding deposits within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 at the end of the financial year. Your Company has not accepted any such deposits during the financial year 2020-21.

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Your Board consists of Six Directors including Three Independent (Non- Executive Directors). The declaration from all the Independent Directors are being obtained both at the time of appointment and at the First Board meeting of each Financial Year.

In accordance with the provisions of the Companies Act, 2013 and in terms of the Memorandum and Articles of Association of the Company, Mrs. PadmavathiYelledi (DIN: 01721333) is liable to retire by rotation at the 23rd Annual General Meeting and being eligible has offered herself for re-appointment. Her re-appointment is being placed for your approval at the Annual General Meeting. Your Directors recommend her re-appointment as the Non-Executive Woman Director of your Company.

In this regard, Mrs. PadmavathiYelledi (DIN: 01721333), was appointed as Additional Director on 23rd April, 2019 and regularized as Director of the Company at the 21st AGM held on 28th September, 2019, and this is third year since appointment as Director in the Company will set about at the ensuing 23rd AGM and accordingly she shall be liable to retire by rotation at the ensuing Annual General Meeting.

During the year under review, following are changes in the constitution of Board and KMP.

- Shri KyathamPrabhakar Reddy (DIN: 00966105) re-appointed as an Independent Director for the second term for five (5) consecutive years with effect from 03rd November, 2020.
- Shri. Ram Reddy Sripathi (DIN: 06390971) re-appointed as an Independent Director for the second term for five (5) consecutive years with effect from 03rd November, 2020.
- The Board has appointed Ms. Suman Gupta, an Associate Member of the Institute of Companies Secretaries of India, as Company Secretary and Compliance Officer, on 15th July, 2020.

Board Meetings:

During the year under review, the Board of Directors met **Eight (8)** times and the dates of the Board Meetings are:

| Sr. No. | Date of Board Meeting |
|---------|-----------------------|
| 1. | 15-04-2020 |
| 2. | 04-05-2020 |
| 3. | 10-06-2020 |
| 4. | 15-07-2020 |
| 5. | 01-09-2020 |
| 6. | 14-09-2020 |
| 7. | 03-11-2020 |
| 8. | 11-02-2021 |

The details of the Meetings of Board are covered in the Corporate Governance Report.

A. Key Managerial Personnel (KMPs):

In compliance with the requirements of Section 203 of the Companies Act, 2013, following are the Key Managerial Personnel of the Company:

- | | | |
|---------------------------------|---|--|
| 1. Mr. Guduru Satyanarayana | - | Managing Director |
| 2. Mr. Manne Rama Koteswara Rao | - | Chief Financial Officer |
| 3. CS. Suman Gupta | - | Company Secretary and Compliance Officer (w.e.f 15.07.2020) |

B. Declaration by Independent Directors:

In accordance with Sub-section (7) of Section 149 of the Companies Act, 2013 (hereinafter called as "The Act"), the Independent Directors on your Board have given a Declaration that they meet the criteria of Independence as provided in sub section (6) of Section 149 of the Act. There has been no change in terms and conditions of appointment of Independent Directors; the Policy relating to their appointment is available on the website of the Company www.quantumbuild.com.

During the year under review, the separate meeting of Independent Directors of the Company without the presence of non-independent directors and members of the management and all the independent directors were present in the meeting held on 11th February, 2021 in Compliance with the Regulation 25 of SEBI (LODR) Regulation 2015 in which the following matters were considered:

- i. Review of the performance of all the non-independent directors and the Board as a whole.
- ii. Review of the performance of the Chairman of the Company, taking into accounts the views of Executive Directors and Non-Executive Directors; and
- iii. Assessment of the quality, quantity, and timeliness of flow of information among the Company, management, and the Board, which is necessary for the Board to perform their duties effectively and reasonably.

C. Board Evaluation:

The Board of Directors has carried out an Annual Evaluation of its own performance and has devised a Policy on Evaluation of performance of Board of Directors, Committees and Individual Directors, pursuant to the provisions of the Act, the Corporate Governance requirements and as prescribed by Regulation 25 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Extract of the Policy on Evaluation of Performance of the Board, its Committees and individual Directors, is available on the website of the Company www.quantumbuild.com.

11. ANNUAL RETURN:

The extracts of the Annual Return pursuant to the provisions of Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 in Form No. MGT-9 is available on the website of the Company www.quantumbuild.com, and the web link for the same is www.quantumbuild.com/investors.php.

12. DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Act, your directors, to the best of their knowledge and ability, confirm that:

- a) In the preparation of the annual accounts for the Financial Year ended 31st March 2021, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2021 and of the loss of the Company for that period;

- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The directors had prepared the annual accounts on a going concern basis;
- e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;
- f) The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

13. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Company has Internal Financial Controls which are adequate and were operating effectively. The controls are adequate for ensuring the orderly and efficient conduct of the business, including adherence to the Company's policies, the safeguarding of assets, the prevention and detection of frauds and errors, the accuracy and completeness of accounting records and timely preparation of reliable financial information. The details in respect of Internal Financial Controls are included in the Management Discussion and Analysis Report, which forms part of the Annual Report.

14. AUDIT OF ACCOUNTS AND STATUTORY AUDITORS:

As per the provisions of Section 139 of the Companies Act, 2013 M/s. Suryanarayana & Suresh, Chartered Accountants (Firm Registration No. 006631S), were appointed as Statutory Auditors of the Company by the members /shareholders in the Annual General Meeting held on 28 September 2017, for issuing the Audit report on the Financial position of the Company.

M/s. Suryanarayana & Suresh, Chartered Accountants (Firm Registration No 006631S), Statutory Auditors of the Company issued Auditors Report for the financial year ended 31st March, 2021 which is with unmodified opinion (unqualified). The observations made by the Statutory Auditors in their report for the financial year ended 31st March, 2021 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3)(f) of the Companies Act, 2013.

The auditors' report does not contain any qualifications, reservations, or adverse remarks.

15. SECRETARIAL AUDIT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed CS. Ajay Suman Shrivastava, Practicing Company Secretary, Hyderabad, to conduct the Secretarial Audit of the Company for the financial year 2020-21. The Report contains details of delay in compliance of SEBI (LODR) 2015, and penalties imposed by BSE Ltd during the year. The same are factual details and do not require any comments from the Directors.

The Secretarial Audit Report issued by the Secretarial Auditor for the financial year 2020-21 in Form MR-3 as **Annexure-I** forms a part of this Report.

**16. DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL:**

No orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

17. STATUS OF LITIGATIONS FILED:

The Members are informed that Mrs. Kodali Vijayarani, Promoter Director has filed a Petition under Section 241 with National Company Law Tribunal at Hyderabad (NCLT) against 7 shareholders vide Petition No.240/241/HDB/2020 dt 24.06.2020, matter taken up for hearing on 07.09.2020 and after further hearings, NCLT has given an Interim Order on the said Petition on 14.10.2020 directing restrained from sale / pledge or mortgage of 1,24,50,000 shares held by 7 shareholders and from then onwards matter is being adjourned and is posted for hearing on 09.12.2021.

Company has filed a Petition under Section 213 vide Petition no. 354/213/2020 before the NCLT against Necx Pvt Ltd and its Shareholders and the matter taken up for hearing on 27th October, 2020 and from then onwards matter is being adjourned for and on various dates and pleadings are completed and further adjourned for hearing on 09.12.2021.

Company has received a Petition notice from the advocate through mail on 30th March, 2021 along with annexures filed by Y. Srinivasa Rao & 5 Others, against Quantum Build-Tech Ltd & 5 Directors before the NCLT under Section 241, vide Petition no. 28/2021 the same was listed for admission by NCLT on 23rd April, 2021. On 03.06.2021 counsel directed the Respondents 1(Quantum Build-Tech Ltd) & 2 (G. Satyanarayana) to file affidavits in Reply / Counter within two weeks by giving a copy to the other side, and further directed the Petitioner to serve notice on other Respondents and file affidavits of service within two weeks. Respondents 1 & 2 filed Vakalats in the matter and that the next hearing is scheduled on 09.12.2021.

18. PARTICULARS OF EMPLOYEES:

There are no employees drawing remuneration as prescribed under Section 197 of the Companies Act, 2013. Hence details are NIL.

19. THE SEXUAL HARASSMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has placed an Anti-Sexual Harassment policy in line with the requirement of the Sexual harassment of Woman at Workplace (Prevention, prohibition and redressal) Act, 2013. There have been NIL complaints of such nature during the period under review.

20. RISK MANAGEMENT:

The Company has well-defined risk management framework in place. The risk management works at various levels of the Company. The Company has robust organizational structure for managing and reporting on risks.

Your Company has developed and implemented a Risk Management Policy which is approved by the Board. The Audit Committee has additional oversight in financial risks and controls.

In the opinion of the Board, following are risks involved in the industry:

- a. High Interest rate.
- b. Fluctuation in prices of building materials.
- c. Competitive Risk due to entry of many players in local market.
- d. Operational Risk of market saturation.
- e. Stringent regulatory framework.
- f. Slow Disbursement of approvals.

21. ESTABLISHMENT OF VIGIL MECHANISM:

The Vigil Mechanism as envisaged in the Companies Act, 2013, the Rules prescribed thereunder and the Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is implemented through the Company's Whistle Blower Policy to enable the Directors, employees and all stakeholders of the Company to report genuine concerns, to provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairman of the Audit Committee.

Whistle Blower Policy of your Company is available on the website of the Company www.quantumbuild.com

22. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The Company in its ordinary course of business has entered Contract / Arrangement and paid rent of premises amounting to Rs. 1,14,000/- (Rupees One Lakhs Fourteen Thousand only) to the Director during the financial year 2020-21. The transaction is on Arm's Length basis. In pursuant to Sec. 188(1) of the Companies Act, 2013, Form AOC-2 is annexed herewith as Annexure III.

23. PARTICULARS OF LOANS, GUARANTEES, INVESTMENT AND SECURITIES:

The Company has not given any loan to any person or other body corporate or given any guarantee or provided security in connection with a loan to any other body corporate or person or acquired by way of subscription, purchase or otherwise, the securities of any other body corporate during the financial year under review.

24. CORPORATE SOCIAL RESPONSIBILITY (CSR):

During the financial year under review, the Company's performance does not attract the provisions set out under Section 135 of the Companies Act, 2013 read with rules made thereunder. Hence, the compliances to the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, are not applicable.

25. CORPORATE GOVERNANCE:

Corporate Governance encompasses a set of systems and practices to ensure that the Company's affairs are being managed in a manner which ensures accountability, transparency and fairness in all transactions in the widest sense. The objective is to meet stakeholders' aspirations and societal expectations. Good governance practices stem from the dynamic culture and positive mindset of the Company.



The Company has adopted a Code of Conduct for its employees including the Managing Director and the Executive Directors. The said Code of Conduct is available on Company’s Website: www.quantumbuild.com

A report on Corporate Governance covering amongst other details of Meetings of the Board and Committees along with a Certificate for compliance with the Corporate Governance requirements of Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of Regulation 46(2) of SEBI (LODR) Regulations, 2015, as applicable, with regard to Corporate Governance, issued by CS. Ajay Suman Shrivastava, Practicing Company Secretary, forms part of the Annual Report.

26. NOMINATION AND REMUNERATION COMMITTEE:

The Company has constituted Nomination and Remuneration Committee of Directors in accordance with the requirements of Section 178 of the Companies Act, 2013 read with Regulation 19 SEBI (LODR) Regulations, 2015.

The Nomination and Remuneration Committee constituted by Company is responsible for looking into the remuneration payable to the Whole-Time Directors and other key Employees of the Company. The Committee also frames and approves the Remuneration Policy for employees other than Whole-Time Directors of the Company. The committee has recommended the appointment of Managing Director, Whole time Director and the Independent Directors.

27. SUBSIDIARY, HOLDING, ASSOCIATE COMPANIES AND JOINT VENTURES:

The Company does not have any Subsidiary, Holding, Joint Venture or Associate Company as on date.

28. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate, till the date of this report.

29. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules 2014 are as follows:

| | | |
|----|---|---|
| 1. | The steps taken or impact on conservation of energy. | Your Company requires minimal energy consumption and every endeavor is made to ensure optimal use of energy, avoid wastages and conserve energy as far as possible. |
| 2. | The steps taken by the company for utilizing alternate sources of energy. | |
| 3. | The capital investment on energy conservation equipments. | |

TECHNOLOGY ABSORPTION:

| | | |
|----|--|---|
| 1. | The efforts made towards technology absorption. | Since the Company is not engaged in any manufacturing, the information in connection with technology absorption is NIL. |
| 2. | The benefits derived like product improvement, cost reduction, product development or import substitution. | |
| 3. | In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-- the details of technology imported the year of import;- whether the technology been fully absorbed:- if not fully absorbed, areas where absorption has not taken place, and the reasons thereof. | |
| 4. | The expenditure incurred on Research and Development. | NIL |

FOREIGN EXCHANGE EARNINGS AND OUTGO :

Particulars of foreign currency earnings and outgo during the financial year are **NIL**.

30. LISTING:

The shares of your Company are listed at Bombay Stock Exchange (BSE Ltd). The Company has duly complied with all the requirements of concerned Stock Exchange in accordance with applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. There have been some instances of delay in compliance as reported elsewhere in the Annual Report.

31. ACKNOWLEDGEMENTS:

Your Directors wish to place on record their appreciation and sincere thanks to all government agencies, banks, shareholders, vendors and other related organizations, who through their continued support and co-operation, have helped, as partners, in your Company's progress. Your Directors also acknowledge the hard work, dedication and commitment of the employees.

For and on behalf of the Board

Date: 12.11.2021
Place: Hyderabad

Guduru Satyanarayana
Managing Director
DIN: 02051710

Kodali Vijaya Rani
Director
DIN: 00102286

| Annexure | Contents |
|----------|---|
| I | Secretarial Audit Report - Form MR - 3 |
| II | Annual Secretarial Compliance Report |
| III | Particulars of Contract with related parties - Form AOC - 2 |



Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
QUANTUM BUILD-TECH LIMITED
8-1-405/A/66, Dream Valley,
Near O.U.Colony, Shaikpet,
Hyderabad - 500 008, Telangana.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **QUANTUM BUILD-TECH LIMITED (CIN: L72200TG1998PLC030071)** (herein called the QBL / Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit for the period, both physical and remotely, I hereby report that in my opinion, the Company, **Quantum Build-Tech Limited**, during the audit period covering the financial year ended on 31st March, 2021, has complied with the statutory provisions listed hereunder, except specifically stated and also that the Company has proper Board processes and compliance-mechanisms in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; as applicable during the period under review
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended; *Not applicable to the Company during the period under review as no further issue has been made.*
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; *Not applicable to the Company for the period under review.*

- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; *Not applicable to the Company for the period under review.*
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with its members;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; *Not applicable to the Company for the period under review and*
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; *Not applicable to the Company for the period under review*
- i) SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended,
- j) Other regulations and circulars/guidelines issued thereunder; (as applicable)

I have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, as amended.

During the Audit period under review and as per the clarification, representations provided by the Management in writing and oral in the Secretarial Audit checklist prepared by me, I confirm that the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreement, SEBI notifications and following actions were taken by the Regulators during the year under review:

- a) The following are the details of actions taken against the listed entity / its promoters / directors / material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts / Regulations and circulars / guidelines issued thereunder:

| Sr. No. | Compliance Requirement (Regulations / circulars / guidelines including specific clause) | Deviations | Observations / Remarks |
|---------|--|--------------------|---|
| 1. | Regulation 6(1) of SEBI- LODR- Letter from BSE Limited dated 28th November 2020 for the Quarter ended 30-09-2020. | Delayed compliance | Has been complied with. Representation for waiver made to BSE. Penalty imposed Rs. 16,520/- (Amount of Rs.14,000/- + GST 2,520/-), Paid on 03.12.2020 |
| 2. | Regulation 17(1) for Composition of Board of Directors – Letter from BSE Limited dated 31st October 2019 for the Quarter ended 30-09-2019. | Non - compliance | Has been complied with. Penalty imposed Rs. 17,700/- (Amount of Rs.15,000/- + GST 2,700/-), Penalty amount Paid on 01.04.2020. Further, All other penalty imposed by BSE have been waived vide mail dated 23-06-2021. |



b) The Company has taken the following actions to comply with the observations made in previous reports :

| Sr. No. | Observations of the Practicing Company Secretary in the previous reports | Observations made in the secretarial compliance report for the year ended 31.03.2020 | Actions taken by the listed entity, if any | Comments of the Practicing Company Secretary on the actions taken by the listed entity |
|---------|---|--|---|--|
| 1. | QBL had given an Undertaking to BSE Limited for the compliance in Annual General Meeting. Not found in records. | QBL has given an Undertaking to BSE Limited for the compliance in next Annual General Meeting. | The shares issued on preferential basis were duly listed and traded at BSE Limited. | Chapter V compliance resulted in listing of shares. |

I further report that, during the period under review,

i. The Company is a Respondent in a matter filed by its Promoter Director under Section 241 and 242 of the Companies Act, 2013 before the Hon'ble National Company Law Tribunal, Hyderabad Bench (NCLT). Also, the Company is a Respondent in another matter filed before the NCLT under Section 241 by several shareholders. Company has also filed another petition against several persons under Section 213 of the Companies Act, 2013 before the NCLT. All these matters are at the hearing stage.

I further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Two of the Independent Directors who had completed their term during the year and were reappointed for a further term. One of the Director has not attended any Board meeting thus stands to vacate the position in accordance with Section 167(1)(b) of the Companies Act, 2013.
- During the period under review, Ms. Suman Gupta, Company Secretary and Compliance officer was appointed wef 15.07.2020.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through while the dissenting members views are captured and recorded as part of the minutes.

I further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

I further report that, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that, the Company being in the real estate and construction business, the Company is subject to the compliance of provisions of such acts like, Housing Board Act, 1965, Transfer of Property Act, 1882, Building and other Construction Workers' (Regulation of Employment and conditions of services) Act, 1996 and prevalent Labour Laws. During the period under review, all the compliances regarding to the said acts and laws are duly complied with.

Further, this report is to be read with the letter of even date as attached in Annexure -A and forms part of this report.

Sd/-

AJAY SUMAN SHRIVASTAVA

Company Secretary in Practice

FCS No.: 3489

C.P. No.: 3479

UDIN : F003489C001391689

Date: 11.11.2021

Place: Hyderabad

'ANNEXURE - A'

To,
The Members
QUANTUM BUILD-TECH LIMITED
8-1-405/A/66 Dream Valley,
Near O.U Colony, Shaikpet,
Hyderabad- 500008, Telangana.

This letter is to be read with the report even date and forms an integral part of this Secretarial Audit report for the year ended 31st March 2021:

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 11.11.2021
Place: Hyderabad

Sd/-
AJAY SUMAN SHRIVASTAVA
Company Secretary in Practice
FCS No.: 3489
C.P. No.: 3479
UDIN : **F003489C001391689**



**SECRETARIAL COMPLIANCE REPORT OF QUANTUM BUILD-TECH LIMITED
FOR THE YEAR ENDED 31ST MARCH, 2021**

[Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.]

To,
The Members
QUANTUM BUILD-TECH LIMITED
8-1-405/A/66 Dream Valley, Near O.U. Colony,
Shaikpet,
Hyderabad-500008, Telangana

I have examined:

- a) all the documents and records made available to us and explanations provided by **Quantum Build-Tech Limited (“/ QBL / the listed entity”)**,
- b) the filings / submissions made by the listed entity to the stock exchanges,
- c) website of the listed entity,
- d) any other document / filing, as may be relevant, which has been relied upon to make this certification,

For the year ended **31st March, 2021 (“Review Period”)** in respect of compliance with the provisions of:

- a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
- b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars / guidelines issued thereunder, have been examined, include:-

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended;
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended in 2018 : Nil compliances during the period under review;
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable during the period under review;
- d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the period under review);
- e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during the period under review);
- f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the period under review);
- g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 (Not applicable to the Company during the period under review);
- h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended;
- i) other regulations and circulars / guidelines issued thereunder; (as applicable)

and based on the above examination, I hereby report that, during the Review Period:

- a) The listed entity has complied with the provisions of the above Regulations and circulars / guidelines issued thereunder, except in respect of matters specified below:-

| Sr. No. | Compliance Requirement (Regulations/ circulars /guidelines including specific clause) | Deviations | Observations/ Remarks |
|---------|--|--------------------|---|
| 1. | Regulation 6(1) of SEBI- LODR | Delayed compliance | Has been complied with. Representation for waiver made to BSE. Final penalty paid. |
| 2. | Regulation 17(1) for Composition of Board of Directors. Issues raised for two quarters of year 2019. | Non - compliance | Has been complied with. All fines imposed by BSE have been waived vide mail dated 23.06.2021. |
| 3. | SEBI Circular SEBI / HO/ MIRSD / DOP1 / CIR / P /2018 /73 dt. 20.04.2018 | Non - compliance | Warning for corrective measure issued by SEBI. Actions initiated with RTA for compliance. |

- b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars / guidelines issued thereunder insofar as it appears from my examination of those records.
- c) The following are the details of actions taken against the listed entity / its promoters / directors / material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts / Regulations and circulars / guidelines issued thereunder:

| Sr.No. | Action taken by | Details of violation | Details of action taken E.g. fines, warning letter, debarment, etc. | Observations/ Remarks |
|--------|--|---|---|------------------------------------|
| 1. | BSE Letter dt 31.10.2019 for Quarter ended 30.09.2019 | Non-compliance with the provisions of Regulation 17(1), 18(1), 19(1), 19(2), 20(2), 21(2) of SEBI(LODR) Regulations, 2015 | Penalty imposed Rs. 17,700 (Amount of Rs.15,000+ GST 2,700) | Penalty amount paid on 01.04.2020. |
| 2. | BSE Mail dt 20th November, 2020 for the Quarter ended 30.09.2020 | Non-compliance with the provisions of Regulation 6(1) of SEBI (LODR) Regulations, 2015 | Penalty imposed Rs. 16,520/- (Amount of Rs.14,000/- + GST 2,520/-) | Penalty amount paid on 03.12.2020. |

- d) The listed entity has taken the following actions to comply with the observations made in previous reports :

| Sr. No. | Observations of the Practicing Company Secretary in the previous reports | Observations made in the secretarial compliance report for the year ended 31.03.2020 | Actions taken by the listed entity, if any | Comments of the Practicing Company Secretary on the actions taken by the listed entity |
|---------|--|--|---|--|
| 1. | NIL | QBL has given an Undertaking to BSE Ltd for the compliance in ensuing Annual General Meeting | The shares issued on preferential basis were duly listed and traded at BSE Ltd. | Chapter V compliance resulted in listing of shares. |

Place: Hyderabad
Date: 28.06.2021

Sd-
AJAY SUMAN SHRIVASTAVA
FCS No.: 3489
C.P. No.: 3479
UDIN : F003489C000520126



FORM AOC -2

Disclosure of Particulars of Contracts / Arrangements entered into with related parties under Section 188(1) of the Companies Act, 2013 including certain arm's length transaction thereto

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

I. Details of contracts or arrangements or transactions not at Arm's length basis:

| S.No. | Particulars | Details |
|-------|---|---------|
| 1. | Name (s) of the related party & nature of relationship | - |
| 2. | Nature of contracts / arrangements / transaction | - |
| 3. | Duration of the contracts / arrangements / transaction | - |
| 4. | Salient terms of the contracts or arrangements or transaction including the value, if any | - |
| 5. | Justification for entering into such contracts or arrangements or transactions' | - |
| 6. | Date of approval by the Board | - |
| 7. | Amount paid as advances, if any | - |
| 8. | Date on which the special resolution was passed in General meeting as required under first proviso to section 188 | - |

II. Details of contracts or arrangements or transactions at Arm's length basis:

| S.No. | Particulars | Details |
|-------|---|---|
| 1 | Name (s) of the related party & nature of relationship | Mrs. Kodali Vijaya Rani - Director |
| 2 | Nature of contracts / arrangements / transaction | Payment of Rent |
| 3 | Duration of the contracts / arrangements / transaction | Regular on year to year basis |
| 4 | Salient terms of the contracts or arrangements or transaction including the value, if any | The Company in its ordinary course of business has entered into Contract /Arrangement and paid rent of premises amounting to Rs. 1,14,000/- (Rupees One Lakh Fourteen Thousand only) to the Director during the financial year 2020-21. The transaction is on Arm's Length basis. |
| 5 | Date of approval by the Board | 12-04-2019 |
| 6 | Amount paid as advances, if any | Nil |

For Quantum Build-Tech Limited

Guduru Satyanarayana
Managing Director
DIN: 02051710

CERTIFICATE FOR NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para - C sub clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of Quantum Build-Tech Limited
8-1-405/A/66 Dream Valley,
Near O.U Colony, Shaikpet,
Hyderabad, Telangana - 500008.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Quantum Build-Tech Limited** having **CIN: L72200TG1998PLC030071** and BSE Code: 538596 having registered office at 8-1-405/A/66, Dream valley, Near O.U Colony, Shaikpet, Hyderabad, Telangana-500008. (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 as amended.

In my opinion and to the best of my information and verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority **except Mrs. Padmavathi Yelledi, who is liable to vacate office as Director, in accordance with the provisions of Section 167(1)(b) of the Companies Act, 2013 as amended.**

| S.No. | Name of Director | Designation | DIN | Date of Appointment |
|-------|------------------------------|-------------------|----------|---------------------|
| 1. | Mr. Guduru Satyanarayana | Managing Director | 02051710 | 31/08/2009 |
| 2. | Mrs. Kodali Vijaya Rani | Director | 00102286 | 22/11/2004 |
| 3. | Mr. Prabhakar Reddy Kyatham | Director | 00966105 | 19/04/2005 |
| 4. | Mrs. Padmavathi Yelledi | Director | 01721333 | 23/04/2019 |
| 5. | Mr. Kanduri Saraswathi Kumar | Director | 02788086 | 03/10/2009 |
| 6. | Mr. Ram Reddy Sripathi | Director | 06390971 | 10/11/2012 |

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company.

My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sd/-

AJAY SUMAN SHRIVASTAVA

Practicing Company Secretary

FCS No. 3489

C.P. No.: 3479

UDIN: F003489C001389456

Place: Hyderabad
Date: 09.11.2021



MANAGEMENT DISCUSSION & ANALYSIS REPORT

Industry Structure and Developments:

According to the World Economic Situation and Prospects (WESP) 2019, the global economy was growing at a steady pace of around 3% in calendar years 2019 and first 2 months of 2020. Then the Covid-19 pandemic hit the world with a vengeance that it has not yet recovered from the jolt to all business activity across the globe and the same affect came to reel Hyderabad also.

Despite growing global vulnerabilities, better demand conditions, settled GST implementation, expansion from growing investments in infrastructure, continuing positive effects of reform policies and improved credit off take especially in the service sector at 24 % are the factors that are leading the revival of the Industry in the city and State.

Indian and Hyderabad Real Estate Sector:

The Indian real estate sector has witnessed a slump with the implementation of RERA Regulations and then the pandemic in last part of the year under review. The Indian Government focus on Home for all and Sate Government scheme for Double Bedroom Flats has given a large impetus to the market in an around Hyderabad. Further clouding the prospects are a confluence of risk with the potential to severely disrupt economic activity and inflict significant damage on longer-term development prospects as many large corporates are shifting to Work From Home mode which can fuel Housing demand on one side and lead to low demand for commercial estate.

New residential projects received a decent response from the buyers and they majorly remained confined to the western corridor of areas such as Nanakramguda, Kokapet, Narsingi, and Kondapur. These ruled the roost in terms of buyer enquiries, new launches, and residential sales.

The region accounted for the largest share in new launches, growing by over 250% with mid and high-income budget segments witnessing the launch of a number of projects in this period. Healthy demand from potential buyers helped lift the sales that had initially witnessed a dip amid the resurgence of COVID-19 cases in April 2021.

Opportunities:

The Real Estate Regulatory Act (RERA) was aimed at ensuring accountability and infusing transparency and uniformity in practices prevalent in the real estate sector, and has been very widely adopted by Governments and Corporates alike, which is bringing more credibility to the sector.

On the other hand, incentives for affordable housing coupled with lower GST rate has increased demand for under-construction segment, a trend which is expected to continue in 2021-22 as well. In terms of city, Hyderabad (West Hyderabad – Madhapur, Gachibowli, areas adjoining ORR) along with other side of city like Nacharam, Uppal and Nagpur highway areas are fast catching up and are expected to drive demand in present and next year as more Work From Home options will leave spendable / investible income in hands of working class.

The Company's effort to get into Technology products trading as conceived in year 2019 did not take off and had to be abandoned as the partner Company was unable to generate the expected business and has been eluding clear business plans and has not been able to bring expected Order book to the Company. The arrangement had to be called off in April 2020 amidst the pandemic to safeguard the larger stakeholders interests.

Outlook:

The Company believes that demand conditions in the real estate sector are exhibiting early signs of improvement after the pandemic and the Management is positive that the Company will be able to strike some small or medium sized housing projects in near future and be able to take advantage of potential revival in economic growth and its resultant positive effects on the real estate sector over the medium term. The Company shall continue to strive to acquire new projects to increase sales and profitability. However the Company has not carried on any business activity during the Financial Year under review.

Risks and Concerns:

The Company works in an environment which is affected by various factors, some of which are controllable while some are outside the control of the Company. Owing to the nature of the industry in, it is exposed to a variety of risk factors. These risks include waning support for multilateral approaches; the escalation of trade policy disputes; financial instabilities linked to elevated levels of debt; and rising climate risk, as the world experiences and increasing number of extreme whether / climate events. The Company has developed a robust risk management frame work consist of identification, assessment, mitigation, monitoring of risks, which, in turn reduces the volatility due to unfavorable internal and external events and facilitates risk. The Management identifies the following risks:

Economic risk: The pandemic has given a hard lesson to one and all in terms of complete shut down of all economic activity and such unexpected development in any of the macroeconomic variables that may adversely impact the Company's profitability or viability are a major threat. Real estate is a cyclical industry and is affected by the changes in variables like interest rate, GDP Growth, purchasing power, inflation, Government policies, GST rates, among others.

Execution Risk: The Real Estate and construction projects are subject to various execution risks like regulatory hurdles, delay in receipt of approvals, availability of labour and raw material, etc. Any such delay may result in cost overruns and impact the Company's operations unfavorably.

Liquidity Risk: The primodal approach of Bankers and financial institutions towards mid sized Real estate companies has not undergone any suitable change and this recent crises has slowed disbursals to the real estate sector, banks becoming more cautious, developers are finding it a challenge to raise funds for the projects and are being forced to other financial routes, which in turn is increasing their cost of capital, inadequate funding resources may have an impact on the liquidity position of the Company. Also there is a large mismatch between the supply and actual demand in terms of unit and ticket size.

Rising Input Cost: The real estate industry is a capital and work focused sector, accordingly, an ascent in the cost of work makes issues in the development of the project in focus. Besides, uncalled for routine with regards to specific segments of merchants and concrete industry by raising the cost, makes issues in the completion of the project a highly unprofitable gamble.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The Company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and all transactions are authorized, recorded and reported correctly. The systems are updated and monitored on a continuous basis. The Company's internal control systems are further supplemented by Internal Audit conducted by competent finance executives and periodic review by Management. The Company has clearly laid down policies, guidelines and procedures which form part of its internal control system.



The Audit Committee of the Company consists of Independent Directors who possess expert knowledge and vast experience. They periodically review accounting records and various Accounts / statements prepared by the accounting department. They advise the senior management of the Company for any precautionary steps to be taken, as required from time to time. During the year under review, five (5) meetings of Audit Committee were held to review, inter alia, the internal audit / controls along with management comments and initiated follow-up actions thereon.

SHARE CAPITAL

The Paid-up Share Capital of your Company as on 31st March, 2021 is Rs. 25,06,56,300/- divided into 2,50,65,630 Equity Shares of Rs. 10/- each with Voting Rights.

SECURED LOANS

The Company has no secured loans at the end of the Financial Year 2020-21.

FIXED ASSETS

The Fixed Asset (Gross Block) as on 31st March, 2021 amounts to Rs. 36,60,705/-.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Manpower is biggest strength in any Sector. The Company has maintained cordial relations with its employees across all levels of the organization during the period under review. Human resource continues to be core strength and always endeavors to work towards having satisfied workforce. The key HR objective is to ensure that our employees are aware of the role they are expected to play in the organization to be able to drive organizational momentum. Going ahead, the Company will continue to invest in its people to strengthen its delivery model.

As on 31st March, 2021 the manpower strength of the Company was 5 members which comprises professionals from diverse backgrounds and are geared to raise the work force as and when any project work starts.

Disclaimer:

The above Management Discussion and Analysis contains certain forward looking statements within the meaning of applicable security laws and regulations. These pertain to the Company's future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties, regarding fluctuations in earnings, our ability to manage growth, competition, economic growth in India, ability to attract and retain highly skilled professionals, time and costover runs on contracts, government policies and actions with respect to investments, fiscal deficits, regulation, etc. The shareholders and readers are cautioned that in the case of data and information external to the Company, no representation is made on its accuracy or comprehensiveness though the same are based on sources thought to be reliable. The Company does not undertake to make any announcement in case any of these forward-looking statements become materially incorrect in future or update any forward looking statements made from time to time on behalf of the Company.

CORPORATE GOVERNANCE REPORT

I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company believes that good Corporate Governance is essential for achieving long-term corporate goals and to enhance stakeholders' value. In this pursuit, the Company's Corporate Governance philosophy is to ensure fairness, transparency and integrity of the management, in order to protect the interests of all its stakeholders.

The Board acts with autonomy and independence in exercising its strategic supervision, discharging its fiduciary responsibilities and ensuring that the management observes the highest standards of ethics, transparency and disclosure. The entire governance structure is actively supervised by the Board of Directors, who oversees management activities and ensures their effectiveness in delivering value.

The Company is in compliance with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as entered into with the Stock Exchange with regard to Corporate Governance.

II. BOARD OF DIRECTORS:

The composition of the Board of Directors of the Company is in conformity with the Listing Regulations and the Companies Act, 2013 ('the Act'). As on 31st March 2021, the Board comprised of Six Directors, out of which One (1) is Executive Director, Two (2) are Non-Executive Directors, and Three (3) are Independent Directors.

None of the Independent Directors on the Board serve as an Independent Director in more than seven listed companies. All Directors are also in compliance of the limit on Independent Directorships of listed companies as prescribed in Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board is headed by Executive Chairman who extends wholehearted support to all the Directors, business heads and associates. The Composition and category of Directors is as follows:

A. COMPOSITION AND CATEGORY AND ATTENDANCE OF DIRECTORS:

| Name | Designation | Category | No. of Board Meetings Attended | Attendance at AGM Held On 04.12.2020 | Directorships In Other Companies |
|------------------------------|-------------------|---------------------------|--------------------------------|--------------------------------------|----------------------------------|
| Mr. Guduru Satyanarayana | Managing Director | Executive | 8 | Present | 0 |
| Mrs. Kodali Vijaya Rani | Director | Non- Executive Promoter | 8 | Present | 1 |
| Mr. Kanduri Saraswathi Kumar | Director | Independent Non-Executive | 2 | Present | 0 |
| Mr. Kyatham Prabhakar Reddy | Director | Independent Non-Executive | 8 | Present | 2 |
| Mr. Sripathi Ram Reddy | Director | Independent Non-Executive | 8 | Present | 0 |
| Mrs. Yelledi Padmavathi | Director | Non-Executive | 0 | Not Present | 0 |

None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees across all companies in which they are Directors.



The Company is in compliance with Section 203 of the Companies Act, 2013 read with Sections 2(19) & 2(51) of Companies Act, 2013 and Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, including any statutory modification or re-enactment thereof. The Company has designated CS. Suman Gupta as Company Secretary and Mr. M. R. Koteswara Rao as Chief Financial Officer of the Company.

Further, CS. Suman Gupta was appointed as the Company Secretary and Compliance Officer of the Company w.e.f 15th July, 2020.

B. MEETINGS OF THE BOARD OF DIRECTORS:

The Board of Directors have met Eight (8) times during the financial year on 15.04.2020, 04.05.2020, 10.06.2020, 15.07.2020, 01.09.2020, 14.09.2020, 03.11.2020 and 11.02.2021

Independent Directors have convened their meeting on 11th February, 2021, in accordance with Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, without the presence of non-Independent Directors and members of the management and all the independent Directors were present at the meeting.

C. MINUTES OF THE BOARD MEETING:

The minutes of the proceedings of every Board Meeting and all Committee Meetings were prepared within 30 days from the conclusion of the respective meeting and were subsequently approved / signed by the respective Chairman.

D. CODE OF ETHICS:

The Company's Board has laid down a Code of Conduct for all Board members and designated senior management of the Company. The code of conduct is available on the website of the Company www.quantumbuild.com. All Board members and senior management personnel have affirmed compliance with the code of ethics for the year 2020-21. A declaration signed by the Managing Director and Chief Financial Officer to this effect is attached to this Report.

E. DECLARATION OF INDEPENDENCE BY DIRECTORS:

The Company has received declaration from each Independent Director under Section 149(7) of the Companies Act, 2013, that the Independent Director meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board has also laid down the Code of conduct for all the Directors and senior management personnel of the Company. Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V (D) the Annual Report of the Company shall contain Declaration signed by the Chief Executive officer stating the compliance of Code of Conduct by the Board of Directors and Senior Management, to give effect to the same the Company has received the affirmation and is annexed with this Report as "Annexure-I".

F. BOARD COMMITTEES:

The establishment of Board Committees imparts focus to the Board's oversight. They improve the effectiveness of the Board in areas where more focus and specialization are deemed necessary. In accordance with the Companies Act, 2013 and the SEBI Listing Regulations, the Company has constituted three Committees viz. Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

1. AUDIT COMMITTEE:

The Audit Committee's role shall flow directly from the Board of Directors' overview function on corporate governance, which holds the Management accountable to the Board and the Board, in turn, accountable to the shareholders. The Committee oversees the work carried out in the financial reporting process by the Management, the internal auditor, the statutory auditors and notes the processes and safeguards deployed by each of them.

There has been no change in the composition of the Audit Committee, during the year. During the period under review, **FIVE** Audit Committee meetings were held respectively on **04.05.2020, 10.06.2020, 14.09.2020, 03.11.2020 and 11.02.2021**.

The attendance of Directors at the Audit Committee Meeting held during the year 2020-21.

| Name | Status | Meetings Held | Meetings Attended |
|-----------------------------|----------|---------------|-------------------|
| Mr. Kyatham Prabhakar Reddy | Chairman | 5 | 5 |
| Mr. Sripathi Ram Reddy | Member | 5 | 5 |
| Mr. Kanduri Sarswathi Kumar | Member | 5 | 2 |

Terms of Reference:

The terms of reference of the Audit committee include the following:

1. Review of the quarterly, half yearly and annual financial results of the Company before submission to the Board.
2. A check on the financial reporting process and the disclosure of its information to ensure that the financial statements are correct.
3. Review the significant related party transactions, if any.
4. Having discussions with statutory auditors and internal auditors of the company in respect of the financial statements of the company.
5. Suggesting recommendation to the Board on Audit report and Financial Management of the Company.
6. Review the internal control systems and ensure adherence thereto.
7. Recommendation with respect to fixation of audit fees, and any other services by auditors.

2. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee of the Company meets the criteria laid down under Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI Listing Regulations. The purpose of the Nomination and Remuneration Committee is to oversee the selection of members of the Board based on criteria related to the specific requirement of expertise, independence, and execution. The Nomination and Remuneration Committee also evaluates the performance of the Board members, inclusive of the executive members based on the expected performance criteria.

The Nomination and Remuneration Committee of the Company as at 31.03.2021 comprises of three directors, all of them being non-executive independent directors.

Meetings of the Committee and Attendance:

As the Key Managerial Personnel was appointed during the year, the Committee held its meeting on **15.07.2020 & 03.11.2020** for recommending the candidature and terms of appointment including remuneration of personnel being appointed.

The attendance of the Directors in the Meetings is stated below:

| Name | Designation | Meetings Held | Meetings Attended |
|-----------------------------|-------------|---------------|-------------------|
| Mr. Kanduri Sarswathi Kumar | Chairman | 2 | 1 |
| Mr. Sripathi Ram Reddy | Member | 2 | 2 |
| Mr. Kyatham Prabhakar Reddy | Member | 2 | 2 |



The terms of reference of the Committee are as given below:

- ❖ Make recommendation to the Board regarding the setup and the Composition of the Board.
- ❖ The Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board policy, relating to the remuneration for the directors, Key managerial Personnel, and employees.
- ❖ Formulate criteria for evaluation of independent directors and the Board.
- ❖ Identify the qualification criteria for the Directors and Key Managerial Person (KMP)
- ❖ The Committee shall ensure appropriate disclosure on the remuneration of the Managing Director and whole-time director, the management of the Company and benefits for Executive Director(s), Non-Executive Director(s) and to look after the issues relating to employee's remuneration.
- ❖ Recommended to the Board appointment or reappointment of the Directors and the appointment of KMP and executive team members.

Remuneration Policy:

The Company has adopted a Remuneration Policy for Directors, Key Managerial Personnel and other employees, in accordance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same is available on the website of the company www.quantumbuild.com.

Details of Remuneration paid to Director

| Particulars | Mr. Guduru Satyanarayana Managing Director | |
|--------------|---|------------------|
| | 2020-21 | 2019-20 |
| Salary | 12,00,000 | 12,00,000 |
| Perquisites | 8,67,000 | 8,67,000 |
| Total | 20,67,000 | 20,67,000 |

Non-Executive Directors:

Non- Executive Directors of your Company are not entitled to any fees / remuneration or such other pecuniary benefits for attending Board and Committee Meetings.

Note : The details of remuneration of other KMP's is given elsewhere in the report.

3. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee of the Company comprises of **THREE** Directors. In accordance with Section 178(5) of the Companies Act, 2013 read with Regulation 20 of the SEBI (LODR) Regulations, 2015.

Terms of reference:

To look into redressal of shareholders' and investors' grievances, complaints, issue of duplicate / consolidated share certificates and review of cases for refusal of transfer / transmission of shares and reference to statutory and regulatory authorities. The Committee also takes measures for timely Transfer of Share made during the year.

Meetings of the Committee and Attendance:

The Committee held its meeting on **08.03.2021** for noting / approval of the Share Transfers of the Company during the year.

| Name | Designation | Meetings Held | Meetings Attended |
|------------------------------|-------------|---------------|-------------------|
| Mr. Sripathi Ram Reddy | Chairman | 1 | 1 |
| Mrs. Kodali Vijaya Rani | Member | 1 | 1 |
| Mr. Kanduri Saraswathi Kumar | Member | 1 | 1 |

Further, there are no pending grievances of shareholders as on the date of the report.

G. WHISTLE BLOWER POLICY / VIGIL MECHANISM:

In accordance with Section 177 of the Companies Act, 2013, the Company has laid down an elaborate Vigil Mechanism and Whistle blower Policy to safeguard the assets of the company and also safeguard the personnel who are bestowed with the responsibility of keeping a watch of the same.

The Policy approved by the Board is available on the website of the company www.quantumbuild.com

H. ANNUAL GENERAL MEETINGS:

Details of Previous Annual General Meetings:

| Day | Date | Time | Venue |
|----------|----------------------------------|------------|--|
| Friday | 28 th September, 2018 | 11:30 A:M | Hyderabad Gymkhana, Road No. 2, Banjara Hills, Hyderabad- 500034, Telangana. |
| Saturday | 28 th September, 2019 | 11.30 A.M. | Hyderabad Gymkhana, Road No. 2, Banjara Hills, Hyderabad- 500034, Telangana. |
| Friday | 4 th December, 2020 | 11.30 A.M | Through Video Conferencing (VC) and other Audio Visual Means (OAVM) |

Details of resolutions passed in previous Annual general Meeting dated 04th December 2020: -

1. Details of special resolution passed is as follows:
 - i. Re-Appointment of Shri Kyatham Prabhakar Reddy (DIN: 00966105) as an Independent Director of the Company, to hold office for a second term of five (5) consecutive years on the Board w.e.f 03rd November, 2020.
 - ii. Re-Appointment of Shri Ram Reddy Sripathi (DIN: 06390971) as an Independent Director of the Company, to hold office for a second term of five (5) consecutive years on the Board w.e.f 03rd November, 2020.
2. Details of Ordinary Resolution passed is as follows: -
 - i. Adoption of Audited Financial Statements as on 31st March, 2020 along with Report of Auditors and Board thereon.
 - ii. Re-appointment of Retiring Director Smt. Kodali Vijaya Rani, who retired by rotation and being eligible offered herself for reappointment.



3. Postal ballot resolution, any such proposal- **NIL**.

I. DISCLOSURES:

- a) No transaction of material nature has been entered into by the company with directors or management and their relatives etc. that may have a potential conflict with the interests of the company. The Register of contracts containing transactions in which directors are interested is placed before the Board regularly.
- b) During the last three years under review, there have been delays in Compliance by the Company on several matters related to the SEBI- ICDR and SEBI- LODR and BSE Limited has imposed penalties for which sufficient explanations were offered by the Company and some of the penalties have been waived or reduced as per Standard Operating Practices of BSE Limited. There are no adverse orders passed by SEBI during the year.
- c) The Company is largely in compliance with all the mandatory requirements of Corporate Governance and has fulfilled the non- mandatory requirements as prescribed in SEBI (Listing Obligations and Disclosures requirements) Regulations, 2015.
 - i. The Auditors in their Report on the Annual Financial Statements of the Company have not made any qualifications and reservations.
 - ii. The Company has adopted Vigil Mechanism i.e. Whistle Blower Mechanism to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy.
 - iii. The Company has followed the IND Accounting Standards (IND AS) as issued by the Institute of Chartered Accountants of India, to the extent applicable, in the preparation of the Financial Statements.
 - iv. The Company has laid down procedures to inform Board Members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management control risks through means of a properly defined framework.

J. CEO CERTIFICATION:

As required by Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the CEO and CFO certification is annexed to this Corporate Governance Report as "**Annexure- II**".

K. MEANS OF COMMUNICATION:

The website of the Company- www.quantumbuild.com is the primary source of information regarding the operation of the Company and the information as mandated in Regulation 46 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. The quarterly, half yearly and annual financial results of the Company are published in the prescribed format in newspaper. Further, the Annual report which inter alia, the Directors Report, Management Discussion and Analysis Report, Report on Corporate Governance is another channel of communication to the Shareholders.

L. MARKET PRICE DATA AND PERFORMANCE COMPARISON:

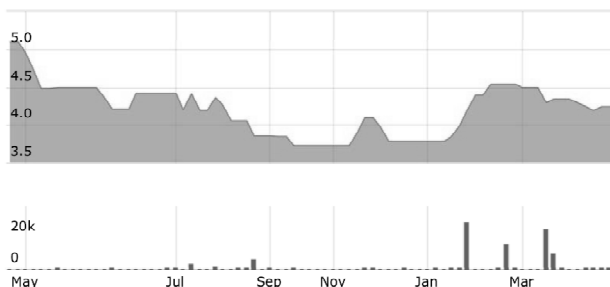
The market price data High, Low and Close during each month from 1st April 2020 to 31st March 2021 are mentioned below:

Monthly Market Price details from 01.04.2020 to 31.03.2021

| Trade Month | High (In Rs) | Low (In Rs.) | Close (In Rs.) |
|-----------------|-----------------|-----------------|-------------------|
| April, 2020 | 5.10 | 5.10 | 5.10 |
| May, 2020 | 4.96 | 4.40 | 4.50 |
| June, 2020 | 4.63 | 4.15 | 4.43 |
| July, 2020 | 4.43 | 4.06 | 4.06 |
| August, 2020 | 4.06 | 3.86 | 3.86 |
| September, 2020 | 3.86 | 3.55 | 3.73 |
| October, 2020 | 3.73 | 3.73 | 3.73 |
| November, 2020 | 4.10 | 3.70 | 4.10 |
| December, 2020 | 4.00 | 3.62 | 3.79 |
| January, 2021 | 4.60 | 3.79 | 4.55 |
| February, 2021 | 4.55 | 4.34 | 4.55 |
| March, 2021 | 4.50 | 4.20 | 4.25 |

2) Performance Comparison:

Quantum Build Tech Ltd Live Stock Price - Quantbuild Live Share Price, 538596 | BSE



M. DISTRIBUTION OF SHAREHOLDING AS AT 31ST MARCH, 2021:

| Category/ No. of Shares | Number of holders | % of total holders | Number of shares | % of total shares |
|----------------------------|----------------------|-----------------------|---------------------|----------------------|
| Up to - 500 | 2803 | 87.35 | 315899 | 1.26 |
| 501 - 1000 | 118 | 3.68 | 95357 | 0.38 |
| 1001 - 2000 | 113 | 3.52 | 161762 | 0.65 |
| 2001 - 3000 | 35 | 1.09 | 86545 | 0.35 |
| 3001 - 4000 | 15 | 0.47 | 53539 | 0.21 |
| 4001 - 5000 | 17 | 0.53 | 78369 | 0.31 |
| 5001 - 10000 | 36 | 1.12 | 271042 | 1.08 |
| 10001 and above | 72 | 2.24 | 24003117 | 95.76 |
| Total | 3209 | 100 | 25065630 | 100 |



N. GENERAL SHAREHOLDERS INFORMATION:

TWENTY THIRD ANNUAL GENERAL MEETING DETAILS:

| | | | |
|--|---|-------------------------------------|--------------------------|
| Details of the Meeting: Twenty Third Annual General Meeting | Date Thursday, 30 th December, 2021 Time 12:00 Noon Venue Through Video Conferencing (VC) / Other Audio Visual Means (OAVM) | | |
| Financial year | 2020 - 21 | | |
| Dates of Book closure: | Friday, 24th December, 2021 to Thursday, 30th December, 2021 | | |
| Dividend Payment Date | Not Applicable. | | |
| Listing Stock Exchanges | BSE Limited | | |
| The Listing Fee | Listing fees for the year 2020-2021 has been adjusted against fines /penalties paid by the company. Later on penalties withdrawn by BSE Ltd. Listing fees for the year 2021-22 has been paid by the company. | | |
| Stock Code (BSE Limited) | QUANTBUILD - 538596 | | |
| CIN No. | L72200TG1998PLC030071 | | |
| ISIN No. | INE222B01028 | | |
| Category wise Shareholding as at 31 st March, 2021: | Category | Number of Equity Shares Held | % of Shareholding |
| | Promoters | 5,999,731 | 23.94 |
| | Public Holding | 19,065,899 | 76.06 |
| | Total | 25,065,630 | 100.00 |
| Registrar & Share Transfer Agents: | Venture Capital & Corporate Investments Pvt. Ltd. Address: 12-10-167, Bharat Nagar Colony, Hyderabad - 500 018 | | |
| Share Transfer Process | The Company's shares are traded in Demat form at the Stock Exchange. Only off- market trades can be delivered in physical form. All shares received for transfer are processed & returned to the shareholders within 15 days of receipt / lodgment. | | |
| Dematerialization of Shares: | The Company has entered into separate Tripartite Agreement with the Depositories NSDL / CDSL along with M/s Venture Capital & Corporate Investments Private Limited as Registrar and Share Transfer Agents. As on 31.03.2021 a total of 2,48,92,628 shares i.e. 99.31% of the total listed shares have been dematerialized. | | |

| | |
|--|--|
| Address For Communication And Registered Office: | 8-1-405/A/66, Dream Valley, Near O.U Colony, Shaikpet, Hyderabad – 500008 (Telangana). Tel. No.: 040-23568766, 040-23568990, Email ID: info@quantumbuild.com |
|--|--|

For and on behalf of the Board

**Place: Hyderabad
Date: 12.11.2021**

**Guduru Satyanarayana
Managing Director
DIN: 02051710**

**Kodali Vijaya Rani
Director
DIN: 00102286**

Annexures to the Corporate Governance Report

| Annexures No. | Content |
|----------------------|---|
| I | Declaration for Compliance of Code of Conduct by Board. |
| II | CEO and CFO Certification |

Annexure - I

DECLARATION FOR COMPLIANCE OF CODE BY BOARD

**To
The Board of Directors
QUANTUMBUILD-TECH LIMITED**

Address: 8-1-405/A/66 Dream Valley,
Near O.U Colony, Shaikpet,
Hyderabad, Telangana.-500 008.

Dear Sir,

Re: Affirmation of compliance with the Code of Conduct for Board and Senior Management.

I, **Guduru Satyanarayana**, Managing Director of Quantum Build-Tech Limited, do hereby confirm that I have read and understood the applicability of Code of Conduct to the Board of Directors and Senior Management of the Company in accordance with Regulation 17(5)(a) & (b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and that the Members of the Board have affirmed the compliance of the requirements of the Code during the Financial Year 2020-21.

**Date: 12.11.2021
Place: Hyderabad**

**Guduru Satyanarayana
Managing Director
DIN: 02051710**



Annexure - II

CEO AND CFO CERTIFICATION

To,
The Board of Directors
Quantum Build-Tech Limited
Hyderabad

Dear Members of the Board,

We, Guduru Satyanarayana, Managing Director and Manne Rama Koteswara Rao, Chief Financial Officer of **Quantum Build-Tech Limited**, to the best of our knowledge and belief, certify that:

1. We have reviewed the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement of the Company and all the notes on accounts and the Board's report.
2. These statements do not contain any materially untrue statement or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
3. The financial statements, and other financial information included in this report, present in all material respects a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as at, and for, the periods presented in this report, and are in compliance with the existing accounting standards and / or applicable laws and regulations.
4. There are no transactions entered into by the Company during the year that are fraudulent, illegal or violate the Company's Code of Conduct and Ethics, except as disclosed to the Company's auditors and the Company's audit committee of the Board of Directors.
5. We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and we have :
 - a. Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the Company is made known to us particularly during the period in which this report is being prepared.

- b. Designed such internal control over financial reporting or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Generally Accepted Accounting Principles (GAAP) in India.
 - c. Evaluated the effectiveness of the Company's disclosure, controls and procedures.
6. We have disclosed, based on our most recent evaluation of the Company's internal control over financial reporting, wherever applicable, to the Company's auditors and the audit committee of the Company's Board:
 - a. Any deficiencies in the design or operation of internal controls, that could adversely affect the Company's ability to record, process, summarize and report financial data, and have confirmed that there have been no material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.
 - b. Any significant changes in internal controls during the year covered by this report.
 - c. All significant changes in accounting policies during the year have been disclosed in the notes to the financial statements.
 - d. Any instances of significant fraud of which we are aware, that involve the Management or other employees who have a significant role in the Company's internal control system.
7. We affirm that we have not denied any personnel for access to the audit committee of the Company.
8. We further declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct and Ethics for the year covered by this report.

Date: 12.11.2021
Place: Hyderabad

G. Satyanarayana
Managing Director
DIN: 02051710

M.R. Koteswara Rao
Chief Financial Officer



CERTIFICATE ON COMPLIANCE
(WITH THE PROVISIONS OF CORPORATE GOVERNANCE)

To
The Members,
Quantum Build-Tech Limited
(CIN: L72200TG1998PLC030071)
8-1-405/A/66 Dream Valley, Near O.U.Colony,
Shaikpet, Hyderabad - 500008, Telangana, India.

We have examined the records of **Quantum Build-Tech Limited**, Hyderabad for the purpose of certifying in accordance with Schedule V(E) of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015, (Listing Regulations) of the compliance of the Corporate Governance provisions as specified in Regulation 15 (2) of the Listing Regulations, as amended, for the period ended 31st March, 2021. We have obtained all the information, which is best of our knowledge and belief, were necessary for the purpose of certification.

The Compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination has been in the manner suggested in the Guidance Note on certification of Corporate Governance issued by the Institute of Company Secretaries of India and has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance of conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on our reliance upon the representations made by the management, there were no transactions of material nature with the management. We certify that the Company has complied with the condition of Corporate Governance as stipulated in the Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Sd/-

Place: Hyderabad
Date: 10.11.2021

AJAY SUMAN SHRIVASTAVA
Practicing Company Secretary
FCS No.: 3489
C P No.: 3479
UDIN : F003489C001391557

INDEPENDENT AUDITOR'S REPORT

To the Members of Quantum Build-Tech Ltd.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Quantum Build-Tech Limited ("the Company"), which comprise the balance sheet as at 31 March 2021, and the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.



In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our

opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

- (A) As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 21 to the financial statements;
 - ii. The Company does not have material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- (C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

Place: Hyderabad
Date: 29-06-2021

For Suryanarayana & Suresh.,
Chartered Accountants
Reg. No.006631S

V Nagendra Rao
Partner
M. No. 227679
UDIN : 21227679AAAAFR8143

“Annexure A” to the Independent Auditors’ Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2021:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Company has a regular program of physical verification of its fixed assets by which all fixed assets are verified in a phased manner. In our opinion the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to information and explanations given by the management, the title deeds/lease deeds of immovable properties included in property, plant and equipment are held in the name of the Company.
- 2) The Company does not maintain inventory and therefore we have not reported on the related matters of this clause and sub-clauses (a), (b) and (c).
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) We have broadly reviewed the cost records maintained by the Company pursuant to the rules prescribed by the Central Government of India under Section 148(1) of the Companies Act 2013 and are of the opinion that prima facie the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- 7) a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company is not regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Goods & Services Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2021 for a period of more than six months from the date on when they become payable except TDS of Rs.1,74,854/-, Service Tax of Rs.5,81,628/- and Professional Tax of Rs.4,200/-.
- b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.



- c) In our opinion there are no amounts required to be transferred to Investor Education and Protection Fund by the company.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institution or banks. The Company has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any allotment of equity shares during the year.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

Place: Hyderabad
Date: 29-06-2021

For Suryanarayana & Suresh.,
Chartered Accountants
Reg. No.006631S

V Nagendra Rao
Partner
M. No. 227679
UDIN : 21227679AAAAFR8143

“Annexure B” to the Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of QUANTUM BUILD-TECH LIMITED (“the Company”) as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company's management responsible for establishing and maintaining internal financial controls base on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Hyderabad
Date: 29-06-2021

For Suryanarayana & Suresh.,
Chartered Accountants
Reg. No.006631S

V Nagendra Rao
Partner
M. No. 227679
UDIN : 21227679AAAAFR8143

BALANCE SHEET AS AT 31ST, MARCH 2021

(Amount in ₹)

| Sl. No. | Particulars | Note | As at 31 March 2021 | As at 31 March 2020 |
|----------|--|------|---------------------|---------------------|
| A | ASSETS | | | |
| 1 | Non-Current Assets | | | |
| | a) Fixed Assets | | | |
| | Property, Plant and Equipment | 1 | 596,537 | 707,643 |
| | b) Other Non - Current Assets | 2 | 19,369,374 | 23,427,374 |
| | c) Investments | 3 | - | - |
| | Total Non - Current Assets | | 19,965,911 | 24,135,017 |
| 2 | Current Assets | | | |
| | Financial Assets | | | |
| | a) Trade Receivables | 4 | 5,972,868 | 6,203,047 |
| | b) Cash and Cash Equivalents | 5 | 113,085 | 394,085 |
| | c) Short Term Loans and Advances | 6 | 30,243,346 | 30,243,346 |
| | d) Other Current Assets | 7 | 5,433,130 | 5,261,872 |
| | Total Current Assets | | 41,762,429 | 42,102,350 |
| | TOTAL - ASSETS | | 61,728,340 | 66,237,367 |
| B | EQUITY AND LIABILITIES | | | |
| 1 | Shareholder's Funds | | | |
| | a) Share Capital | 8 | 250,656,300 | 250,656,300 |
| | b) Other Equity | 9 | (208,833,118) | (205,488,266) |
| | Total Equity | | 41,823,182 | 45,168,034 |
| 2 | Current Liabilities | | | |
| | a) Financial Liabilities | | | |
| | Short Term Borrowings | 10 | 10,520,000 | 8,400,000 |
| | Trade Payables | 11 | 4,611,732 | 2,200,476 |
| | b) Short Term Provisions | 12 | 3,806,657 | 3,761,657 |
| | c) Other Current Liabilities | 13 | 966,769 | 6,707,200 |
| | Total Current Liabilities | | 19,905,158 | 21,069,333 |
| | TOTAL - EQUITY AND LIABILITIES | | 61,728,340 | 66,237,367 |
| | See accompanying Notes Forming part of the Financial Statements 1 to 27 | | | |

In terms of our report of even date attached.

For Suryanarayana & Suresh

Chartered Accountants

Firm Regd. No. : 006631S

For and on behalf of the Board

V. Nagendra Rao

Partner

M.No. 227679

Place : Hyderabad

Date : 29-06-2021

G. Satyanarayana

Managing Director

DIN 02051710

M.R. Koteswara Rao

Chief Financial Officer

K. Vijaya Rani

Director

DIN 00102286

Suman Gupta

Company Secretary



STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST, MARCH 2021

(Amount in ₹)

| Sl. No. | Particulars | Note | For the Year Ended 31 March 2021 | For the Year Ended 31 March 2020 |
|---------|--|------|----------------------------------|----------------------------------|
| | CONTINUING OPERATIONS | | | |
| 1 | Revenue from Operations | 14 | – | 1,281,553 |
| | Other Income | 15 | – | 422,229 |
| | Total | | – | 1,703,782 |
| 2 | Expenses | | | |
| | (a) Cost of Material Consumed | 16 | – | 1,275,181 |
| | (b) Employee Benefits Expenses | 17 | 3,177,600 | 2,973,500 |
| | (c) Finance Cost | 18 | 13,985 | 111,065 |
| | (d) Depreciation and Amortisation Expenses | | 111,106 | 111,227 |
| | (e) Other Expenses | 19 | 2,024,161 | 3,013,533 |
| | Total | | 5,326,852 | 7,484,506 |
| 3 | Profit / Loss before tax | | (5,326,852) | (5,780,724) |
| 4 | Exceptional Items | 20 | 1,982,000 | (122,880,649) |
| 5 | Profit / (Loss) for the year | | (3,344,852) | (128,661,373) |
| 6 | Earnings per share (Nominal value of ₹ 10/- each) | | | |
| | (a) Basic | | (0.13) | (5.13) |
| | (b) Diluted | | (0.13) | (5.13) |
| | See accompanying Notes Forming part of the Financial Statements 1 to 27 | | | |

In terms of our report of even date attached.

For Suryanarayana & Suresh

Chartered Accountants

Firm Regd. No. : 006631S

For and on behalf of the Board

V. Nagendra Rao

Partner

M.No. 227679

Place : Hyderabad

Date : 29-06-2021

G. Satyanarayana

Managing Director

DIN 02051710

M.R. Koteswara Rao

Chief Financial Officer

K. Vijaya Rani

Director

DIN 00102286

Suman Gupta

Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST, MARCH 2021

(Amount in ₹)

| Sl. No. | Particulars | For the Year Ended 31 March 2021 | For the Year Ended 31 March 2020 |
|----------|---|----------------------------------|----------------------------------|
| A | CASH FLOW FROM OPERATING ACTIVITIES | | |
| | Net Profit before tax | (3,344,852) | (128,661,373) |
| | Add: Adjustments for | | |
| | Depreciation and Amortisation | 111,106 | 111,227 |
| | Investments written off | - | 124,500,000 |
| | Provision for doubtful debts | 230,179 | 246,885 |
| | Interest written off | - | 1,499,177 |
| | Interest Waiver / Credit balances no longer payable | (1,982,000) | (3,118,528) |
| | Interest income on fixed deposits | - | (422,229) |
| | Operating profit before working capital changes | (4,985,567) | (5,844,841) |
| | Add / (Less): Adjustment for working capital changes | | |
| | a. Decrease / (Increase) in Other Non Current Assets | 58,000 | 3,753,322 |
| | b. Decrease / (Increase) in Trade receivables | - | 14,317,368 |
| | c. Decrease / (Increase) in Short term loans & advances | - | 467,013 |
| | d. Decrease / (Increase) in Other current assets | (171,258) | (3,790,525) |
| | e. (Decrease) / Increase in Trade payables | 2,411,256 | 1,539,051 |
| | f. (Decrease) / Increase in Short term provisions | 45,000 | 257,592 |
| | g. (Decrease) / Increase in Other current liabilities | 241,569 | 3,072,646 |
| | Cash generated from operations | (2,401,000) | 13,771,626 |
| | Tax Paid | - | (401,270) |
| | Net cash generated / (used in) operating activities (A) | (2,401,000) | 13,370,356 |
| B | Cash Flow From Investing Activities | | |
| | Interest received on fixed deposits | - | 495,099 |
| | Net Cash used in Investing Activity (B) | - | 495,099 |
| C | Cash Flow From Financing Activities | | |
| | Long-term borrowings | - | (3,776,046) |
| | Repayment of Short term borrowings | 2,120,000 | (18,357,841) |
| | Net cash (used in) / generated from financing activities (C) | 2,120,000 | (22,133,887) |
| | Net increase in Cash and cash equivalents (A+B+C) | (281,000) | (8,268,432) |
| | Cash and cash equivalents at the beginning of the year | 394,085 | 8,662,517 |
| | Cash and cash equivalents at the end of the year | 113,085 | 394,085 |

In terms of our report of even date attached.

For Suryanarayana & Suresh

Chartered Accountants

Firm Regd. No. : 006631S

For and on behalf of the Board

V. Nagendra Rao

Partner

M.No. 227679

Place : Hyderabad

Date : 29-06-2021

G. Satyanarayana

Managing Director

DIN 02051710

M.R. Koteswara Rao

Chief Financial Officer

K. Vijaya Rani

Director

DIN 00102286

Suman Gupta

Company Secretary

**Corporate Information**

Quantum Build-Tech Limited (the Company) is a public limited company domiciled in India and was incorporated under the provision of Companies Act, 1956. Its shares are listed on the Bombay Stock Exchange (BSE Ltd) in India. The registered office of the company is located at H.No.8-1-405/A/66, Dream Valley, Near O U Colony, Shaikpet, Hyderabad – 500 008. The Company is primarily engaged in the Construction of Residential Complexes.

SIGNIFICANT ACCOUNTING POLICIES:**a. Property, Plant and Equipment:**

Property, Plant and Equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises of purchase price inclusive of taxes, commissioning expenses, etc., up to the date the asset is ready for its intended use. Fixed assets which were revalued are carried at revalued values. Expenditure directly related to expansion projects has been capitalized.

Cost includes non refundable taxes, duties, freight, borrowing costs and other incidental expenses related to the acquisition and installation of the respective assets.

Assets under installation or under construction as at the Balance Sheet date are shown in Capital work-in-progress. Advances paid towards acquisition of assets are shown in Capital Advances.

Fixed assets which are found to be not usable or retired from active use of when no further benefits are expected from their use are removed from the books of account and the difference if any, between the cost of such assets and the accumulated depreciation there on is charged to Statement of Profit & Loss.

Depreciation on tangible assets is provided under Straight Line Method over the useful lives of assets estimated by the management. Depreciation on additions/ deletions during a period is charged on pro rata basis from the date of addition or deletion, as the case may be.

The Management estimated the useful life of fixed assets as follows:

| | |
|--------------------------------|----------|
| Office Equipment | 5 Years |
| Computers | 3 Years |
| Furniture and Fixtures | 10 Years |
| Construction Equipment | 12 Years |
| Vehicles –Motor Cars | 8 Years |
| Vehicles – Scooters and Mopeds | 10 Years |
| Centering Material | 12 Years |

b. Impairment of Assets:

In accordance with Ind AS 36, the company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. An asset is treated as impaired when the carrying cost exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in a prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

c. Employee Benefits:

Retirement benefits to employees comprise of payments under Defined Contribution Plans like Provident Fund and payments under Defined Benefit Schemes like Gratuity and Leave encashment.

Payments under defined contribution plans are charged to revenue on accrual. The liability in respect of defined benefit scheme is arrived based on actuarial valuation made at the end of the year by using projected unit credit method.

Short-term employee benefits such as wages, salaries and short-term compensated absences like bonus and other non-monetary benefits are provided for as per Company's Rules on best estimate basis.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts include in net interest on the net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

d. Valuation of Inventories:

Inventories are valued at the lower of cost and net realizable value. Cost is arrived at by using weighted average method and includes all costs of purchases, conversion and other costs incurred in bringing the inventories to their present location and condition.

e. Investments:

Investments intended to be held for more than one year are treated as long term and others as short term. Short-term investments are carried at the lower of cost or quoted / fair value, computed category wise and long term investments are stated at cost. Provision for diminution in the value of long –term investments is made only if such a decline is other than temporary. As there are no investments made by the Company in any subsidiary or equity instruments, provisions of IND-AS 27 are not applied.

f. Prior period expenses / Income:

The Company follows the practice of making adjustments through “expenses/income under/over provided” in previous years in respect of material transactions pertaining to that period prior to the current accounting year.

g. Government Grants:

Government grants available to the company are recognized when there is a reasonable assurance that the conditions attached to the grant will be complied with and reasonably certain that grants will be received.

h. Tax Expenses

Tax expense for the period comprises current tax and deferred tax. Tax is recognised in Statement of Profit and Loss except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

➤ **Current tax**

Current tax assets and liabilities are measured at the amounts expected to be recovered from or paid to the taxation authorities, based on the tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

➤ **Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

i. Foreign Exchange Transactions:

Transactions denominated in foreign currency are accounted for initially at the exchange rate prevailing on the date of transaction. Foreign Currency monetary Assets and Liabilities are translated at year end exchange rates. Fluctuations, if any due to change in exchange rates Between the dates of transactions and the dates of crystallization are debited / credited to Statement of Profit & Loss.

j. Revenue Recognition:

Revenues from Projects under long term contracts is recognized by reference to the completion of the contract activity at the reporting date, where the contract activity extend beyond the reporting date, on the basis of percentage of completion method.

Revenues from services are recognized as per the terms of contract with customers when the related services are performed or the agreed milestones are achieved.

Interest income on general deposits with Bank and others is recognized on time proportion basis.

k. Borrowing Costs:

Borrowing costs attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

l. Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is possible that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes on accounts. Contingent Assets are neither recognized nor disclosed in the financial statements.

m. Earnings per Share:

The basic Earnings Per Share ("EPS") is computed by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit after tax but before OCI for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential of equity shares.

SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

Preparation of the financial statements requires management to make judgments, estimates and assumptions, as described below, that affect the reported amounts and the disclosures. The Company based its assumptions and estimates on parameters available when the financial statements were prepared and reviewed at each Balance Sheet date. Uncertainty about these assumptions and estimates could result in outcomes that may require a material adjustment to the reported amounts and disclosures.

(Amount in ₹)

| TANGIBLE ASSETS : | GROSS BLOCK | | | | DEPRECIATION & AMORTISATION | | | | NET BLOCK | |
|------------------------|--------------------------|---------------------------|---------------------------|--------------------------|-----------------------------|---------------------------|-------------------------|-----------------------|------------------|------------------|
| | Opening As on 01-04-2020 | Additions During the Year | Deletions During the Year | Balance as on 31-03-2021 | Balance as on 01-04-2020 | Deletions During the Year | For the Year 31-03-2021 | Total upto 31-03-2021 | As At 31-03-2020 | As At 31-03-2021 |
| Computers | 524,694 | - | - | 524,694 | 486,655 | - | 7,455 | 494,110 | 38,039 | 30,584 |
| Construction Equipment | 149,463 | - | - | 149,463 | 141,988 | - | - | 141,988 | 7,475 | 7,475 |
| Furniture & Fixtures | 226,307 | - | - | 226,307 | 214,262 | - | 366 | 214,628 | 12,045 | 11,679 |
| Office Equipment | 130,431 | - | - | 130,431 | 117,390 | - | 2,174 | 119,564 | 13,041 | 10,867 |
| Vehicles | 2,013,990 | - | - | 2,013,990 | 1,407,736 | - | 101,111 | 1,508,847 | 606,254 | 505,143 |
| Centering Materials | 615,820 | - | - | 615,820 | 585,031 | - | - | 585,031 | 30,789 | 30,789 |
| Total | 3,660,705 | - | - | 3,660,705 | 2,953,062 | - | 111,106 | 3,064,168 | 707,643 | 596,537 |
| Previous Year | 3,660,705 | - | - | 3,660,705 | 2,841,835 | - | 111,227 | 2,953,062 | 818,870 | 707,643 |



Notes forming part of the Financial Statements

| | | | |
|------------------------------------|---|---------------------------------------|---------------------------------------|
| 1. | Fixed Assets - Tangible Assets | | |
| | Particulars | As at 31 March, 2021 ₹ | As at 31 March, 2020 ₹ |
| | Property, Plant & Equipment | 596,537 | 707,643 |
| | Total | 596,537 | 707,643 |
| 2. | Other Non Current Assets | | |
| | Particulars | As at 31 March, 2021 ₹ | As at 31 March, 2020 ₹ |
| | A) Loans & Advances | | |
| | Unsecured Considered good | | |
| | Advance for Land (Refer Note 2.1) | 17,900,000 | 21,900,000 |
| | Rent Deposit | 1,100,000 | 1,100,000 |
| | Electricity Deposit | 29,074 | 29,074 |
| | Other Deposits | 217,708 | 217,708 |
| | (A) | 19,246,782 | 23,246,782 |
| | (B) Loans and advances to employees | | |
| Unsecured, considered good | 54,210 | 112,210 | |
| (C) TDS Receivable | | | |
| Unsecured considered good | | | |
| TDS Receivable (Net of Provision) | 68,382 | 68,382 | |
| (C) | 68,382 | 68,382 | |
| Total (A+B+C) | 19,369,374 | 23,427,374 | |
| 2.1 | <p>The company has entered into an MoU dated 04th January, 2006 and paid an amount of ₹ 2,50,00,000/- as advance deposit for procuring Ac 37-23 Guntas of land for developement for construction of commercial & residential apartments in Sy No.163 of Hydernagar Village, Balanagar Mandal, Ranga Reddy District, later on for various reasons , the said land has undergone legal disputes and could not execute / complete the same. Company requested the party to repay the advance deposit amount, and the parties are paying the amounts partly, the management is confident of recovering the amount and opinioned no provision is required.</p> | | |
| 3. | Inventories | | |
| | Particulars | As at 31 March, 2021 ₹ | As at 31 March, 2020 ₹ |
| | Investments | - | 124,500,000 |
| | Less : Investment Written Off | - | 124,500,000 |
| | Total | - | - |

| 4. | Trade Receivables | | |
|-----|---|------------------------------|------------------------------|
| | Particulars | As at 31 March, 2021 ₹ | As at 31 March, 2020 ₹ |
| | Trade receivables outstanding for a period exceeding six months from the date they were due for payment | | |
| | Unsecured considered good | 6,449,932 | 6,449,932 |
| | Less: Provision for Doubtful debts | 477,064 | 246,885 |
| | Total | 5,972,868 | 6,203,047 |
| 4.1 | The company has filed a case U/s.138 of Negotiable Instruments Act for recovery of ₹ 3,05,089/- due from a customer vide case reference no.S.A.No 724 of 2012 filed with the High Court of Judicature at Hyderabad for the State of Telangana,the management if confident of winning the case / recovering the dues and opinioned no provision is required. | | |

| 5. | Cash and Cash Equivalents | | |
|----|---------------------------------|------------------------------|------------------------------|
| | Particulars | As at 31 March, 2021 ₹ | As at 31 March, 2020 ₹ |
| | (A) Cash | | |
| | Cash on hand | 20,900 | 54,310 |
| | (B) Balances with Banks: | | |
| | In Current Accounts | 92,185 | 339,775 |
| | Total (A+B) | 113,085 | 394,085 |

| 6. | Short-Term Loans and Advances (Unsecured,Considered good) | | |
|-----|---|------------------------------|------------------------------|
| | Particulars | As at 31 March, 2021 ₹ | As at 31 March, 2020 ₹ |
| | Loans and advances | | |
| | Other Advances | 30,243,346 | 30,243,346 |
| | Total | 30,243,346 | 30,243,346 |
| 6.1 | The company has given a loan of ₹ 20,000,000/- to Sri Sai Techno Fab & ₹ 10,000,000/- to P R Consultancy @ an interest rate of 12% P.A. The management is confident of recovering the amount. | | |



| | | | |
|----|---------------------------------------|---------------------------------------|---------------------------------------|
| 7. | Other Current Assets | | |
| | Particulars | As at 31 March, 2021 ₹ | As at 31 March, 2020 ₹ |
| | GST ITC Receivable | 687,040 | 515,782 |
| | Advance paid for Suppliers / Services | 4,746,090 | 4,746,090 |
| | Total | 5,433,130 | 5,261,872 |

| | | | |
|-------|---|---------------------------------------|---------------------------------------|
| 8. | Share Capital | | |
| | Particulars | As at 31 March, 2021 ₹ | As at 31 March, 2020 ₹ |
| | (A) Authorised 2,80,00,000 Equity shares of Rs 10/- each with voting rights (Previous year 2,80,00,000 Equity shares of Rs 10/- each with voting rights) | 280,000,000 | 280,000,000 |
| | | 280,000,000 | 280,000,000 |
| 8.1 | (B) Issued , Subscribed & fully paid up 2,50,65,630 Equity shares of Rs 10/-each with voting rights (Previous Year 2,50,65,630 Equity Shares of Rs.10/-) | 250,656,300 | 250,656,300 |
| | Total | 250,656,300 | 250,656,300 |
| 8.1.1 | All Equity shares issued by the Company carry equal voting and participatory rights. | | |

| | | | |
|-------|---|---------------------------------|---------------------------------|
| 8.1.2 | Particulars | As at 31 March, 2021 | As at 31 March, 2020 |
| | Equity shares at the beginning of the year | 25,065,630 | 12,615,630 |
| | Add : Movement during the year | – | 12,450,000 |
| | Equity shares at the end of the year | 25,065,630 | 25,065,630 |

| 8.1.3 | Details of Shareholders holding more than 5% shares | | | | |
|-------|---|------------------|--------|------------------|--------|
| | Name of the Shareholder | As at 31.03.2021 | | As at 31.03.2020 | |
| | | Shares | % held | Shares | % held |
| | Yelledi Srinivasa Rao | 3,269,267 | 13.04 | 3,269,267 | 13.04 |
| | Tadepalli Srinivasa Rao | 3,044,010 | 12.14 | 3,044,010 | 12.14 |
| | Kodali Vijaya Rani | 2,680,464 | 10.69 | 1,595,350 | 6.36 |
| | Gudapati Aveena | 2,179,511 | 8.69 | 2,179,511 | 8.69 |
| | Potluri Venkata Satyanarayana | 1,522,005 | 6.07 | 1,522,005 | 6.07 |
| | Potluri Krishna Prasad | 1,522,005 | 6.07 | 1,522,005 | 6.07 |
| | Naresh Cherukuri | 1,462,916 | 5.83 | 1,462,916 | 5.83 |

| 9. | Reserves and Surplus | | |
|----|---|------------------------------|------------------------------|
| | Particulars | As at 31 March, 2021 ₹ | As at 31 March, 2020 ₹ |
| | (A) Capital Reserve | 3,500,000 | 3,500,000 |
| | (B) Statement of Profit & Loss | | |
| | Opening Balance | (208,988,266) | (80,326,893) |
| | Add : Surplus / (Deficit) in statement of Profit & Loss | (3,344,852) | (128,661,373) |
| | | (212,333,118) | (208,988,266) |
| | Total | (208,833,118) | (205,488,266) |

| 10. | Short - Term Borrowings | | |
|------|---|------------------------------|------------------------------|
| | Particulars | As at 31 March, 2021 ₹ | As at 31 March, 2020 ₹ |
| | Loans repayable on demand - Unsecured | | |
| | From Directors (Refer Note 10.1) | 10,520,000 | 8,400,000 |
| | Total | 10,520,000 | 8,400,000 |
| 10.1 | The Company has taken an interest free unsecured loan from Sri G.Satyanaryana, Managing Director amounting to ₹ 1,05,20,000/- (including ₹ 21,20,000/- during the year) | | |



| | | | |
|-----|-------------------------------|---------------------------------------|---------------------------------------|
| 11. | Trade Payables | | |
| | Particulars | As at 31 March, 2021 ₹ | As at 31 March, 2020 ₹ |
| | Sundry Creditors for Services | 4,611,732 | 2,200,476 |
| | Total | 4,611,732 | 2,200,476 |

| | | | |
|-----|--|---------------------------------------|---------------------------------------|
| 12. | Short Term Provisions | | |
| | Particulars | As at 31 March, 2021 ₹ | As at 31 March, 2020 ₹ |
| | (A) Provisions for Employee Benefits Provision for Gratuity | 663,308 | 618,308 |
| | (B) Tax on Dividend | 3,143,349 | 3,143,349 |
| | Total (A+B) | 3,806,657 | 3,761,657 |

12.1 The Company has made Provision for gratuity based on accrual calculations as on balance sheet date.

| | | | |
|-----|-----------------------------------|---------------------------------------|---------------------------------------|
| 13. | Other Current Liabilities | | |
| | Particulars | As at 31 March, 2021 ₹ | As at 31 March, 2020 ₹ |
| | (A) Other Payables | | |
| | Outstanding Liabilities | 37,103 | 28,652 |
| | | 37,103 | 28,652 |
| | (B) Statutory Payables | 929,666 | 696,548 |
| | (C) Advance from customers | - | 5,982,000 |
| | Total (A+B+C) | 966,769 | 6,707,200 |

| | | | |
|------------------------|---------------------------------|---------------------------------------|---------------------------------------|
| 14. | Revenue from Operations | | |
| | Particulars | As at 31 March, 2021 ₹ | As at 31 March, 2020 ₹ |
| | Sale / Relinquishment of Rights | - | - |
| | Less: | | |
| | Service Tax | - | - |
| | Sales Tax | - | - |
| | Sale of Computers | - | 1,281,553 |
| | Profit on Sale of Land | - | - |
| Total Net Sales | - | 1,281,553 | |

| 15. | Other Income | | |
|-----|-----------------|------------------------------|------------------------------|
| | Particulars | As at 31 March, 2021 ₹ | As at 31 March, 2020 ₹ |
| | Interest Income | - | 422,229 |
| | Total | - | 422,229 |

| 16. | Cost of Materials Consumed | | |
|-----|----------------------------|------------------------------|------------------------------|
| | Particulars | As at 31 March, 2021 ₹ | As at 31 March, 2020 ₹ |
| | Cost of Materials Consumed | - | 1,275,181 |
| | Total | - | 1,275,181 |

| 17. | Employee Benefits Expenses | | |
|-----|----------------------------|------------------------------|------------------------------|
| | Particulars | As at 31 March, 2021 ₹ | As at 31 March, 2020 ₹ |
| | Salaries & Wages | 3,132,600 | 2,928,500 |
| | Contributions to Gratuity | 45,000 | 45,000 |
| | Total | 3,177,600 | 2,973,500 |

| 18. | Finance Cost | | |
|-----|--------------------|------------------------------|------------------------------|
| | Particulars | As at 31 March, 2021 ₹ | As at 31 March, 2020 ₹ |
| | Interest On | | |
| | (i) Overdraft | - | 45,867 |
| | (ii) TDS | 1,558 | 65,198 |
| | (iii) Others | 12,427 | - |
| | Total | 13,985 | 111,065 |



| 19. | Other Expenses | | |
|-----|--|------------------------------|------------------------------|
| | Particulars | As at 31 March, 2021 ₹ | As at 31 March, 2020 ₹ |
| | Power and fuel | 650 | 2,447 |
| | Rent | 114,000 | 114,000 |
| | Repairs and maintenance | 1,371 | 14,597 |
| | Insurance | 18,740 | 18,740 |
| | Rates and taxes | 271,700 | 331,686 |
| | Communication | 81,403 | 93,623 |
| | Consultancy & Professional | 681,974 | 605,365 |
| | Bank Charges | 4,138 | 15,604 |
| | Audit Remuneration | 100,000 | 100,000 |
| | Travelling and conveyance | 26,139 | 60,389 |
| | Printing and stationery | 15,469 | 72,437 |
| | Advertisement Expenses | 143,080 | 103,680 |
| | AGM Expenses | - | 7,110 |
| | Office Maintenance | 56,990 | 61,480 |
| | Miscellaneous Expenses | - | 5,420 |
| | Postage & Courier | 1,900 | 32,994 |
| | Vehicle Maintenance | 228,628 | 425,276 |
| | Provision for doubtful debts | 230,179 | 246,885 |
| | Filing Fees | 4,800 | 19,800 |
| | Late Filing Charges /Penalty | 29,000 | 482,000 |
| | Legal Expenses | 14,000 | 200,000 |
| | Total | 2,024,161 | 3,013,533 |
| 20. | Exceptional Items | | |
| | Particulars | As at 31 March, 2021 ₹ | As at 31 March, 2020 ₹ |
| | Investments written off (Impairment of Assets) | - | (124,500,000) |
| | Interest written off | - | (1,499,177) |
| | Credit Balances no longer Payable | 1,982,000 | 3,118,528 |
| | Total | 1,982,000 | (122,880,649) |
| 21. | Contingent Liabilities: Disputed seigniorage fees liability of ₹ 28.43 lakhs (Fees ₹ 4.77 lakhs and penalty of ₹ 23.66) for which revision petition has been filed by the company. | | |

| 22. | Related Party Disclosures Key Management Personnel (KMP) : G. Satyanarayana M. R. Koteswara Rao | | | | | | | | | | | | | | | | | | | | | | |
|--------------------------------|---|-------------|------------------------|--|----------------|----------------|---|---|----------------------------|-----------|-----------|------|---------|---------|--------------------------------|-----------|-----------|----------------|------------|-----------|--------------|---------|---------|
| 23. | <table border="1"> <thead> <tr> <th data-bbox="109 369 667 405" rowspan="3">Particulars</th> <th colspan="2" data-bbox="667 369 1232 405">KMP & Relatives of KMP</th> </tr> <tr> <th data-bbox="667 405 963 442">31 March, 2021</th> <th data-bbox="963 405 1232 442">31 March, 2020</th> </tr> <tr> <th data-bbox="667 442 963 478">₹</th> <th data-bbox="963 442 1232 478">₹</th> </tr> </thead> <tbody> <tr> <td data-bbox="109 478 667 515">Remuneration & Perquisites</td> <td data-bbox="667 478 963 515">2,667,000</td> <td data-bbox="963 478 1232 515">2,667,000</td> </tr> <tr> <td data-bbox="109 515 667 551">Rent</td> <td data-bbox="667 515 963 551">114,000</td> <td data-bbox="963 515 1232 551">114,000</td> </tr> <tr> <td data-bbox="109 551 667 587">Salaries & Perquisites payable</td> <td data-bbox="667 551 963 587">3,177,720</td> <td data-bbox="963 551 1232 587">1,599,636</td> </tr> <tr> <td data-bbox="109 587 667 624">Unsecured Loan</td> <td data-bbox="667 587 963 624">10,520,000</td> <td data-bbox="963 587 1232 624">8,400,000</td> </tr> <tr> <td data-bbox="109 624 667 633">Rent Payable</td> <td data-bbox="667 624 963 633">386,434</td> <td data-bbox="963 624 1232 633">272,434</td> </tr> </tbody> </table> | Particulars | KMP & Relatives of KMP | | 31 March, 2021 | 31 March, 2020 | ₹ | ₹ | Remuneration & Perquisites | 2,667,000 | 2,667,000 | Rent | 114,000 | 114,000 | Salaries & Perquisites payable | 3,177,720 | 1,599,636 | Unsecured Loan | 10,520,000 | 8,400,000 | Rent Payable | 386,434 | 272,434 |
| Particulars | KMP & Relatives of KMP | | | | | | | | | | | | | | | | | | | | | | |
| | 31 March, 2021 | | 31 March, 2020 | | | | | | | | | | | | | | | | | | | | |
| | ₹ | ₹ | | | | | | | | | | | | | | | | | | | | | |
| Remuneration & Perquisites | 2,667,000 | 2,667,000 | | | | | | | | | | | | | | | | | | | | | |
| Rent | 114,000 | 114,000 | | | | | | | | | | | | | | | | | | | | | |
| Salaries & Perquisites payable | 3,177,720 | 1,599,636 | | | | | | | | | | | | | | | | | | | | | |
| Unsecured Loan | 10,520,000 | 8,400,000 | | | | | | | | | | | | | | | | | | | | | |
| Rent Payable | 386,434 | 272,434 | | | | | | | | | | | | | | | | | | | | | |
| 24. | Confirmations are not received in respect of the amounts relating to trade receivables, trade payables, loans & advances. | | | | | | | | | | | | | | | | | | | | | | |
| 25. | Dues to Micro, Small and Medium Enterprises : The identification of micro, small and medium enterprise suppliers as defined under the provisions of “Micro, small and medium enterprises Act, 2006” is based on Management’s knowledge of their status. There are no dues to micro, small and medium enterprises as on 31 March 2021. | | | | | | | | | | | | | | | | | | | | | | |
| 26. | Previous year’s figures have been regrouped / reclassified wherever necessary to correspond with the current year’s classification / disclosure. Figures are rounded off to the nearest ₹. | | | | | | | | | | | | | | | | | | | | | | |
| 27.a | Mrs.Kodali Vijayarani, Promoter Shareholder & Director of the company has filed a petition in NCLT under Section 241 of the companies Act against allotment of 1,24,50,000 Equity Shares of Rs.10/- each, made to 7 individuals for consideration other than cash. Praying the NCLT to declare the allotment as illegal and affect consequent reduction of the Share Capital of the company and also prayed for an Interim Relief of not to alienate / not to create any third party interest in the said shares of 1,24,50,000. The case is admitted by NCLT and passed an Interim Order dt 14th October, 2020 restraining the 7 individual shareholders from dealing with 1,24,50,000 shares and directed not to alienate, transfer or enter into any agreement or create any third party interest until further orders. | | | | | | | | | | | | | | | | | | | | | | |
| 27.b | The Company filed a petition under Section 213 with NCLT, Praying for restoring the Original position of the company prior to the allotment of 1,24,50,000 Equity Shares allotted vide MoU dt 14th February, 2019. | | | | | | | | | | | | | | | | | | | | | | |
| 27.c | The Company has received a notice from 5 shareholders regarding the petition filed by them in the NCLT alleging suppression and mismanagement of Sri G.Satyanarayana, Managing Director & Sri Kodali Vijayarani, Director and to pass all the resolutions passed by the board & Annual General Meeting dated 04th December, 2020 against the Petitioners. The Petition is pending with NCLT. | | | | | | | | | | | | | | | | | | | | | | |

In terms of our report of even date attached.

For Suryanarayana & Suresh

Chartered Accountants

Firm Regd. No. : 006631S

V. Nagendra Rao

Partner

M.No. 227679

Place : Hyderabad

Date : 29-06-2021

For and on behalf of the Board

G. Satyanarayana

Managing Director

DIN 02051710

M.R. Koteswara Rao

Chief Financial Officer

K. Vijaya Rani

Director

DIN 00102286

Suman Gupta

Company Secretary