

QUICK HEAL TECHNOLOGIES LIMITED
Regd. Office: Marvel Edge, Office No. 7010 C & D, 7th Floor, Opposite Neco Garden Society, Viman Nagar, Pune - 411014
CIN: L72200MH1995PLC091408

STATEMENT OF CONSOLIDATED FINANCIAL RESULTS OF QUICK HEAL TECHNOLOGIES LIMITED FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020

(₹ in million, except earning per share)

Sr. No	Particulars	Quarter ended			Year ended	
		March 31, 2020 (Audited)	December 31, 2019 (Unaudited)	March 31, 2019 (Audited)	March 31, 2020 (Audited)	March 31, 2019 (Audited)
1	Income					
	Revenue from operations	642.54	657.07	860.01	2,861.38	3,149.26
	Other income	82.42	75.70	85.15	315.96	326.67
	Total income	724.96	732.77	945.16	3,177.34	3,475.93
2	Expenses					
	Cost of raw materials consumed	0.19	-	11.37	8.16	30.51
	Purchase of security software products	45.70	17.50	33.91	95.94	115.89
	Changes in inventories of security software products	(17.00)	(1.03)	(9.46)	(3.86)	(19.28)
	Employee benefits expense	245.81	246.96	239.59	1,014.19	988.51
	Depreciation and amortisation expense	55.93	53.91	56.32	216.77	235.49
	Other expenses	291.99	161.39	198.39	833.03	754.62
	Total expenses	622.62	478.73	530.12	2,164.23	2,105.74
3	Profit / (loss) before exceptional items and tax (1-2)	102.34	254.04	415.04	1,013.11	1,370.19
4	Exceptional items	-	-	-	-	-
5	Profit / (loss) before tax (3-4)	102.34	254.04	415.04	1,013.11	1,370.19
6	Tax expense					
	Current tax					
	Pertaining to profit for the current period	2.83	56.69	146.99	211.44	447.25
	Adjustments of tax relating to earlier periods	-	-	31.28	-	45.99
	Deferred tax	19.58	19.50	(40.70)	57.56	(41.29)
	Total tax expense	22.41	76.19	137.57	269.00	451.95
7	Profit / (loss) for the period (5-6)	79.93	177.85	277.47	744.11	918.24
8	Other comprehensive income, net of tax					
	Other comprehensive income not to be reclassified to profit or loss in subsequent periods:					
	Re-measurement of defined benefit plans	1.25	3.92	0.42	9.73	(3.23)
	Net (loss) or gain on FVTOCI assets	-	-	-	-	(29.52)
	Exchange differences on translation of foreign operations	1.81	1.26	0.17	2.16	2.73
	Total other comprehensive income	3.06	5.18	0.59	11.89	(30.02)
9	Total comprehensive income (after tax) (7+8)	82.99	183.03	278.06	756.00	888.22
10	Paid-up equity share capital (face value of ₹10 each)	642.03	642.03	705.63	642.03	705.63
11	Other equity (as per balance sheet of previous accounting year)	-	-	-	5,798.65	7,191.79
12	Earnings per share of ₹10 each: (not annualised for the quarter)					
	a) Basic	1.24	2.77	3.37	11.34	13.03
	b) Diluted	1.24	2.77	3.37	11.34	13.02

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NOTES TO THE STATEMENT OF CONSOLIDATED FINANCIAL RESULTS OF QUICK HEAL TECHNOLOGIES LIMITED FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020**Notes to financial results:**

- 1 The above financial results for the quarter and year ended March 31, 2020 have been subjected to statutory audit by the statutory auditors of the Group and reviewed by the Audit Committee and approved by the Board of Directors of the Parent Company at the meetings held on May 20, 2020 and May 21, 2020 respectively.
- 2 During the previous year ended March 31, 2019, the Parent Company had received notice of demand dated March 13, 2019, in relation to service tax under the provisions of Finance Act, 1994 for ₹ 387.43 million (excluding interest and penalties) covering the period from April 1, 2016 to June 30, 2017 on supply of anti-virus software in Compact Disk. The Parent Company replied the notice of demand to Commissioner of Goods and Service Tax, Pune.

During the earlier years, the Parent Company have received similar notice of demands in relation to service tax under the provisions of Finance Act, 1994 for ₹1,223.07 million (excluding penalty of ₹626.97 million and predeposit, if any) covering the period from March 1, 2011 to March 31, 2016 on supply of anti-virus software in Compact Disk. The Parent Company had filed an appeal with Customs, Excise and Service Tax Appellate Tribunal, New Delhi for the period March 1, 2011 to March 31, 2014 and with the Customs, Excise and Service Tax Appellate Tribunal, Mumbai for the period April 1, 2014 to March 31, 2016.

The Hon'ble Customs, Excise & Service Tax Appellate Tribunal (CESTAT), Principal Bench, New Delhi, vide its judgment (Order No. 50022/2020) dated January 09, 2020 (Service Tax Appeal No. 51175 of 2016), has set aside the Service Tax demand for ₹560.71 million along with interest and penalty which was earlier confirmed by Directorate General of Central Excise Intelligence (DGCEI), New Delhi vide its Order of 2016 covering period from 2011 to 2014.

Based on this judgement of CESTAT, New Delhi, technical circular issued by government authorities and an independent legal opinion obtained by the Parent Company in earlier years, the Parent Company is confident of also getting the claims set aside for balance period from April 01, 2014 to June 30, 2017. Accordingly no provision/contingent liability has been recognized/disclosed in the financial statements.
- 3 Effective April 1, 2019, the Group has adopted Ind AS 116 "leases". The application of Ind AS 116 did not have any material impact on the financial results of the Group.
- 4 The Board of Directors at its meeting held on March 5, 2019 and the shareholders by way of postal ballot on April 13, 2019, approved the buy back of the Parent Company's fully paid equity shares of the face value of ₹10 each from its shareholder/beneficial owners of equity shares of the Quick Heal Technologies Limited (Parent Company) including promoters and promoter group of the Parent Company as on the record date, on a proportionate basis through the "tender offer" route at a price of ₹275 per share for an aggregate amount not exceeding ₹1,750 million. The Parent Company completed the Buy Back Process in June 2019 and has complied with all the requisite formalities with SEBI and ROC

In accordance with section 69 of the Companies Act, 2013, the Parent Company has created 'Capital Redemption Reserve' of ₹63.64 million equal to the nominal value of the shares bought back as an appropriation from Securities Premium Account.
- 5 The Group is engaged in providing security software solutions. The Chief Operating Decision Maker (CODM) reviews the information pertaining to revenue of each of the target customer group (segments) viz. retail, enterprise & government and mobile. However, based on similarity of activities/products, risk and reward structure, organisation structure and internal reporting systems, the Group has structured its operations into one operating segment viz. anti-virus and as such there is no separate reportable operating segment as defined by Ind AS 108 "Operating segments".
- 6 The Board of Directors, in their meeting held on February 24, 2020, declared and paid an interim dividend of ₹4.00 per equity share. The amount was recognized as distributions to equity shareholders during the year ended March 31, 2020 and the total appropriation was ₹309.60 million including dividend distribution tax.
- 7 Figures for the quarter ended March 31, 2020 is the balancing figures between the audited figures in respect of the full years and published year to date figures of nine month ended December 31, 2019
- 8 Figures for the quarter ended March 31, 2019 is the balancing figures between the audited figures of the financial year ended March 31, 2019 and unaudited and non-reviewed figures for the nine month ended December 31, 2018
- 9 **Estimated uncertainty relating to COVID-19 outbreak**
The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. In response, the Indian government have taken various actions and ensured many precautionary measures which posed significant disruption to business operations and adversely impacting most of the industries which has resulted in global slowdown.

The full extent and duration of the impact of COVID-19 on the Group's operations and financial performance is currently unknown, and depends on future developments that are uncertain and unpredictable, including the duration and spread of the pandemic and any new information that may emerge concerning the severity of the virus, its spread to other regions and the actions to contain the virus or treat its impact, among others.

Any of these outcomes could have a material adverse impact on Group's business, financial condition, results of operations and cash flows.

Management believes that considering the Groups's historical profitability performance and its business model, it has adequate liquidity and business plans to continue to operate the business and mitigate the risks associated with COVID-19 for the next 12 months from the date of this Financial Statements. The Group has also ensured that majority of its key development and other critical resources are working from home and providing the required support to business and ensuring that there is least disturbance. The short term disturbance in the supply chain is having impact on the business however the same is expected to gradually recover once the operations resume.
- 10 Previous year's figures have been regrouped / reclassified wherever necessary to make them comparable with the current year's classification / disclosure.

Place: Pune
Date: May 21, 2020Kailash
Sahebrao
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Katkar
DN: cn=Kailash, o=Personal,
postalCode=411032,
st=MAHARASHTRA,
serialNumber=4746d61fec3d8171c4
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Sahebrao Katkar
Date: 2020.05.21 14:42:37 +05'30'**For and on behalf of the Board of Directors****Kailash Katkar**
Managing Director
& Chief Executive Officer

QUICK HEAL TECHNOLOGIES LIMITED

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STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES AS AT MARCH 31, 2020

(₹ in million, except earning per share)

	As at March 31, 2020	As at March 31, 2019
Assets		
Non-current assets		
(a) Property, plant and equipment	1,485.09	1,570.04
(b) Capital work-in-progress	34.00	106.33
(c) Intangible assets	99.81	77.08
(d) Financial assets		
(i) Investments	353.32	296.23
(ii) Loans and security deposits	3.81	3.75
(iii) Other financial assets	3.91	4.04
(e) Deferred tax assets (net)	25.86	86.69
(f) Income tax assets (net)	167.92	45.54
(g) Other non-current assets	5.32	0.52
	2,179.04	2,190.22
Current assets		
(a) Inventories	62.40	53.94
(b) Financial assets		
(i) Investments	2,745.22	3,602.17
(ii) Trade receivables	1,131.62	1,250.52
(iii) Cash and cash equivalents	100.72	129.56
(iv) Bank balances other than (iii) above	699.53	1,219.44
(v) Loans and security deposits	7.74	7.09
(vi) Interest accrued	15.26	30.59
(c) Other current assets	24.13	44.74
	4,786.62	6,338.05
Total assets	6,965.66	8,528.27
Equity and liabilities		
Equity		
(a) Equity share capital	642.03	705.63
(b) Share application money pending allotment	-	0.17
(c) Other equity		
(i) Retained earnings	4,707.81	4,418.83
(ii) Securities premium	593.84	2,343.38
(iii) Amalgamation reserve	26.45	26.45
(iv) General reserve	450.26	450.26
(v) Capital redemption reserve	63.64	-
(vi) Other reserves	(43.35)	(47.13)
Total equity	6,440.68	7,897.59
Liabilities		
Non-current liabilities		
(a) Net employee defined benefit liabilities	4.62	18.37
(b) Other non-current liabilities	19.63	19.53
	24.25	37.90
Current liabilities		
(a) Financial liabilities		
(i) Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises	4.73	0.37
(b) Total outstanding dues creditors other than micro enterprises and enterprises	382.54	387.50
(ii) Other financial liabilities	9.04	34.23
(b) Other current liabilities	86.68	135.76
(c) Net employee defined benefit liabilities	3.94	21.22
(d) Income tax liabilities (net)	13.80	13.70
	500.73	592.78
Total liabilities	524.98	630.68
Total equity and liabilities	6,965.66	8,528.27

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CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(₹ in million, except earning per share)

	March 31, 2020	March 31, 2019
A. Cash flow from operating activities		
Profit before tax	1,013.11	1,370.19
Adjustment to reconcile profit before tax to net cash flows:		
Exceptional items		
Net (gain) / loss foreign exchange differences	0.95	1.26
Employee share based payments expense	1.70	10.68
Depreciation and amortization expense	216.77	235.49
Interest income	(81.29)	(110.05)
Provision for doubtful debts and advances	62.83	19.14
Bad debts / property, plant and equipment written off	2.37	4.09
Profit on sale of property, plant and equipment	(5.30)	(21.33)
Dividend income	(67.92)	(148.01)
Exchange difference on translation of foreign currency cash and cash equivalents	(2.80)	(1.97)
Net gain on sale of investment	(28.36)	(0.42)
Net (gain) / loss on FVTPL current investment	(66.28)	(16.53)
Operating profit before working capital changes	1,045.78	1,342.54
Movements in working capital:		
(Increase)/decrease in trade receivables	54.91	(241.40)
(Increase)/decrease in inventories	(8.46)	2.30
(Increase)/decrease in loans	(0.74)	1.19
(Increase)/decrease in other financial assets	0.13	(1.12)
(Increase)/decrease in other assets	15.32	(19.76)
Increase/(decrease) in net employee defined benefit liabilities	(18.03)	0.51
Increase/(decrease) in trade payables	(0.49)	60.70
Increase/(decrease) in other current liabilities	(49.09)	22.80
Cash generated from operations	1,039.33	1,167.76
Direct taxes paid (net of refunds)	(333.72)	(553.89)
Net cash flow from operating activities (A)	705.61	613.87
B. Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets (including capital work-in-progress and capital advances)	(113.22)	(108.57)
Proceeds from sale of property, plant and equipment	10.98	31.83
Investments in non-current investments (other)	(57.09)	(150.00)
Purchase of current investments	(6,621.26)	(6,735.48)
Sale of current investments	7,572.85	6,039.30
(Increase)/decrease in bank balances other than cash and cash equivalents	519.91	287.80
Interest received	96.71	118.46
Dividends received	67.92	148.01
Net cash (used in) investing activities (B)	1,476.80	(368.65)
C. Cash flow from financing activities		
Dividend paid on equity shares	(384.68)	(211.19)
Tax on equity dividend paid	(79.65)	(43.03)
Proceeds from issuance of equity shares (including securities premium and Buy back)	0.25	14.28
Payout on Buyback of equity shares	(1,750.00)	-
Share application money pending allotment	-	0.17
Net cash flow (used in) financing activities (C)	(2,214.08)	(239.77)
Net (decrease) in cash and cash equivalents (A+B+C)	(31.64)	5.45
Cash and cash equivalents at the beginning of the year	129.56	122.14
Effect of exchange differences on cash and cash equivalents held in foreign currency	2.80	1.97
Cash and cash equivalents at the end of the year	100.72	129.56
Components of cash and cash equivalents		
Cash on hand	0.63	0.35
Balances with banks		
On current account	77.45	94.29
On EEFC account	3.09	2.68
Deposits with original maturity of less than three months	-	28.37
Cheques on hand	19.55	3.87
Total cash and cash equivalents	100.72	129.56

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STATEMENT OF STANDALONE FINANCIAL RESULTS OF QUICK HEAL TECHNOLOGIES LIMITED FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020

(₹ in million, except earning per share)

Sr. No	Particulars	Quarter ended			Year ended	
		March 31, 2020 (Audited)	December 31, 2019 (Unaudited)	March 31, 2019 (Audited)	March 31, 2020 (Audited)	March 31, 2019 (Audited)
1	Income					
	Revenue from operations	634.31	651.35	853.54	2,834.04	3,129.03
	Other income	81.12	75.07	84.80	313.41	325.00
	Total income	715.43	726.42	938.34	3,147.45	3,454.03
2	Expenses					
	Cost of raw materials consumed	0.19	-	8.78	8.16	29.51
	Purchase of security software products	45.70	17.49	31.34	95.94	114.26
	Increase / (decrease) in inventories of security software products	(21.34)	(1.01)	(4.26)	(16.18)	(14.84)
	Employee benefits expense	242.04	243.01	235.75	999.90	971.38
	Depreciation and amortisation expense	55.88	53.90	56.27	216.64	235.27
	Other expenses	287.46	157.46	192.75	815.42	734.58
	Total expenses	609.93	470.85	520.63	2,119.88	2,070.16
3	Profit before exceptional items and tax (1-2)	105.50	255.57	417.71	1,027.57	1,383.87
4	Exceptional items (refer note 4)	23.17	-	43.17	23.17	93.17
5	Profit before tax (3-4)	82.33	255.57	374.54	1,004.40	1,290.70
6	Tax expense					
	Current tax					
	Pertaining to profit for the current period	2.51	56.44	146.70	210.45	446.36
	Adjustments of tax relating to earlier periods (Net)	-	-	31.28	-	45.99
	Deferred tax	19.58	19.50	(40.70)	57.56	(41.29)
	Total tax expense	22.09	75.94	137.28	268.01	451.06
7	Profit for the period (5-6)	60.24	179.63	237.26	736.39	839.64
8	Other comprehensive income, net of tax					
	Other comprehensive income not to be reclassified to profit or loss in subsequent periods:					
	Re-measurement of defined benefit plans	1.25	3.92	0.42	9.73	(3.23)
	Net (loss) or gain on FVTOCI assets (refer note 4)	-	-	-	-	(29.52)
	Other comprehensive income to be reclassified to profit or loss in subsequent periods:					
	Exchange differences on translation of foreign operations	-	-	-	-	-
	Total other comprehensive income	1.25	3.92	0.42	9.73	(32.75)
9	Total comprehensive income (after tax) (7+8)	61.49	183.55	237.68	746.12	806.89
10	Paid-up equity share capital (face value of ₹ 10 each)	642.03	642.03	705.63	642.03	705.63
11	Other equity (as per balance sheet of previous accounting year)				5,840.10	7,243.12
12	Earnings per share of ₹ 10 each: (not annualised except for the year ended March)					
	a) Basic	0.94	2.80	3.37	11.23	11.91
	b) Diluted	0.94	2.80	3.37	11.22	11.90

NOTES TO THE STATEMENT OF STANDALONE FINANCIAL RESULTS OF QUICK HEAL TECHNOLOGIES LIMITED FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020

Notes to financial results:

- 1** The above financial results for the quarter and year ended March 31, 2020 have been subjected to statutory audit by the statutory auditors of the Company and reviewed by the Audit Committee and approved by the Board of Directors of the Company at the meeting held on May 20, 2020 and May 21, 2020 respectively.
- 2** During the previous year ended March 31, 2019, Company had received notice of demand dated March 13, 2019, in relation to service tax under the provisions of Finance Act, 1994 for ₹ 387.43 million (excluding interest and penalties) covering the period from April 1, 2016 to June 30, 2017 on supply of anti-virus software in Compact Disk. Company replied the notice of demand to Commissioner of Goods and Service Tax, Pune.
- During the earlier years, Company received similar notice of demands in relation to service tax under the provisions of Finance Act, 1994 for ₹ 1,223.07 million (excluding penalty of ₹ 626.97million and predeposit, if any) covering the period from March 1, 2011 to March 31, 2016 on supply of anti-virus software in Compact Disk. Company had filed an appeal with Customs, Excise and Service Tax Appellate Tribunal, New Delhi for the period March 1, 2011 to March 31, 2014 and with the Customs, Excise and Service Tax Appellate Tribunal, Mumbai for the period April 1, 2014 to March 31, 2016.
- The Hon'ble Customs, Excise & Service Tax Appellate Tribunal (CESTAT), Principal Bench, New Delhi, vide its judgment (Order No. 50022/2020) dated January 09, 2020 (Service Tax Appeal No. 51175 of 2016), has set aside the Service Tax demand for ₹ 560.71 million along with interest and penalty which was earlier confirmed by Directorate General of Central Excise Intelligence (DGCEI), New Delhi vide its Order of 2016 covering period from 2011 to 2014.
- Based on this latest judgement of CESTAT, New Delhi, technical circular issued by government authorities and an independent legal opinion obtained by the Company in earlier years, the Company is confident of also getting the claims set aside for balance period from April 01, 2014 to June 30, 2017. Accordingly no provision/contingent liability has been recognized/disclosed in the financial statements..
- 3** Effective April 1, 2019, the Company has adopted Ind AS 116 "leases". The application of Ind AS 116 did not have any material impact on the financial results of the Company.
- 4 Impairment of investments**
 Included in exceptional items (₹ in million)
- | Particulars | Standalone | | | | |
|---|----------------|-------------------|----------------|----------------|----------------|
| | Quarter ended | | | Year ended | |
| | March 31, 2020 | December 31, 2019 | March 31, 2019 | March 31, 2020 | March 31, 2019 |
| | (Audited) | (Unaudited) | (Audited) | (Audited) | (Audited) |
| Impairment of investment in wholly owned subsidiaries | 23.17 | - | 43.17 | 23.17 | 93.17 |
- Further, the decline in fair value of investment of ₹ Nil million (March 31, 2019: ₹ 29.52 million) has been included in Other Comprehensive income.
- 5** The Board of Directors at its meeting held on March 5, 2019 and the shareholders by way of postal ballot on April 13, 2019, approved the buy back of the Company fully paid equity shares of the face value of ₹ 10 each from its shareholder/beneficial owners of equity shares of the Quick Heal Technologies Limited including promoters and promoter group of the Company as on the record date, on a proportionate basis through the "tender offer" route at a price of ₹ 275 per share for an aggregate amount not exceeding ₹ 1,750 million. Company completed the Buy Back Process in June 2019 and has complied with all the requisite formalities with SEBI and ROC
- In accordance with section 69 of the Companies Act, 2013, the Company has created 'Capital Redemption Reserve' of ₹ 63.64 million equal to the nominal value of the shares bought back as an appropriation from Securities Premium Account.
- 6** The Board of Directors, in their meeting held on February 24, 2020, declared and paid an interim dividend of ₹4.00 per equity share. The amount was recognized as distributions to equity shareholders during the year ended March 31, 2020 and the total appropriation was ₹309.60 million including dividend distribution tax.
- 7** The Company is engaged in providing security software solutions. The Chief Operating Decision Maker (CODM) reviews the information pertaining to revenue of each of the target customer group (segments) viz. retail, enterprise & government and mobile. However, based on similarity of activities/products, risk and reward structure, organisation structure and internal reporting systems, the Company has structured its operations into one operating segment viz. anti-virus and as such there is no separate reportable operating segment as defined by Ind AS 108 "Operating segments".
- 8** The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. In response, the Indian government has taken various actions and ensured many precautionary measures which posed significant disruption to business operations and adversely impacting most of the industries which has resulted in global slowdown.
- The full extent and duration of the impact of COVID-19 on the Company's operations and financial performance is currently unknown, and depends on future developments that are uncertain and unpredictable, including the duration and spread of the pandemic and any new information that may emerge concerning the severity of the virus, its spread to other regions and the actions to contain the virus or treat its impact, among others.
- Any of these outcomes could have a material adverse impact on Company's business, financial condition, results of operations and cash flows.
- Management believes that considering the Company's historical profitability performance and its business model, it has adequate liquidity and business plans to continue to operate the business and mitigate the risks associated with COVID-19 for the next 12 months from the date of this Financial Statements. The Company has also ensured that majority of its key development and other critical resources are working from home and providing the required support to business and ensuring that there is least disturbance. The short term disturbance in the supply chain is having impact on the business however the same is expected to gradually recover once the operations resume.
- 9** Figures for the quarter ended March 31, 2020 and March 31, 2019 are the balancing figures between the audited figures in respect of the full years and published year to date figures of nine month ended December 31, 2019 and December 31, 2018 respectively.
- 10** Previous year's figures have been regrouped / reclassified wherever necessary to makethem comparable with the current year's classification / disclosure.

Quick Heal Technologies Limited

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CIN: L72200MH1995PLC091408

STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2020

(₹ in million, except earning per share)

	As at March 31, 2020	As at March 31, 2019
Assets		
Non-current assets		
(a) Property, plant and equipment	1,484.82	1,569.69
(b) Capital work-in-progress	34.00	106.33
(c) Intangible assets	99.61	76.86
(d) Investments in subsidiaries	100.64	110.30
(e) Financial assets		
(i) Investments	353.32	296.23
(ii) Loans and security deposits	3.81	3.75
(iii) Other financial assets	3.91	4.04
(f) Deferred tax assets (net)	25.86	86.69
(g) Income tax assets (net)	167.92	45.54
(h) Other non-current assets	5.32	0.52
	2,279.21	2,299.95
Current assets		
(a) Inventories	62.19	41.41
(b) Financial assets		
(i) Investments	2,745.22	3,602.17
(ii) Trade receivables	1,132.26	1,248.55
(iii) Cash and cash equivalents	35.57	79.63
(iv) Bank balances other than (iii) above	699.53	1,219.44
(v) Loans and security deposits	7.08	6.43
(vi) Interest accrued	15.30	30.60
(c) Other current assets	23.42	43.34
	4,720.57	6,271.57
Total assets	6,999.78	8,571.52
Equity and liabilities		
Equity		
(a) Equity share capital	642.03	705.63
(b) Share application money pending allotment	-	0.17
(c) Other equity		
(i) Retained earnings	4,747.59	4,466.33
(ii) Securities premium	593.84	2,343.38
(iii) Amalgamation reserve	26.45	26.45
(iv) General reserve	450.26	450.26
(v) Capital redemption reserve	63.64	-
(vi) Other reserves	(41.68)	(43.30)
Total equity	6,482.13	7,948.92
Liabilities		
Non-current liabilities		
(a) Net employee defined benefit liabilities	4.62	18.37
(b) Other non-current liabilities	19.63	19.53
	24.25	37.90
Current liabilities		
(a) Financial liabilities		
(i) Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises	4.73	0.37
(b) Total outstanding dues creditors other than micro enterprises and small enterprises	378.87	384.46
(ii) Other financial liabilities	9.04	34.23
(b) Other current liabilities	83.79	131.49
(c) Net employee defined benefit liabilities	3.94	21.12
(d) Income tax liabilities (net)	13.03	13.03
	493.40	584.70
Total liabilities	517.65	622.60
Total equity and liabilities	6,999.78	8,571.52

QUICK HEAL TECHNOLOGIES LIMITED

Regd. Office: Marvel Edge, Office No. 7010 C & D, 7th Floor, Opposite Neco Garden Society, Viman Nagar, Pune - 411014

CIN: L72200MH1995PLC091408

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(₹ in million, except earning per share)

	March 31, 2020	March 31, 2019
A. Cash flow from operating activities		
Profit before tax	1,004.40	1,290.70
Adjustment to reconcile profit before tax to net cash flows:		
Exceptional items	23.17	93.17
Net (gain) / loss foreign exchange differences	(0.28)	(1.34)
Employee share based payments expense	1.70	10.68
Depreciation and amortization expense	216.64	235.27
Interest income	(81.28)	(110.05)
Provision for doubtful debts and advances	63.50	17.16
Bad debts / property, plant and equipment written off	1.64	3.14
Profit on sale of property, plant and equipment	(5.29)	(21.28)
Dividend income	(67.92)	(148.01)
Net gain on sale of investment	(28.36)	(0.42)
Net (gain) / loss on FVTPL current investment	(66.28)	(16.53)
Operating profit before working capital changes	1,061.64	1,352.49
Movements in working capital:		
(Increase)/decrease in trade receivables	52.52	(238.06)
(Increase)/decrease in inventories	(20.78)	5.74
(Increase)/decrease in loans	(0.71)	1.13
(Increase)/decrease in other financial assets	0.13	(1.12)
(Increase)/decrease in other assets	14.63	(19.73)
Increase/(decrease) in net employee defined benefit liabilities	(17.93)	0.41
Increase/(decrease) in trade payables	(1.23)	62.12
Increase/(decrease) in other financial liabilities	-	(3.62)
Increase/(decrease) in other current liabilities	(47.60)	19.78
Cash generated from operations	1,040.67	1,179.14
Direct taxes paid (net of refunds)	(332.83)	(553.04)
Net cash flow from operating activities (A)	707.84	626.10
B. Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets (including capital work-in-progress and capital advances)	(113.92)	(112.27)
Proceeds from sale of property, plant and equipment	10.61	32.99
Investments in subsidiaries	(13.51)	(18.97)
Repatriation from subsidiaries on account of capital reduction	-	-
Investments in non-current investments (other)	(34.34)	(136.19)
Purchase of current investments	(6,621.26)	(6,735.48)
Sale of current investments	7,550.10	6,025.49
(Increase)/decrease in bank balances other than cash and cash equivalents	519.91	287.80
Interest received	96.67	118.45
Dividends received	67.92	148.01
Net cash (used in) investing activities (B)	1,462.18	(390.17)
C. Cash flow from financing activities		
Dividend paid on equity shares	(384.68)	(211.19)
Tax on equity dividend paid	(79.65)	(43.03)
Proceeds from issuance of equity shares (including securities premium)	0.25	14.28
Payout for buyback of shares	(1,750.00)	-
Share application money pending allotment	-	0.17
Net cash flow (used in) financing activities (C)	(2,214.08)	(239.77)
Net (decrease) in cash and cash equivalents (A+B+C)	(44.06)	(3.84)
Cash and cash equivalents at the beginning of the year	79.63	83.47
Cash and cash equivalents at the end of the year	35.57	79.63
Components of cash and cash equivalents		
Cash on hand	0.63	0.34
Balances with banks		
On current account	12.30	44.37
On EEFC account	3.09	2.68
Deposits with original maturity of less than three months	-	28.37
Cheques on hand	19.55	3.87
Total cash and cash equivalents	35.57	79.63