

**Quick Heal**

*Security Simplified*

**QUICK HEAL TECHNOLOGIES LIMITED**

**CIN:** L72200MH1995PLC091408

**Registered Office:** Marvel Edge, Office No. 7010 C & D, 7<sup>th</sup> Floor, Viman Nagar, Pune - 411 014, India

**Phone:** +91 (20) 6681 3232

**E-mail:** cs@quickheal.co.in; **Website:** www.quickheal.co.in

**Contact Person:** Mr. Vinav Agarwal, Associate Company Secretary and Compliance Officer

**NOTICE OF POSTAL BALLOT**

[Pursuant to Section 110 of the Companies Act, 2013, as amended read with the Companies (Management and Administration) Rules 2014, as amended]

Dear Shareholder(s),

Notice is hereby given pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (the "**Act**"), read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force, and as amended (the "**Rules**") and pursuant to other applicable laws and regulations, that the resolutions appended below are proposed for approval of the shareholders of the Company through postal ballot ("**Postal Ballot**")/ electronic voting ("**remote e-voting**").

The explanatory statement pursuant to Sections 102, 110 and other applicable provisions, if any, of the Act pertaining to the aforesaid resolutions setting out the material facts concerning the item of business and the reasons thereof is annexed hereto for your consideration, along with a postal ballot form ("**Postal Ballot Form**").

Pursuant to Rule 22(5) of the Rules, the Buyback Committee at its meeting held on March 5, 2019, has appointed Mr. Jayavant B Bhawe, Company Secretary, as the Scrutinizer for conducting the Postal Ballot and remote e-voting process in a fair and transparent manner. Shareholders have the option to vote either by Postal Ballot or through remote e-voting. Shareholders desiring to exercise their vote by Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the same duly completed in the enclosed self-addressed postage prepaid Business Reply Envelope. A Postal Ballot Form sent by courier or by registered post/speed post at the expense of the shareholder(s) will also be accepted.

For the purpose of remote e-voting, the Company has engaged the services of Link Intime. In case a Shareholder has voted through remote e-voting facility, he/she is not required to send the physical Postal Ballot Form to the Scrutinizer.

The duly completed Postal Ballot Form should reach the Scrutinizer **not later than 1700 Hours IST on April 12, 2019** to be eligible for being considered, failing which it will be strictly considered that no reply has been received from the shareholder. Shareholders desiring to opt for e-voting as per the facilities arranged by the Company are requested to read the instructions in the Notes under the section "General information and instruction relating to remote e-voting". References to postal ballot(s) in this postal ballot notice ("**Postal Ballot Notice**") include votes received electronically. The Scrutinizer will submit his report to the Managing Director of the Company or any other person authorized by him, after completion of scrutiny of the postal ballots (including remote e-voting). The results of voting by Postal Ballot (i.e. through the Postal Ballot Forms and remote e-Voting) will be declared **on or before 1700 Hours IST on April 15, 2019** by the Managing Director of the Company or any other person authorized by him at the Registered Office at Marvel Edge, Office No. 7010 C & D, 7<sup>th</sup> Floor, Viman Nagar, Pune 411014. The results along with the Scrutinizer's Report will be displayed at the Registered Office of the Company. The results shall be communicated to the Stock Exchanges (BSE Limited and National Stock Exchange of India Limited) and the same along with the Scrutinizer's Report will be displayed on the Company's website www.quickheal.co.in as well as on Link Intime's website https://instavote.linkintime.co.in. In addition, the results will also be published in the newspapers for information of the Shareholders.

The resolution, if passed by the requisite majority, shall be deemed to have been passed on April 12, 2019 i.e. the last date specified for receipt of duly completed Postal Ballot Forms or remote e-voting.

**Resolution No. 1 - Approval for Buyback of Equity Shares of the Company.**

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Article 9 of the Articles of Association of the Company and the provisions of Sections 68, 69, 70 and 110 and all other applicable provisions, if any, of the Companies Act, 2013, as amended (the "**Companies Act**"), the Companies

(Share Capital and Debentures) Rules, 2014, as amended, and the Companies (Management and Administration) Rules 2014, as amended and to the extent applicable, and in compliance with Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (the "**Buyback Regulations**"), including any amendments, statutory modifications or re-enactments for the time being in force, and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications, if any, as may be prescribed or imposed by the Securities and Exchange Board of India ("**SEBI**"), the stock exchanges on which the Equity Shares of the Company are listed (the "**Stock Exchanges**") and other authorities, institutions or bodies (the "**Appropriate Authorities**") while granting such approvals, permissions and sanctions, which may be agreed by the Board of Directors of the Company (hereinafter referred to as the "**Board**", which expression shall include any Committee constituted/to be constituted by the Board to exercise its powers, including the powers conferred by this resolution) and on the terms and conditions set out in the explanatory statement (which may be modified based on regulatory requirements), the approval of the shareholders be and is hereby accorded for the buyback by the Company of up to 6,363,636 fully paid-up equity shares of ₹ 10/- (Rupees Ten only) each of the Company ("**Equity Shares**") representing up to 9.02% of the total paid-up Equity Share capital of the Company at a price of ₹ 275/- (Rupees Two Hundred and Seventy Five only) per Equity Share ("**Buyback Price**") payable in cash for an aggregate amount of up to ₹ 1,750 Million (Rupees One Thousand Seven Hundred and Fifty Million only) ("**Buyback Size**") (excluding any expenses incurred or to be incurred for the Buyback like filing fee payable to SEBI, advisors' fees, public announcement publication expenses, printing and dispatch expenses, transaction costs viz. brokerage, applicable taxes such as securities transaction tax, GST, stamp duty, etc.), which is 23.87% of the aggregate of the fully paid-up Equity Share capital and free reserves as per the latest standalone audited financial statements of the Company as on March 31, 2018, on a proportionate basis through the "**tender offer**" route as prescribed under the Buyback Regulations, from all the shareholders who hold Equity Shares as of the record date ("**Buyback**").

**RESOLVED FURTHER THAT** all of the shareholders of the Company will be eligible to participate in the Buyback, including promoters and promoter group of the Company (including members thereof) and persons in control (including persons acting in concert), who hold Equity Shares as of the record date (the "**Record Date**") to be subsequently decided by the Board or a committee of the Board.

**RESOLVED FURTHER THAT** 15% of the Equity Shares that the Company proposes to Buyback or number of Equity Shares entitled as per the shareholding of small shareholders as on the Record Date shall be reserved for small shareholders in accordance with the provisions of the Buyback Regulations.

**RESOLVED FURTHER THAT** the Company shall implement the Buyback through the "tender offer" route as prescribed under the Buyback Regulations using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with the circulars issued in relation thereto, including the circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, including any amendments or statutory modifications for the time being in force.

**RESOLVED FURTHER THAT** the Buyback from the shareholders who are residents outside India including Foreign Corporate Bodies (including erstwhile Overseas Corporate Bodies), Foreign Institutional Investors/Foreign Portfolio Investors, Non- Resident Indians, shareholders of foreign nationality, shall be subject to such approvals, if any and to the extent required from the concerned authorities including approvals from the Reserve Bank of India ("**RBI**") under the Foreign Exchange Management Act, 1999 and the rules and regulations framed thereunder, and that such approvals shall be required to be taken by such non-resident shareholders.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the power(s) conferred hereinabove as it may in its absolute discretion deem fit, to any Committee ("**Buyback Committee**") / any one or more Director(s)/Officer(s)/Authorised Representative(s) of the Company to give effect to the aforesaid resolutions, including but not limited to finalizing the terms of the Buyback like record date, entitlement ratio, the time frame for completion of Buyback; appointment of merchant banker, brokers, lawyers, depository participants, escrow agents, bankers, advisors, registrars, scrutinizers, consultants/intermediaries/agencies, as may be required, for the implementation of the Buyback; preparing, finalizing, signing and filing of the public announcement, the draft letter of offer/ letter of offer with SEBI, the Stock Exchanges where the Equity Shares are listed and other appropriate authorities and to make all necessary applications to the appropriate authorities for their approvals including but not limited to approvals as may be required from the SEBI and RBI; and initiating all necessary actions for preparation and issue of various documents including public announcement, draft letter of offer, letter of offer, opening, operation and closure of necessary accounts including escrow account, special account with the bank, demat escrow account, trading account, entering into escrow agreements as required under the Buyback Regulations, filing of declaration of solvency, obtaining all necessary certificates and reports from statutory auditors and other third parties as required under applicable law, extinguishing dematerialized shares and physically destroying share certificates in respect of the Equity Shares bought back by the Company, and filing such other undertakings, agreements, papers, documents and correspondence, as may be required to be filed in connection with the Buyback with SEBI, RBI, Stock Exchanges, Registrar of Companies, Depositories and/or other regulators and statutory authorities as may be required from time to time.

**RESOLVED FURTHER THAT** nothing contained herein shall confer any right on the part of any shareholders to offer and/or any obligation on the part of the Company or the Board or Buyback Committee to Buyback any shares, and/or impair any power of the Company or the Board or Buyback Committee to terminate any process in relation to such Buyback, if so permissible by law.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board and/or Buyback Committee is hereby empowered and authorised on behalf of the Company to accept and make any alteration(s), modification(s) to the terms and conditions as it may deem necessary, concerning any aspect of the Buyback, in accordance with the statutory requirements as well as to give such directions as may be necessary or desirable, to settle any questions, difficulties or doubts that may arise and generally, to do all acts, deeds, matters and things as the Board and/or any person authorised by the Board may, in its/his/her absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters consequential to the Buyback without seeking any further consent or approval of the shareholders or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution.”

**By Order of the Board  
For Quick Heal Technologies Limited**

**Sd/-**

Kailash Katkar  
Managing Director & CEO

Date: March 7, 2019

Place: Pune

**Notes:**

1. The explanatory statement pursuant to Sections 102 and 110 of the Act stating all material facts and the reasons for the proposal is annexed herewith. It also contains all the disclosures as specified in the Buyback Regulations and Companies Act, 2013 and/or SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended (“**Listing Regulations**”).
2. The Postal Ballot Notice is being sent to the shareholders of the Company whose names appear on the Register of Members/List of Beneficial Owners as received from the Depositories as on March 1, 2019. The Postal Ballot Notice is being sent to shareholders in electronic form to the email addresses registered with their depository participants (in case of electronic shareholding) or the email addresses registered with the Company’s Registrar and Share Transfer Agent (in case of physical shareholding). For shareholders whose email IDs are not registered, physical copies of the Postal Ballot Notice are being sent by permitted mode along with a self-addressed postage-prepaid Business Reply Envelope. Shareholders may note that this notice is also available on the website of the Company ([www.quickheal.co.in](http://www.quickheal.co.in)) as well as on Link Intime’s website <https://instavote.linkintime.co.in/>. Shareholders whose names appear on the Register of Members/List of Beneficial Owners as on March 1, 2019, will be considered for the purpose of voting/remote e-voting.
3. Resolutions passed by the shareholders through Postal Ballot are deemed to have been passed as if they have been passed at a General Meeting of the shareholders.
4. The shareholders can opt for only one mode of voting, i.e., either by physical ballot or remote e-voting. In case shareholders cast their votes through both the modes, votes cast through remote e-voting shall be treated as valid and votes cast through physical Postal Ballot Form will be treated as invalid.
5. In case a shareholder is desirous of obtaining a printed Postal Ballot Form or a duplicate, he or she may send an e-mail to [cs@quickheal.co.in](mailto:cs@quickheal.co.in). The Registrar and Transfer Agent/Company shall forward the same along with self-addressed postage-prepaid Business Reply Envelope to the shareholder.
6. Voting rights shall be reckoned on the paid-up value of equity shares registered in the name of the shareholders as on March 1, 2019. A person who is not a shareholder on the relevant date should treat this notice for information purpose only.
7. In compliance with the provisions of Section 108 and 110 of the Act read with the rules made thereunder, as amended and Regulation 44 of the Listing Regulations, the Company is pleased to provide remote e-voting facility to its Shareholders, holding equity shares in

physical or dematerialized form, as on the cut-off date, being March 1, 2019, to exercise their right to vote by electronic means on the businesses specified in the accompanying Notice through the electronic voting service facility arranged by Link Intime. Shareholders have the option to vote either through remote e-voting or through the Postal Ballot Form. The instructions for remote e-voting are annexed to this Postal Ballot Notice.

8. A shareholder cannot exercise his vote by proxy on Postal Ballot.
9. Shareholders desiring to exercise their vote by physical Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed and signed, in the enclosed self-addressed Business Reply Envelope to the Scrutinizer, so that it reaches the Scrutinizer not later than close of working hours (**i.e., 1700 hours IST**) on April 12, 2019. The postage will be borne by the Company. However, envelopes containing Postal Ballots, if sent by courier or registered/speed post at the expense of the shareholders will also be accepted. Any Postal Ballot received **after 1700 hours IST on April 12, 2019** will be considered invalid.
10. The Scrutinizer will submit his report to the Managing Director or any other person authorized by him after the completion of scrutiny, and the result of the voting by Postal Ballot will be announced by the Managing Director of the Company or any other person authorized by him **on or before 1700 hours IST on April 15, 2019** at the Registered Office of the Company. The result of the voting will also be displayed on the website of the Company ([www.quickheal.co.in](http://www.quickheal.co.in)), besides being communicated to the Stock Exchanges.
11. The resolution(s), if passed by the requisite majority shall be deemed to have been passed on April 12, 2019, i.e. the last date specified for receipt of duly completed Postal Ballot Forms or remote e-voting.
12. All the material documents referred to in the explanatory statement will be available for inspection at the Registered Office of the Company between 10:00 a.m. and 4:00 p.m. on all working days from the date of dispatch of the Postal Ballot Notice until the last date for receipt of votes by Postal Ballot/remote e-voting.
13. A person whose name is recorded in the register of members or in register of beneficial owners maintained by the Depositories as on March 1, 2019, only shall be entitled to avail the facility of voting/remote e-voting.
14. Contact details of the person responsible to address the queries/grievances connected with the voting by Postal Ballot including voting by electronic means are as under:-
  - i) Mr. Vinav Agarwal, Associate Company Secretary and Compliance Officer, Quick Heal Technologies Limited, Marvel Edge, Office No. 7010 C & D, 7<sup>th</sup> Floor, Viman Nagar, Pune - 411 014; Email: [cs@quickheal.co.in](mailto:cs@quickheal.co.in); or
  - ii) Mr. Jayavant B Bhawe, Scrutinizer, Flat No. 9, Karan Aniket, Plot No. 37, Shri Varanasi Co-Op Soc. Ltd., Off Bangalore-Mumbai Bye Pass, Behind Atul Nagar, Warje, Pune - 411 058; Tel: +91 (20) 25204357/59; E-mail: [jbbhave@gmail.com](mailto:jbbhave@gmail.com).
15. The instructions for remote e-voting are as under:

The details of the process and manner for remote e-voting are explained herein below:

❖ **Log-in to e-Voting website of Link Intime India Private Limited (LIPL)**

1. Visit the e-voting system of LIPL. Open web browser by typing the following URL: <https://instavote.linkintime.co.in>.
2. Click on "Login" tab, available under 'Shareholders' section.
3. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT".
4. Your User ID details are given below:
  - a. **Shareholders holding shares in demat account with NSDL:** Your User ID is 8 Character DP ID followed by 8 Digit Client ID
  - b. **Shareholders holding shares in demat account with CDSL:** Your User ID is 16 Digit Beneficiary ID
  - c. **Shareholders holding shares in Physical Form (i.e. Share Certificate):** Your User ID is Event No + Folio Number registered with the Company
5. Your Password details are given below:

If you are using e-Voting system of LIPL: <https://instavote.linkintime.co.in> for the first time or if you are holding shares in physical form, you need to follow the steps given below:

Click on "Sign Up" tab available under 'Shareholders' section register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

<b>For Shareholders holding shares in Demat Form or Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders). <ul style="list-style-type: none"> <li>Members who have not updated their PAN with depository Participant or in the company record are requested to use the sequence number which is printed on Ballot Form / Attendance Slip indicated in the PAN Field.</li> </ul>
DOB/ DOI	Enter the DOB (Date of Birth)/ DOI as recorded with depository participant or in the company record for the said demat account or folio number in dd/mm/yyyy format.
Bank Account Number	Enter the Bank Account number as recorded in your demat account or in the company records for the said demat account or folio number. <ul style="list-style-type: none"> <li>Please enter the DOB/ DOI or Bank Account number in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Bank Account number field as mentioned in instruction (iv-c).</li> </ul>

If you are holding shares in demat form and had registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier voting of any company then you can use your existing password to login.

**If Shareholders holding shares in Demat Form or Physical Form have forgotten password:**

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

Incase shareholder is having valid email address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter)

**NOTE:** The password is to be used by demat shareholders for voting on the resolutions placed by the company in which they are a shareholder and eligible to vote, provided that the company opts for e-voting platform of LIPL.

For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

❖ **Cast your vote electronically**

6. After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View "Event No" of the company, you choose to vote.
7. On the voting page, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.  
Cast your vote by selecting appropriate option i.e. Favour/Against as desired.  
Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'. You may also choose the option 'Abstain' and the shares held will not be counted under 'Favour/Against'.
8. If you wish to view the entire Resolution details, click on the 'View Resolutions' File Link.
9. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "YES", else to change your vote, click on "NO" and accordingly modify your vote.
10. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
11. You can also take the printout of the votes cast by you by clicking on "Print" option on the Voting page.

❖ **General Guidelines for shareholders:**

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'.

They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

- During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".
- Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
- In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions ("FAQs") and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or call at Tel : +91 (22) 49186000.

**Explanatory Statement pursuant to Sections 102 and 110 of the Companies Act, 2013**

**Item No. 1- Approval for Buyback of Equity Shares of the Company.**

Pursuant to the provisions of the Act, Rules, the Companies (Share Capital and Debentures) Rules, 2014, as amended (the "**Share Capital Rules**"), Article 9 of the Articles of Association of the Company, and in compliance with the Buyback Regulations, the Board of Directors of the Company at its meeting held on March 5, 2019 has, subject to the approval of the shareholders of the Company by way of special resolution through postal ballot and subject to such approvals of statutory, regulatory or governmental authorities as may be required under applicable laws, approved the buyback of up to 6,363,636 fully paid-up equity shares of face value of ₹ 10/- each of the Company ("**Equity Shares**") representing up to 9.02% of the total paid-up Equity Share capital of the Company at a price of ₹ 275/- per Equity Share (the "**Buyback Price**") payable in cash for an aggregate amount of up to ₹ 1,750 Million (Rupees One Thousand Seven Hundred and Fifty Million Only) (excluding any expenses incurred or to be incurred for the Buyback like filing fee payable to SEBI, advisors' fees, public announcement publication expenses, printing and dispatch expenses, transaction costs viz. brokerage, applicable taxes such as securities transaction tax, GST, stamp duty, etc.), which is 23.87%, of the aggregate of the fully paid-up Equity Share capital and free reserves as per the latest audited financial statements of the Company, as at March 31, 2018 (the "**Buyback Size**"), through the "**tender offer**" route as prescribed under the Buyback Regulations and the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with the circulars issued in relation thereto, including the circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 or such other mechanism as may be applicable, on a proportionate basis, from the equity shareholders / beneficial owners of the Equity Shares of the Company as on the Record Date to be subsequently decided by the Board or a committee of the Board.

Since the Buyback constitutes more than 10% of the total paid-up equity capital and free reserves of the Company, in terms of Section 68(2) (b) of the Act, it is necessary to obtain the consent of the shareholders of the Company, for the Buyback by way of a special resolution. Further, as per Section 110 of the Act read with Rule 22(16)(g) of the Rules, the consent of the shareholders of the Company to the Buyback is required to be obtained by means of postal ballot. Accordingly, the Company is seeking your consent for the aforesaid proposal as contained in the resolution appended to this Postal Ballot Notice. Certain figures contained in this Postal Ballot Notice, including financial information, have been subject to rounding-off adjustments. All decimals have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

Requisite details and material information relating to the Buyback are given below:

**(a) Date of the Board meeting at which the proposal for buy back was approved by the Board of Directors of the Company –**  
March 5, 2019

**(b) Necessity for the Buyback**

The Buyback is being undertaken by the Company after taking into account the operational and strategic cash requirements of the Company in the medium term and for returning surplus funds to the shareholders in an effective and efficient manner. The Buyback is being undertaken for the following reasons:

- (i) The Buyback will help the Company to distribute surplus cash to its shareholders holding Equity Shares thereby enhancing the overall return for them;

- (ii) The Buyback, which is being implemented through the tender offer route as prescribed under the Buyback Regulations, would involve a reservation of up to 15% of the equity shares, which the Company proposes to buyback, for small shareholders or the actual number of Equity Shares entitled as per the shareholding of small shareholders on the Record Date. The Company believes that this reservation for small shareholders would benefit a significant number of the Company's public shareholders, who would be classified as "Small Shareholders";
- (iii) The Buyback is generally expected to improve return on equity through distribution of cash and improve earnings per share by reduction in the equity base of the Company, thereby leading to long term increase in shareholders' value; and
- (iv) The Buyback gives an option to the Eligible Shareholders (as defined below) to either (A) participate in the Buyback and receive cash in lieu of their Equity Shares which are accepted under the Buyback, or (B) not to participate in the Buyback and get a resultant increase in their percentage shareholding in the Company post the Buyback, without additional investment.

**(c) Maximum number of securities that the Company proposes to buyback**

The Company proposes to buy back up to 6,363,636 fully paid up Equity Shares of face value of ₹ 10/- (Rupees Ten only) each.

**(d) Buyback price and the basis of arriving at buyback price**

- (i) The Equity Shares of the Company are proposed to be bought back at a price of ₹ 275/- per Equity Share.
- (ii) The Buyback Price of ₹ 275/- per Equity Share has been arrived at after considering various factors including, but not limited to the trends in the volume weighted average prices and closing price of the Equity Shares on the Stock Exchanges where the Equity Shares of the Company are listed.
- (iii) The Buyback Price represents:
  - premium of 37.87% and 33.87% to the volume weighted average market price of the Equity Shares on the BSE and the NSE, respectively, during the 3 (three) months period preceding February 27, 2019, being the date of intimation to the Stock Exchanges regarding the date of the Board Meeting to consider the proposal of the Buyback ("**Intimation Date**"); and
  - premium of 28.98% and 27.07% to the volume weighted average market price of the Equity Shares on the BSE and the NSE, respectively, during the 6 (six) months preceding the Intimation Date; and
  - premium of 36.10% and 35.60% over the closing price of the Equity Shares on the BSE and the NSE respectively, as on the Intimation Date.

The closing market price of the Equity Shares as on the Intimation Date was ₹ 202.05 and ₹ 202.80 on the BSE and the NSE respectively.

**(e) Maximum amount of funds required for the Buyback and its percentage of the total paid up capital and free reserves and source of funds from which Buyback would be financed.**

The maximum amount required for Buyback will not exceed ₹ 1,750 million (Rupees One Thousand Seven Hundred and Fifty Million Only) (excluding expenses incurred or to be incurred for the Buyback like filing fee payable to SEBI, advisors' fees, public announcement publication expenses, printing and dispatch expenses, transaction costs viz. brokerage, applicable taxes such as securities transaction tax, GST, stamp duty, etc.)

The maximum amount mentioned aforesaid is 23.87% of the aggregate of the fully paid-up equity share capital and free reserves as per the latest standalone audited financial statements of the Company as on March 31, 2018, which is within the prescribed limit of 25%.

The funds for the implementation of the proposed Buyback will be sourced out of free reserves or securities premium of the Company and any other source as may be permitted by the Buyback Regulations or the Act. Borrowed funds from banks and financial institutions, if any, will not be used for the Buyback.

The Company shall transfer from its free reserves or securities premium account, a sum equal to the nominal value of the equity shares bought back through the Buyback to the Capital Redemption Reserve account.

**(f) Method to be adopted for the Buyback**

The Buyback shall be on a proportionate basis through the tender offer route, as prescribed under the Buyback Regulations, to the extent permissible, and the "Mechanism for acquisition of shares through Stock Exchanges" as prescribed under the SEBI Circular. The Buyback will be implemented in accordance with the Act, Rules, to the extent applicable, the Buyback Regulations and on such terms and conditions as may be deemed fit by the Company.

As required under the Buyback Regulations, the Company will announce a record date for the Buyback for determining the names of the shareholders holding Equity Shares of the Company who will be eligible to participate in the Buyback (“**Eligible Shareholder(s)**”). Subject to the approval of the special resolution under this Postal Ballot Notice and subject to SEBI’s comments on the draft letter of offer, Eligible Shareholders will receive a letter of offer along with a tender/offer form indicating their entitlement.

The Equity Shares to be bought back is divided in two categories:

- (i) Reserved category for small shareholders; and
- (ii) General category for all other shareholders.

As defined in Regulation 2(1)(n) of the Buyback Regulations, a “small shareholder” is a shareholder who holds equity shares having market value, on the basis of closing price on Stock Exchange having highest trading volume as on record date, of not more than ₹ 200,000/- (Rupees Two Hundred Thousand only).

In accordance with Regulation 6 of the Buyback Regulations, 15% of the number of Equity Shares which the Company proposes to buyback or such number of Equity Shares entitled as per the shareholding of small shareholders as on the record date, whichever is higher, shall be reserved for the small shareholders as part of this Buyback.

Based on the holding on the record date, the Company will determine the entitlement of each Eligible Shareholder to tender their shares in the Buyback. This entitlement for each Eligible Shareholder will be calculated based on the number of Equity Shares held by the respective shareholder as on the record date and the ratio of the Buyback applicable in the category to which such shareholder belongs. In order to ensure that the same shareholders with multiple demat accounts/folios do not receive a higher entitlement under the Small Shareholder category, the Company proposes to club together the equity shares held by such shareholders with a common PAN for determining the category (Small Shareholder or General) and entitlement under the Buyback. In case of joint shareholding, the Company will club together the equity shares held in cases where the sequence of the PANs of the joint shareholders is identical. In case of physical shareholders, where the sequence of PANs is identical and where the PANs of all joint shareholders are not available, the Company will check the sequence of the names of the joint holders and club together the equity shares held in such cases where the sequence of the PANs and name of joint shareholders are identical. The shareholding of institutional investors like mutual funds, pension funds/trusts, insurance companies etc., with common PAN will not be clubbed together for determining the category and will be considered separately, where these equity shares are held for different schemes and have a different demat account nomenclature based on information prepared by the Registrar and Transfer Agent as per the shareholder records received from the Depositories.

Shareholders’ participation in Buyback will be voluntary. Eligible Shareholders holding Equity Shares of the Company can choose to participate and get cash in lieu of shares to be accepted under the Buyback or they may choose not to participate. Eligible Shareholders holding Equity Shares of the Company may also accept a part of their entitlement. Eligible Shareholders holding equity shares of the Company also have the option of tendering additional shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other shareholders, if any.

The maximum tender under the Buyback by any Eligible Shareholder cannot exceed the number of Equity Shares held by the shareholder as on the record date.

The Equity Shares tendered as per the entitlement by Eligible Shareholders holding Equity Shares of the Company as well as additional shares tendered, if any, will be accepted as per the procedure laid down in Buyback Regulations. The settlement under the Buyback will be done using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI Circular.

Participation in the Buyback by shareholders may trigger capital gains taxation in India and in their country of residence. The Buyback transaction would also be chargeable to securities transaction tax in India. The shareholders are advised to consult their own legal, financial and tax advisors prior to participating in the Buyback.

Detailed instructions for participation in the Buyback (tender of Equity Shares in the Buyback) as well as the relevant time table will be included in the letter of offer to be sent to the Eligible Shareholder(s).

**(g) Time limit for completing the Buyback**

Subject to receipt of regulatory consents and approvals, if any, the Buyback is proposed to be completed within 12 months from the date of passing of special resolution detailed in this Postal Ballot Notice.

**(h) Compliance with Section 68(2)(c) of the Act**

The aggregate paid-up share capital and free reserves as per the latest audited standalone financial statements of the Company as



on March 31, 2018 is ₹ 7,330.24 million. Under the provisions of the Act, the funds deployed for the Buyback cannot exceed 25% of the aggregate of the fully paid-up share capital and free reserves of the Company i.e., ₹ 1,832.56 million. The maximum amount proposed to be utilized for the Buyback, ₹ 1,750 million (Rupees One Thousand Seven Hundred and Fifty million only), is therefore within the limit of 25% of the Company's fully paid-up share capital and free reserves as per the latest audited financial statements of the Company as on March 31, 2018.

**(i) Details of holding and transactions in the shares of the Company**

(i) The aggregate shareholding of the Promoter and Promoter Group and persons who are in control as on the date of the Board meeting and the date of this Postal Ballot Notice, i.e., March 7, 2019, are as follows:

S. No.	Name of Shareholder	No. of Equity Shares	% Shareholding
1	Kailash Sahebrao Katkar	20,511,384	29.07
2	Sanjay Sahebrao Katkar	20,511,384	29.07
3	Anupama Kailash Katkar	5,003,976	7.09
4	Chhaya Sanjay Katkar	5,003,976	7.09
	<b>Total</b>	<b>51,030,720</b>	<b>72.33</b>

(ii) No Equity Shares were purchased or sold by the Promoter and Promoter Group and persons in control of the Company during a period of six months preceding the date of the Board meeting at which the Buyback was approved and the date of this Postal Ballot Notice, i.e. March 7, 2019.

**(j) Intention of Promoter and Promoter Group to participate in Buyback**

In terms of the Buyback Regulations, under the tender offer route, the Promoter and Promoter Group have an option to participate in the Buyback. In this regard, the Promoter and Promoter Group entities have expressed their intention to participate in the Buyback vide their letters dated March 6, 2019 and may tender up to an aggregate maximum of 4,602,772 Equity Shares or such lower number of Equity Shares in accordance with the provisions of the Buyback Regulations. Please see below the maximum number of Equity Shares to be tendered by each of the Promoter and Promoter Group:

S. No.	Name of the Promoter and Promoter Group entity	Maximum Number of Equity Shares intended to be offered in the Buyback
1.	Kailash Sahebrao Katkar	1,850,047
2.	Sanjay Sahebrao Katkar	1,850,047
3.	Anupama Kailash Katkar	451,339
4.	Chhaya Sanjay Katkar	451,339
	<b>Total</b>	<b>4,602,772</b>

The Buyback will not result in any benefit to Promoter and Promoter Group or any Directors of the Company except to the extent of the cash consideration received by them from the Company pursuant to their respective participation in the Buyback in their capacity as equity shareholders of the Company, and the change in their shareholding as per the response received in the Buyback, as a result of the extinguishment of Equity Shares which will lead to reduction in the equity share capital of the Company post Buyback.

Since the entire shareholding of the members of the Promoter and Promoter Group who intend to participate in the Buyback is in demat mode, the details of the date and price of acquisition/sale of the entire Equity Shares that the members of the Promoter and Promoter Group have acquired/ sold till date, are set-out below:

**Kailash Sahebrao Katkar**

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition/ Sale Price per Equity Share (₹)	Consideration (Cash, other than cash etc.)
March 31, 2008	Bonus Issue	881,026	10	-	-
January 29, 2009	Allotment	70,000	10	10	700,000

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition/ Sale Price per Equity Share (₹)	Consideration (Cash, other than cash etc.)
May 25, 2011	Allotment	2,897	10	0.5178*	1,500*
February 26, 2014	Bonus Issue	19,557,461	10	-	-
<b>Total</b>		<b>20,511,384</b>			<b>701,500</b>

\* 2,897 Shares were issued as per Scheme of merger of Cat Labs Private Limited (Transferor) and Quick Heal Technologies Private Limited (Transferee) in 2011. Therefore cost of acquisition of shares in the Transferor Company has been apportioned to the shares of Transferee Company as (150 Shares of Cat Labs Private Limited of ₹ 10 each aggregating to ₹ 1,500)

#### Sanjay Sahebrao Katkar

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition/ Sale Price per Equity Share (₹)	Consideration (Cash, other than cash etc.)
March 31, 2008	Bonus Issue	881,026	10	-	-
January 29, 2009	Allotment	70,000	10	10	700,000
May 25, 2011	Allotment	2,897	10	0.5178*	1,500*
February 26, 2014	Bonus Issue	19,557,461	10	-	-
<b>Total</b>		<b>20,511,384</b>			<b>701,500</b>

\* 2,897 Shares were issued as per Scheme of merger of Cat Labs Private Limited (Transferor) and Quick Heal Technologies Private Limited (Transferee) in 2011. Therefore cost of acquisition of shares in the Transferor Company has been apportioned to the shares of Transferee Company as (150 Shares of Cat Labs Private Limited of ₹ 10 each aggregating to ₹ 1,500)

#### Anupama Kailash Katkar

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition/ Sale Price per Equity Share (₹)	Consideration (Cash, other than cash etc.)
March 31, 1997	Allotment	3,000	10	10	30,000
February 23, 2004	Allotment	2,000	10	10	20,000
March 31, 2005	Bonus Issue	10,000	10	-	-
March 6, 2006	Bonus Issue	45,000	10	-	-
March 13, 2007	Bonus Issue	180,000	10	-	-
March 31, 2008	Bonus Issue	180,000	10	-	-
March 25, 2010	Transfer	140,000	10	10	1,400,000
August 6, 2010	Transposition	62,600	10	-	-
May 25, 2011	Allotment	2,897	10	0.5178*	1,500*
February 26, 2014	Bonus Issue	4,378,479	10	-	-
<b>Total</b>		<b>5,003,976</b>			<b>1,451,500</b>

\* 2,897 Shares were issued as per Scheme of merger of Cat Labs Private Limited (Transferor) and Quick Heal Technologies Private Limited (Transferee) in 2011. Therefore cost of acquisition of shares in the Transferor Company has been apportioned to the shares of Transferee Company as (150 Shares of Cat Labs Private Limited of ₹ 10 each aggregating to ₹ 1,500)

**Chhaya Sanjay Katkar**

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition/ Sale Price per Equity Share (₹)	Consideration (Cash, other than cash etc.)
March 31, 1997	Allotment	3,000	10	10	30,000
February 23, 2004	Allotment	2,000	10	10	20,000
March 31, 2005	Bonus Issue	10,000	10	-	-
March 6, 2006	Bonus Issue	45,000	10	-	-
March 13, 2007	Bonus Issue	180,000	10	-	-
March 31, 2008	Bonus Issue	180,000	10	-	-
March 25, 2010	Transfer	140,000	10	10	1,400,000
August 6, 2010	Transposition	62,600	10	-	-
May 25, 2011	Allotment	2,897	10	0.5178*	1,500*
February 26, 2014	Bonus Issue	4,378,479	10	-	-
<b>Total</b>		<b>5,003,976</b>			<b>1,451,500</b>

\* 2,897 Shares were issued as per Scheme of merger of Cat Labs Private Limited (Transferor) and Quick Heal Technologies Private Limited (Transferee) in 2011. Therefore cost of acquisition of shares in the Transferor Company has been apportioned to the shares of Transferee Company as (150 Shares of Cat Labs Private Limited of ₹ 10 each aggregating to ₹ 1,500)

**(k) Confirmations from Company as per the provisions of Buyback Regulations and Act**

- (i) The Company shall not issue any equity shares or other securities (including by way of bonus, or convert any outstanding ESOPs/outstanding instruments into equity shares) from the date of resolution passed by the shareholders approving the proposed Buyback till the date of expiry of the Buyback period;
- (ii) The Company shall not raise further capital for a period of one year from the date of expiry of the Buyback period, except in discharge of subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into Equity Shares;
- (iii) The Company shall not withdraw the Buyback after the draft letter of offer is filed with SEBI or the public announcement of the offer to buyback is made;
- (iv) The Company shall not buyback locked-in shares and non-transferable shares or other specified securities till the pendency of the lock-in or till the shares or other specified securities become transferable;
- (v) The Company shall transfer from its free reserves or securities premium account, a sum equal to the nominal value of the equity shares bought back through the Buyback to the Capital Redemption Reserve account;
- (vi) The Company confirms that there are no defaults subsisting in repayment of deposits, redemption of debentures or interest thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company.
- (vii) The Company further confirms that a period of more than three years has lapsed since any such default which has ceased to subsist.
- (viii) The Company shall not buyback its Equity Shares from any person through negotiated deals whether on or off the Stock Exchanges or through spot transactions or through any private arrangement in the implementation of the Buyback;
- (ix) The Company has been in compliance with Sections 92, 123, 127 and 129 of the Act; and
- (x) The ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up Equity Share capital and free reserves after the Buyback.

**(l) Confirmations from the Board**

The Board of Directors of the Company has confirmed that it has made a full enquiry into the affairs and prospects of the Company and, after taking into account the financial position of the Company including the projections and also considering all contingent liabilities, has formed the opinion that:

- (i) That immediately following the date of this board meeting dated March 5, 2019 ("**Board Meeting**") and the date on which the results of the postal ballot including e-voting for the proposed Buyback will be announced, there will be no grounds on which the Company could be found unable to pay its debts;
- (ii) That as regards the Company's prospects for the year immediately following the date of the Board Meeting and the date on which the results of the postal ballot including e-voting for the proposed Buyback will be announced, having regard to Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from that date; and
- (iii) That in forming the aforementioned opinion, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Act and the Insolvency and Bankruptcy Code, 2016, as amended.

**(m) Report addressed to the Board of Directors by the Company's Auditors on the permissible capital payment and the opinion formed by Directors regarding insolvency**

The text of the Report dated March 5, 2019 of S R B C & Co. LLP, the Statutory Auditors of the Company, addressed to the Board of Directors of the Company is reproduced below:

**Quote**

Independent Auditors' Report on buy back of shares pursuant to the requirements of Schedule I to the Securities and Exchange Board of India (Buy-back of securities) Regulations, 2018

The Board of Directors  
Quick Heal Technologies Limited  
Marvel Edge, Office No. 7010 C & D,  
7<sup>th</sup> Floor, Opposite Neco Garden Society,  
Viman Nagar,  
Pune - 411014

- 1. This Report is issued in accordance with the terms of our service scope letter dated March 01, 2019 and revised master engagement agreement dated March 01, 2019 with Quick Heal Technologies Limited (hereinafter referred to as the "Company").
- 2. In connection with the proposal of the Company to buy back its equity shares in pursuance of the provisions of Section 68, 69 and 70 of the Companies Act, 2013 ("the Act") and Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 ("the Regulations"), and in terms of the resolution passed by the directors of the Company in their meeting held on March 5, 2019, which is subject to the approval of the shareholders of the Company, we have been engaged by the Company to perform a reasonable assurance engagement on the Statement of determination of the amount of permissible capital payment (the "Statement"), which we have initialed for identification purposes only.

**Board of Directors Responsibility for the Statement**

- 3. The preparation of the Statement of determination of the amount of permissible capital payment for the buyback is the responsibility of the Board of Directors of the Company, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

4. The Board of Directors are responsible to make a full inquiry into the affairs and prospects of the Company and to form an opinion that the Company will not be rendered insolvent within a period of one year from the date of the board meeting and date on which the results of the shareholders' resolution is declared and such declaration has been signed by at-least two directors.

#### **Auditor's Responsibility**

5. Pursuant to the requirements of the Regulations, it is our responsibility to provide reasonable assurance on the following "Reporting Criteria":
  - (i) Whether the amount of capital payment for the buyback is within the permissible limit and computed in accordance with the provisions of Section 68 of the Act;
  - (ii) Whether the Board of Directors has formed the opinion, as specified in Clause (X) of Schedule I to the Regulations, on reasonable grounds that the Company having regard to its state of affairs will not be rendered insolvent within a period of one year from the date of the board meeting and from the date on which the results of the shareholders' resolution is declared; and
  - (iii) Whether we are aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration is unreasonable in circumstances as at the date of declaration.
6. The financial statements for the year ended March 31, 2018 have been audited by us, on which we issued an unmodified audit opinion with Emphasis of matter vide our report dated May 10, 2018. Our audits of these financial statements were conducted in accordance with the Standards on Auditing, as specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.
7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
9. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the Reporting criteria mentioned in paragraph 5 above. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the Reporting Criteria. We have performed the following procedures in relation to the Statement:
  - i) We have inquired into the state of affairs of the Company in relation to its standalone audited financial statements for the year ended March 31, 2018;
  - ii) Examined authorization for buyback from the Articles of Association of the Company;
  - iii) Examined that the amount of capital payment for the buy-back as detailed in Statement is within permissible limit computed in accordance with section 68 of the Act;
  - iv) Examined that the ratio of debt owned by the Company, if any, is not more than twice the capital and its free reserves after such buy-back;
  - v) Examined that all shares for buy-back are fully paid-up;
  - vi) Examined resolutions passed in the meetings of the Board of Directors;
  - vii) Examined Director's declarations for the purpose of buy back and solvency of the Company;
  - viii) Obtained necessary representations from the management of the Company.

#### **Opinion**

10. Based on our examination as above, and the information and explanations given to us, in our opinion,
  - (i) the Statement of permissible capital payment towards buyback of equity shares, as stated in Statement, is in our view properly determined in accordance with Section 68 of the Act; and

- (ii) the Board of Directors, in their meeting held on March 5, 2019, have formed the opinion, as specified in clause (x) of Schedule I of the Regulations, on reasonable grounds, that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of board meeting, and from the date on which the results of the shareholders' resolution is declared, and we are not aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration is unreasonable in circumstances as at the date of declaration.

#### Restriction on Use

11. The certificate is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of the Regulations solely to enable them to include it (a) in the explanatory statement to be included in the postal ballot notice to be circulated to the shareholders, (b) in the public announcement to be made to the Shareholders of the Company, (c) in the draft letter of offer and letter of offer to be filed with the Securities and Exchange Board of India, the stock exchanges, the Registrar of Companies as required by the Regulations, the National Securities Depository Limited and the Central Depository Securities (India) Limited, and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S R B C & CO LLP**

Chartered Accountants

**ICAI Firm Registration Number:** 324982E/E300003

Sd/-

**per Tridevlal Khandelwal**

Partner

Membership Number: 501160

UDIN: 19501160AAAAAE2991

Place of Signature: Pune

Date: March 5, 2019

#### Statement

Computation of amount of permissible capital payment towards buyback of equity shares in accordance with Section 68(2) of the Act

<b>Particulars</b>	<b>As at March 31, 2018 (Amount in INR million)</b>
Equity Share Capital	703.88
<b>Total (A)</b>	<b>703.88</b>
Retained Earnings	3,884.34
Securities Premium Account	2,327.92
General reserves	450.26
Equity instrument through other comprehensive income	(36.16)
<b>Total Free Reserves (B)</b>	<b>6,626.36</b>
<b>Grand Total (A+B)</b>	<b>7,330.24</b>
Maximum amount of capital payment permissible for the buy back-back of equity shares in accordance with Section 68(2) of the Act (25% of paid up equity capital and free reserves)	1,832.56

**Note:**

- 1) Calculation in respect of Permissible Capital Payment for Buyback of Equity Shares is done on the basis of the standalone audited financial statement for the year ended March 31, 2018.
- 2) Amalgamation reserve and employees stock options reserve has not been considered for the purpose of above computation.

**For and on behalf of**

**Quick Heal Technologies Limited**

**Sd/-**

**Kailash Katkar**

Managing Director  
& Chief Executive Officer  
DIN Number: 00397191  
Place of Signature: Pune  
Date: March 5, 2019

**Sd/-**

**Nitin Kulkarni**

Chief Financial Officer

Place of Signature: Pune  
Date: March 5, 2019

**Unquote**

All the material documents referred to in the Notice and Explanatory Statement such as the Memorandum and Articles of Association of the Company, relevant Board resolution for the Buyback, the Auditors Report dated March 5, 2019 and the audited financial statements as at March 31, 2018 are available for inspection by the shareholders of the Company at its Registered Office on any working day between 10:00 a.m. and 4:00 p.m. to the last date of receipt of Postal Ballot Form specified in the accompanying Notice.

In the opinion of the Board, the proposal for the Buyback is in the interest of the Company and its shareholders holding equity shares of the Company. The Directors, therefore, recommend the special resolution as set out in the accompanying Notice for approval by the shareholders.

None of the Directors or any Key Managerial Personnel of the Company or their respective relatives are in anyway, concerned or interested, either directly or indirectly in passing of the said resolution, save and except to the extent of their respective interest as shareholders of the Company, as applicable.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Special Resolution, save and except to the extent of their respective interest as shareholders of the Company, as applicable.

**By Order of the Board**

**For Quick Heal Technologies Limited**

**Sd/-**

**Kailash Katkar**

Managing Director & CEO  
DIN: 00397191

Date: March 7, 2019  
Place: Pune

