

**Shweta Milani**

Chartered Accountant

Membership No. 169376

**Independent Auditor's Report****To the Members of Seqrite Technologies DMCC****Report on the standalone financial statements**

I have audited the accompanying standalone financial statements of Seqrite Technologies DMCC ('the Company'), which comprise the balance sheet as at 31 March 2017, the statement of profit and loss (including other comprehensive income), the statement of cash flow and the statement of changes in equity for the year then ended and a summary of significant accounting policies and other explanatory information.

**Management's responsibility for the standalone financial statements**

The Company's Board of Directors is responsible for the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's responsibility**

My responsibility is to express an opinion on these standalone financial statements based on my audit.

I have taken into account requirements of Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended.

I conducted my audit of the standalone financial statements in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.


An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the standalone financial statements.



## Opinion

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid standalone financial statements give the information in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31 March 2017 and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year then ended.



**Shweta Milani**  
Chartered Accountant  
Membership No. 169376

Date:

Place:



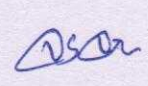




## Seqrite Technologies DMCC

Balance sheet as at 31 March 2017

(Amounts in AED unless otherwise stated)

Particulars	Notes	As at 31 March 2017
<b>ASSETS</b>		
<b>(1) Current assets</b>		
(a) Inventories	3	37,008
(b) Financial assets		
(i) Cash and cash equivalents	4	300,000
		<b>337,008</b>
<b>Total assets</b>		<b>337,008</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity share capital	5	300,000
(b) Other equity	6	(56,730)
		<b>243,270</b>
<b>Liabilities</b>		
<b>(1) Current liabilities</b>		
(a) Financial liabilities		
(i) Trade and other payables	7	93,738
		<b>93,738</b>
<b>Total equity and liabilities</b>		<b>337,008</b>
Summary of significant accounting policies	2	
<p><i>The accompanying notes are an integral part of these financial statements</i></p> <p>As per my report of even date</p> <p>For and on behalf of the Board of directors</p> <p>Seqrite Technologies DMCC</p>		
  <b>Shweta Milani</b> Proprietor Membership Number: 169376 Place: Date:	 <b>Kailash Katkar</b> Director DIN: 00397191 Place: Date:	



**Seqrite Technologies DMCC**
**Statement of profit and loss for the period ended 31 March 2017**
*(Amounts in AED unless otherwise stated)*

	Particulars	Note	Year ended 31 March 2017
(I)	<b>Expenses</b>		
	Purchase of stock-in-trade	8	37,008
	Changes in inventories of stock-in-trade	8	(37,008)
	Other expenses	9	56,730
	<b>Total expenses</b>		<b>56,730</b>
(V)	Profit/(loss) before exceptional items and tax (I- IV)		(56,730)
(VI)	Exceptional items		-
(VII)	Profit/(loss) before tax (V-VI)		(56,730)
(VIII)	Less : Tax expense		
	(1) Current tax		-
	(2) Deferred tax		-
(IX)	<b>Profit (Loss) for the period from operations (VII-VIII)</b>		<b>(56,730)</b>
(X)	<b>Other comprehensive income</b>		
	Items that will not be reclassified to profit or loss (net of tax)		-
	Items that will be reclassified to profit or loss (net of tax)		-
	<b>Total other comprehensive income (net of tax)</b>		<b>-</b>
(XI)	<b>Total comprehensive income for the period (IX+X) (Comprising profit (loss) and other comprehensive income for the period)</b>		<b>(56,730)</b>
(XII)	Loss per equity share (for continuing and discontinued operation): [nominal value of share AED 10 each]	10	
	(1) Basic		(0.02)
	(2) Diluted		(0.02)
	Summary of significant accounting policies	2	

*The accompanying notes are an integral part of these financial statements*

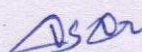
**As per my report of even date**




**Shweta Milani**  
Proprietor  
Membership Number: 169376  
Place:  
Date:

**For and on behalf of the Board of directors**

**Seqrite Technologies DMCC**



**Kailash Katkar**  
Director  
DIN: 00397191  
Place:  
Date:



## Seqrite Technologies DMCC

## Cash flow statement for the period ended 31 March 2017

(Amounts in AED unless otherwise stated)

Particulars	Year ended 31 March 2017
<b>A. Cash flow from operating activities</b>	
Profit before tax for the period	(56,730)
Adjustments to reconcile profit for the year to net cash generated from operating activities:	-
<b>Operating profit before working capital changes</b>	<b>(56,730)</b>
<b>Changes in operating assets and liabilities</b>	
(Increase) / decrease in inventories	(37,008)
Increase / (decrease) in trade and other payables	93,738
<b>Cash generated from operating activities</b>	<b>-</b>
Income tax paid	-
<b>Net cash generated from / (used in) operating activities (A)</b>	<b>-</b>
<b>Cash flows from investing activities</b>	
<b>Net cash generated from / (used in) investing activities (B)</b>	<b>-</b>
<b>Cash flows from financing activities</b>	
Share capital issued	300,000
<b>Net cash generated from / (used in) financing activities (C)</b>	<b>300,000</b>
<b>Net increase / (decrease) in cash and cash equivalents (A + B + C)</b>	<b>300,000</b>
Cash and cash equivalents at the beginning of the period	-
<b>Cash and cash equivalents at the end of the period</b>	<b>300,000</b>
<b>Components of cash and cash equivalents</b>	
Balances with banks	
On current account	300,000
<b>Total cash and cash equivalents</b>	<b>300,000</b>

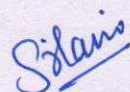
Summary of significant accounting policies - Refer note 2

The accompanying notes are an integral part of these financial statements

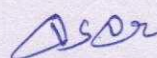
As per my report of even date

For and on behalf of the Board of directors

Seqrite Technologies DMCC




Shweta Milani  
Proprietor  
Membership Number: 169376  
Place:  
Date:



Kailash Katkar  
Director  
DIN: 00397191  
Place:  
Date:



**Seqrite Technologies DMCC****Statement of changes in equity for the period ended 31 March 2017***(Amounts in AED unless otherwise stated)***A. Equity share capital**

Balance as at 1 April 2016	Changes in equity share capital during the year	Balance as at 31 March 2017
-	300,000	300,000

**B. Other equity**

Particulars	Reserves and surplus	Total
	Retained earnings	
Balance as at 1 April 2016	-	-
Profit / (Loss) for the period	(56,730)	(56,730)
Balance as at 31 March 2017	(56,730)	(56,730)

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## **Seqrite Technologies DMCC**

**Notes forming part of financial statements for the year ended March 31, 2017**

*(Amounts in AED unless otherwise stated)*

### **1 Company overview**

#### **1.1 General information**

Quick Heal Technologies Africa Limited ("the Company") is a limited liability incorporated in 13 November 2016. The Company is engaged in the business of trading in antivirus software.

The principal place of business and registered address of the Company is BB1 Tower, Level 6, Unit No. 601-608, Mazaya Business Avenue, DMCC free zone, Jumeirah Lakes Towers, Dubai, U.A.E.

#### **1.2 Basis of preparation**

The financial statements of the Company have been prepared on an accrual basis and under the historical cost convention except for certain financial instruments. The accounting policies are consistently applied by the Company during the period and are consistent with those used in previous year except for the changes in accounting policies required to be made on adoption of Indian Accounting Standards notified under the Companies Act, 2013.

The Company is incorporated in November 2016. Accordingly, amounts in the financial statements do not represent complete year of operation.

#### **1.3 Statement of compliance**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

### **2 Summary of significant accounting policies**

#### **(a) Use of estimates**

The preparation of the financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities at the end of period / year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

#### **(b) Financial instruments**

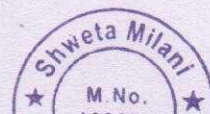
##### **i) Financial assets**

##### **Initial recognition and measurement**

Financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

##### **Subsequent measurement**

For the purpose of subsequent measurement, financial assets are classified as:





**- Financial assets at amortized cost**

Financial assets that are held within a business model whose objective is to hold assets for collecting contractual cash flows and whose contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are subsequently measured at amortized cost using the effective interest rate method. The change in measurements are recognized as finance income in the statement of profit and loss.

**- Financial assets at fair value through other comprehensive income (FVTOCI)**

Financial assets that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets and the assets' contractual cash flows represent solely payments of principal and interest on the principal amount outstanding are subsequently measured at fair value. Fair value movements are recognized in other comprehensive income.

**- Financial assets at fair value through profit or loss (FVTPL)**

Any financial asset which does not meet the criteria for categorization as financial instruments at amortized cost or as FVTOCI, is classified as financial instrument at FVTPL. Financial instruments included within the FVTPL category are subsequently measured at fair value with all changes recognized in the statement of profit and loss.

**ii) Financial liabilities**

**Initial recognition and measurement**

Financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

**- Financial liabilities at amortized cost**

Financial liabilities such as loans and borrowings are subsequently measured at amortized cost using the effective interest rate method. The change in measurements are recognized as finance costs in the statement of profit and loss.

**- Financial liabilities at fair value through profit or loss (FVTPL)**

Financial liabilities include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss if the recognition criteria as per Ind AS 109 are satisfied. Gains or losses on liabilities held for trading are recognized in statement of profit and loss. Fair value gains or losses on liabilities designated as FVTPL attributable to changes in own credit risk are recognized in other comprehensive income. All other changes in fair value of liabilities designated as FVTPL are recognized in the statement of profit and loss. The Company has not designated any financial liability as at FVTPL.

**iii) Impairment**

**Financial assets**

The Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on financial assets measured at amortized cost and financial assets that are debts instruments and are measured at fair value through other comprehensive income (FVTOCI). ECL is the difference between contractual cash flows that are due and the cash flows that the Company expects to receive, discounted at the original effective interest rate.

For trade receivables, the Company recognizes impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. For other financial assets, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.





**(c) Foreign currency translation**

The Company presents the financial statements in United Arab Emirates Dirhams (AED) which is also the functional currency.

**Initial recognition**

Foreign currency transactions are recorded in the functional currency of the Company, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

**Conversion**

Foreign currency monetary items are reported using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates at the date when the values were determined.

**Exchange differences**

Exchange differences arising on conversion / settlement of foreign currency monetary items and on foreign currency liabilities are recognized as income or expenses in the year in which they arise.

**(d) Revenue recognition**

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

**Sale of internet security products**

Revenue from sales of internet security products is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on dispatch of the goods to its customers.

**(e) Inventories**

Cost of inventories have been computed to include all cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Traded goods are valued at lower of cost and net realizable value. Cost included cost of purchase and other costs incurred in bringing the inventories to present location and condition. Cost is determined on weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.





**(f) Income taxes**

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable temporary differences, except deferred tax liability arising from initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, affects neither accounting nor taxable profit/ loss at the time of transaction. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses, except deferred tax assets arising from initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, affects neither accounting nor taxable profit/ loss at the time of transaction. Deferred tax assets are recognized only to the extent that sufficient future taxable income will be available against which such deferred tax assets can be realized.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available against which such deferred tax assets can be realized.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognized outside the statement of profit and loss is recognized in co-relation to the underlying transaction either in other comprehensive income or directly in equity.

**(g) Earnings per share (EPS)**

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year, are adjusted for the effects of all dilutive potential equity shares.

**(h) Provisions**

A provision is recognized when the Company has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate assets but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.



**(i) Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

**(j) Cash & cash equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

**(k) Standards issued but not yet effective**

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to the Company from April 1, 2017.

**Amendment to Ind AS 7:**

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

**Amendment to Ind AS 102:**

The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes.

It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity-settled awards. Market-based performance conditions and non-vesting conditions are reflected in the 'fair values', but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that include a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement.

Since the Company does not have cash settled awards or awards with net settlement features, this amendment does not have any effect on the financial statements of the Company.





**Seqrite Technologies DMCC**

**Notes to the financial statements for the year ended 31 March 2017**

*(Amounts in AED unless otherwise stated)*

**Note 3: Inventories**

Particulars	As at 31 March 2017
Finished goods - Internet security software	37,008
<b>Total</b>	<b>37,008</b>

**Note 4: Cash and cash equivalents**

Particulars	As at 31 March 2017
Balances with banks: On current account	300,000
<b>Total</b>	<b>300,000</b>

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**Seqrite Technologies DMCC**
**Notes to the financial statements for the year ended 31 March 2017**
*(Amounts in AED unless otherwise stated)*
**Note 5: Equity share capital**

Particulars	As at 31 March 2017
<b>Authorised shares</b>	
300 equity shares of AED 1,000 each	300,000
	<b>300,000</b>
<b>Issued, subscribed and fully paid-up share capital</b>	
300 equity shares of AED 1,000 each	300,000

**(a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year**

Particulars	As at	
	31 March 2017	
	No.	(AED)
<b>At the beginning of the year</b>		
- Equity shares	-	-
<b>Issued during the year</b>		
- Equity shares	300	300,000
<b>At the end of the year</b>	<b>300</b>	<b>300,000</b>

**(b) Terms / rights attached to equity shares**

The Company has only one class of equity shares having par value of AED 1,000 per share. Each holder of the equity shares is entitled to one vote per share. The Company declares and pays dividend in AED. The dividend proposed by Board of Directors is subject to approval of the shareholders in ensuing Annual General Meeting. During the year ended 31 March 2017 the amount per share dividend recognised as distribution to equity shareholders was Nil. In the event of liquidation of the Incorporation, the holders of ordinary equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts.

**(c) Shares held by holding / ultimate holding company and / or their subsidiaries/ associates**

Particulars	As at 31 March 2017 Number
Quick Heal Technologies Limited, the holding company (300 equity shares of AED 1,000 each fully paid)	300

**(d) Details of shareholders holding more than 5% shares in the Company**

Particulars	As at	
	31 March 2017	
	Number	% holding
<b>Equity shares of AED 1,000 each fully paid up</b>		
Quick Heal Technologies Limited, the holding company	300	100%

The shareholding information has been extracted from the records of the company including register of shareholders / members and is based on legal ownership of shares.

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**Seqrite Technologies DMCC**

**Notes to the financial statements for the year ended 31 March 2017**

*(Amounts in AED unless otherwise stated)*

**Note 6: Other equity**

Particulars	As at 31 March 2017
<b>Retained earnings</b>	
At the beginning of the year	-
Add : (Loss) / profit for the year	(56,730)
<b>At the end of the year</b>	<b>(56,730)</b>
<b>Total</b>	<b>(56,730)</b>

**Note 7: Trade and other payables**

Particulars	As at 31 March 2017
Trade and other payables*	93,738
<b>Total</b>	<b>93,738</b>

\* Entire amount is payable to related parties.

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**Seqrite Technologies DMCC**

**Notes to the financial statements for the year ended 31 March 2017**

*(Amounts in AED unless otherwise stated)*

**Note 8: Purchase of stock-in-trade**

Particulars	Year ended 31 March 2017
<b>a) Purchase of stock-in-trade</b>	
Security software products	37,008
	<b>37,008</b>
<b>b) (Increase) / decrease in security software products</b>	
Inventories at the end of the period	37,008
Inventories at the beginning of the period	-
	<b>(37,008)</b>
<b>Total</b>	<b>-</b>

**Note 9: Other expenses**

Particulars	Year ended 31 March 2017
Preliminary expenses	56,730
<b>Total</b>	<b>56,730</b>

**Note 10: Earnings / Loss per share**

Particulars	Year ended 31 March 2017
<b>Numerator for basic and diluted EPS</b>	
Net loss after tax (In AED) (A)	(56,730)
<b>Denominator for basic and diluted EPS</b>	
Weighted average number of equity shares (In numbers) (B)	2,873,000
Basic and diluted loss per share of face value of AED 10 each (A / B)	(0.02)

**Note 11: Related party disclosures**

(I) List of related parties where control exists and related parties with whom transactions have taken place and relationships:

The Company is controlled by Quick Heal Technologies Limited (the holding company) which owns 100% of the Company's shares.

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Name of the related party	Relationship
Quick Heal Technologies Limited	Holding Company
Quick Heal Technologies Dubai MENA FZE	Fellow subsidiary

(II) Transactions during the period and balances outstanding with related parties:

Name of the related party	Year ended 31 March 2017
<b>Transactions during the year</b>	
<b>Quick Heal Technologies Limited</b>	
- Purchase of internet security software licenses	37,008
<b>Quick Heal Technologies Dubai MENA FZE</b>	
- Stock transfer	37,008
<b>Balances - receivable/ (payable) at the period</b>	
<b>Quick Heal Technologies Limited</b>	
Advance received	(5,470)
<b>Quick Heal Technologies Dubai MENA FZE</b>	
Trade and other payables	(88,268)

#### Note 12: Segment reporting

The business activities of the Company from which it earns revenues and incurs expenses; whose operating results are regularly reviewed by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available involve predominantly one operating segment i.e. 'Trading in antivirus software'.

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**Seqrite Technologies DMCC****Notes to the financial statements for the year ended 31 March 2017***(Amounts in AED unless otherwise stated)***Note 13: Capital management**

The key objective of the Company's capital management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor, and customer confidence and to ensure future development of its business. The Company is focused on maintaining a strong equity base to ensure independence, security, as well as financial flexibility for potential future borrowings, if required without impacting the risk profile of the Company.

The Company's net debt to adjusted equity ratio at the reporting date are as follows:

Particulars	As at 31 March 2017
Total liabilities	93,738
Less : Cash and cash equivalents	300,000
<b>Net debt</b>	<b>(206,262)</b>
Total equity	243,270
<b>Net debt to equity ratio</b>	<b>-85%</b>

There are no changes in the Company's approach to capital management during the period. The Company is not subject to externally imposed capital requirements.

**Note 14: Financial instruments by category**

The carrying value and fair value of financial instruments by categories are as follows:

Particulars	As at 31 March 2017
<b>Assets</b>	
<b>Current financial assets</b>	
Cash and cash equivalents	300,000
<b>Total</b>	<b>300,000</b>
<b>Liabilities</b>	
<b>Current financial liabilities</b>	
Trade and other payables	93,738
<b>Total</b>	<b>93,738</b>

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Carrying values of all financial assets and liabilities approximate to fair value at 31 March 2017. Hence fair value hierarchy related disclosures are not applicable.

#### **Note 15: Financial risk management**

The Company's financial risk policies comprise primarily of liquidity risk. Interest rate risk, foreign currency risk and credit risk is not applicable to the Company.

#### **Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The following are the remaining contractual maturities of financial liabilities at the reporting date.

Particulars	As at 31 March 2017
<b>Trade and other payables</b>	
- Upto 6 months	93,738
- More than 6 months	-

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