

Quick Heal Technologies America
Balance sheet as at March 31, 2020
(All amounts are in USD, unless otherwise stated)

	Notes	As at March 31, 2020	As at March 31, 2019
Assets			
Non-current assets			
(a) Property, plant and equipment	3	242	659
Current assets		242	659
(a) Inventories			
(b) Financial assets	4	398	-
(i) Trade receivables	5	12,990	33,385
(ii) Cash and cash equivalents	6	93,001	70,823
(c) Other current assets	7	-	2,303
Total assets		1,06,389	1,06,511
Equity and liabilities		1,06,631	1,07,170
Equity			
(a) Equity share capital	8	7,88,000	7,88,000
(b) Other equity	9	(7,86,338)	(7,76,352)
Total equity			
Liabilities		1,662	11,648
Current liabilities			
(a) Financial liabilities			
(i) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	10	-	-
(b) Total outstanding dues creditors other than micro enterprises and enterprises	10	82,572	45,673
(b) Other current liabilities	11	22,397	49,849
Total liabilities		1,04,969	95,522
Total equity and liabilities		1,04,969	95,522
		1,06,631	1,07,170

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

Shweta Milani
Proprietor
Membership Number: 169376
UDIN:
Place: Pune
Date:



For and on behalf of the Board of directors
Quick Heal Technologies America

Kailash Katkar
Director
DIN: 00397191

Place: Pune
Date:

Quick Heal Technologies America
Statement of profit and loss for the period ended March 31, 2020
(All amounts are in USD, unless otherwise stated)

	Notes	Period ended March 31, 2020	Year ended March 31, 2019
Income			
Revenue from operations	12	1,88,762	1,43,135
Other income	13	14,773	18,447
Total income		2,03,535	1,61,582
Expenses			
Purchase of security software products	14 (a)	99,742	77,899
(Increase) / decrease in security software products	14 (b)	(398)	1,194
Employee benefits expense	15	-	3,742
Depreciation and amortisation expense	16	417	1,208
Other expenses	17	1,13,762	86,002
Total expenses		2,13,523	1,70,045
Profit before tax		(9,988)	(8,463)
Tax expense			
Current tax	18	-	1,024
Pertaining to profit for the current period		-	1,024
Total tax expense		(9,988)	(9,487)
Profit for the period		(9,988)	(9,487)
Total comprehensive income for the period		(9,988)	(9,487)
Loss per equity share (for continuing and discontinued operation): [nominal value of share USD 1 each]	19	(0.01)	(0.01)

Summary of significant accounting policies

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Quick Heal Technologies America Inc.
Cash flow statement for the period ended March 31, 2020
(Amounts in USD unless otherwise stated)

Particulars	Year ended	
	March 31, 2020	March 31, 2019
A. Cash flow from operating activities		
Profit before tax for the period	(9,986)	(8,472)
Adjustments to reconcile profit for the year to net cash generated from operating activities:		
Depreciation and amortization expense	417	1,208
Amounts written off	-	9,120
Operating profit before working capital changes	(9,569)	1,856
Changes in operating assets and liabilities		
(Increase) / decrease in trade receivables	20,395	(29,836)
(Increase) / decrease in inventories	(398)	-
(Increase) / decrease in other liabilities	(27,452)	49,849
Increase / (decrease) in trade and other payables	36,899	26,602
Cash used in operating activities	19,876	48,471
Income tax paid	-	(3,327)
Net cash used in operating activities (A)	19,876	45,144
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	-	-
Net cash used in investing activities (B)	-	-
Cash flows from financing activities		
Net cash generated from / (used in) financing activities (C)	-	-
Net increase / (decrease) in cash and cash equivalents (A + B + C)	19,876	45,144
Cash and cash equivalents at the beginning of the period	70,822	25,678
Cash and cash equivalents at the end of the period	93,001	70,822
Components of cash and cash equivalents		
Cash on hand	-	-
Balances with banks	-	-
On current account	93,001	70,822
Total cash and cash equivalents	93,001	70,822

Summary of significant accounting policies

2

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Membership Number: 169376
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Place: Pune
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For and on behalf of the Board of directors
Quick Heal Technologies America

Kailash Katkar
Director
DIN: 00397191

Place: Pune
Date:

Quick Heal Technologies America**Statement of changes in equity for the period ended March 31, 2020**

(All amounts are in USD, unless otherwise stated)

A. Equity share capital

	No.	Amount
Equity shares of USD 1 each issued, subscribed and fully paid-up		
As at April 1, 2018	7,88,000	7,88,000
- Addition	-	-
As at March 31, 2019	7,88,000	7,88,000
- Addition	-	-
As at March 31, 2020	7,88,000	7,88,000

B. Other equity

Other equity attributable to equity holders of the Company

	Retained earnings	Total
Balance as at April 1, 2018		
Profit for the year	(7,66,866)	(7,66,866)
Other comprehensive income	(9,487)	(9,487)
Total comprehensive income	(9,487)	(9,487)
Balance as at March 31, 2019	(7,76,353)	(7,76,352)
Profit for the period	(9,988)	(9,988)
Other comprehensive income	-	-
Total comprehensive income	(9,988)	(9,988)
Balance as at March 31, 2020	(7,86,341)	(7,86,338)



Quick Heal Technologies America Inc.

Notes forming part of financial statements for the period ended March 31, 2020

(Amounts in USD unless otherwise stated)

1 Company overview

1.1 General information

Quick Heal Technologies America Inc. ("the Company") is a private limited Company domiciled in the United States of America and incorporated in January 2012. The Company is engaged in the business of providing internet security software. The Company is wholly owned subsidiary of Quick Heal Technologies Limited.

The principal place of business and registered address of the Company is Massachusetts, USA.

The financial statements for the year ended 31 March 2020 were authorised for issue by the Director on May 21, 2020.

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.

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) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price and directly attributable costs of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Capital work-in-progress includes cost of property, plant and equipment that are not ready to be put to use.



Quick Heal Technologies America Inc.

Notes forming part of financial statements for the period ended March 31, 2020

(Amounts in USD unless otherwise stated)

(c) Intangible assets

Intangible assets including software licenses of enduring nature and contractual rights acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use.

(d) Depreciation and amortization

Depreciation on Property, Plant and Equipment is provided using the Written Down Value Method ('WDV') over the useful lives of the assets estimated by the management. Intangible assets are amortized on a straight line basis over their estimated useful lives commencing from the day the asset is made available for use.

Assets	Useful lives (Years)
Computers	3
Furniture and fixtures	10
Office equipment	5
Computer - Server	6
Leasehold premises	10

(e) Impairment of property, plant and equipment and other intangible assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors.

An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

(f) 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:



Quick Heal Technologies America Inc.

Notes forming part of financial statements for the period ended March 31, 2020

(Amounts in USD unless otherwise stated)

- 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

- 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.

(g) Foreign currency translation

The Company presents the financial statements in USD which is also the functional currency.



Quick Heal Technologies America Inc.

Notes forming part of financial statements for the period ended March 31, 2020

(Amounts in USD unless otherwise stated)

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.

(h) 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.

(i) 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.

(j) 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.



(k) Leases

Effective April 01, 2019, the Company adopted IND AS 116 "Leases" under the modified retrospective approach without restatement of comparatives. The Company elected to apply the practical expedient to not reassess whether a contract is or contains a lease at the date of initial application. Contracts entered into before the transition date that were not identified as leases under IND AS 17 were not reassessed. The definition of a lease under IND AS 116 was applied only to contracts entered into or changed on or after April 01, 2019

As a lessee, the Company previously classified leases as operating or finance leases based on its assessment of whether the lease transferred substantially all of the risks and rewards of ownership. Under IND AS 116, the Company recognizes right-of-use assets and lease liabilities for most leases.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless this is not readily determinable, in which case the entities incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the group if it is reasonable certain to assess option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the group is contractually required to dismantle, remove or restore the leased asset

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Company revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.



Quick Heal Technologies America Inc.

Notes forming part of financial statements for the period ended March 31, 2020

(Amounts in USD unless otherwise stated)

(l) Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service. These benefits include compensated absences (which cannot be carried forward) such as paid annual leave, overseas social security contributions and performance incentives.

(m) 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.

(n) 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.

(o) 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.

(p) 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.



Quick Heal Technologies America

Notes forming part of financial statements for the period ended March 31, 2020

(All amounts are in USD, unless otherwise stated)

3. Property, plant and equipment

	Leasehold premises	Computers and server	Office equipment	Furniture and fixtures	Total
Cost (Gross) (refer note 2)					
At April 1, 2018	17,900	1,399	1,328	1,083	21,710
Additions	-	-	-	-	-
Disposals/written-offs	17,900	447	1,328	1,083	20,758
At March 31, 2019	-	952	-	-	952
Additions	-	-	-	-	-
Disposals/written-offs	-	-	-	-	-
At March 31, 2020	-	952	-	-	952
Depreciation (Gross) (refer note 2)					
At April 1, 2018	8,880	1,198	1,018	595	11,691
Depreciation charge for the year	239	67	65	831	1,202
Disposals/written-offs	9,119	972	1,083	1,426	12,600
At March 31, 2019	-	293	-	-	293
Depreciation charge for the period	-	417	-	-	417
Disposals/written-offs	-	-	-	-	-
At March 31, 2020	-	710	-	-	710
Net block					
At March 31, 2019	-	659	-	-	659
At March 31, 2020	-	242	-	-	242



Quick Heal Technologies America**Notes forming part of financial statements for the period ended March 31, 2020**

(All amounts are in USD, unless otherwise stated)

4. Inventories

	As at March 31, 2020	As at March 31, 2019
At lower of cost and net realisable value		
Raw materials - Security software devices	-	-
Finished goods - Security softwares	398	-
Total	398	-

5. Trade receivables

	As at March 31, 2020	As at March 31, 2019
Trade receivable from related parties	-	-
Trade receivables from others	12,990	33,385
Total	12,990	33,385

Break-up for security details:

	As at March 31, 2020	As at March 31, 2019
Trade receivables		
Considered good - Secured	-	-
Considered good - Unsecured	12,990	33,385
Receivable which have significant increase in credit risk	-	-
Receivables - credit impaired	-	-
Total	12,990	33,385
Impairment allowed (allowed for bad and doubtful debts)		
Considered good - Unsecured	-	-
Receivable which have significant increase in credit risk*	-	-
Receivables - credit impaired	-	-
Total	12,990	33,385

* The management has evaluated credit impairment allowance based on the net outstanding position.

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. Trade receivables are non interest bearing and generally on credit terms of 30 to 60 days.



Quick Heal Technologies America

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Notes forming part of financial statements for the period ended March 31, 2020
(All amounts are in USD, unless otherwise stated)

6. Cash and cash equivalents

	As at March 31, 2020	As at March 31, 2019
Balances with banks:		
On current account	93,001	70,823
Total	93,001	70,823

7. Others assets

	As at March 31, 2020	As at March 31, 2019
Current (unsecured, considered good)		
Other assets	-	2,303
Total current	-	2,303

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Quick Heal Technologies America

Notes forming part of financial statements for the period ended March 31, 2020
(All amounts are in USD, unless otherwise stated)

8. Equity share capital

	As at March 31, 2020	As at March 31, 2019
Authorized shares		
1,750,000 (March 31, 2019: 1,750,000) equity shares of USD 1 each	17,50,000	17,50,000
Issued, subscribed and fully paid-up shares	17,50,000	17,50,000
788,000 (March 31, 2019: 788,000) equity shares of USD 1 each		
Total issued, subscribed and fully paid-up share capital	7,88,000	7,88,000
	7,88,000	7,88,000

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

	As at March 31, 2020 No.	As at March 31, 2019 No.	As at March 31, 2020 INR	As at March 31, 2019 INR
At the beginning of the period	7,88,000	7,88,000	7,88,000	7,88,000
Issued during the period				
Increase / decrease during the year				
Outstanding at the end of the period	7,88,000	7,88,000	7,88,000	7,88,000

(b) Terms / rights attached to equity shares

The Company has only one class of equity shares having par value of USD 1 per share. Each holder of the equity shares is entitled to one vote per share. The Company declares and pays dividend in USD. 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 2020 the amount per share dividend recognised as distribution to equity shareholders was Nil (31 March 2019: 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

	As at March 31, 2020	As at March 31, 2019
Quick Heal Technologies Limited, the holding company	7,88,000	7,88,000
7,88,000 (31 March 2019: 7,88,000) equity shares of USD 1 each fully paid		

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

	As at March 31, 2020 Nos.	% holding	As at March 31, 2019 Nos.	% holding
Equity shares of USD 1 each fully paid up				
Quick Heal Technologies Limited, the holding company	7,88,000	100.00%	7,88,000	100.00%

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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Quick Heal Technologies America

Notes forming part of financial statements for the period ended March 31, 2020

(All amounts are in USD, unless otherwise stated)

9. Other equity

	As at March 31, 2020	As at March 31, 2019
(a) Retained earnings		
Balance as at the beginning of the year	(7,76,350)	(7,66,865)
Add: Amount transferred from surplus balance in the statement of profit and loss	(9,988)	(9,487)
Less: Appropriations		
Balance as at end of the year	<u>(7,86,338)</u>	<u>(7,76,352)</u>

Retained earnings

Retained Earnings represents surplus i.e. balance of the relevant column in the Statement of Changes in Equity;



Quick Heal Technologies America

Notes forming part of financial statements for the period ended March 31, 2020

(All amounts are in USD, unless otherwise stated)

10. Trade payables

	As at March 31, 2020	As at March 31, 2019
Total outstanding dues to micro enterprises and small enterprises	-	-
Total outstanding dues creditors other than micro enterprises and small enterprises	7,356	15,096
Total outstanding to related parties	75,216	30,577
Total	82,572	45,673

11. Other liabilities

	As at March 31, 2020	As at March 31, 2019
Current		
Other liabilities (includes advances from customers)	22,397	49,849
Total	22,397	49,849



Quick Heal Technologies America

Notes forming part of financial statements for the period ended March 31, 2020

(All amounts are in USD, unless otherwise stated)

12. Revenue from operations (net)

	Period ended March 31, 2020	Year ended March 31, 2019
Sale of security software products	1,88,762	1,43,103
Sale of software support services	-	32
Total	1,88,762	1,43,135

13. Other income

	Period ended March 31, 2020	Year ended March 31, 2019
Foreign exchange gains (net)	93	13
Bad debts written back	-	1,194
Miscellaneous income	14,680	17,240
Total	14,773	18,447

14. Details related to cost of security software devices and software products

	Period ended March 31, 2020	Year ended March 31, 2019
(a) Purchase of security software products		
Security software products	99,742	77,899
Sub-total	99,742	77,899
(b) (Increase)/decrease in security software products		
Inventory at the beginning of the period	-	1,194
Less: Inventory at end of the period	398	-
Sub-total	(398)	1,194
Total	99,344	79,093

Details of inventory

	As at March 31, 2020	As at March 31, 2019
Finished goods		
Security software products	398	-
	398	-

(This space is intentionally left blank)



Quick Heal Technologies America

Notes forming part of financial statements for the period ended March 31, 2020

(All amounts are in USD, unless otherwise stated)

15. Employee benefits expense

	Period ended March 31, 2020	Year ended March 31, 2019
Salaries, wages and bonus	-	-
Contribution to provident and other funds	-	3,742
Total	-	3,742

16. Depreciation and amortisation expense

	Period ended March 31, 2020	Year ended March 31, 2019
Depreciation on property, plant and equipment (refer note 3)	417	1,208
Total	417	1,208

17. Other expenses

	Period ended March 31, 2020	Year ended March 31, 2019
Rates and taxes	500	961
Business promotion expenses	23,939	11,353
Travelling and conveyance	-	935
Communication costs	329	164
Legal and professional fees	60,763	35,371
Payment to statutory auditor	1,843	1,701
Property, plant and equipment written off	-	9,120
Miscellaneous expenses	26,388	26,397
Total	1,13,762	86,002

Payment to auditor (excluding service tax and Goods and service tax)

	Year ended March 31, 2020	Year ended March 31, 2019
As auditor:		
Audit fees	1,843	1,701
Total	1,843.00	1,701.00

18. Deferred Tax

Deferred tax assets are recognised for tax loss carried forward to the extent that the realisation of the related tax benefit through future taxable profits is probable.

The Company did not recognise deferred tax asset in respect of losses amounting to USD 3,995 (31 March 2019: USD 3,385) that can be carried forward against future taxable income since it is not probable that taxable profits will be available against which the deductible temporary difference can be utilised.



	March 31, 2020	March 31, 2019
Transactions during the year		
Quick Heal Technologies Limited		
- Purchase of internet security software	99,742	77,899

Balances - receivable/ (payable) at the period

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Quick Heal Technologies Limited		
- Trade payable	75,216	30,577

Note 21 : 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

Quick Heal Technologies America

Notes forming part of financial statements for the period ended March 31, 2020

(All amounts are in USD, unless otherwise stated)

Reconciliation of effective tax rate

	Year ended March 31, 2020	Year ended March 31, 2019
The major components of income tax are stated below:		
Current tax:		
Current income tax charge	-	1,024
Deferred tax:		
Recognised in statement of profit and loss	-	-
Recognised in other comprehensive income	-	-
Tax expense	-	1,024

Reconciliation of effective tax rate

	Year ended March 31, 2020	Year ended March 31, 2019
Accounting profit/(loss) before tax from continuing operations	(9,988)	(8,463)
Tax @ 40%	(3,995)	(3,385)
Add:		
Minimum corporate tax levied	-	1,024
Add:		
Deferred tax asset not recognised		
Current year losses	3,995	3,385
Income tax expense	-	1,024

Note 19 : Loss per share

	Year ended March 31, 2020	Year ended March 31, 2019
Numerator for basic and diluted EPS		
Net loss after tax (In USD) (A)	(9,988)	(9,487)
Denominator for basic and diluted EPS		
Weighted average number of equity shares (In numbers) (B)	7,88,000	7,88,000
Basic and diluted loss per share of face value of USD 1 each (A / B)	(0.01)	(0.01)

Note 20 : 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

Name of the related party	Relationship
Quick Heal Technologies Limited	Holding Company
Quick Heal Technologies MENA (FZE)	Group Company
Farokh Karani*	Key management personnel



Quick Heal Technologies America**Notes forming part of financial statements for the period ended March 31, 2020****(All amounts are in USD, unless otherwise stated)****(II) Transactions during the period and balances outstanding with related parties:**

Name of the related party	Year ended March 31, 2020	Year ended March 31, 2019
Transactions during the year		
Quick Heal Technologies Limited		
- Purchase of internet security software	99,742	77,899

Balances - receivable/ (payable) at the period

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Quick Heal Technologies Limited		
- Trade payable	75,216	30,577

Note 21 : 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'.

Note 22 : Revenue from contracts with customers

The Company generates revenue from sale of security license software.

	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from contracts with customers	1,88,762	1,43,135
Revenue from others	-	-

The entire revenue from operations is recognised at point in time and relates to single operating segment. Accordingly, disaggregation of revenue disclosure is not applicable.

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Quick Heal Technologies America Inc.**Notes forming part of financial statements for the period ended March 31, 2020***(All amounts are in USD, unless otherwise stated)***Note 22 : 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:

	As at March 31, 2020	As at March 31, 2019
Total liabilities	1,04,969	95,522
Less : Cash and cash equivalents	93,001	70,823
Net debt	11,968	24,699
 Total equity	 1,662	 11,648
Net debt to equity ratio	7.20	2.12

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 23 : Financial instruments by category

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

	As at March 31, 2020	As at March 31, 2019
Assets		
Current financial assets		
Trade receivables	12,990	33,385
Cash and cash equivalents	93,001	70,823
Total	1,05,991	1,04,208
 Liabilities		
Trade payables	82,572	45,673
Total	82,572	45,673

Carrying values of all financial assets and liabilities approximate to fair value March 31, 2020 and March 31, 2019.

Note 24 : Financial risk management

The Company's financial risk policies comprise primarily of credit risk and liquidity risk. The Company is not



Quick Heal Technologies America Inc.**Notes forming part of financial statements for the period ended March 31, 2020***(All amounts are in USD, unless otherwise stated)***Credit risk**

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Company is exposed to credit risk for trade receivables.

Counterparty credit limits are reviewed by the Company on an annual basis, and are updated throughout the year subject to approval of the Company's credit committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through potential counterparty's failure to make payments. The Company does not hold any collateral as security against its trade receivable.

The carrying value of the financial assets other than cash represents the maximum credit exposure. The maximum credit exposure to credit risk at the reporting date are as follows :

	As at March 31, 2020	As at March 31, 2019
Current financial asset		
Trade receivables	12,990	33,385
Cash and cash equivalents	93,001	70,823
Total	1,05,991	1,04,208

None of the Company's cash equivalents, are past due or impaired. Regarding , trade receivables there are no indications as of 31 March 2020 that the defaults in payment obligations would occur.

The ageing of trade receivables at the reporting date that were not impaired are as follows :

	As at March 31, 2020	As at March 31, 2019
Upto 6 months	12,990	33,385
More than 6 months	0	-
Total	12,990	33,385

Receivables are deemed to be past due or impaired with reference to the Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. Receivables that are classified as 'past due' in the above tables are those that have not been settled within the terms and conditions that have been agreed with that customer.

The credit quality of the Company's customers is monitored on an ongoing basis and assessed for impairment where indicators of such impairment exist. The solvency of the debtor and their ability to repay the receivable is considered in assessing receivables for impairment. In certain circumstances, the Company seeks collateral as security for the receivable. Where receivables have been impaired, the Company actively seeks to recover the amounts in question and enforces compliance with the credit terms.



Quick Heal Technologies America Inc.

Notes forming part of financial statements for the period ended March 31, 2020

(All amounts are in USD, unless otherwise stated)

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.

	As at March 31, 2020	As at March 31, 2019
Trade and other payables		
Upto 12 months	82,572	45,673
More than 12 months	-	-

Note 25 : Going concern

The Company has earned net loss of USD 9,988 for the year ended March 31, 2020. (March 31, 2019: net loss of USD 9,487)

The company is in the process of implementing a plan for its business strategies and policies, the outcome of which would result in the recovery of its losses. This plan has been approved by the board of directors of the holding company and has undertaken to provide such financial support as necessary to enable the Company to continue its operations and to meet its liabilities as and when they fall due on a continuing basis.

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Seqrite Technologies DMCC**Notes forming part of financial statements for the period ended March 31, 2020**

(All amounts are in AED Full Figure, unless otherwise stated)

Note 24: 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 March 31, 2020	As at March 31, 2019
Total liabilities	1,15,066	1,28,139
Less : Cash and cash equivalents	3,26,493	1,82,380
Net debt	(2,11,427)	(54,241)
 Total equity	 2,68,373	 1,81,156
Net debt to equity ratio	(0.79)	(0.30)

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 25: Financial instruments by category

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

	As at March 31, 2020	As at March 31, 2019
Assets		
Current financial assets		
Cash and cash equivalents	3,26,493	1,82,380
Trade receivables	31,844	99,523
Loans & security deposit	1,000	4,800
 Total	 3,59,337	 2,86,703
 Liabilities		
Current financial liabilities		
Trade and other payables	1,00,358	88,939
Total	1,00,358	88,939

Carrying values of all financial assets and liabilities approximate to fair value at March 31, 2020. Hence fair value hierarchy related disclosures are not applicable.



Note 26: Financial risk management

The Company's financial risk policies comprise primarily of credit risk and liquidity risk. The Company is not exposed to foreign currency risk since the Company has not entered into foreign exchange transactions and interest rate risk since the Company does not have any borrowings.

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.

	As at March 31, 2020	As at March 31, 2019
Trade and other payables		
- Upto 6 months	1,00,358	88,939
- More than 6 months	-	-

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Company is exposed to credit risk for trade receivables.

Counterparty credit limits are reviewed by the Company on an annual basis, and are updated throughout the year subject to approval of the Company's credit committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through potential counterparty's failure to make payments. The Company does not hold any collateral as security against its trade receivable.

The carrying value of the financial assets other than cash represents the maximum credit exposure. The maximum credit exposure to credit risk at the reporting date are as follows :

	As at March 31, 2020	As at March 31, 2019
Current financial asset		
Trade receivables	31,844	99,523
Loans & security deposit	1,000	4,800
Cash and cash equivalents	3,26,493	1,82,380
Total	3,59,337	2,86,703

None of the Company's cash equivalents, are past due or impaired. Regarding , trade receivables there are no indications as of 31 March 2020 that the defaults in payment obligations would occur.



The ageing of trade receivables at the reporting date that were not impaired are as follows :

	As at March 31, 2020	As at March 31, 2019
Upto 6 months	31,844	99,523
More than 6 months		-
Total	31,844	99,523

Receivables are deemed to be past due or impaired with reference to the Company’s normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer’s credit quality and prevailing market conditions. Receivables that are classified as ‘past due’ in the above tables are those that have not been settled within the terms and conditions that have been agreed with that customer.

The credit quality of the Company’s customers is monitored on an ongoing basis and assessed for impairment where indicators of such impairment exist. The solvency of the debtor and their ability to repay the receivable is considered in assessing receivables for impairment. In certain circumstances, the Company seeks collateral as security for the receivable. Where receivables have been impaired, the Company actively seeks to recover the amounts in question and enforces compliance with the credit terms.

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