

Seqrite Technologies DMCC

Balance sheet as at March 31, 2020

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

	Notes	As at March 31, 2020	As at March 31, 2019
Assets			
Non-current assets			
(a) Property, plant and equipment	3	-	518
		-	518
Current assets			
(a) Inventories	4	277	6,504
(b) Financial assets			
(i) Trade receivables	5	31,844	99,523
(ii) Loans and security deposits	6	1,000	4,800
(iii) Cash and cash equivalents	7	3,26,493	1,82,380
(c) Other current assets	8	23,825	15,570
		3,83,439	3,08,777
Total assets		3,83,439	3,09,295
Equity and liabilities			
Equity			
(a) Equity share capital	9	3,00,000	3,00,000
(c) Other equity	10		
(i) Retained earnings		(31,627)	(1,18,844)
Total equity		2,68,373	1,81,156
Liabilities			
Current liabilities			
(a) Financial liabilities			
(i) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	11	-	-
(b) Total outstanding dues creditors other than micro enterprises and enterprises	11	1,00,358	88,939
(b) Other current liabilities	12	14,709	34,099
(b) Net employee defined benefit liabilities	13	-	5,101
		1,15,066	1,28,139
Total liabilities		1,15,066	1,28,139
Total equity and liabilities		3,83,439	3,09,295

Summary of significant accounting policies

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: Pune
Date: May 21, 2020

Kailash Katkar
Director
DIN: 00397191

Place: Pune
Date: May 21, 2020

Seqrite Technologies DMCC

Statement of profit and loss for the period ended March 31, 2020

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

	Notes	Year ended March 31, 2020	Year ended March 31, 2019
Income			
Revenue from operations	14	4,89,227	5,19,946
Other income	15	27,412	16,561
Total income		5,16,639	5,36,507
Expenses			
Purchase of security software products	16 (a)	2,39,114	2,74,866
(Increase) / decrease in security software products	16 (b)	6,227	163
Employee benefits expense	17	87,169	1,75,463
Depreciation and amortisation expense	18	257	889
Other expenses	19	96,656	1,25,801
Total expenses		4,29,422	5,77,182
Profit before tax		87,217	(40,675)
Tax expense			
Current tax			
Pertaining to profit for the current period		-	-
Adjustments of tax relating to earlier periods		-	-
Deferred tax		-	-
Total tax expense		-	-
Profit for the period		87,217	(40,675)
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement of defined benefit plans		-	-
Income tax effect		-	-
Total comprehensive income for the period		87,217	(40,675)
Earnings / (Loss) per equity share (for continuing and discontinued operation):	20	290.72	(135.58)

Summary of significant accounting policies

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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

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Proprietor

Membership Number: 169376



Kailash Katkar

Director

DIN: 00397191

Place: Pune

Date: May 21, 2020

Place: Pune

Seqrite Technologies DMCC
Cash flow statement for the period ended March 31,2020

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

	Year ended March 31, 2020	Year ended March 31, 2019
A. Cash flow from operating activities		
Profit before tax	87,217	(40,675)
Adjustment to reconcile profit before tax to net cash flows:		
Net (gain) / loss foreign exchange differences	722	-
Depreciation and amortization expense	257	889
Bad debts / property, plant and equipment written off	5,351	-
Profit on sale of property, plant and equipment	(381)	-
Operating profit before working capital changes	93,166	(39,786)
Movements in working capital:		
(Increase)/decrease in trade receivables	61,604	1,28,787
(Increase)/decrease in inventories	6,227	171
(Increase)/decrease in loans	3,800	-
(Increase)/decrease in other assets	(8,255)	(14,904)
Increase/(decrease) in net employee defined benefit liabilities	(5,101)	5,101
Increase/(decrease) in trade payables	11,419	(2,28,208)
Increase/(decrease) in other current liabilities	(19,390)	29,284
Cash generated from operations	1,43,470	(1,19,555)
Direct taxes paid (net of refunds)	-	-
Net cash flow from operating activities (A)	1,43,470	(1,19,555)
B. Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets (including capital work-in-progress and capital advances)	-	-
Proceeds from sale of property, plant and equipment	642	-
Net cash (used in) investing activities (B)	642	-
C. Cash flow from financing activities		
Net cash flow (used in) financing activities (C)	-	-
Net (decrease) in cash and cash equivalents (A+B+C)	1,44,112	(1,19,555)
Cash and cash equivalents at the beginning of the period	1,82,381	3,01,936
Cash and cash equivalents at the end of the period	3,26,493	1,82,381
Components of cash and cash equivalents		
Balances with banks		
On current account	3,26,493	1,82,381
Total cash and cash equivalents	3,26,493	1,82,381

Summary of significant accounting policies

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

 Kailash Katkar
Director
DIN: 00397191

 Place: Pune
Date: May 21, 2020

 Place: Pune
Date:

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)

1 Company overview

1.1 General information

Seqrite Technologies DMCC("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.

The financial statements are authorised for issue by the board of directors 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.

The Company is incorporated in November 2016. Accordingly, amounts in the comparative 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) 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.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it is probable that future economic benefits associated with the item will flow to the Company. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period / year during which such expenses are incurred.

Gains or losses arising from disposal of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed.

(c) Depreciation

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.

The management estimates the useful lives for the property, plant and equipment as follows:

Assets	Useful lives (Years)
Computers	5



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)

(d) Impairment of property, plant and equipment

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.

(e) 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.

Subsequent measurement

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

- 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.



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)

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.

(f) 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.

(g) 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.



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)

(h) 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.

(i) 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.

(j) 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.

(k) 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.

(l) Contingent liabilities



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)

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.

(m) 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.

(n) 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.



Seqrite Technologies DMCC**Statement of changes in equity for the period ended March 31, 2020****(All amounts are in AED Full Figure, unless otherwise stated)****A. Equity share capital**

Equity shares of AED 1000 each issued, subscribed and fully paid-up	No.	Amount
As at April 1, 2018	3,00,000	30,00,00,000
- Addition	-	-
As at March 31, 2019	3,00,000	30,00,00,000
- Addition	-	-
As at March 31, 2020	3,00,000	30,00,00,000

C. Other equity**Other equity attributable to equity holders of the Company**

	Retained earnings	Total
Balance as at April 1, 2018	(78,169)	(78,169)
Profit for the year	(40,675)	(40,675)
Other comprehensive income	-	-
Total comprehensive income	(40,675)	(40,675)
Balance as at March 31, 2019	(1,18,840)	(1,18,844)
Profit for the period	87,217	87,217
Other comprehensive income	-	-
Total comprehensive income	87,217	87,217
Balance as at March 31, 2020	(31,623)	(31,627)



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)

3. Property, plant and equipment

	Computers	Total
Cost (Gross) (refer note 2)		
At April 1, 2018 (refer note 2)	2,325	2,325
Additions	-	-
Disposals/written-offs	-	-
At March 31, 2019	2,325	2,325
Additions	-	-
Disposals/written-offs	2,325	2,325
At March 31, 2020	-	-
Depreciation (Gross) (refer note 2)		
At April 1, 2018	918	918
Depreciation charge for the year	889	889
Disposals/written-offs	-	-
At March 31, 2019	1,807	1,807
Depreciation charge for the period	257	257
Disposals/written-offs	2,064	2,064
At March 31, 2020	-	-
Net block		
At March 31, 2019	518	518
At March 31, 2020	-	-



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)****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	277	6,504
Finished goods - Security softwares	-	-
Total	277	6,504

5. Trade receivables

	As at March 31, 2020	As at March 31, 2019
Trade receivables	31,844	99,523
Trade receivable from related parties	-	-
Total	31,844	99,523

Break-up for security details:

	As at March 31, 2020	As at March 31, 2019
Trade receivables		
Considered good - Secured	-	-
Considered good - Unsecured	31,844	99,523
Receivable which have significant increase in credit risk	-	-
Receivables - credit impaired	1,418	10,068
Total	33,262	1,09,591
Impairment allowed (allowed for bad and doubtful debts)		
Considered good - Unsecured	-	-
Receivable which have significant increase in credit risk*	-	-
Receivables - credit impaired	(1,418)	(10,068)
Total	31,844	99,523

* 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.

6. Loans and security deposits

	As at March 31, 2020	As at March 31, 2019
Loans and security deposits (unsecured, considered good) (at amortised cost)		
Current		
Security deposits	1,000	4,800
Loan to staff	-	-
Total current	1,000	4,800
Loans and security deposits (unsecured, considered good) (at amortised cost)		
Non - current		
Security deposits	-	-
Total non - current	-	-

No loans are due from directors or other officers of the Company either severally or jointly with any other person. Nor any loans are due from firms or private companies respectively in which any director is a partner, a director or a member.



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)

7. Cash and cash equivalents

	As at March 31, 2020	As at March 31, 2019
Balances with banks:		
On current account	3,26,493	1,82,380
Total	3,26,493	1,82,380

8. Others assets

	As at March 31, 2020	As at March 31, 2019
Current (unsecured, considered good)		
Prepaid expenses	23,825	15,570
Total current	23,825	15,570
Total non - current	-	-
Total current	23,825	15,570

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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)

9. Equity share capital

	As at March 31, 2020	As at March 31, 2019
Authorized shares		
300 (March 31, 2019: 300) equity shares of AED 1000 each	3,00,000	3,00,000
	3,00,000	3,00,000
Issued, subscribed and fully paid-up shares		
300 (March 31, 2019: 300) equity shares of AED 1000 each	3,00,000	3,00,000
Total issued, subscribed and fully paid-up share capital	3,00,000	3,00,000

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

	As at March 31, 2020		As at March 31, 2019	
	No.	AED	No.	AED
At the beginning of the period	300	3,00,000	300	3,00,000
Issued during the period				
Increase / decrease during the year	-	-	-	-
Outstanding at the end of the period	300	3,00,000	300	3,00,000

(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 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

Particulars	As at March 31, 2020	As at March 31, 2019
	Number	Number
Quick Heal Technologies Limited, the holding company (300 equity shares of AED 1,000 each fully paid)	300	300

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

	As at March 31, 2020		As at March 31, 2019	
	Number	% holding	Number	% holding
Equity shares of AED 1,000 each fully paid up				
Quick Heal Technologies Limited, the holding company	300	100%	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.



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)

10. Other equity

	As at March 31, 2020	As at March 31, 2019
(a) Retained earnings		
Balance as at the beginning of the year	(1,18,844)	(78,169)
Add: Amount transferred from surplus balance in the statement of profit and loss	87,217	(40,675)
Balance as at end of the year	<u>(31,627)</u>	<u>(1,18,844)</u>

Notes:

Retained earnings

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



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)****11. 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	18,380	32,196
Trade payable to related parties	81,978	56,743
Total	1,00,358	88,939

12. Other liabilities

	As at March 31, 2020	As at March 31, 2019
GST / Sales tax / VAT payable	7,511	276
Other liabilities (includes advances from customers)	7,198	33,823
Total	14,709	34,099

13. Net employee defined benefit liabilities

	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits		
Current		
Provision for gratuity	-	5,101
Total	-	5,101



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)****14. Revenue from operations (net)**

	Year ended March 31, 2020	Year ended March 31, 2019
Sale of security software products	4,89,227	5,19,946
Total	4,89,227	5,19,946

15. Other income

	Year ended March 31, 2020	Year ended March 31, 2019
Profit on sale of fixed assets (net)	381	-
Foreign exchange gains (net)	723	14,433
Miscellaneous income	26,308	2,128
Total	27,412	16,561

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

	Year ended March 31, 2020	Year ended March 31, 2019
(a) Purchase of security software products		
Security software products	2,39,114	2,74,866
Sub-total	2,39,114	2,74,866
(b) (Increase)/decrease in security software products		
Inventory at the beginning of the period	6,504	6,667
Less: Inventory at end of the period	277	6,504
Sub-total	6,227	163
Total	2,45,341	2,75,029

Details of inventory

	As at March 31, 2020	As at March 31, 2019
Finished goods		
Security software products	277	6,504
	277	6,504

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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)

17. Employee benefits expense

	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, wages and bonus	77,072	1,70,362
Gratuity expenses	10,097	5,101
Total	87,169	1,75,463

18. Depreciation and amortisation expense

	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation on property, plant and equipment (refer note 3)	257	889
Total	257	889

19. Other expenses

	Year ended March 31, 2020	Year ended March 31, 2019
Rent *	35,467	48,000
Insurance	1,023	1,690
Freight and forwarding charges	-	469
Travelling and conveyance	3,702	11,606
Communication costs	2,067	4,750
Legal and professional fees	22,330	8,831
Payment to statutory auditor	18,371	25,725
Provision for doubtful debts and advances	-	10,068
Bad debts written off	5,351	6,593
Miscellaneous expenses	8,345	8,069
Total	96,656	1,25,801

*Classified as short term loan in accordance with Ind AS 116.

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	18,371	25,725
Total	18,371.25	25,725.00

Note 20: Earnings / Loss per share

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Numerator for basic and diluted EPS		
Net profit after tax (In AED) (A)	87,217	(40,675)
Denominator for basic and diluted EPS		
Weighted average number of equity shares (In numbers) (B)	300	300
Basic and diluted loss per share of face value of AED 10 each (A / B)	291	(136)

Note 21: Related party disclosures

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



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)

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

Name of the related party	Relationship
Quick Heal Technologies Limited	Holding Company

(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 licenses	2,39,114	2,74,866
Balances - receivable/ (payable) at the period		
Quick Heal Technologies Limited		
Advance received / Trade payable	81,978	56,743

Note 22: 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 23: Going concern

The Company has earned net profit of AED 87,217 for the year ended March 31, 2020. (March 31, 2019: net loss of AED 40,675)

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.



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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