SEQRITE

Quick Heal

Navigating an Uncertain World
WITH AI-POWERED CYBERSECURITY

Annual Report
2024-25

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For more investor-related information, please visit:
https://www.quickheal.co.in/investors

Or simply scan the QR code

Investor Information

Market Capitalization (as on March 31, 2025)	₹ 1,608.22 Crores
BSE Code	539678
NSE Symbol	QUICKHEAL
AGM Date	September 25, 2025
AGM Mode	Through Video Conferencing (VC) & Other Audio-Visual Means (OAVM)

Disclaimer: This document contains statements about expected future events and financials of Quick Heal Technologies Limited ('The Company'), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

About the Report

Basis of Reporting

This Report is prepared on the basis of the essential guidelines of Integrated Reporting and contains comprehensive information on our operational and financial performances. It elaborates on our strategic direction and initiatives towards sustainable value creation.

Reporting Scope and Boundary

This report provides material information relating to our operating context, value creation model, performance, material risks, stakeholder interests, and governance pertaining to the financial year April 1, 2024 to March 31, 2025. It covers information about our operations and business segments in India and abroad, along with associated activities.

Target Audience

The Report is compiled with the ultimate objective of providing important and relevant information about our business to our key stakeholders for them to take informed decisions. These stakeholders include investors, employees, regulatory bodies, government, and society at large.

Our Approach to Materiality

An issue is considered to be material if it has a significant bearing on our value-creation ability and stakeholder relationships within our internal and external operating environment.

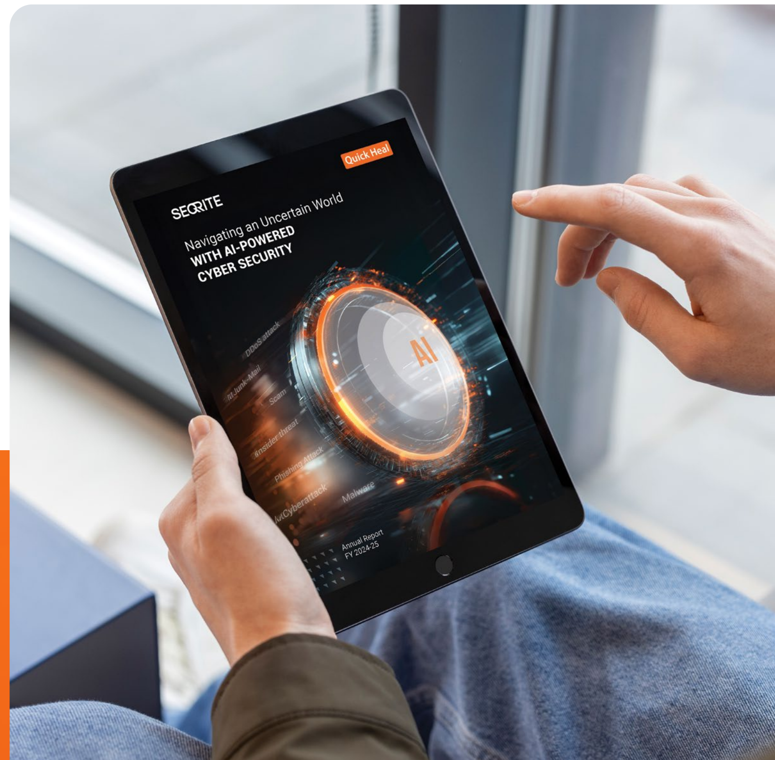
Reporting Framework

This report aligns with the principles and guidelines of:

- International Framework of the International Integrated Reporting Council (IIRC)
- United Nations Sustainable Development Goals (UNSDGs)
- The Companies Act, 2013 (and the rules made thereunder)
- Indian Accounting Standards and International Financial Reporting Standards
- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- Secretarial Standards issued by the Institute of Company Secretaries of India

Management Assurance

The Board of Directors believes that this report presents a true and fair account of the financial and non-financial matters, performance, and business model of our Company. It acknowledges its responsibilities to ensure the integrity of this Report.



Navigating an Uncertain World

with

AI-Powered Cybersecurity

In an era marked by global volatility and digital disruption, cybersecurity is no longer just a line of defense. It has become a strategic enabler of trust, innovation and resilience. Today's uncertain world is more unpredictable than ever, shaped by a shifting geopolitical order, volatile trade environments and the increasing weaponization of cyber space. Recent events such as Operation Sindoor, which we saw over 650 coordinated cyberattacks against India in just four days, highlights the scale and urgency of the threats we face. For the first time, hacktivist groups and nation-state actors joined forces, revealing deep vulnerabilities in even the most advanced security ecosystems.

At Quick Heal, we are not simply responding to these changes. We are helping shape a safer digital future through our goal to democratise cybersecurity and digital freedom, creating a cyber secure and fraud free world. Our approach is driven by AI-powered intelligence, deep threat analysis and a commitment to staying ahead of adversaries through constant innovation.

This commitment led to the launch of **AntiFraud.AI**, India's first AI-powered fraud prevention solution. On the enterprise front, we expanded our cybersecurity portfolio with solutions such as **Seqrite Threat Intel (STI), Seqrite Malware Analysis Platform (SMAP)** and the **Seqrite Intelligent Assistant (SIA)**. We also introduced **Seqrite Data Privacy**, designed to help organizations stay aligned with the evolving requirements of the DPDP Act through intelligent automation and compliance-first architecture.

Our people remain at the core of this journey. We continue to nurture a culture of growth, inclusion and innovation. Talent development, continuous learning, codifying our culture and meaningful engagement are central to how we build future-ready teams equipped to lead through change. As we scale our presence across global markets, including Europe, Italy, the Middle East and Thailand, we are also deepening partnerships and alliances at home to amplify our impact.

Our evolution means different things to different stakeholders:

For employees, it is an opportunity to grow, lead and thrive in a purpose-driven and culture-codified environment and create a lasting legacy

For partners, it offers long-term collaboration and shared value

For investors, it signals our cutting edge innovation in the era of AI and cybersecurity and transforming that into resilient and scalable business

For communities, it reflects our commitment to building a more secure and digitally aware society

For customers, it delivers smart, adaptive protection that keeps pace with a fast-changing world

For governments, it builds trust in our role as a responsible and capable 'Make in India' technology partner for national cyber resilience

As we navigate this uncertain world, we remain guided by one belief: the future of cybersecurity is intelligent, inclusive and AI-powered.

Awards & Accolades

Won '**Product of the Year**' and 'Top Remediation Time' in AVLab Poland's malware testing, achieving a perfect 100% protection rate

Witnessed Dr. Kailash Katkar being honored with the '**Iconic Punekar**' Award for his pioneering contributions to cybersecurity

Secured the AV-TEST Approved **Advanced EDR Certification for Seqrite XDR**, emphasizing its strong performance against sophisticated cyber threats

Earned **Certification for Seqrite Endpoint Protection version 18.00** in AV-TEST's July–August 2024 Product Review and Certification Report for Corporate Endpoint Protection, highlighting a major breakthrough in our enterprise security journey

Hosted the 2025 edition of the '**Cyber Shiksha for Cyber Suraksha**' Awards through Quick Heal Foundation, honoring outstanding institutions, teachers, and students for their contributions to cyber safety and awareness in India

ISO Certifications

ISO 9001:2015 Certified

ISO 20000-1:2018 Certified

ISO 27001:2022 Certified

SOC 2 Type 2 Certified

Our Achievements

Patents

USPTO 10,387,649	Signatureless Behavior-based Detection Technology
USPTO 10,311,234	Anti-Ransomware Technology
USPTO 8,973,136	System and Method for Protecting Computer Systems from Malware Attacks
USPTO 8,914,908	A Completely Automated Computer-Implemented System and Method for Piracy Control, Based on Update Requests
USPTO 8,347,389	System for Protecting Devices against Virus Attacks
USPTO 7,945,955	Virus Detection in Mobile Devices having Insufficient Resources to Execute Virus Detection Software
USPTO 11,216,558	Detecting Malwares in Data Streams
470730	Anti-Ransomware
USPTO 12,095,730	Controlling Access to Resources-based on Policies at Different Layers of a Networking Model

Message from the Chairman & Managing Director

We continue to represent the 'Make in India' ethos and remain focused on delivering secure, scalable, and intelligent cybersecurity solutions for a world where threats evolve rapidly.

Dear Stakeholders,

The world around us is shifting rapidly. From regulatory uncertainty and global tensions to the accelerating influence of artificial intelligence and rising sophistication of cyber threats, today's digital landscape demands constant vigilance and agility. At Quick Heal, we view this not merely as disruption, but as a chance to evolve with purpose, secure with intelligence, and lead with clarity.

This year's Annual Report, themed Navigating an Uncertain World with AI-Powered Cybersecurity, reflects our deep commitment to protecting government entities, people and organizations across a spectrum of risk. In today's digital age, threats do not discriminate hence everyone is equally vulnerable to advanced scams and cyberattacks. As a homegrown Indian cybersecurity company, we understand the magnitude of trust our users place in us. That trust continues to guide us as we create solutions that are intelligent, adaptive, easy to use, and designed to prevent threats before they cause harm.

Quick Heal and Seqrite remain integral to India's vision of cyber self-reliance (Atmanirbharta) rooted in national values, globally competitive, and built for the future. Amidst continued industry stress, our financial performance this year was below expectations, particularly on the consumer side, it has been a period of reflection, course correction, and strategic recalibration. The foundation we have laid over the past years is now enabling us to build more mature products, improve operating efficiencies, and align ourselves with a longer-term vision of resilience and innovation.

We continue to represent the 'Make in India' ethos and remain focused on delivering secure, scalable, and intelligent cybersecurity solutions for a world where threats evolve rapidly. From households and enterprises to governments and public infrastructure, we are committed to safeguarding India's digital future and extending that commitment to global markets.

Understanding the Threat Environment

The convergence of state-sponsored cyber warfare, disinformation campaigns, and AI-generated attacks is changing the nature of threat actors and the speed of attack cycles. Cyberattacks now frequently coincide geopolitical events, targeting everything from financial systems and energy grids to public services. These attacks are increasingly difficult to trace, are complex as well as unpredictable, thereby delaying critical responses and recovery efforts.

The software supply chain has emerged as a key vulnerability, as attackers exploit third-party code, open-source libraries, and vendor integrations to circumvent defenses. India has not been immune. The year CY 2024 witnessed a surge in data breaches, identity-based attacks, ransomware, and deepfake-led phishing. With more businesses embracing cloud services and digital transformation, the surface area for attacks has expanded considerably. Indian enterprises, in particular, are facing higher exposure from interconnected systems and complex supply chains.

The Union Budget 2025–26 reinforces India's commitment to digital and AI leadership through investments in AI Centers of Excellence, digital infrastructure, broadband in schools, and skill development. Against this backdrop, cybersecurity must evolve from a reactive and compliance-led role to a more strategic, ecosystem-wide responsibility. Shared accountability, trust, and foresight will be the pillars of digital resilience.

Strategic Recalibration and Focus

The year 2024–25 has been one of introspection and realignment. Our performance was impacted by broader industry headwinds, especially in the consumer segment, which still accounts for approximately 40% of India's retail antivirus market, a dominant player in this space. As large-scale cyber frauds surged, consumers were often left vulnerable and unsupported. In an increasingly commoditized antivirus market, we recognized the urgent need to reimagine what modern consumers truly expect from us.

We responded with the launch of AntiFraud.AI, India's first AI-driven digital fraud prevention solution, a significant step beyond traditional Antivirus capability preventing UPI scams, QR code frauds, fraudulent app detection, phishing and more. Market feedback has been encouraging, and we are focused on scaling this product with sharper go-to-market efforts as sales & advertising.

On the enterprise front, our strategic investments are beginning to translate into early traction. We continue to strengthen our position through trusted and evolved platforms such as Seqrite Endpoint Protection Platform, Seqrite Zero Trust and Seqrite XDR. Additionally, we introduced new offerings like Seqrite Data Privacy, Seqrite Malware Analysis Platform (SMAP), and Seqrite Threat Intelligence (STI), all designed with AI-first architectures. Our latest innovation, the Seqrite Intelligent Assistant (SIA), brings automation, decision intelligence, and improved usability to security operations through an AI-native interface.

These new products are gaining early adoption across sectors such as logistics, staffing, healthcare, media, and education. International interest continues to build, particularly across the Middle East, Africa, Europe, UK and Southeast Asia, where we are engaging with partners and customers who are seeking credible, AI-powered, and locally adaptable cybersecurity solutions.

We responded with the launch of AntiFraud.AI, India's first AI-driven digital fraud prevention solution, a significant step beyond traditional Antivirus capability preventing UPI scams, QR code frauds, fraudulent app detection, phishing and more. Market feedback has been encouraging, and we are focused on scaling this product with sharper go-to-market efforts as sales & advertising.

Our journey toward a secure digital future also includes a responsibility toward environmental stewardship and social development.

AI-Led Innovation and Deep Research

Aligned to our core-purpose and company values we thrive on innovation and customer-first approach. At the heart of our ecosystem is Seqrite Labs, India's largest malware analysis facility. It serves as a strategic command center that fuses real-time monitoring, data science, and predictive analytics to stay ahead of evolving cyberattacks. Recognized by international testing agencies such as AV-TEST and AVLab, Seqrite Labs continues to deliver product excellence and unmatched insights. In partnership with the Data Security Council of India (DSCI), we launched the India Cyber Threat Report 2025 and region-specific assessments for Karnataka and Telangana, offering granular insights into emerging threats.

On the consumer side, our Quick Heal Fraud Prevention Lab is a dedicated capability that monitors and tackles digital fraud patterns across India. It leverages AI, simulations, and behavioral analytics to inform AntiFraud.AI, helping users proactively defend against scams.

Governance, Data Privacy, and Compliance

As regulatory frameworks evolve, including the Digital Personal Data Protection (DPDP) Act, Quick Heal continues to lead by aligning with national and global standards. We view this not as a compliance exercise, but as an opportunity to deepen user trust. Our frameworks are built on ISO/IEC 27001 standards, the NIST Cybersecurity Framework, and supported by intelligent systems such as GoDeep.AI and SIA, which offer predictive, personalized, and scalable cyber defenses.

Sustainability and Social Responsibility

Our journey toward a secure digital future also includes a responsibility toward environmental stewardship and social development. We have adopted alternative energy and sustainable practices to reduce our environmental footprint. Strong governance ensures our sustainability initiatives are transparent and measurable. Through our flagship CSR initiative, Cyber Shiksha for Cyber Suraksha, we continue to build cyber awareness across communities, especially youth. Aligned with the United Nations Sustainable Development Goals, this program has reached over 6.8 million people nationwide, promoting digital literacy, safety, and responsible behavior online.

Our Cybersecurity Academy, aligned with national skilling efforts, plays a key role in bridging the talent gap by creating a pipeline of future-ready professionals in threat intelligence and enterprise security.

People and Culture

Our teams have remained focused, agile, and mission-aligned throughout a challenging year. We continue to invest in high-quality talent across product, engineering, research, marketing, and sales functions. Our Cybersecurity Academy, aligned with national skilling efforts, plays a key role in bridging the talent gap by creating a pipeline of future-ready professionals in threat intelligence and enterprise security.

Looking Ahead

As we look to 2025–26 and beyond, we are entering a new phase of transformation. Operational discipline, product focus, and deeper customer engagement will drive our next stage of growth. We are expanding internationally, penetrating our newly developed solutions in the market remains to be our key focus and sharpening execution across business lines.

These will guide not just our financial metrics but also how we create impact by protecting people, enabling secure digital progress, and helping shape the global cybersecurity narrative from an Indian perspective.

We thank our customers, employees, Board of Directors, partners, and shareholders. Your trust fuels our journey forward. Together, we are building a responsible, scalable, and forward-looking cybersecurity company rooted in India, respected globally, and trusted universally.

Warm regards,

Dr. Kailash Katkar
Chairman & Managing Director

Message from the Joint Managing Director

Innovation remains at the core of everything we do. Our solutions are designed to help businesses meet evolving regulatory expectations, such as the Digital Personal Data Protection (DPDP) Act, while supporting their digital transformation journeys with trust and compliance.

Dear Stakeholders,

As we look back on the year, it is clear that the cybersecurity landscape, both globally and in India, has entered a new phase of heightened complexity and evolving risk. Rapid technological advancement, rising geopolitical uncertainty, and increasingly sophisticated cyber threats are reshaping the digital ecosystem. In this environment, Quick Heal's objective: to protect individuals, enterprises, and critical infrastructure, has never been more vital, more urgent, or more complex.

Navigating a New Global Cybersecurity Era

Around the world, cyber threats are escalating in scale, frequency, and intelligence. Deepfake phishing attacks have jumped 40%, fuelled by advances in generative AI. Meanwhile, we are witnessing the rise of Ransomware 3.0 - an evolved, triple-extortion model that does not just steal data but weaponizes it with DDoS attacks and reputational blackmail, particularly targeting essential sectors like healthcare, transportation, energy, and government. The software supply chain has emerged as a critical vulnerability, with a staggering 78% increase in breaches that ripple through vendor networks and expose foundational weaknesses in digital ecosystems.

AI continues to sit at the center of this transformation - both as a game-changer for defense and a powerful tool in the attacker's arsenal. According to Gartner, while 66% of organizations believe AI will redefine cybersecurity, only 37% feel equipped to secure their AI deployments. That is a dangerous gap, and bad actors are already exploiting it. Generative AI is amplifying social engineering at scale, with 42% of enterprises impacted. Regulatory fragmentation, coupled with the global shortage of 3.5 million skilled cybersecurity professionals (as per ISC²), further widens the readiness gap.

Only 14% of global organizations currently feel confident in their cyber resilience. That's the reality we must transform. The cybersecurity playbook is evolving - from traditional perimeter defense to dynamic, embedded resilience. We are seeing the rise of Zero Trust Network Access (ZTNA), already adopted by 70% of global enterprises, and AI-powered Security Operations Centers (SOCs) that offer real-time threat detection and mitigation. Post-quantum cryptography, led by NIST, is setting new standards for future-proof encryption. Simultaneously, cyber insurance requirements are driving the widespread adoption of tools like multi-factor authentication and endpoint detection and response (EDR). Still, the stakes remain high: the average cost of a data breach has reached US$ 4.45 million.

India: A Nation at Cyber Crossroads

Back home, India's digital momentum continues to accelerate through transformative platforms like UPI, Aadhaar, and Smart Cities. But with this growth comes increased exposure. The attack surface is expanding rapidly - particularly for SMBs, where 68% ransomware attacks were reported last year. Mobile-based fraud now impacts one in every three Indians. The threat from state-sponsored cyber-espionage adds a new dimension to our national security landscape.

But there's progress. The Digital Personal Data Protection Act (DPDP) and CERT-In's breach disclosure mandate are ushering in a new compliance mindset. The launch of the National Cybersecurity Strategy (NCSS) 2024 signals India's resolve to build long-term digital resilience and protect critical infrastructure. With these foundations, India's cybersecurity ecosystem is on the cusp of maturity. Projected to grow to US$3.5 billion by CY 2027, the sector is being fueled by regulatory reforms, rising cyber awareness, and a growing demand for trusted, homegrown innovation.

Our Focus

We are proud to stand at the forefront of cybersecurity innovation in an era defined by rapid digital transformation and increasingly sophisticated threats. As India's first publicly listed company focused exclusively on cybersecurity, we bring a future-ready, cloud-powered suite of solutions that scale effortlessly - from large enterprises and government institutions to small businesses and individual consumers. Our goal is clear and uncompromising: to secure the digital world with intelligence, agility, and trust.

At the heart of this effort lies Seqrite Labs, our dedicated threat research and intelligence arm. With a bold ambition to position India as a global cyber-R&D powerhouse, Seqrite Labs leads our efforts in malware detection, threat attribution, vulnerability discovery, and ML-based threat analytics. Its cutting-edge research has earned international recognition, strengthening confidence in the precision and reliability of our technologies.

We are also leading the charge in reimagining cybersecurity through Generative AI. By embedding large language models (LLMs) into our platforms and launching SIA, we are simplifying threat detection and response. These natural-language-driven interfaces empower analysts, enhance productivity, and accelerate triage and remediation efforts.

Central to this transformation is GoDeep.AI, our proprietary deep learning platform. It dramatically improves malware detection across a wide range of attack vectors, and played a pivotal role in earning us the AV-TEST Best Performance Award, a testament to both our technical excellence and real-world impact.

Way Forward

As we look ahead, Quick Heal is navigating a bold, future-focused path rooted in innovation, global competitiveness, and a deep commitment to protecting the digital economy. In an era of rising cyber threats and digital acceleration, we are focused on scaling our enterprise business, strengthening our competitive position, and expanding a product portfolio that is resilient, intelligent, and built for the future.

Our go-to-market strategy is closely aligned with high-demand security categories, including fraud prevention, Zero Trust access, Endpoint Detection and Response (EDR), and unified threat management. We are deepening customer segmentation, strengthening brand visibility, and activating robust partner programs across strategic geographies to drive growth. Internally, we are enhancing cost efficiency, standardizing platforms, and optimizing processes to ensure long-term operational excellence and sustainable expansion.

Innovation remains at the core of everything we do. Our solutions are designed to help businesses meet evolving regulatory expectations, such as the Digital Personal Data Protection (DPDP) Act, while supporting their digital transformation journeys with trust and compliance. We are also making significant strides in Generative AI and machine learning. These technologies are redefining cybersecurity by enabling predictive defense, real-time automation, and contextual insights that elevate user experience and response agility.

We believe that the future of cybersecurity must be built together. By collaborating with customers, partners, and policymakers, we are helping shape a cyber-resilient India that is digitally empowered and globally secure. The path forward is fast-moving and complex. But with focused execution, a clear vision, and a strong foundation of innovation, Quick Heal is well positioned to lead the next chapter in cybersecurity and make the digital world safer, smarter, and more secure for everyone.

Warm regards,

Dr. Sanjay Katkar
Joint Managing Director

Message from the Chief Executive Officer

During Operation Sindoor, our team uncovered over 650 cyberattacks targeting national institutions in the wake of the Pahalgam incident working around the clock to mitigate damage.

Dear Stakeholders,

We are living through a time of extraordinary change. The speed at which technology is advancing, the uncertainty that surrounds us, including growing geopolitical tensions and the pace of unfolding events, are unlike anything we have seen before.

Cybersecurity stands right at the center of this transformation. The threat landscape is evolving rapidly, with adversaries using the very tools meant for protection whether cloud, data, or artificial intelligence to launch attacks. These are not amateur efforts; they are coordinated, persistent, and deeply disruptive. From ransomware-as-a-service to deceptive apps and phishing scams, the tactics have grown more sophisticated and invasive. India alone lost over ₹ 70,000 crores to digital fraud in 2024–25. And this is not isolated, global breaches at Marks & Spencer, MGM Resorts International, and Synnovis, a key NHS partner in the UK, reveal how vulnerable even the most prepared systems can be.

But amid this complexity lies an immense opportunity. AI and behavioral analytics are not just buzzwords they have the potential to move cyber defense from reactive to predictive. This is a moment of reckoning for the cybersecurity industry. And for us at Quick Heal, it's a moment we are built for. As we complete 30 years of our journey, our purpose has never been clearer. We started as a consumer antivirus company, but today, we stand as India's most trusted cybersecurity platform, one that serves individuals, businesses, and the public sector with the same clarity of intent. Our belief has always been simple: security should be a fundamental right, not a privilege.

The Year Gone By

In 2024–25, Quick Heal reported consolidated revenue of ₹ 279.5 Crores. While growth was below expectations, this was in line with broader industry challenges. Our consumer business, in particular, remained under stress, but we took conscious steps to re-energize momentum through go-to-market improvements and product innovation.

A key highlight was the launch of AntiFraud.AI, India's first real-time fraud prevention solution built for the mobile-first generation. Using AI and behavioral analytics, it detects phishing, scam links, unauthorized mic and camera access, and malicious apps. We also introduced a Freemium version to reach first-time users and increase awareness at scale.

On the enterprise side, while our product innovation was strong, adoption continues to take time, reflecting longer evaluation and deployment cycles. This segment now contributes nearly 40% of our overall revenue, driven by deeper adoption across BFSI, healthcare, and manufacturing. Our investments in homegrown innovation led to the successful launch of:

- Seqrite Malware Analysis Platform (SMAP) – for advanced malware detection and sandboxing
- Seqrite Intelligent Assistant (SIA) – an AI-based, natural language threat assistant built on Agentic-AI architecture
- Seqrite Threat Intel (STI) – offering geo-contextual threat data for faster decision-making
- Seqrite Data Privacy – built to support compliance with the Digital Personal Data Protection (DPDP) Act
- Quick Heal Academy – to expand cyber education and workforce readiness bridging the skill set gap that exists within the industry

Built on our modular, cloud-native Cybersecurity Mesh Architecture (CSMA), these integrated solutions support DPDP Act compliance, providing visibility of security policies and statuses across endpoints, mobiles, networks, and data. They are already strengthening defenses and delivering value across industries.

We also secured several strategic wins this year, including one of the largest logistics players, a leading media group, a healthcare provider, a leading staffing firm, and key engagements in the government sector proof that our efforts are resonating in the market and translating to meaningful impact.

Built in India, Made for the World

At the core of our capability is Seqrite Labs, one of India's largest dedicated cybersecurity research facilities. Every day, it processes over a million malware samples, maintains a database of over 2 billion known files, and monitors billions of repositories to detect and respond to threats before they escalate. From surface to dark web, our visibility into the threat landscape continues to deepen.

During Operation Sindoor, our team uncovered over 650 cyberattacks targeting national institutions in the wake of the Pahalgam incident working around the clock to mitigate damage. This was a complex, coordinated campaign, likely backed by nation state actors. It revealed the new face of cyber conflict, one where hacktivists coordinate in real time and exploit public sentiment. Our proactive response reaffirms why sovereign cyber capabilities are more than a need, they are a responsibility.

We work closely with CERT-IN and several state governments to support national digital infrastructure. Our Fraud Prevention Lab is setting new standards in protecting citizens from UPI scams, QR-based phishing, and social engineering attacks. Combining AI, real-time simulation, and cross-sector collaboration with banks, telecom players, and law enforcement, the lab represents our commitment to inclusive security.

People at the Heart

None of this would be possible without our people. Our teams bring together deep expertise and a shared purpose to solve problems that matter. The Culture Code we live by rooted in integrity, innovation, and collaboration continues to shape how we build, lead, and grow. Over the past year, we have invested in strengthening leadership, expanded development programs, and furthered our commitment to physical and mental well-being.

Partnerships for Excellence

We have also deepened our ecosystem through purposeful partnerships. From enabling cybersecurity through refurbished PCs with NewJaisa, developing AI-powered tools with NFSU, and building cybersecurity capacity for rural financial officers with BIRD Lucknow, to strengthening secure banking infrastructure with IDBRT and enhancing endpoint orchestration through TruVisor, each collaboration reflects our commitment to impact at scale. On the global stage, our participation at GITEX, GISEC, and Black Hat continues to showcase our innovations, expand our network, and elevate the Quick Heal brand.

Looking Ahead

We are growing our international presence across Southeast Asia, the Middle East, Africa, Latin America, and Europe through tailored offerings, channel partnerships, and region-specific activations. In India, our focus remains on the mid-market and government segments with modular solutions, partner expansion, and on-ground engagement. These efforts align with India's broader vision of Atmanirbharta, and our role in building a self-reliant, secure digital ecosystem.

We are proud of the trust placed by all our stakeholders in us and equally aware of the responsibility it carries. Our commitment is to build a safer digital future, anchored in innovation, guided by purpose, and driven by a belief that security should be simple, accessible, and enduring.

Warm regards,

Vishal Salvi
Chief Executive Officer

Quick Heal at a Glance

At Quick Heal Technologies Limited ('Quick Heal' or 'We' or 'Our Company'), we envision a digital world where cybersecurity enables possibilities, not fear. Since 1995, we have continued to redefine cybersecurity with solutions that are intelligent and easy-to-navigate, designed to evolve alongside the complex threat landscape. Our approach blends extensive domain expertise with a user-first strategy, equipping individuals and enterprises to move forward with resilience, confidence, and trust in a world shaped by digital interdependence.

Our enterprise brand, Seqrite, plays is a crucial enabler in safeguarding critical infrastructure and sensitive data for organizations worldwide. It reflects our ability to deliver reliable, high-performance security solutions at scale.

We proudly represent India's emerging leadership in the global cybersecurity landscape. As the first and only Indian cybersecurity firm collaborating with the U.S. Government's NIST NCCoE on its Data Classification project, we are contributing to frameworks that shape digital resilience across the world. Additionally, our role as the sole Indian member of the Artificial Intelligence Safety Institute Consortium (AISIC) in the U.S. further demonstrates our commitment to ethical and secure evolution of AI.

VISION

To be trusted by our customers in securing the digital world and grow as a reputable global market leader

MISSION

Empowering the team to solve business problems

CORE PURPOSE

Innovate to 'simplify' securing digital experience

OUR VALUES

Integrity

I am responsible for what I say, think, feel, and do

- No shortcuts
- Transparent and fair in dealing
- Reliable, can be trusted

Customer Centricity

I am committed to respond, engage, and inspire my customers

- Constantly innovate ways to proactively recognize and address customer matters
- Uses customer experience and feedback to deliver excellence with agility
- Work to enhance processes to address customer needs

Innovation

I think differently to make a difference

- Constantly challenge self to enhance performance
- Identify and adopt new ideas to bring value to our customers
- Proactively work to deliver quality processes, tool box approach

Leadership

I am fearless. I inspire others to learn and lead

- Ensure high levels of quality are maintained
- Possess holistic approach to give value to our offerings
- Goes an extra mile to understand and deliver customer requirement

OUR PIVOTS

We began our journey with a strong focus on antivirus solutions, earning trust through reliable, high-performance products for individual users. As digital threats evolved and enterprise risks grew more complex, Quick Heal strategically transitioned into a comprehensive cybersecurity partner with the launch of Endpoint Protection (EPP), marking a pivotal move into the enterprise domain.

Driving this transformation is our patented artificial intelligence platform, GoDeep.AI, which powers our real-time threat intelligence and response capabilities. This proprietary technology enables faster, more precise, and adaptive threat detection and mitigation. It also fuels the development of our next-generation security offerings, including Enhanced EPP, Extended Detection and Response (XDR), Zero Trust Network Access (ZTNA), and advanced Data Privacy solutions, all built for modern digital enterprises facing multilayered security challenges.

Looking ahead, we are intensifying our focus on next-generation Data Privacy and Threat Management. As part of our Horizon-3 roadmap, we are exploring Gen-AI-driven cybersecurity with the launch of SIA and expanding into fraud prevention, extending protection across emerging digital risk frontiers. This reflects our commitment to delivering smart, agile, and future-ready cybersecurity for both individuals and enterprises.

OUR JOURNEY

1993-2025

1993-96
Protected early generations of PCs

1996-00
Secured PCs, Network, and E-mails

2001-05
Ensured a safe digital experience for individuals, businesses, and government organizations

2006-10
Provided threat protection for smart phones and tablets

2011-16
Established global footprint, forayed into enterprise segment with Seqrite, and listed on BSE & NSE

2017-19
Safeguarded data, transactions, and cloud transitions

2020-23
Focused on innovative AI-driven protection

2023-25
- Strengthened domain leadership
- Refreshed brand equity
- Set up an experience center
- Launched the CSMA product stack
- Unveiled Horizon-2 & -3 products: SMAP, STI, SIA
- Ventured into the fraud prevention category: AntiFraud.AI
- Published India Cyber Threat Report and state-specific editions

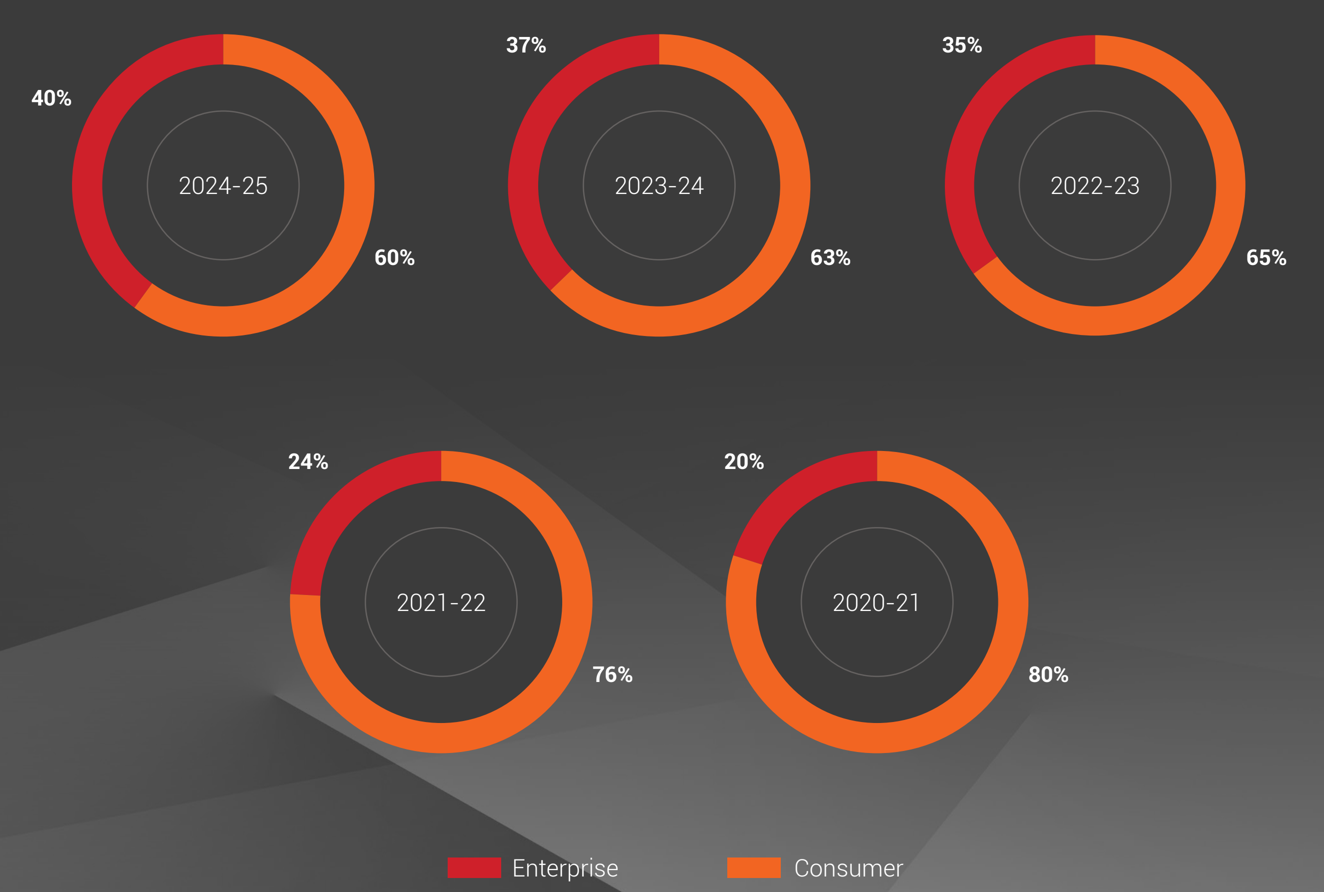
Our Business Portfolio

We are reshaping the boundaries of cybersecurity by engineering solutions that think, adapt, and protect in real time. Going beyond threat prevention, we enable seamless digital confidence, where resilience meets user simplicity. As risks grow in scale and complexity, our technologies are designed to remain a step ahead, combining intuitive design with deep intelligence to safeguard digital journeys.

As we scale new frontiers, our journey is defined by strategic transformation aligned with our long-term vision. From our roots in consumer security, we have evolved into a holistic cybersecurity ecosystem, now serving a diverse clientele, including individual users, small and medium-sized businesses, and large enterprises through an integrated, end-to-end approach to threat detection, prevention, and response.

This shift is reflected in our evolving channel mix. In 2024–25, the consumer segment contributed 60% of our business, while the enterprise segment accounted for 40%, highlighting our growing credibility in the B2B cybersecurity space. Powered by top-tier technology and user-centric design, our solutions are built to be robust, scalable, and adaptable thereby ensuring effective protection for both personal devices and enterprise networks. Our expanding market leadership reflects a unified strategy driven by innovation and a strong commitment to managing modern cyber risks.

Business Segmental Share



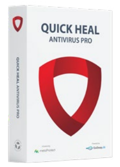
Consumer Business

We have cultivated our consumer business over three decades through a differentiated approach driven by sustained trust, sound innovation, and deep-rooted channel alliances. By prioritizing local R&D, we deliver cybersecurity solutions that are firmly in sync with India's unique threat landscape. This tactical emphasis provides us with a clear strategic edge over generic or free alternatives, positioning us as the preferred choice in a complex environment.

Consumer Cybersecurity Products include:

Quick Heal Total Security

Quick Heal Internet Security



Quick Heal Antivirus Pro

Quick Heal Total Security for Mac

Quick Heal Total Security for Android

Quick Heal Mobile Security (Free - Android)

Quick Heal Total Security Multi-Device

Quick Heal Internet Security Essentials

Consumer Fraud Prevention Products:

Quick Heal AntiFraud.AI

Preventing Frauds with AntiFraud.AI

During the year, we launched AntiFraud.AI – India's first fraud prevention solution designed to tackle the rising threat of financial fraud. In stark contrast with traditional antivirus tools, AntiFraud.AI focuses on transactional behavior, detecting real-time fraud indicators that often evade conventional tools. Furthermore, we made a strategic decision to offer a Freemium version of AntiFraud.AI to ensure broader accessibility. This timely move came amidst escalating cyber warfare activity, where safeguarding digital front was as critical as protecting the physical one.

Read more on Page 82 of MDA

Go-to-Market Strategy

Our go-to-market strategy blends widespread awareness campaigns with targeted outreach to vulnerable groups such as senior citizens, online banking users, small business owners, and frequent online shoppers. AntiFraud.AI is available across multiple channels, including our online store, major app platforms (Android and iOS), leading marketplaces like Amazon and Flipkart, and a growing network of retail partners. Complementing these efforts, we unveiled innovative initiatives like the 'Ab Koi Fraud Nahi' campaign, featuring influencers and emotionally resonant messaging to ensure peace and confidence in financial transactions.

To boost adoption, AntiFraud.AI will be selectively bundled with Quick Heal Total Security and made available through trial periods and freemium models. With these efforts, we aim to democratize digital protection, empowering users to confidently navigate the digital world free from the threat of financial fraud.

Quick Heal Fraud Prevention Lab

Supporting AntiFraud.AI is the Quick Heal Fraud Prevention Lab – a specialized innovation hub focused on identifying, analyzing, and countering emerging cyber frauds across India. The lab is powered by leading-edge artificial intelligence, behavioral analytics, and threat intelligence.

Read more on Page 82 of MDA

Our Channel Structure

We deliver industry-leading security solutions across India through a strong and diversified nationwide network comprising over 35,000 channel partners spanning cities and towns. This extensive distribution footprint ensures deep market penetration and allows us to connect effectively with end-customers. Our offline distribution operates through a two-tier channel structure:

Distributors (T1)

The partners who purchase products directly from Quick Heal

Retailers

The partners who purchase stock from T1 Distributors

Bag Engineers

This is our feet on street partners who directly work with consumers on ground

Website & E-Commerce

We serve our customers directly through our website, offering a seamless direct-to-consumer (D2C) experience. Additionally, our consumer products are widely available on various e-commerce platforms, facilitating easy access across multiple online channels.

Quick Heal Branded Retail Stores: Creating a Unique Identity

We have strategically developed Quick Heal Branded Retail Stores (QBRS) to boost brand visibility, augment customer engagement, and drive demand for Quick Heal products. Partner stores are carefully selected across key cities and towns based on a number of factors, including store prominence, footfall, revenue, and compliance with KYC and agreement requirements.

The QBRS initiative offers a comprehensive branding package that includes:

- Fabrication and installation of dealer signage
- Customizable wall graphics or office wall designs with multiple standard options
- Point-of-sale display stands
- Eye-catching danglers
- Illuminated square flange or lollipop signage
- Official certification recognizing partners as Preferred Partners

QBRS partners also gain from enhanced online presence through a featured listing on Quick Heal's website, increasing their visibility and driving significant digital traffic.

Profit Sharing Program

Our consumer engagement strategy focuses on delivering a unified, omnichannel experience, allowing customers to easily access Quick Heal products and renew subscriptions through their preferred platforms. This ensures maximum convenience and puts greater control in the hands of users. Central to our approach is our partner ecosystem. Through our Profit-Sharing Program (PSP), partners receive credit for renewals across all channels, reinforcing fairness and collaboration. Monthly incentive payouts further reflect our commitment to building strong, long-term partnerships.

Enterprise Business

We are uniquely positioned through Seqrite, our enterprise cybersecurity arm, as India's only full-spectrum provider, offering intelligent, user-focused security solutions. Our sustained investments in R&D capabilities are focused on creating an integrated portfolio that aligns seamlessly with the Cybersecurity Mesh Architecture (CSMA). This emphasis culminated in the rollout of top-tier solutions that protect enterprise infrastructure and data privacy. These offerings provide organizations with a holistic, future-leaning framework for comprehensive security and effective risk management.

Enterprise Cloud Products Include:

- Seqrite Endpoint Protection
- Seqrite Endpoint Detection and Response
- Seqrite Extended Detection and Response
- Seqrite Mobile Device Management
- Seqrite BYOD
- Seqrite Zero Trust Network Access
- Seqrite Data Privacy

Enterprise On-Prem Products Include

- Seqrite Endpoint Protection
- Seqrite Endpoint Detection and Response
- Seqrite Mobile Device Management
- Seqrite BYOD
- Seqrite Data Privacy

Enterprise Platform Products Include:

- Seqrite Malware Analysis Platform
- Seqrite Threat Intel

Enterprise Services Include:

- DPDP Compliance
- Managed Detection and Response

Launch of New Products

- Seqrite Malware Analysis Platform
- Seqrite Threat Intel
- Seqrite Intelligent Assistant

To know more, read Page 83 of MDA

Events & Webinars for Seqrite

We believe the true impact of our solutions lies in how well they are understood and adopted. To drive this, we have implemented a comprehensive branding and outreach strategy focused on building trust and visibility. Our strong presence at marquee industry events is guided by data-driven metrics, with every lead tracked to assess ROI and guide future investments. Real-world narratives like customer and partner testimonials, success stories, and case studies play a key role in building credibility and brand recall.

We also continue to lead cybersecurity discourse. Seqrite, in collaboration with the Data Security Council of India (DSCI), published the India Cyber Threat Report 2025, along with state-specific reports for Karnataka and Telangana. These provide in-depth insights into national and regional cyber threats, highlighting trends such as the rise in malware infections, ransomware attacks, hacktivism, and sector-specific vulnerabilities.

Energizing Sales Force

We are equipping our sales teams with enablement and consultative training to augment their understanding of business challenges and propose tailored security solutions. Our growth strategy is sharply segmented, with targeted investments in high-impact areas. From strengthening our hold in the SMB segment through a robust channel network to penetrating the mid-market and enterprise spaces, our focus is firm. Our teams are trained to drive upsell and cross-sell motions, especially with existing enterprise accounts, thereby increasing our wallet share.

Our Growth Strategy

We are unlocking the full potential of our threat intelligence by transforming rich data into business value, building advanced capabilities to help customers stay ahead of cyber risks. By integrating generative AI into our product ecosystem, we are enhancing automation, detection accuracy, and response speed. Our go-to-market strategy targets high-demand areas like Zero Trust network access, Endpoint Detection and Response (EDR), and Unified Threat Management, backed by sharper segmentation, focused marketing, and a stronger partner network. Internally, we are boosting efficiency through streamlined operations and platform standardization while expanding Data Privacy and Zero Trust adoption to offer compliance-ready, scalable security solutions for enterprises.

Channel Partner Ecosystem

Tiered Channel Strategy

With the vision of driving growth through partnerships, we have introduced several changes in our channel ecosystem to enhance focus, engagement, and enablement. We have launched targeted programs for both SMB and enterprise channels to accelerate revenue growth across our enterprise business, including critical industry verticals such as Government, BFSI, IT/ITeS, e-commerce, healthcare, and digital natives.

To strengthen our enterprise channel reach, we have partnered with TruVisor as a Value-Added Distributor for our India business. Additionally, we have structured our T2/T3 channels and system integrators, rolling out specific programs and schemes to further deepen engagement and drive enablement across our channel ecosystem.

Partner Selection Criteria

We approach partner onboarding with a focus that extends beyond sales volume. It prioritizes alignment in values, complementary capabilities, customer reach, and technical expertize to build lasting, mutually beneficial relationships.

Comprehensive Partner Support

We design our Channel Partner Program to be inclusive for partners of all sizes, offering marketing support, training, and attractive incentives to foster growth and collaboration.

International Expansion

We are replicating this successful model in growth markets, including Southeast Asia, the Middle East & Africa, and Latin America, driving global expansion.

Seqrite Labs

We stay firm in our conviction to counter cyber threats, that are presenting an ever-evolving arch of complexity and scale, through the capabilities of Seqrite Labs. As a center of excellence in cybersecurity research and innovation, Seqrite Labs plays a stellar role in bolstering our objective to safeguard businesses and individuals from emerging digital risks. With a proactive, threat-focused strategy, leading-edge technologies, and deep insight into adversary behavior, the lab is globally recognized as a trusted leader in adaptive and intelligent cyber defense.

Achievements and Recognition

Seqrite Labs continues to gain industry-wide recognition for its pioneering research and advanced detection capabilities. Its excellence is exemplified through prestigious international certifications and awards from reputed bodies, such as AV-Test and AVLab. Rigorous malware analysis combined with thorough testing and simulation ensures that Quick Heal's products meet and exceed global standards.

Collaborations with industry organizations, Indian and global CERTs, and continuous monitoring of clear and dark web intelligence keep the lab ahead of zero-day threats and new-age malware. The recognition by global entities referencing Seqrite's research further validates the lab's stature as a thought leader in cybersecurity.

Maintaining Leadership through People, Process, and Technology

Seqrite Labs' leadership stems from a holistic strategy grounded in three pillars: People, Process, and Technology.

People

The lab brings together a diverse team of experts with skillsets in malware analysis (both static and dynamic), network security, vulnerability research, reverse engineering, threat intelligence, data science, machine learning, and security automation. By embedding a culture of continuous learning, the lab keeps a persistent focus on training and upskilling, driving certifications, sharing our research findings in various conferences, and building community by knowledge sharing initiatives. Through mentorship and collaboration, the lab ensures that expertise is nurtured and groomed, empowering the team to stay ahead of threat dynamics.

Process

The lab follows rigorous, well-established processes for collecting and analyzing threat intelligence. It draws data from multiple sources, including Quick Heal's extensive sensor networks spanning over 8.44 million endpoints for proactive threat hunting and vulnerability research. By consistently exploring new technologies, such as AI and ML security implications, the lab anticipates future risks & devises mechanisms to mitigate them effectively. Detailed documentation and internal knowledge-sharing platforms ensure that insights are preserved and disseminated efficiently within the team.

Technology

The lab deploys top-of-the-line tools and an isolated 'red network' environment for safe and secure threat analysis and malware simulation. It leverages BAS (Breach and Attack Simulation) technology to replicate attacks in a controlled environment, understand TTPs, and test detection strategies. Key technologies include sandboxing, disassemblers, debuggers, threat intelligence platforms, and advanced analysis tools. This cutting-edge technical infrastructure enables Seqrite Labs to simulate attacks accurately and develop precise detection strategies.

Transforming Telemetry into Actionable Threat Intelligence

Seqrite Labs excels in handling the complexity of vast volumes of telemetry data by transforming this raw data into meaningful, actionable intelligence. The lab contextualizes threat data by attributing it to specific adversaries, their Tactics, Techniques, and Procedures (TTPs), previous campaigns, and Indicators of Compromise (IOCs). By mapping threats to targeted industries and geographies, Seqrite Labs delivers focused intelligence that clients can use to mitigate risks tailored to their operational environment.

Leveraging Machine Learning to Enhance Threat Detection

Seqrite Labs harnesses both supervised and unsupervised ML algorithms to boost accuracy and efficiency in threat detection, addressing the overwhelming complexity and volume of threat data. The lab processes structured and unstructured data, from sensor telemetry to manual research outcomes, using deep learning models. These systems detect complex patterns in network traffic, malware behavior, and textual threat intelligence.

Graph-based ML methods represent entities such as IP addresses, domains, and malware hashes as interconnected graphs, revealing suspicious relationships invisible in isolated data points. By assigning risk scores to threats, these models help analysts prioritize critical issues, reduce alert fatigue, and accelerate response times. This strategic application of ML significantly elevates the lab's threat identification capabilities.

Data-Driven Intelligence

Seqrite Labs adopts a comprehensive, automated strategy to leverage leaked data for strengthening its ML models. The lab forecasts emerging risks with higher precision by analyzing patterns, trends, and the frequency of threats targeting specific industries. This approach involves:

Automated data collection, validation, deduplication, and normalization for consistency and accuracy

Root cause investigations through drill-down and correlation analyses

Predictive ML models forecasting future threats and estimating event likelihoods

Cross-team collaboration between threat researchers, security operations, and data scientists

Use of statistical analysis and visualizations to understand historical trends from pattern analysis and detect anomalies

Centralized storage and management via the Seqrite Threat Intel Platform

Addressing Challenges in Threat Intelligence Communication

Seqrite Labs effectively addresses the challenge of making detailed threat analysis understandable and practical, despite the complexity of the technical jargon and the diversity of audience expertise. The lab overcomes these by focusing on relevance and contextualization, delivering actionable recommendations, and employing intuitive visualization. Automation and integration with security platforms further ensure timely delivery of intelligence that supports quick, informed decision-making. This approach augments situational awareness and empowers organizations to proactively strengthen their cyber defense posture.

Anticipating Future Cyber Threats

Looking ahead, Seqrite Labs foresees several critical threats shaping the cybersecurity landscape:

- Ransomware evolution into data manipulation and physical sabotage, especially in industrial environments
- AI-driven attacks automating phishing, DDoS. Net attacks, and evading detection
- Supply chain compromises exploiting third-party vendor vulnerabilities to infiltrate larger organizations
- Deepfake and social engineering threats fueled by manipulated media and AI
- Data poisoning risks to AI and ML models, potentially causing catastrophic failures in automated systems

ARTICLE

Coordinated Cyber Onslaught Amid 'Operation Sindoor'

In today's fast-changing and uncertain world, the line between global conflict and cyberattacks is becoming increasingly unclear. The threat landscape is now shaped by shifting political powers, trade challenges, and the growing use of cyberspace as a weapon. One clear example of this was Operation Sindoor, a wave of more than 650 cyberattacks on India within just four days.

The Trigger: From Decoys to Breaches

The operation first gained visibility on April 17, 2025, when Seqrite's threat telemetry began flagging anomalies directed at Indian government mail servers and defense infrastructure. Lure files disguised as official-looking documents like Final_List_of_OGWs.xlam and Preventive_Measures_Sindoor.ppam were designed to exploit public sentiment following the Pahalgam Terror Attack, turning tragedy into a delivery mechanism for advanced malware.

These files weren't ordinary phishing attempts. Hidden behind macros and shortcut links were covert scripts establishing Command-and-Control (C2) communications with remote servers, initiating the deployment of Ares RAT, a stealthy, modular tool for remote access, credential theft, and command execution. Further technical details can be found at :

Umbrella of Pakistani Threats: Converging Tactics of Cyber-operations Targeting India | Seqrite

What made Operation Sindoor stand out was the coming together of government-backed cyber groups and independent hacktivist communities. Led by Pakistan-based threat groups like **APT36** and **SideCopy**, and supported by loosely connected hacktivist groups, the attack focused on India's key sectors, such as defense, healthcare, telecom, government services, and education.

This event not only exposed serious weaknesses in digital systems but also showed how different types of cyber threats are now working side by side.

As a responsible cybersecurity leader, **Quick Heal**, through its advanced threat intelligence facility **Seqrite Labs**, played a central role in detecting, analysing, and responding to this nation-scale campaign. The operation not only tested India's cyber resilience but also showcased the evolving playbook of adversarial cyber actors, where digital espionage meets psychological warfare.

APT36: Digital Predator Evolved

APT36, long known for its use of Crimson RAT and phishing tactics, had evolved. Instead of the old Poseidon loaders, the group deployed Ares, an evasive malware capable of complete host control. Leveraging spoofed Indian domains such as zohidsindia[.]com and nationaldefensecollege[.]com, the attackers executed sophisticated spear phishing (T1566.001), script-based payload delivery (T1059.005), and obfuscated PowerShell-based persistence mechanisms (T1059.001, T1027).

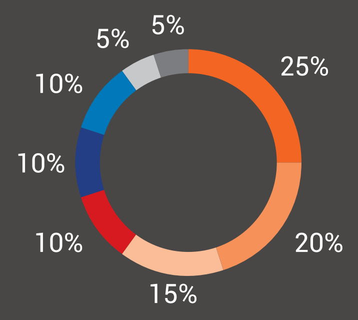
Seqrite Labs' analysis confirmed that these infections were engineered to evade detection through:

- Living-off-the-land binaries (LOLBins)
- Scheduled task manipulation
- UAC bypasses
- Advanced obfuscation techniques

Hacktivist Crossfire: Shadow Battalions Rise

Running parallel to the state-sponsored attacks were coordinated hacktivist disruptions. On May 7, 2025, under the banner of Operation Sindoor, over 35 hacktivist groups launched DDoS campaigns, website defacements, and data leaks. Actions were amplified across Telegram channels and social media under hashtags like #OpIndia and #PahalgamAttack.

Targeted sectors included:



- Defense & Military (Army, Navy, Air Force, MOD)
- Election, Government Ministries & External Affairs (ECI, MEA, NIC)
- Telecom (Jio, BSNL, Network Infra)
- Finance & Tax (GSTN, EPFO, Banks)
- Healthcare (All MS, Apollo, DRDO Hospitals)
- Education (Schools, Universities, Boards)
- State Govt Portals & Civic Infrastructure
- Media & News Portals

Seqrite's Cyber Defense in Action

Seqrite Labs rapidly swung into action by

- Deploying **26 custom detection signatures** across its endpoint and XDR solutions
- Monitoring threat actor chatter across **dark web and Telegram groups**
- Issuing advisories and **YARA-based threat indicators** to Indian enterprises
- Mapping out Indicators of Compromise (IOCs), including spoofed domains like sindoor[.]live and C2 callbacks such as 167.86.97[.]58:17854

Detection Signatures Deployed:

Signature	Description
BAT.Sidecopy.49534.GC	SideCopy loader script
MSI.Trojan.49537.GC	Trojan dropper using MSI
Txt.Enc.Sidecopy.49538.GC	Obfuscated SideCopy payload

Hybrid Warfare: The New Norm

Operation Sindoor revealed a blueprint of modern hybrid cyber warfare. No longer are campaigns limited to lone malware attacks. Instead, what we face now are multi-dimensional, state-backed operations where technical intrusions are synchronized with ideological narratives.

From spoofed military-themed domains like operationsindoor2025[.]in to psychological warfare via public-facing website defacements, attackers aimed to destabilize not just infrastructure, but also trust.

The Fallout: Eroding Trust, Escalating Risks

The campaign's impact on Indian cyber resilience is undeniable:

- **Data Exfiltration**: Critical credentials and strategic documents were siphoned from targeted agencies
- **Service Disruption**: DDoS attacks hampered citizen access to public services during tense geopolitical periods
- **Reputation Damage**: Government websites were defaced, undermining public confidence and projecting cyber vulnerability

More than 650+ incidents were confirmed in a span of just four days, and seven new hacktivist groups emerged, pointing to an evolving ecosystem of adversaries willing to align across borders and motivations.

Strengthening the Digital Fort

Seqrite Labs' threat telemetry, dark web intelligence, and rapid signature to threats shows its strong commitment to protecting India's digital space.

However, the lessons from Operation Sindoor demand a wider national effort:

- Greater public-private partnerships for threat sharing
- Real-time incident response frameworks
- Capacity building through cyber awareness and secure communication training
- Continuous monitoring of hybrid threat vectors, especially those that exploit geopolitical events

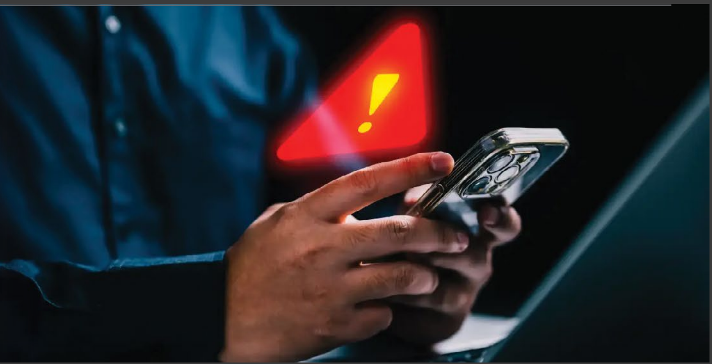
Conclusion

Operation Sindoor was more than just a cyber-attack, a war where physical strikes were backed by digital attacks. It revealed a world where the keyboard could be as powerful as the battlefield, where cyber espionage merged with hacktivism, and where trust in digital systems was just as critical as their protection.

As India moves forward, Quick Heal, with its robust threat intelligence, continues to stand at the forefront of this digital defense. Because in the age of cyber warfare, vigilance is our strongest weapon.

ARTICLE

Digital Arrest: A New Era of Cyber Threats



In a world marked by volatility and digital disruption, cyber fraud has evolved from an occasional threat to a constant, sophisticated menace. From geopolitical tensions to the weaponization of cyberspace, we are continuously witnessing that fraudsters are using fear, data leaks, and deception to exploit vulnerabilities at scale. One of the most dangerous manifestations of this is the rise of digital arrest scams, a fear-based fraud scam where attackers impersonate law enforcement officials to force victims into giving up money or sensitive information.

At Quick Heal, we see cybersecurity not just as protection, but as a strategic enabler of trust and resilience. This belief powers our AI-first approach to safeguarding individuals and enterprises alike. It's what led to the creation of AntiFraud. AI, India's first fraud prevention solution built to empower users against a new breed of cyber deception.

The Rise of Digital Arrest Scams

Digital arrest scams are on the rise and they are alarmingly effective. These attacks usually begin with a call from someone posing as a government or law enforcement official. They might accuse you of crimes like drug trafficking or money laundering, often citing correct personal information to sound convincing. The fear they trigger becomes the tool of manipulation.

Digital Arrest Scam → Scammer Initiates the Contact (Phone Call/SMS/E-mail) → Fake Authority is established Impersonation- Govt. Official/Police → Fear and Urgency are Created Illegal Activity Allegation → A Secret Solution Offered: Transfer Money to Avoid Arrest → Demand for Payment and Information (UPI/BankTransfer/Aadhaar/PAN) → Scammer Escalates → Scammer Disappears → Aftermath: You have been Scammed

How Scammers Get Your Data and Deceive You

Scammers frequently use data from major breaches to construct convincing victim profiles. For example, breaches like the BoAt incident (April 2024), which exposed 7.5 million records, or Hathway's leak of Aadhaar and passport details, provide a wealth of personal information. This data, readily available on the dark web, is then used to personalize attacks, making their claims more believable.

Even physical documents you've submitted to seemingly legitimate but unsecured systems can be compromised. Fraudsters might E-mail you forged police letters or legal notices, often claiming you're involved in criminal activities, using scans of your own passport or ID proofs.

Tools of Deception

Fraudsters spoof phone numbers to look like police or government lines and use video calls with fake uniforms and backdrops. They also send forged E-mails, SMSes, or websites mimicking official government domains (look for @gov.in or @nic.in).

Who is at Risk?

No one is truly immune to these scams, as fraudsters tailor their approach based on the victim's vulnerabilities:

- Elderly individuals are often targeted due to their trust in authority figures
- Students may fear reputational damage that could jeopardize their academic or professional future
- Professionals are manipulated through threats of job loss, public shame, or legal repercussions

Common Payment Traps

Victims are directed to fake payment websites using tactics like:

- Typo-squatting: Slight misspellings of legitimate URLs
- Fake SSL: Fraudsters use HTTPS to fake authenticity

Once on these sites, victims may unknowingly submit UPI or card details, assuming it's secure

AntiFraud.AI: Detecting and Blocking Scams

India's first fraud prevention solution, AntiFraud.AI is a 'Made in India' product that is revolutionizing digital safety against the escalating threat of financial fraud. Some of the key features are:

- **Fraud Call Alert**: Warns you before answering spoofed scam calls
- **Screen Share Alert**: Alerts you if your screen is being shared
- **Banking Fraud Detection**: Detects suspicious activity and alerts you instantly
- **Secure Payments and Payee Name Announcer**: Reads payee names aloud and identifies suspicious payment links
- **Call Forwarding Alert**: Alerts you to SIM or call-forwarding manipulations
- **Post-Fraud Help**: Assists in reporting, blocking transactions, and recovery

Your Safety Checklist

- Don't share OTPs or personal data.
- Never trust unsolicited video/audio calls.
- Arrests can't happen digitally; no real warrant is sent via E-mail.
- Verify all government communications.
- Don't blindly click on any link; it may be a fraudulent/phishing threat.
- Regularly check government websites for the release of fraudulent web notices/user digests for awareness.
- Install software like Antifraud.AI that can easily detect fraudulent activities and alert you, and ensure your digital security.

Report Scams

https://cybercrime.gov.in – Report cybercrime complaints (National Cyber Crime Reporting Portal)

https://www.cert-in.org.in – Indian Computer Emergency Response Team

Call 1930 – Cybercrime Helpline Number

Visit your nearest cyber police station for support

Cybersecurity for a **Safer Tomorrow**

At Quick Heal, we are committed to democratizing digital safety. From our AI-powered innovations like AntiFraud.AI to deep threat intelligence from Seqrite Labs, we're equipping individuals, businesses, and governments with the tools to stay secure.

Digital arrest scams may evolve, but so will our defenses. Because in a future where cybercrime grows smarter, our cybersecurity must be smarter, faster, and more inclusive.

Stay aware. Stay protected.

Leveraging Our Strengths

We pursue excellence through precision-driven, future-ready cybersecurity solutions backed by deep expertise and agile execution. Committed to continuous improvement, innovation, and accountability, we stay ahead of evolving threats to deliver reliable protection. This performance-led approach builds lasting trust and reinforces our reputation as a dependable, value-driven industry leader.

Largest Cybersecurity R&D Lab in India with Unique Telemetry

We leverage Seqrite Labs, India's largest cybersecurity research facility, as the foundation of our advanced threat detection and response capabilities. Backed by over 30 years of domain expertise, we have built a strong track record in identifying and tackling complex threats like ransomware, malware, and zero-day vulnerabilities. Our access to telemetry from more than 8.44 million endpoints, the largest in India, gives us unmatched insight into emerging threats and attack patterns.

Best-in-Class Support Offerings

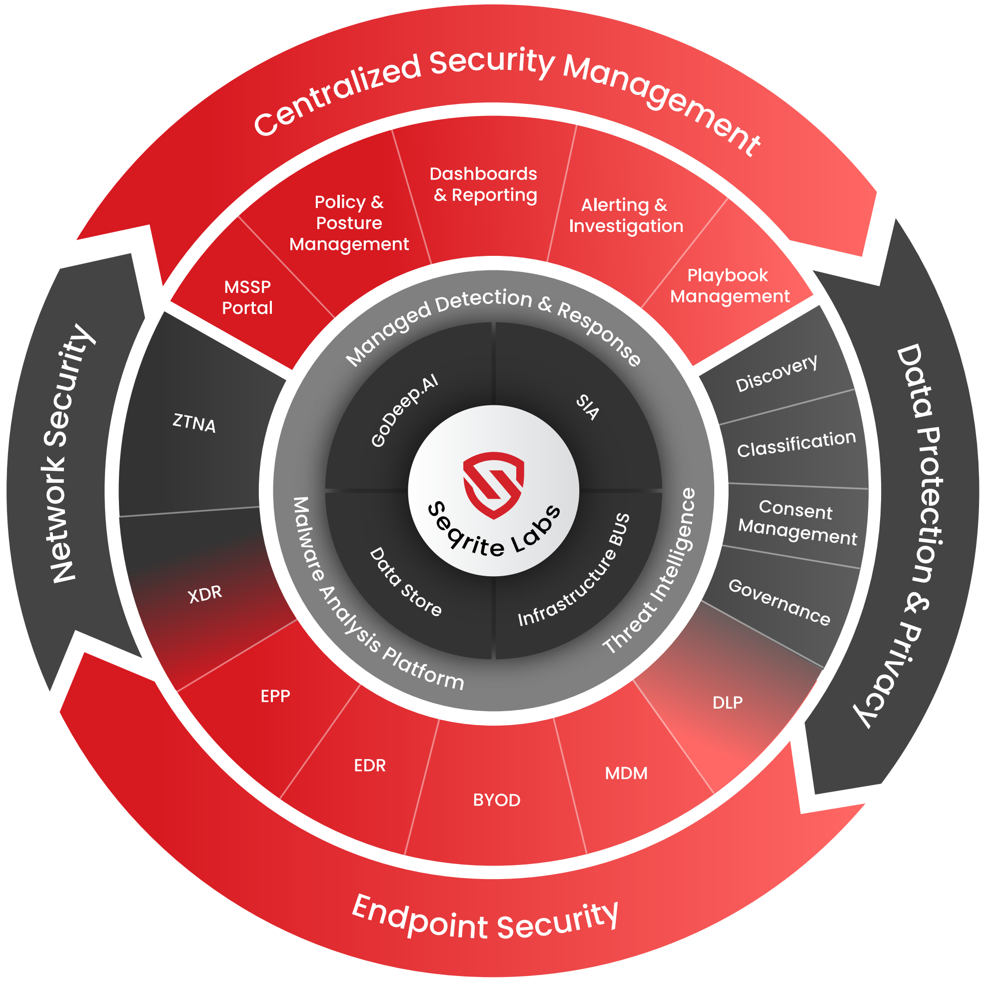
We offer best-in-class support that has earned the trust of millions of users worldwide. Our 24x7 assistance is available through multiple channels, including inbound telephone, online chat, SMS, and E-mail, extending targeted interventions in our customers' local languages. Live chat, phone support, self-service resources such as FAQs and how-to videos form the backbone of our support mechanism, along with a ticketing system for more complex issues.

Adoption of the New Age Tech Stack

We are embracing the evolution of Generative AI & ML and Agentic-AI to transform user interaction and optimize cybersecurity operations. Harnessing the power of Large Language Models (LLMs), we are actively integrating intelligent, conversational interfaces into our solutions to make complex systems easier to use, while boosting analyst efficiency. Our focus is on equipping users with intuitive tools that deliver actionable insights and clear operational guidance, facilitating faster decision-making and quicker response times to emerging threats.

Holistic Platformized Cybersecurity Solution

We recognize the complex challenges faced by today's CISOs and CIOs, and strategically directed our R&D efforts towards developing a comprehensive suite of solutions aligned with the Cybersecurity Mesh Architecture (CSMA). Our next-generation products cover devices, applications, networks, and data, enabling Seqrite to provide enterprise customers with bespoke, integrated, end-to-end security solutions.



Make in India

We proudly support the Make in India initiative by developing and manufacturing our cybersecurity solutions right here in India, promoting homegrown innovation and strengthening self-reliance. By creating products tailored specifically for the Indian market, we ensure compliance with local regulations and effectively address unique security challenges. Our India-first approach enables greater agility, enhances relevance, and contributes to India's economic growth and technological advancement.

Strong Partner Network across the Country

We build upon our strong network of partnerships to significantly expand our market presence and fortify our capabilities. By collaborating with leading industry players, technology innovators, and trusted channel partners, we deliver comprehensive, integrated security solutions that meet diverse customer needs. Drawing upon these strategic alliances, we seamlessly blend expertise and resources to ensure our customers receive the highest level of support, innovation, and protection through a well-connected cybersecurity ecosystem.

Proximity to the Customers

We emphasize on maintaining proximity to our customers to foster a deep understanding of their unique challenges and requirements. By strategically combining close engagement and on ground presence, we provide personalized round-the-clock support, rapid issue resolution, and tailored solutions. This targeted approach enables us to address the specific security concerns of diverse customer segments.

Our Value Creation Model

Input

Service Capital
- Infrastructural set up and service model
- Service centers in multiple cities in India

Intellectual Capital
- Fueling brand proposition
- Onboarding more experts in the R&D team
- Investment in technology development and upgradation: ₹ 135.95 Crores

Financial Capital
- Total equity: ₹ 441.48 Crores
- Total debt: Nil

Social and Relationship Capital
- Fulfilling social responsibility by investing in CSR activities

Human Capital
- Diversity and inclusivity at workplace
- Total employees: 973*
- Investment in training programs: ~₹ 23.33 Lakhs
- Awards and recognition for staff: ~₹ 19.74 Lakhs

Customer Capital
- Enhancing consumer awareness
- Investment in customer grievance redressal platforms:
  - Press releases
  - Multiple webinars

Natural Capital
- Use of renewable energy

Value Creation Process

Evolving & Adapting

Identifying Problem

Management Insight

Thrust on R&D

Strategic Planning

Introducing New products + Enhancing Existing Ones X Deeper Market Penetration

- Identifying Problems
- Better Customer Insight

- Addressing Grievances
- Feedback on Experience

Driving Seamless Consumer Experience

Mission — Empowering the team to solve business problems

Vision — To be trusted by our customers in securing the digital world and aim to grow as reputable global market leader

Core Purpose — Innovate to 'simplify' securing digital experience

Outcome

Service Capital
- Enterprise: Seqrite
- Consumer: Quick Heal

Intellectual Capital
- New products releases: 4

Financial Capital
- Total income: ₹ 300.30 Crores
- EBITDA: ₹ (6.59) Crores
- PAT: ₹ 5.04 Crores

Social and Relationship Capital
- Lives impacted through CSR activities: 68 Lakhs+

Human Capital
- Contractual employee strength: 86
- Interns: 35
- Women employees: 176***

Customer Capital
- Sales (consolidated): ₹ 279.53 Crores
- Complaints addressed
- Customer satisfaction and positive feedback overall

Natural Capital
- Paperless operations/ carbon neutrality

Impact on SDGs

Service Capital	9
Intellectual Capital	8, 9
Financial Capital	1, 2, 8
Social and Relationship Capital	1, 2, 3, 4, 10, 11, 17
Human Capital	3, 5, 8, 10
Customer Capital	8, 10, 12
Natural Capital	7, 12, 13

*On roll employees
***On roll women employees

Stakeholder Engagement

We integrate stakeholder engagement as a strategic enabler of informed decision-making, innovation, and sustainable value creation. By fostering open and continuous dialogue with a diverse stakeholder ecosystem - including customers, employees, partners, investors, regulators, and communities - we gain critical insights that shape our priorities and guide our actions. Through collaborative platforms, structured interactions, and transparent feedback mechanisms, we fortify trust and remain in step with evolving expectations. This cohesive approach bolsters our commitment to ethical, responsible business conduct in a rapidly changing global environment.

We drive value by fostering cybersecurity awareness and education among our stakeholders, empowering them to make informed and secure digital decisions. Transparent and proactive communication remains central to build and maintain stakeholder trust. Safeguarding customer data and ensuring its confidentiality is our core priority. Furthermore, we train our distributors to educate end-users and support informed, secure digital practices, thereby amplifying the overall security experience.

Stakeholder	Importance	Key Engagement Channels	Company's Response	Frequency	Capitals Linked	Value Created for Stakeholders
Customers	▸ Consistent quality at competitive prices ▸ Timely deliveries ▸ New and innovative products, as per latest market requirements ▸ Easy access to products and services	▸ Collation and analysis of customer feedback ▸ Engagement through website and social media ▸ In-house and third-party market research surveys and meetings ▸ Brand campaigns	▸ Multi-channel support (includes remote access support and onsite support across India) ▸ Multi-lingual end-user support (English and Hindi, among others), 24x7 customer support ▸ Manuals, guidelines videos, and data sheets on services ▸ Webinars in the area of security software	▸ Quarterly ▸ Half-yearly ▸ Annually		We consistently prioritize our customers by making our security solutions easy-to-use and quick-to-deploy. This focused approach ensures faster threat resolution even in environments with limited cybersecurity skills. Our intuitive solutions simplify incident response and empower analysts with actionable insights. By integrating Agentic-AI, we provide rich threat context, empowering our junior analysts to operate with greater effectiveness. By solving the problem of skill shortages, we help organizations optimize their security operations in real-time. Our solutions act as force multipliers – amplifying the efficacy, speed, and reliability of cyber defenses across customer environments.
Investors	▸ Ethical business practices and good corporate governance ▸ Regular dividends ▸ Sustainable performance and value creation ▸ ESG integration into strategy and operations ▸ Transparent reporting and disclosure	▸ Annual and quarterly investor meets/calls ▸ Investor presentations ▸ Annual general meeting ▸ Investor grievance channels ▸ Annual report	▸ Manuals, guideline videos, and data sheets on services ▸ Release of various articles, technical papers, and quarterly threat reports	▸ Quarterly ▸ Annually		We stay committed to foster enduring value for our investors by leading from the front in the cybersecurity industry. Over the years, we have done a commendable job to hold the fort amidst constant change and position as the hallmark of trust, innovation, and resilience. Our strong R&D capabilities, backed by intelligence-driven solutions, continue to differentiate us as we penetrate newer markets and win sizeable orders. With clear strategic focus, we are now fully geared up to unlock meaningful opportunities and harness them for sustainable, long-term growth. With this momentum, we are well-positioned to deliver consistent value and maintain our leadership in an ever-evolving digital landscape.

Stakeholder	Importance	Key Engagement Channels	Company's Response	Frequency	Capitals Linked	Value Created for Stakeholders
Government and Regulators	▸ Compliance with rules and regulations ▸ Timely reporting through various compliance-based forms	▸ Mandatory regulatory filings, periodical submission of business performance ▸ Written communications	▸ Release of annual/ need-based reports, articles, and technical papers	▸ Annually ▸ Need-based		We take pride in playing our role in supporting the government in building a secure and self-reliant digital ecosystem. Cybersecurity emerges as the fifth critical frontier of modern warfare – alongside air, land, water, and space. Hence, its strategic importance in national defense is only mounting. Recognizing this, we work in close collaboration with government bodies to provide robust, indigenous cybersecurity solutions that safeguard critical infrastructure and sensitive data. Our efforts align with the national vision of self-reliance, helping create resilient systems that ensure safety, trust, and digital sovereignty across India.
Communities	▸ Social relationship enabler ▸ Embody our Company's corporate social image	▸ Business sustainability ▸ Social governance practices	▸ Multi-channel support (includes remote access and onsite support across India)	▸ Quarterly ▸ Half-yearly ▸ Annually		We believe that building a secure digital future starts with empowering communities. We strive to make cyber safety a fundamental right for all. We educate individuals, students, and small businesses about the importance of digital safety by conducting cyber awareness initiatives, training programs, and outreach efforts. To bridge the cybersecurity knowledge gap, we work towards making tools and information accessible, especially in underserved regions. By promoting safe online practices and responsible digital behavior, we help protect communities from emerging cyber threats.
Distributors	▸ Fair and ethical procurement and engagement practices ▸ Pricing and favorable terms of payment ▸ Timely clearance	▸ Regular meetings and seminars ▸ Capacity building and sustainability for suppliers	▸ Code of conduct ▸ Supplier sustainability ▸ Policies	▸ Quarterly ▸ Half-yearly ▸ Annually		We create significant value for our distributors by offering end-to-end cybersecurity solutions that cover every layer of the value chain - from endpoints to networks to servers. As our partners, distributors gain the advantage of a comprehensive portfolio that enables them to upsell across multiple solution layers, unlike others who offer only single-point products. This depth and breadth of offerings open up greater opportunities for growth and customer engagement, allowing us to build strong, strategic relationships with our distributor network.
Employees	▸ Training and development ▸ Diverse, open, non-discriminatory, and safe working environment ▸ Career progression ▸ Competitive rewards and remuneration ▸ Health and safety ▸ Performance evaluation and recognition	▸ One-on-one meetings ▸ Training and development workshops ▸ Engagement initiatives ▸ Performance appraisals	▸ Manuals, guideline videos, and data sheets on services ▸ Consumer awareness	▸ Quarterly ▸ Half-yearly ▸ Annually		We foster a culture of continuous learning, innovation, and collaboration, empowering our employees to grow both personally and professionally. We create opportunities for skill development and leadership through rigorous exposure to top-tier technologies like Gen AI and real-world cybersecurity challenges. By consistently investing in upskilling initiatives, we bridge talent gaps and ensure our teams are future-ready. Through inclusive and transparent work environment, we encourage ownership, foster creativity, and enable purpose-driven work. These interventions equip our people to contribute meaningfully to national and global cyber resilience.

Materiality Assessment

We embed materiality at the core of our strategic thinking, highlighting its pivotal role in shaping business priorities and aligning with evolving stakeholder expectations. By synthesizing complex risks and opportunities into clear, actionable insights, we ensure our decisions remain principled, focused, and forward-looking. This integration of material issues into our value creation agenda paves the way for sustainable growth and augments organizational agility. Furthermore, it enables us to respond with resilience in an increasingly dynamic operating environment.

Material Topic	Description	Capitals Linked
Environmental Protection and Climate Change	Climate change poses potential risks to our business operations. To address this, we are committed to environmental protection by implementing targeted initiatives, to contribute to the global efforts aimed at limiting environmental footprint.	
Waste Management	Waste is generated during both construction and operation phases. We have a legal and ethical duty to manage hazardous and non-hazardous waste safely and responsibly. Failure to do so can lead to pollution, health risks, fines, community opposition, and harm to our brand reputation.	
Emissions	Air emissions from operations can affect employee and community health, with prolonged exposure posing serious risks. We are legally required to control emissions like Particulate Matter, SOx, and NOx per regulations. In response to climate change and stakeholder expectations, companies are also committing to reduce GHG emissions and set carbon neutrality or net-zero targets.	
Customer Satisfaction	Customer satisfaction reflects overall perception of a product, service, or brand and is key to business growth. Shown through repeat purchases, it boosts profits and enhances brand reputation by increasing customer retention.	
Governance	Governance encompasses adherence to local and national laws, as well as our Company's dedication to global initiatives and commitments.	
Business Ethics & Values	Business Ethics & Values refer to our core principles and standards, including honesty, integrity, truthfulness, and compliance with codes of conduct and ethical guidelines.	
Economic Performance	Organizations are expected to base economic disclosures on audited financial statements or internally audited management accounts when available. These figures are vital for assessing performance and are closely watched by analysts, rating agencies, and financiers.	
Innovation & Technology	Innovation and new technologies create business opportunities and offer a competitive edge. Adopting cleaner, advanced technologies also helps address environmental and operational challenges, such as efficiency losses, more effectively.	
Corporate Governance	Corporate governance promotes responsible business practices and upholds the highest ethical standards, including integrity, transparency, ethics, and regulatory compliance. It also covers key operational areas such as risk management, internal controls, information security, and public disclosures.	

Material Topic	Description	Capitals Linked
Sustainable Supply Chain	A sustainable supply chain integrates Environmental, Social, and Governance (ESG) considerations with operational processes, ensuring benefits extend to all tiers. We recognize that disruptions can impact business continuity, and unethical practices can damage our brand reputation.	
Employee Engagement	Employee engagement includes training, skill development, grievance mechanisms, and leadership programs. We aim to build and retain a highly skilled workforce, essential for productivity and sustainable growth.	
Partner Engagement	Partner engagement involves training, skill development, grievance mechanisms, and satisfaction programs. Building a strong partner ecosystem is key to enhancing go-to-market strategies, expanding market share, and supporting sustainable growth.	
Diversity and Equal Opportunity Employment	Diversity indicators include factors such as gender, age, ancestry, ethnicity, citizenship, creed, and disability. To promote inclusion, we implement measures that support a broad range of individuals - such as tracking female representation, offering childcare leave for working mothers, and providing accommodations for employees with disabilities.	
Occupational Health and Safety	Occupational Health and Safety focuses on creating a safe work environment through ongoing improvements in safety standards. This includes updating guidelines, delivering safety training, and supporting employee well-being.	
Human Rights	Human rights involve eliminating forced labor, child labor, harassment, abuse, and discrimination. It also includes respecting the rights of employees and communities, supported by systems that promote responsible business conduct.	
Community Engagement & Social Impact	Communities are key stakeholders affected by an organization's operations and impacts. Engaging with them helps prevent conflicts and promotes collaboration for smooth functioning. Social impact refers to the positive or negative effects on people and communities resulting from any action, inaction, project, program, or policy.	
Talent and Capability Development	Talent and capability development is the ongoing effort to enhance skills, knowledge, and potential within an organization or community. It involves identifying growth areas, providing targeted training, offering advancement opportunities, and supporting individuals in reaching their full potential. This continuous process is essential for staying competitive and innovative, while fostering personal and professional fulfillment.	
Establish Cybersecurity Need and Create Awareness	In India, antivirus (AV) software adoption with new device purchases is nearly half the global average, presenting significant opportunities. We aim to raise awareness about cybersecurity and the need for protection - crucial steps to safeguard individuals, organizations, and communities from cyber threats.	
Prevention of Cyber-Attacks on Customers	Preventing cyber-attacks on customers requires a proactive, multi-layered strategy backed by advanced products and services. We recognize that this integrated approach is key to building trust and confidence in our offerings.	
Product Relevance	Product relevance reflects how well a product meets the needs and expectations of its target market. A relevant product addresses customer pain points, solves problems, and fulfills demand, enhancing its competitive edge. Key drivers include thorough market research, timely customer feedback, continuous innovation, clear communication of value, consistent quality, and a strong brand reputation - all crucial for maintaining and increasing market relevance.	
Cybersecurity & Data Privacy	Cybersecurity and data privacy are critical in today's digital landscape. Cybersecurity protects systems, networks, and data from unauthorized access and threats, while data privacy ensures responsible handling of personal information in line with legal requirements. We are committed to adopting industry-leading standards in both areas, reinforcing Quick Heal's position as a cybersecurity leader.	

Financial Capital

We are guided by a resilient financial architecture that empowers strategic investments in innovation, breakthrough technologies, and future-ready talent. Our disciplined approach to financial stewardship translates into liquidity strength, cost efficiency, and the capacity to absorb market volatility. Backed by a robust balance sheet and value-centric capital allocation, we deploy capital with precision; aligning growth ambitions with fiscal responsibility. This persistent focus on financial prudence enables us to deliver sustained stakeholder value and boost confidence in our enduring performance trajectory.

SUSTAINABLE DEVELOPMENT GOALS IMPACTED

MATERIAL ISSUES AFFECTED

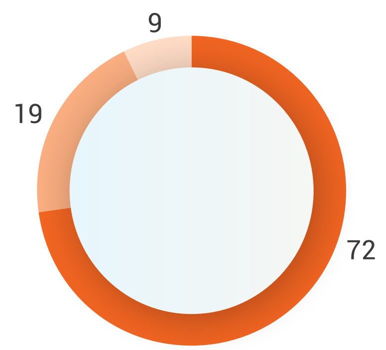
- Economic Performance

STAKEHOLDERS IMPACTED

- Investors/Shareholders
- Customers
- Employees
- Government/Regulatory Bodies

Shareholding Pattern

(In %)



Total Income

(₹ in Crores)

2024-25	300.30
2023-24	313.14
2022-23	300.22

Debt Free
Balance Sheet

₹121.2 Crores
Enterprise Revenue

₹185.7 Crores
Consumer Revenue

Market Leader
in Retail and Enterprise SMB Segments

EBITDA

(₹ in Crores)

2024-25	(6.60)
2023-24	17.55
2022-23	1.88

PAT

(₹ in Crores)

2024-25	5.00
2023-24	24.24
2022-23	6.40

EBITDA Margin

(in %)

2024-25	(2.40)
2023-24	6.02
2022-23	0.68

PAT Margin

(in %)

2024-25	1.80
2023-24	8.31
2022-23	2.30

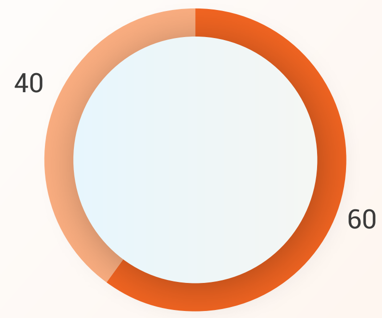
Basic EPS

(in ₹)

2024-25	0.94
2023-24	4.56
2022-23	1.14

Revenue Mix

(In %)



Service Capital

We utilize service capital as the fundamental enabler of efficient operations and standout customer engagements. Our robust operational foundation supports a wide-reaching infrastructure of service centers, strategic channel partners, and specialized support teams across India and key global markets. This expansive reach ensures the rapid and reliable deployment of our cybersecurity solutions to millions. We make sustained investments in the scale and sophistication of our service ecosystem, optimizing infrastructure and deploying smarter tools. In doing so, we elevate customer contentment and reinforce the trust placed in our brand's global digital protection commitment.

SUSTAINABLE DEVELOPMENT GOALS IMPACTED

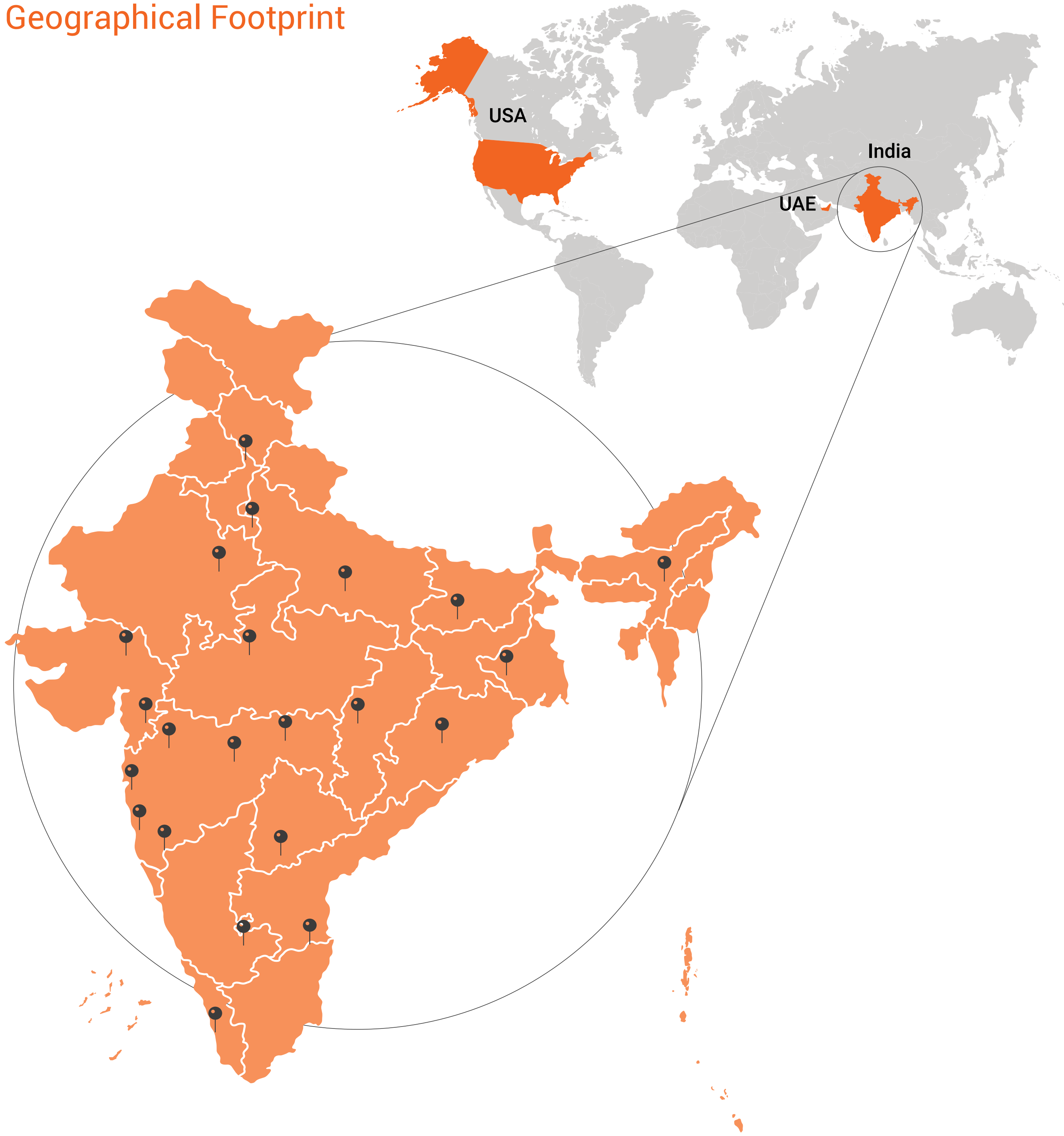
STAKEHOLDERS IMPACTED

- Partners
- Customers
- Employees
- Government and Regulatory Bodies

Presence in **70+** Countries

23 Offices in India across **22 Cities**

Geographical Footprint



National Presence

- Ahmedabad
- Aurangabad
- Bengaluru
- Bhubaneshwar
- Chandigarh
- Chennai
- Delhi
- Guwahati
- Hyderabad
- Indore
- Jaipur
- Kochi
- Kolhapur
- Kolkata
- Lucknow
- Mumbai
- Nagpur
- Nashik
- Patna
- Pune
- Raipur
- Surat

Disclaimer: This map is a generalised illustration only for the ease of the reader to understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind of connection to its accuracy or completeness.

Intellectual Capital

We consider intellectual capital to be the very engine of our innovation, vital for maintaining our responsiveness, relevance, and resilience in the fast-paced cybersecurity arena. It embodies a potent mix of deep knowledge, a forward-thinking approach, and sophisticated technologies. Whether developing next-generation threat detection systems or AI-led solutions, our intellectual capital is constantly refined through continuous learning, real-time threat intelligence, and practical innovation.

SUSTAINABLE DEVELOPMENT GOALS IMPACTED

MATERIAL ISSUES AFFECTED

- Governance
- Business Ethics & Values
- Innovation & Technology
- Corporate Governance
- Establish Cybersecurity Need and Create Awareness
- Prevention of Cyberattacks on Our Customers
- Product Relevance
- Cybersecurity & Data Privacy

STAKEHOLDERS IMPACTED

- Partners
- Customers
- Employees
- Government/ Regulatory Bodies

Innovation, R&D, and GoDeep.AI

We thrive on an innovation culture driven by continuous research and development. Our in-house threat intelligence platform, GoDeep.AI, is designed to boost malware detection coverage and speed. By processing vast volumes of threat data using proprietary ML algorithms, it improves real-time protection against zero-day threats and sophisticated malware strains. We maintain an agile development cycle, releasing frequent feature updates to our cloud offerings and quarterly releases for our on-premise solutions. Harnessing this iterative approach, our technology remains in step with the latest cybersecurity demands.

2024-25 Highlights

- Unveiled and scaled multiple AI/ML models into production
- Introduced intelligent agent capabilities to support SOC teams
- Received industry recognition for product performance and innovation
- Fortified our cloud delivery models with rapid feature iteration
- Expanded our research in behavioral analytics and anomaly detection

Leveraging AI & ML

We integrated AI, ML, and automation into our tech stack to tackle evolving threats. These power threat detection, behavioral analysis, and malware classification engines, enabling faster, more accurate, and proactive cybersecurity defenses.

Read on Page 86 of MDA

Generative AI and Intelligent Security Agents

We are broadening our product capabilities by venturing into intelligent automation with the emergence of Generative AI and Large Language Models (LLMs). During the year, we introduced SIA (Seqrite Intelligent Assistant) for our Extended Detection and Response (XDR) solution. SIA assists Security Operations Center (SOC) analysts by providing enriched, near real-time insights, contextualized threat information, and actionable recommendations.

Product Development

We channelize our product evolution through a dynamic feedback loop, drawing insights from customers, regulatory bodies, and threat research. From Endpoint Protection (EPP) to Extended Detection and Response (XDR), and from Zero Trust (ZT) frameworks to Mobile Device Management, our integrated approach simplifies security implementation, while reducing total cost of ownership. A key differentiator is our agility, with features co-designed with customer input and iterated through continuous feedback, keeping user centricity at the core.

Protecting and Leveraging Intellectual Property

We recognize Intellectual Property (IP) as a vital enabler in maintaining our competitive edge. At Quick Heal, we continue to secure our innovations through patents, trademarks, and copyrights. These IP assets serve as strategic differentiators and catalyze partnerships, integrations, and global market expansion.

Future Roadmap

We are advancing a broad spectrum of research initiatives that cover the entire cybersecurity lifecycle, all backed by the power of AI and ML. By applying these technologies, we are amplifying our ability to detect phishing attempts, identify deepfakes, and analyze network traffic with greater speed and accuracy. Furthermore, we develop sophisticated user and entity behavior analytics, as well as tools for detecting and hunting Indicators of Attack (IoA) and Indicators of Compromise (IoC). We are also fortifying our capabilities in identifying advanced persistent threats and improving breach prevention and remediation.

Natural Capital

We operate on the principle that natural capital is indispensable for fostering a genuinely resilient and prosperous future. Our dedication to environmental stewardship is as deep as our commitment to securing the digital landscape through our advanced cybersecurity solutions. We consistently integrate sustainable practices throughout our operations, proactively supporting efforts to enhance and restore critical natural resources. Drawing inspiration from the interconnectedness of environmental well-being with social progress, we strive to create value that balances our responsibility towards nature with stakeholder expectations.

SUSTAINABLE DEVELOPMENT GOALS IMPACTED

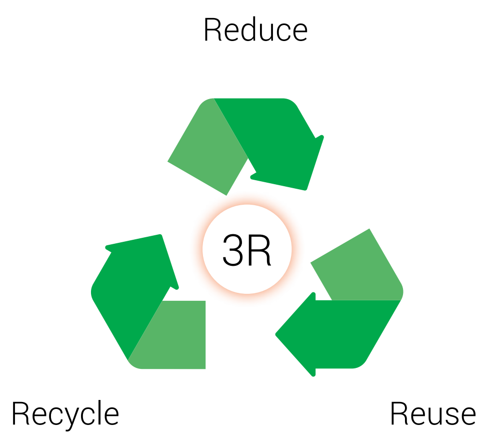
MATERIAL ISSUES AFFECTED

- Environmental Protection and Climate Change
- Waste Management
- Emissions
- Sustainable Supply Chain

STAKEHOLDERS IMPACTED

- Customers
- Communities
- Government/ Regulatory Bodies

We integrate eco-conscious materials and responsible practices throughout our operations, propelling our sustainability endeavors. By investing in natural capital, we honor our environmental responsibilities and safeguard the long-term resilience of our business. Aware of the risks posed by environmental degradation and resource scarcity, we proactively adopt the '3R' approach – Reduce, Reuse, Recycle – to minimize our environmental footprint. These concerted actions reflect our conviction to preserve the planet, while creating lasting value for our stakeholders and future generations.



Key Initiatives

We have implemented energy-efficient lighting solutions across our offices, operational hubs, and R&D facilities to cut down our electricity consumption. Moreover, we are actively incorporating renewable energy into our power mix, which is currently fulfilling 3% of our overall energy needs and 9% of the power requirements for our R&D operations.

We established a 45-KW solar power plant at our Shivajinagar office in Thube Park, Pune.

Continued Focus On

1. Existing legislation to control e-waste
2. Reducing use of electricity
3. Packaging with responsibility

Recycling E-Waste

We are an industry frontrunner in the proactive adoption and execution of Extended Producer Responsibility (EPR) guidelines, as mandated by the E-Waste Management Rules of 2022. Committed to the responsible disposal of electronic waste, we take complete ownership of our environmental impact. We set up dedicated collection centers across key locations with the objective of making e-waste disposal simple and accessible for our customers and partners. Additionally, we enter into collaborations with certified e-waste recyclers to ensure that all discarded products are managed and recycled in a safe, ethical, and environmentally responsible manner. We have also placed recycling boxes and authorised a third party vendor for recycling e-waste. In the 2024-25, in Quick Heal office premises, we have recycled 650 kgs of e-waste.

Social & Relationship Capital

We view strategic relationships as transformative levers for propelling trust, collaboration, and systemic resilience. Over the years, we have cultivated high-impact partnerships – with technology leaders, industry alliances, and communities – driven by a shared ambition to strengthen the digital ecosystem. By contributing to national cybersecurity priorities and shaping dialogue across key forums, we help architect a more secure digital future – one that upholds the integrity of individual and organizational data.

SUSTAINABLE DEVELOPMENT GOALS IMPACTED

MATERIAL ISSUES AFFECTED

- Sustainable Supply Chain
- Partner Engagement
- Community Engagement & Social Impact

STAKEHOLDERS IMPACTED

- Partners
- Communities
- Government/ Regulatory Bodies

Partners

We recognize the instrumental role our partners play in extending the reach and effectiveness of our cybersecurity solutions. We collaborate closely with a diverse network of technology providers, channel partners, system integrators, and managed security service providers. These strategic alliances enable us to deliver comprehensive, scalable security offerings tailored to varied customer needs. This collaborative approach further facilitates the utilization of complementary expertise, accelerates innovation, and ensures seamless deployment across different environments.

Communities

At Quick Heal, when it comes to community, we don't see it as outreach alone, we see it as coming home. Every step we take at the grassroots is guided by a deep sense of purpose: that real change begins when digital safety becomes everyone's right, not just a privilege. We're not just raising awareness, we're planting the seeds of confidence, especially in the hearts of young students from humble backgrounds and underprivileged communities that are often overlooked. In a world that is more connected and more uncertain than ever before, our goal is simple: to ensure no one feels alone online, and everyone, no matter where they come from, walks the digital path with awareness, courage, and trust.

Corporate Social Responsibility (CSR)

At Quick Heal, CSR is not a checkbox, it's a heartfelt commitment to the people we serve. Aligned with the United Nations Sustainable Development Goals, every initiative we design is rooted in a simple but powerful belief that access to knowledge, health, and safety should never depend on where you're born or what you earn.

Our work begins with youth especially Computer Science students from Tier 2 cities where opportunities are limited. These students are trained in digital resilience, offered a stipend, and transformed into Cyber Warriors leading grassroots awareness efforts.

It's youth development with purpose, and digital freedom built through trust and education in the communities where online fraud hurts the most.

We walk shoulder to shoulder with communities, academic institutions, NGOs, law enforcement, and government bodies, building trust and partnerships that go beyond intention and translate into real change on the ground. Together, we create platforms that give people the courage to rise and the tools to protect what they've worked so hard to build.

Quick Heal Foundation

At Quick Heal Foundation, every initiative begins with listening and understanding what real people, in real places, truly need. Our work is guided by this deep empathy and a belief that lasting change only happens when it is rooted in lived realities. We believe in securing futures by equipping people with knowledge, health, and confidence to stand strong in a digital world. That's why we co-create solutions with communities, stakeholders, and institutions so every step we take is both meaningful and needed. Guided by a people-first approach, the Foundation's work is built around three core pillars:

Cybersecurity Awareness and Education

Our flagship initiative, Cyber Shiksha for Cyber Suraksha, promotes cyber safety through workshops, street plays, rallies, and interactive sessions. Tailored for students, teachers, and parents, these efforts reach deep into underserved areas, empowering individuals with practical knowledge to recognize, prevent, and report cybercrimes. Each participant receives easy-to-understand brochures detailing common cyber threats and safety tips, helping foster a digitally secure and aware community.

Healthcare Access for All

Through our Arogya Yan initiative, we donate mobile medical vans to tribal and remote communities where healthcare access is limited or nonexistent. These mobile units bring essential medical services directly to the doorstep, significantly improving health outcomes and enhancing quality of life for some of the country's most underserved populations.

Sustainability and Environment

The Foundation is equally focused on promoting environmental stewardship through its Environmental, Social, and Governance (ESG) framework. By encouraging responsible resource usage, effective waste management, and eco-conscious practices, we aim to contribute actively to environmental preservation and sustainable development.

Cyber Shiksha for Cyber Suraksha

The Cyber Shiksha for Cyber Suraksha initiative, led by Quick Heal Foundation, is not just an awareness program, it's a movement powered by youth, driven by purpose, and rooted in communities that are too often overlooked. At its core, it is our belief that digital safety is not a privilege, it is a fundamental right. And the best way to protect that right is by nurturing young minds who can carry it forward.

We begin with Computer Science students from Tier 2 cities who come from modest backgrounds but dream big. Through intensive training and mentorship, they become Cyber Warriors. These young changemakers earn a sense of confidence and purpose as they lead cyber awareness drives in schools, colleges, villages, and community spaces.

They speak the language of the people, literally and emotionally engaging through street plays, rallies, face-to-face sessions, and practical workshops that bring complex online threats down to earth. Whether it's helping a parent understand a phishing scam or a teenager recognize the signs of fraud, these interactions leave a lasting impact.

Each participant also receives a comprehensive brochure that outlines common cyber frauds and practical steps to take in response. These materials serve as lasting resources, reinforcing the lessons learned during the sessions and encouraging safe online behavior. The ultimate goal of the Cyber Shiksha for Cyber Suraksha initiative is to reduce cybercrime victimization and contribute to building a more secure and informed digital society.

Outreach

4	13,20,883
States	People Reached

Key Highlights

- Youth Leadership Development
- For the Community, By the Youth
- Empowering Grassroots Communities
- Cultural Engagement in Cyber Awareness
- Reaching the Unreachable
- Engaging Organized Sectors
- Festive Awareness Programs
- Cyber Smart Village
- Parent as a Warrior
- Expanding Online Awareness
- Overcoming Challenges
- Economic Empowerment
- Advocacy for Change
- Nation Building
- Holistic Development
- Encouraging Ethical Behavior Online

Success Stories

Hon. C.P. Radhakrishnan – Governor of Maharashtra

I deeply appreciate Quick Heal Foundation's Cyber Shiksha for Cyber Suraksha program for igniting enthusiasm among student volunteers. The joy and eagerness on their faces reflect the program's success. It is truly heartening to see Quick Heal Foundation empowering cyber warriors, especially from economically weaker sections, to contribute towards building a cybersafe society. Swami Vivekananda's vision continues to inspire millions and I commend the Foundation for its efforts in spreading cybersecurity awareness. It is remarkable to know that since its inception in 2016, this initiative has reached over 50 Lakh beneficiaries, an extraordinary achievement in itself! Congratulations to Quick Heal Foundation for making a meaningful impact in this ever-evolving cybersecurity domain.

Dr. Akhilesh Peshwe – Principal

Dharampeth M. P. Deo Memorial Science College, Nagpur

Since 2017, we are associated with this life-changing project and we are truly grateful for the opportunity. As an institution, this initiative has greatly benefited us, allowing us to extend learning beyond the classroom.

Our students benefitted immensely through the interactive sessions, boosting their confidence and propelling personality development and overall growth. We witnessed a remarkable transformation among our students as they acquired knowledge and shared valuable insights with others. Additionally, the program instilled essential project management and event-handling capabilities in our students which will serve them well in their future careers.

We sincerely appreciate the financial support provided by the Quick Heal Foundation. Many of our students come from economically challenged backgrounds and this support has made a significant difference. The Earn and Learn program eased their financial burden and motivated them to pursue their education with greater determination. This initiative has truly made life easier for them, and we deeply thank Quick Heal Foundation for its support.

Pratiksha Pange – Student

RSM Latur

Being the first graduate in my family, my journey was never easy. Moving to Latur for my studies was a challenge in itself, adapting to a new environment. But everything changed when I joined Quick Heal Foundation's Cyber Shiksha for Cyber Suraksha initiative two years back. This platform helped me step out of my shell, develop confidence, and discover strengths that I never knew I had. They gave me a platform to hone my skills, take on responsibilities, and eventually gain recognition for my efforts. This year, I was honored to receive the **Best Secretary Award**, with my work getting featured in local newspapers across Latur district.

One of the most special moments for me was being able to give my stipend money to my parents for Diwali. Seeing their happiness and hearing them say, "We are lucky to have a daughter like Pratiksha." made me feel truly fulfilled.

Looking back, I realize how much I have grown. From a quiet girl unsure of herself to a confident young woman ready to take on the world – this initiative has powered me to transform and excel. And, trust me, this is just the beginning.

Earn and Learn Program

The Cyber Shiksha for Cyber Suraksha program expanded meaningfully through collaborations with CYDA and Srijan Ek Soch, helping extend its reach beyond Maharashtra to places like Rajnandgaon in Chhattisgarh, Lucknow in Uttar Pradesh, and Guwahati in Assam. These partnerships enabled us to replicate the model in new settings, amplifying its relevance across diverse communities. Students were trained to become Cyber Warriors, peer educators and frontline champions of safe digital practices. They led awareness drives across schools, colleges, and local neighborhoods, sharing life-changing knowledge about online threats, fraud prevention, and digital hygiene.

The program came alive through engaging formats like street plays, rallies, and interactive sessions, making cyber education relatable and human. A strong focus was placed on reaching the most marginalized sections of society those most vulnerable to even small digital losses. Backed by robust monitoring and evaluation mechanisms that tracked reach and impact, the initiative continuously evolved and strengthened. What began as a youth training module is today a powerful force driving cyber resilience and safety in some of India's most overlooked corners.

Outreach

3 States	1,34,000+ People Reached

Street Plays for Cyber Safety

The Power Play on Cyber Safety Awareness campaign brought complex cyber threats to life through relatable storytelling in public spaces across Faridkot (Punjab), Jammu (Jammu and Kashmir), and Bhopal (Madhya Pradesh). Using traditional street plays and emotional real-life examples, the campaign turned digital risks into engaging, understandable narratives making cyber safety a shared, community experience. Performed in marketplaces, schools, and college campuses, the plays drew diverse audiences, sparking curiosity and awareness. By blending emotion, culture, and practical knowledge, the campaign not only educated but fostered lasting understanding around safe digital behavior.

Outreach

3 States	37 Police Stations Covered	54,000 People Reached

Customer Capital

We place enduring customer trust at the core of our value creation journey. Through reliable, future-ready cybersecurity solutions and a consistently responsive engagement model, we continue to cultivate lasting relationships – built on confidence, relevance, and impact. Guided by a customer-first philosophy, we deliver intuitive experiences, agile support, and sustained innovation to fulfill dynamic demands by imprinting a strong recall among those we serve. This trust-driven foundation strengthens our brand equity, safeguards millions of users globally, and remains a core enabler of our long-term progress.

SUSTAINABLE DEVELOPMENT GOALS IMPACTED

MATERIAL ISSUES AFFECTED

- Customer Satisfaction
- Business Ethics & Values
- Corporate Governance
- Sustainable Supply Chain
- Establish Cybersecurity Need and Create Awareness
- Prevention of Cyberattacks on Our Customers
- Product Relevance
- Cybersecurity & Data Privacy

STAKEHOLDERS IMPACTED

- Customers

Leveraging India's DPDP Act with Seqrite Data Privacy

The Digital Personal Data Protection (DPDP) Act, 2023 marks a pivotal shift in compliance and data accountability in India. Seqrite is uniquely positioned to leverage this through its comprehensive, Act-aligned solutions including automated sensitive data discovery, classification, consent management, breach reporting, and DPIAs.

Seqrite Data Privacy delivers real-time data mapping, OCR-enabled PII detection across structured and unstructured sources, and a unified data principal profile, empowering organizations to meet regulatory demands efficiently. This alignment enables us to offer localized compliance solutions to multinationals processing Indian data, expanding our market reach and reinforcing our leadership in India's evolving data privacy landscape.

Aligning Products with Customer Needs

Our product evolution is anchored in a dynamic feedback loop, drawing insights from customers, regulatory bodies, and threat research. This approach ensures that product enhancements are both market-relevant and operationally impactful. A key differentiator is our agility - features are co-designed with customer input and iterated through continuous feedback, keeping user-centricity at the core.

Simplifying Cybersecurity

We strive to reduce complexity for CISOs and IT leaders through our vision – 'Innovate to simplify securing digital experience'. By offering tightly integrated solutions across endpoints, networks, and data layers, Quick Heal addresses the pressing challenge of managing disparate security tools. This reduces operational friction and supports faster incident response times, without compromising control or visibility.

Furthermore, our dedication to usability is evident in features such as centralized policy management, intuitive UIs, and low-friction deployments. Our reputation for accessibility, responsiveness, and design agility consistently augments customer satisfaction and loyalty.

Technology-Driven Customer Centricity

We have engineered our unified cybersecurity management platform, CSM, to provide customers with a single-pane-of-glass experience. Its integrated APIs allow seamless interaction with third-party systems like SIEM, enhancing interoperability. These innovations are tailored to help enterprises manage their security posture efficiently and proactively. This strategic design advances our mission to deliver scalable, modular, and easy-to-operate solutions.

Advertising Efforts

We prioritize creativity and competitiveness in our advertising endeavors, while upholding honesty, accuracy, and full compliance with legal standards. We are dedicated to foster respect and inclusivity by avoiding stereotypes or discrimination related to race, religion, gender, age, or any other factor. Through our advertising efforts, we cultivate a strong product image and bolster our reputation for reliability and trustworthiness.

Case Studies

Modernizing Cybersecurity for a **Leading Logistics Giant**

Customer Profile

One of the largest players in India's logistics industry, managing vast and complex supply chains critical to national commerce.

Customer Challenge

The customer was relying on a legacy cybersecurity stack that fell short in addressing their evolving security needs. Key gaps included inadequate threat hunting capabilities and limited asset management, leaving their infrastructure vulnerable to sophisticated cyber threats and operational blind spots.

Our Solution

Quick Heal delivered a comprehensive **Extended Detection and Response (XDR)** solution tailored to the customer's specific requirements. Through unified visibility across endpoints, networks, and cloud environments, our platform enabled proactive threat hunting and streamlined asset management.

Customer Benefits

Following the implementation of Quick Heal's XDR solution, the customer successfully modernized its security architecture. It achieved enhanced visibility across its entire IT ecosystem, allowing faster detection and response to threats. This critical upgrade significantly strengthened customer's protection posture, ensuring uninterrupted and secure logistics operations.

Competitive Landscape

Quick Heal was chosen over several global top-tier cybersecurity vendors, including five leading international companies. Our deep understanding of the Indian cybersecurity context, combined with scalable and integrated solutions, gave us a decisive edge.

Empowering Government **Cybersecurity**

National Security: Helping Armed Forces Protect the Country

Customer Profile

One of the world's largest armed forces, responsible for safeguarding national security. This involves operating complex digital infrastructure across multiple military installations.

Customer Challenge

The organization necessitated a cybersecurity solution that was reliable and scalable, with a proven track record of performance excellence. The objective was to protect its extensive endpoint infrastructure from sophisticated and constantly evolving cyber threats. Ensuring operational continuity, compliance with national cybersecurity protocols, and threat resilience were critical priorities.

Our Solution

Quick Heal deployed the comprehensive Endpoint Protection Suite, specifically designed with military-grade security features. The solution included real-time threat intelligence, centralized management, and advanced protection mechanisms tailored for defense environments.

Customer Benefits

- Secured thousands of endpoints across multiple sensitive military locations
- Enabled uninterrupted operations and improved resilience against cyber threats
- Upheld adherence to stringent national cybersecurity and compliance standards

Competitive Landscape

Quick Heal won this engagement by competing against global cybersecurity vendors. Our local expertise, integrated threat intelligence, and centralized control positioned us as a trusted partner for national defense cybersecurity.

Human Capital

We empower our people as the key accelerator behind our innovation and resilience. Recognizing that exceptional talent drives outstanding outcomes, we foster a culture of continuous learning, inclusive leadership, and collaborative excellence. Our strategic investments in capability building, diversity, and future-leaning skillsets enable our teams to stay ahead of an ever-evolving cybersecurity landscape. By unlocking the optimum potential of our workforce, we deliver differentiated solutions that protect millions and propel sustained organizational growth.

SUSTAINABLE DEVELOPMENT GOALS IMPACTED

MATERIAL ISSUES AFFECTED

- Employee Engagement
- Diversity and Equal Opportunity Employment
- Occupational Health and Safety
- Human Rights
- Talent and Capability Development

STAKEHOLDERS IMPACTED

- Employees

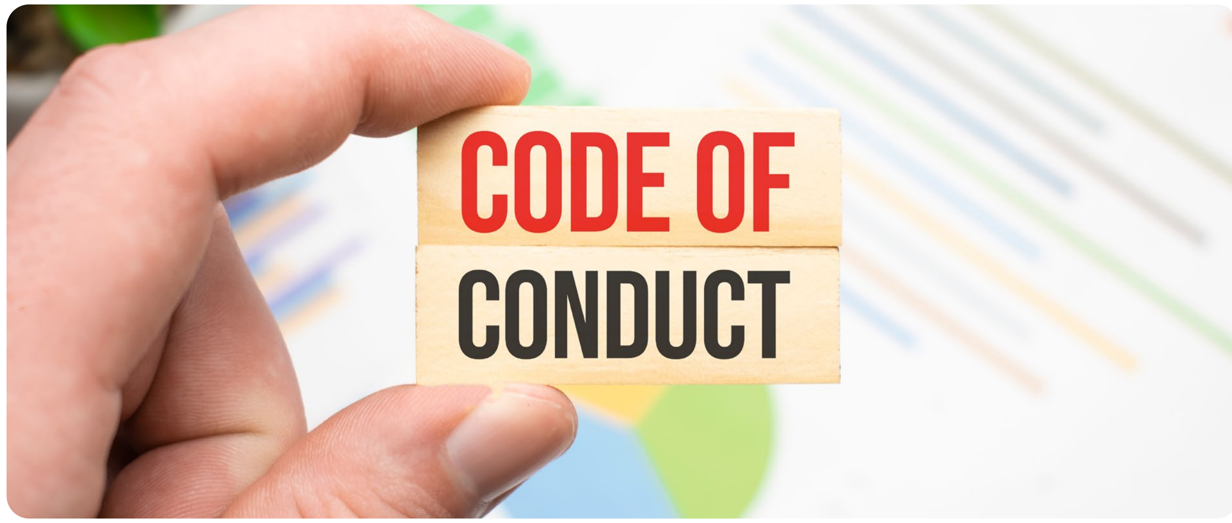
Ethics and Inclusivity

We are firm in our conviction to cultivate a welcoming and inclusive work environment that values and embraces diversity in all its forms. We actively strive to attract and retain individuals from varied backgrounds, while maintaining a zero-tolerance stance against harassment, bias, and discrimination. To uphold these principles, we implemented comprehensive policies and procedures designed to ensure fairness, respect, and equal opportunity for everyone.

Culture Code & Code of Conduct

We introduced the Culture Code and refreshed Code of Conduct to strengthen organizational alignment, clarity, and ethical standards. These are the guiding principles that shape our decisions and behaviors, reaffirming our dedication to responsible practices and sustained growth.

Employee engagement around these values is high, with eSAT scores reflecting strong acceptance and alignment. Clear behavioral expectations led to a decline in conflicts, while improving grievance resolution and enhancing Quick Heal's reputation as a responsible and trustworthy employer.



Culture of Innovation and Continuous Learning

We foster a dynamic culture of innovation and learning to maintain our competitive edge. Regular innovation sprints, internal hackathons, and ideation challenges are conducted to empower cross-functional teams to solve complex problems rapidly and prototype new solutions. Employees have access to a comprehensive learning infrastructure, including curated cybersecurity-specific courses on Udemy, master classes in AI, and support for external certifications, supporting continuous skill enhancement.

The integration of a Talent Management module within our HRMS connects skills management with performance and individual development plans. This approach drives data-driven succession planning and personalized growth paths. Popular courses include the MITRE ATT&CK Framework, Python programing bootcamps, ethical hacking, and advanced Microsoft Excel, equipping our teams with future-ready skills relevant to their roles.

Employee Development and Career Growth

Quick Heal's development philosophy emphasizes personalized, transparent, and future-oriented career growth. We follow defined career frameworks that support dual tracks, comprising technical expertise and managerial leadership. Both tracks feature clear role-specific competencies and promotion criteria, facilitating a well-structured path for advancement.

- Employees benefit from regular HR Business Partner (HRBP) connects, skip-level meetings, and pulse panels that promote open communication, collaboration, and co-creation of policies to address work-life balance and wellness
- Our HiPo program identifies high performers and accelerates their career progression through tailored interventions, while the annual eSAT survey captures authentic employee feedback, guiding continuous improvements such as flexible work hours, improved manager feedback loops, and targeted training refreshers
- Leadership Development Programs and Sales Development initiatives equip our workforce with the skills necessary for delivering high level of performance, including negotiation, interpersonal communication, and strategic selling

Performance Management and Feedback

At Quick Heal, performance management is an ongoing, transparent, and developmental process – based on the Objectives and Key Results (OKR) methodology. Employees align their efforts with organizational priorities by co-creating measurable and aspirational goals, while maintaining agility to pivot as needed. Continuous feedback, constructive coaching, and developmental conversations are integral, supported by manager training and skip-level connects.

Year-end reviews evaluate both outcomes and behaviors aligned with our Culture Code, ensuring fairness through calibration discussions. This comprehensive approach cultivates a robust performance culture where accountability, motivation, and growth are seamlessly integrated.

Employee Health and Safety

We prioritize the safety and well-being of our employees. By proactively identifying and eliminating workplace hazards, we foster a secure environment. Our policies strictly forbid the possession or use of illegal substances, alcohol, weapons, and any form of violent behavior, whether on company premises or during work-related activities. We put in place a range of initiatives that promote a safer, healthier, and more motivated workplace, nurturing the health and wellness of our teams.

Office Infrastructure

We designed our office infrastructure to prioritize the safety and well-being of every employee. Characterized by spacious layouts and unobstructed pathways, the set up helps reduce the risk of accidents. Moreover, the controlled access points ensure secure monitoring of all external entries. The premises are comprehensively covered by CCTV surveillance and supported by on-site security personnel, amping up the safety and security of the working environment.

Advancing Governance Standards

We uphold governance as a strategic imperative that goes beyond compliance, enabling risk resilience, fostering innovation, and fortifying stakeholder trust in an increasingly digital world. Driven by ethical leadership and proactive oversight, our governance approach is both principled and progressive. While aligned with global benchmarks, it remains sufficiently agile to navigate the dynamic cyber threat landscape. By harnessing this future-ready framework, we remain committed to boost confidence, ensure accountability, and generate sustainable value.

A Foundation for Sustainable Value Creation

Our approach to value creation is built on a robust corporate governance framework, prioritizing transparency, fairness, and accountability across all levels of the organization. Integrity and ethical business practices guide us through every decision, positioning us for sustained growth. Furthermore, to impart a distinct edge to our leadership team, we harness a comprehensive Code of Conduct for Board members and senior management, publicly available on our website.

Transparency, Accountability, and Stakeholder Trust

We believe effective governance requires clarity in roles and responsibilities, particularly among the Board of Directors, senior leadership, and stakeholders. We foster a culture grounded in fairness, responsible citizenship, and strict adherence to legal and regulatory norms. This ensures that our corporate actions are aligned with stakeholder expectations and our long-term vision.

The Board plays a critical role in setting strategic direction, monitoring execution, and facilitating responsible risk-taking. With an emphasis on sustainability and performance, the Board provides guidance and oversight to help us achieve our objectives, while upholding the highest standards of governance.

Our Governance Committees

Stakeholders Relationship Committee

Tasked with safeguarding stakeholder interests, the Committee addresses concerns and grievances from shareholders, customers, employees, and vendors. It promotes constructive engagement and fortifies trust across all stakeholder groups.

Corporate Social Responsibility (CSR) Committee

Given the responsibility to steer the Company's social stewardship agenda, the Committee ensures alignment of CSR initiatives with our core values and business objectives. It identifies key focus areas and monitors program effectiveness.

Risk Management Committee

Designated to oversee a structured and dynamic risk management framework, the Committee reviews the Risk Register quarterly to ensure that risks are identified, assessed, and mitigated effectively. It keeps the Board informed and enables proactive decision-making.

Audit Committee

Charged with ensuring integrity in financial reporting, the Committee oversees compliance with statutory and accounting standards, reviews internal controls, and monitors the performance of statutory auditors.

Nomination and Remuneration Committee

Bestowed with the mandate to define the criteria for appointment to the Board and senior management, the Committee evaluates performance and recommends fair and strategic compensation packages. It ensures that remuneration policies support the Company's strategic goals and performance culture.

Our Commitment

At Quick Heal, we are firm in our pursuit of governance excellence. Our commitment to responsible leadership and sustainable practices drives our long-term success and enhances stakeholder value. Through rigorous oversight, ethical conduct, and strategic foresight, we continue to build a resilient, innovative, and trusted organization.

Meet the Board

Dr. Kailash Katkar
Chairman & Managing Director

Dr. Kailash Katkar steers the strategic direction for Quick Heal and plays a pivotal role in shaping the Company's long-term vision. Under his leadership, Quick Heal became the first Indian cybersecurity company to go public in 2015-16. With a strategic business approach and a visionary outlook, he consistently delivers exceptional value across key metrics – including, financial performance, customer satisfaction, market share, and productivity.

Dr. Sanjay Katkar
Joint Managing Director

Dr. Sanjay Katkar, co-founder of Quick Heal, has served as the Joint MD since 1995. He leads the global tech strategy, R&D, and malware research. His leadership and passion for technology led to innovative antivirus products, propelling the Company globally. As a renowned speaker at industry forums and esteemed institutions, Dr. Katkar's contributions were honored with an MIT-ADT University Honorary Doctorate in 2018-19.

Air Marshal Bhushan Nilkanth Gokhale
Independent Director

Mr. Bhushan Nilkanth Gokhale has served on the board of defense PSUs and been an adviser to government institutions. He worked in the National Security Council and has been a consultant to DRDO.

Mr. Amitabha Mukhopadhyay
Independent Director

Mr. Amitabha Mukhopadhyay is a Physics graduate, Chartered Accountant, and law graduate. He served as Group CFO at Thermax and previously as President and Group CFO at Tata Autocomp. With nearly three decades of experience, he has led functions across finance, legal, M&A, strategy, supply chain, and product development.

Mr. Richard Stiennon
Independent Director

Mr. Richard Stiennon currently serves as Chief Research Analyst at IT-Harvest, and is part of the advisory boards of several start-ups. He has held a position on the advisory board of cybersecurity companies like Symantec, McAfee, Cisco, Microsoft, and Trend Micro.

Mr. Shailesh Lakhani
Non-Executive Director

Mr. Shailesh Lakhani serves as the Managing Director at Sequoia Capital India. Previously, he worked at Redknee's India subsidiary as the Managing Director.

Mr. Kamal Kumar Agarwal
Independent Director

Mr. Kamal Kumar Agarwal has transitioned from award-winning CFO to successful entrepreneur and VC over the past two decades. He led The Good Stuff's acquisition by DS Group and secured funding from Goldman Sachs and Mitsui. Previously Group CFO at Ferrero India, he also held strategic roles at Cadbury, ITC, and Tata Teleservices.

Ms. Apurva Joshi
Independent Director

Ms. Apurva Joshi is a certified bank forensic accounting professional and anti-money laundering expert.

Leadership Team

Dr. Kailash Katkar
Chairman & Managing Director

Dr. Sanjay Katkar
Joint Managing Director

Mr. Vishal Salvi
Chief Executive Officer

Ms. Anupama Katkar
Chief of Operational Excellence

Mr. Ashish Pradhan
Chief Technology Officer

Dr. Lalit Mohan
Chief Product Officer

Mr. Ankit Maheshwari
Chief Financial Officer

Mr. Samuel Sathyajith
Senior Vice President – Enterprise Sales

Mr. Sudhanshu Tripathi
Chief Marketing Officer

Mr. Ajit Zanjad
Vice President and Head of Delivery

Ms. Swapna Sangari
Vice President, People & Culture

Mr. Ashish Kadam
Director, Government Business

Mr. Deepak Mishra
Head, Retail Sales

Mr. Sangamesh S.
Head of Seqrite Labs & MDR

Corporate Information

Auditors

M S K A & Associates Chartered Accountants

Registered Office

Solitaire Business Hub, Office No. 7010 C & D, 7th (Solitaire Business Hub, Office No. 7010 C & D, 7th Floor, Viman Nagar, Pune – 411014)

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Website: www.quickheal.co.in

List of Bankers

State Bank of India

ICICI Bank

Bank of India

HDFC Bank

Management Discussion and Analysis

Global Economy

The global economy is navigating headwinds, thereby heading toward stability and resilience, supported by easing inflation, improving financial conditions, and sustained consumer demand. Despite recent challenges, global economies have shown remarkable adaptability amid supply disruptions, inflation, trade shifts, energy changes, and geopolitical tensions. Central banks are gradually shifting toward policy normalization, while businesses and investors continue to adjust to evolving global dynamics.

GDP Growth Projections (in %)

Global Economy		Advanced Economies	
CY 2026	3.0	CY 2026	1.5
CY 2025	2.8	CY 2025	1.4
CY 2024	3.3	CY 2024	1.8

Emerging Markets and Developing Economies	
CY 2026	3.9
CY 2025	3.7
CY 2024	4.3

(Source: World Economic Outlook, April 2025 by International Monetary Fund)

Outlook

The global economy is projected to grow steadily at 3.3% in both CY 2025 and CY 2026, according to the IMF's April 2025 World Economic Outlook - a slight downgrade from the January forecast. Growth is supported by moderating inflation, better financial conditions, and steady demand, though these factors vary across regions. Advanced economies like the US remain resilient, while some emerging markets face challenges from tighter financial conditions. Inflation has eased significantly in many areas, lifting real incomes, albeit at an uneven pace. Despite ongoing uncertainties, the global economy remains on track for stable, if slightly softer, growth.

Indian Economy

The Indian economy grew at 6.5% in 2024–25, highlighting the strength of the country's domestic fundamentals and the effectiveness of its policy responses in navigating a turbulent global environment marked by trade tensions and geopolitical uncertainty. A consumption-led growth model, low export dependency, and resilient financial markets have helped cushion the impact of external shocks. Additionally, easing oil prices and a manageable current account deficit have contributed to overall macroeconomic stability. Fueling this momentum further is India's focus on structural reforms, accelerated digital adoption, and sustained infrastructure development. These drivers are positioning the country to stay on a steady growth path, even amid evolving global challenges.

GDP Growth Projections (in %)

2024-25 (P)	6.5
2023-24	8.2
2022-23	7.0
2021-22	8.7
2020-21	(6.6)

P - Provisional

(Source: Press Information Bureau)

Outlook

As India enters 2025–26, the economic outlook remains cautiously optimistic, underpinned by a stable macro economic foundation and steady progress on domestic reforms. While global headwinds pose external challenges, India's internal fundamentals offer the resilience needed to stay on course.

To maintain and build on this momentum, there is a growing need to accelerate structural reforms that enhance global competitiveness. Streamlining regulations at the grassroots level and fostering a more business-friendly environment will be key to unlocking innovation, encouraging entrepreneurship, and strengthening economic buffers. These measures are essential for creating a future-ready economy capable of withstanding global shocks while delivering long-term, inclusive growth.

Industry Overview

Global Cybersecurity Market Overview

Cybersecurity is essential in today's digital world, where vast amounts of personal, financial, and organizational data are stored and shared online. With rising threats like hacking, identity theft, ransomware, and phishing, protecting this information is crucial for individuals, businesses, and governments. Securing critical infrastructure such as power grids, healthcare systems, transportation networks, and financial institutions is also vital, as these systems are increasingly connected and vulnerable to cyberattacks. Investing in advanced technologies, skilled personnel, and strong policies helps ensure resilience, protect national security, and build public trust. Reflecting this urgency, the global cybersecurity market is projected to grow from US$ 193.73 Billion in CY 2024 to US$ 562.72 Billion by CY 2032, reflecting a CAGR of 14.3%, signaling strong demand for advanced, scalable security solutions.

(Source: Fortune Business Insights)

Key Global Cybersecurity Trends CY 2024

Amid rapid technological disruption, rising regulatory complexity, and an increasingly volatile threat landscape, cybersecurity has become a strategic imperative for organizations worldwide. As digital ecosystems expand and geopolitical tensions mount, businesses are shifting toward resilience, proactive security, and outcome-driven investments. In this context, several key trends have reshaped cybersecurity strategies in CY 2024, each driven by distinct needs but unified by a focus on agility, trust, and operational alignment.

Continuous Threat Exposure Management (CTEM)

CTEM enhances threat intelligence by continuously identifying and prioritizing business-critical exposures across endpoints, cloud, and supply chains. It replaces static vulnerability management with dynamic, risk-aligned remediation, boosting cyber resilience.

Identity and Access Management (IAM) Evolution

IAM is shifting to a zero-trust identity fabric that supports real-time, risk-based access and better identity hygiene across users and machines. Integration of ITDR tools improves endpoint protection and limits lateral movement within distributed environments.

Third-Party Cybersecurity Risk Management

Modern third-party risk programs use continuous monitoring and automation to improve visibility and defense against software supply chain threats. They align with data privacy laws and promote resilience over compliance by embedding adaptive controls into vendor ecosystems.

Privacy-Driven Application and Data Decoupling

To comply with global data privacy and localization laws, enterprises are adopting modular data architectures and DSPM tools. This strategy improves cross-border risk posture and secures data at endpoints and in transit.

Generative AI Risk and Opportunity

GenAI demands new threat intelligence approaches to manage model misuse while enabling automation in SecOps like code analysis and endpoint monitoring. Secure-by-design pipelines and AI-literate teams are critical for balancing innovation with security.

Security Behavior and Culture Programs (SBCPs)

SBCPs foster a culture of secure behavior through behavioral science and upskilling, reducing insider threats and GenAI misuse. They improve human-layer defense on endpoints by embedding security habits into daily workflows.

Cybersecurity Outcome-Driven Metrics (CODMs)

CODMs connect cyber efforts with enterprise value by focusing on results like breach reduction and incident response across endpoint and cloud systems. They support zero trust by decentralizing accountability and standardizing risk communication.

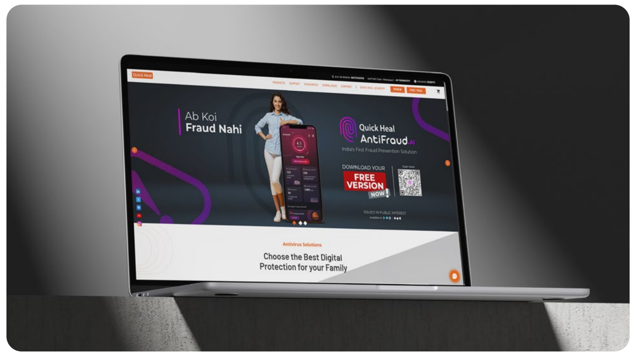
Evolving Cybersecurity Operating Models

Organizations are embedding security into digital workflows, with threat intelligence and governance adapting to agile, decentralized execution. These models empower business units with cyber literacy and secure endpoint operations at scale.

Cybersecurity Reskilling and Talent Strategy

Cyber teams are being reshaped through upskilling in AI, threat detection, and cross-functional adaptability to defend modern attack surfaces. Reskilling aligns with zero trust and endpoint security demands by emphasizing agility, judgment, and continuous learning.

(Source: Top Trends in Cybersecurity 2024, Gartner)



Risks Shaping Cybersecurity Landscape

Cyber and Technological Risks Shaping the Global Landscape in 2025

Ransomware Evolution
Economic
Increased costs for organizations due to double extortion ransomware targeting critical infrastructure and operational sabotage.

Risk in Fake Investment and Government Scheme Apps
Economic
Financial scams via fake apps will undermine trust in investment and government programs, impacting economic activity and public confidence.

Hardware-based Supply Chain Threats
Economic
Hardware tampering in supply chains will raise geopolitical risks and replacement costs, disrupting industries dependent on tech infrastructure.

Cloud and API Vulnerabilities
Economic
Cloud misconfigurations and insecure APIs will become primary attack vectors, forcing institutions to invest in robust cloud security measures.

Regulations on AI Misuse and Insider Threats
Legal
Global regulations on AI will impose compliance burdens on AI and tech-based companies, ensuring transparency in AI development but delaying time-to-market.

Organizations will face stricter penalties for data breaches caused by insider threats, pushing for stronger internal monitoring and employee training.

Targeted Attacks on Critical Infrastructure
Political
Geopolitical tensions will drive targeted attacks on sectors like healthcare, finance, and energy, creating public mistrust and operational instability.

Misuse of Personal Documents
Social
Rising identity theft incidents will harm users' financial stability and trust in online services.

Hacktivist Shifts from Telegram
Social
Hacktivists moving to less-monitored platforms will alter how cyberactivism is perceived, reducing the visibility of such movements but heightening public discourse on privacy and surveillance.

AI-enhanced Malware and Adaptive Threats
Technological
AI-powered malware and adaptive threats will push security solutions toward advanced AI-driven threat detection systems.

IoT and AR Exploitation
Economic
AR malware and bot-based botnets will exploit device access, requiring better edge and mobile computing security frameworks.

Edge Device Exploitation and Hardware Vulnerabilities
Social
Edge computing vulnerabilities in sectors like manufacturing and energy could lead to environmental risks, such as power grid disruptions or tampered industrial systems.

Hardware tampering in supply chains might affect industries reliant on sustainable manufacturing practices, raising concerns about the environmental impact of compromised production processes.

AI Regulation Intensification
Political
Strict AI regulations, led by the EU AI Act, will spark global debates on AI misuse, balancing technological innovation with ethical concerns.

(Source: India Cyber Threat Report 2025)

Global Fraud Detection and Prevention Market

Fraud incidents are escalating rapidly across the globe, driven by the accelerating digitization of services and the growing sophistication of cyberattack methods. The widespread adoption of mobile devices and the surge in digital payment platforms have created new vulnerabilities, offering fraudsters more opportunities to exploit systems. This alarming trend highlights the critical need for advanced fraud detection and prevention (FDP) solutions that can keep pace with an increasingly complex threat environment.

Reflecting this urgency, the global FDP market is poised for significant growth, rising from US$ 28.8 Billion in 2024 to US$ 63.2 Billion by 2029, at a robust Compound Annual Growth Rate (CAGR) of 17.0%. Fraud detection technologies are evolving rapidly, strengthening their real-time detection and mitigation capabilities. These solutions are becoming more intelligent and adaptive, particularly in identifying intricate fraud patterns linked to mobile and digital transactions, helping organizations stay ahead of emerging threats.

(Source: Markets & Markets)

KEY DRIVERS SHAPING THE FRAUD DETECTION AND PREVENTION MARKET

Accelerated Digital Transformation

The surge in digitalization and widespread cloud adoption is a major catalyst for market expansion, as organizations prioritize real-time fraud monitoring and scalable prevention solutions.

Strategic Alliances Fueling Expansion

Market players are increasingly focusing on strategic agreements, collaborations, and partnerships to drive innovation and broaden their market footprint over the next five years.

Healthcare Emerging as a High-Growth Segment

The healthcare industry presents significant growth opportunities and is expected to witness the highest CAGR, driven by the need to safeguard sensitive patient and financial data.

Evolving Fraud Landscape Spurs Demand

Rising incidents of identity theft, insider threats, and payment fraud are accelerating the demand for advanced FDP solutions, prompting organizations to adopt more adaptive and robust security frameworks.

Regulatory and Compliance Pressure

Tightening regulatory frameworks and evolving compliance standards are compelling financial institutions and enterprises to enhance their fraud risk management strategies. With growing emphasis on data protection and accountability, regulators are mandating more rigorous monitoring, reporting, and mitigation processes.

(Source: Markets & Markets)

Outlook

In CY 2025, cybersecurity is being reshaped by rapid AI adoption and the decentralization of tech decisions across business units. As edge technologies drive strategic value, cybersecurity accountability is shifting closer to business operations. Security and Risk Management (SRM) leaders are embedding collaborative risk practices to enable secure innovation. A major concern is AI-driven cyber-enabled fraud where deepfakes, synthetic identities, and real-time social engineering are prompting investment in adaptive fraud detection and AI risk tools. SRM leaders are also prioritizing securing data in AI initiatives amid rising regulatory scrutiny. Emerging global regulations are emphasizing responsible Generative AI use, highlighting transparency, accountability, and trust in cybersecurity applications.

(Source: Top Trends in Cybersecurity 2025, Gartner)

Indian Cybersecurity Market

India's cybersecurity landscape in CY 2024 was shaped by rising data breaches, ransomware, identity-based exploits, and AI-driven phishing and deepfakes. Rapid digitalization, cloud adoption, and supply chain vulnerabilities have expanded attack surfaces, making enterprises prime targets amid geopolitical tensions. In response, the Indian Cyber Crime Coordination Center (I4C), under the Ministry of Home Affairs, has strengthened defenses through resilient infrastructure, public awareness, and global partnerships. The focus extends beyond hacktivism to address critical sectors like BFSI and AI-based threats. Regulatory shifts, increased threat complexity, and the urgency for better cyber hygiene demand agile, coordinated strategies to protect India's digital sovereignty in an increasingly volatile and fragmented environment.

Government Initiatives for Cybersecurity

- The Union Budget 2025-26 has allocated ₹ 1,900 Crores to cybersecurity, an 18% increase from the previous year, to support AI-based threat detection, quantum-resistant encryption, CERT-In upgrades, and new Security Operation Centers.
- The Digital Personal Data Protection Rules, 2025, have mandated encryption, tokenization, access controls, and parental consent for children's data, ensuring transparency, accountability, and individual rights.
- CERT-In, India's cyber incident response agency since 2004, manages vulnerabilities and threats with improved coordination and mandatory incident reporting rules introduced in 2022.
- The National Cybersecurity Policy 2013 emphasizes securing critical infrastructure, promoting indigenous technologies, risk assessment, public-private collaboration, and workforce development.
- Established in 2014, the National Critical Information Infrastructure Protection Center (NCIIPC) safeguards critical infrastructure like power, telecom, and financial networks, working closely with CERT-In and other key stakeholders.
- Cyber Surakshit Bharat (2018) raises awareness in public institutions, while Cyber Swachhta Kendra (2017) offers free tools to remove malware and botnets for citizens and small businesses.
- The Indian Cyber Crime Coordination Center (I4C) provides a central framework for cybercrime response with online reporting portals and real-time fraud redressal systems.
- The Defence Cyber Agency conducts offensive and defensive cyber operations, supported by state command centers, CCMP, NCCC, and coordinated by the National Cybersecurity Coordinator.
- The Information Security Education and Awareness Project (ISEA) project continues to support capacity building through training, research, and education, ensuring that cybersecurity skills development keeps pace with India's digital ambition.

Key Highlights of Threats in CY 2024

Bigger Spectrum of Detections and Endpoints

Over 369.01 Million detections recorded across **8.44 Million** endpoints, averaging **702 detections** per minute

Behavior-Based detection

53.73 Million behavior-based detections, accounted for **14.56%** of total detections a significant increase from **12.5% in CY 2023**

Primary Attack Vectors

68% of attacks originated from Trojans and Infectors

Cloud Detections Contributed

62%, while 38% detections were on-premise

~12 attacks per month per personal end-user device

Top Most Targeted Industries

21.82%	**19.57%**	**17.38%**
Healthcare	Hospitality	BFSI

Malware and Ransomware Incidents

1 malware incident per **40,436** detections

1 ransomware incident per **595** detections

Approximately 1 Million ransomware detections reported over the year

Geographical Hotspots

Telangana	Surat	Tamil Nadu	Bengaluru	Jaipur
15.03% of detections	14.58% of detections	11.97% of detections	11.93% of detections	11.72% of detections

(Source: India Cyber Threat Report 2025)

Industry Cybersecurity Maturity

The India Cyber Threat Report 2025 evaluates cybersecurity maturity across 204 organizations spanning 18 sectors in India. Using a structured, quantitative survey, the study assesses preparedness in areas like cyber hygiene, threat detection, incident response, and investment priorities. Organizations were segmented by size, from micro enterprises to large corporations, to ensure broad representation. Respondents included both executives and mid-level managers. The analysis focused on investment prioritization, maturity scoring, and benchmarking across segments.

Survey Insights

Cyber Attack Target Spectrum

72.5% of organizations did not report any cyberattack

17% of organizations experienced at least one cyberattack in 2024

9% of organizations encountered cyberattacks weekly or monthly

1.5% of organizations reported being attacked daily

Types of Threats Observed

1 Top Threats

Social engineering (phishing, vishing, smishing), followed by malware and ransomware.

2 Emerging Threats

AI/ML-based attacks entered the landscape in 2024.

3 Persistent Risks

Software/zero-day vulnerabilities remain a concern.

Cyber Resilience

69% of organizations reported **no impact** from cyberattacks, reflecting their robust preparedness and ability to effectively respond and recover during a cyber crisis

13.2% of organizations experienced business disruptions due to attacks in 2024

6.3% of organizations incurred financial losses due to cyberattacks

18.6% of organizations suffered data loss as a result of cyber incidents

Top 5 Challenges in Adoption of Cybersecurity Workforce and Expertise

- Lack of Cybersecurity Expertise and Knowledge
- Inadequate Staffing and Organizational Resources
- Budget Limitations Affecting Cybersecurity Initiatives
- Insufficient Board-Level Focus on Cybersecurity
- Executive Team's Limited Focus on Cybersecurity

Maturity in Key Cybersecurity Domains

Threat Intelligence
Only **45%** of the organizations consume threat intelligence (either OSINT or commercial or both) for proactive cyber defense

Attack Surface Monitoring
Only **39%** of the participated organizations actively monitor their attack surface continuously and take remedial actions on time

Cyber Hygiene
42.6% organizations demonstrate maturity in defining and implementing effective hygiene practices

Securing Assets
33.9% organizations exhibit advanced maturity in safeguarding assets, including hardware, software, data and related resources

Malware Protection
63% organizations demonstrate advanced maturity in defending against malware threats

Data Security
8.8% of organizations are yet to implement data controls to protect data

61.8% of organizations have implemented systematic data classification to enhance security

Access Control
46% of participating organizations have proper access control mechanisms for managing identity and ensuring only authorized personnel have access to data

Secure Configuration
11.8% of organizations are yet to implement process and protocols to protect their assets via secure policies/configuration

Software Updates and Patch Management
63.7% of organizations have implemented patch management process to secure their systems from vulnerability exploitation

Backup and Recovery
52.9% of organizations have defined and implemented backup strategies

Incident Response
56.3% of organizations have a defined incident response process to detect and respond to threats

Process
19% of organizations do not test their security processes

Outlook

India's cybersecurity strategy is evolving in response to regional instability, politically motivated cyberattacks, and the rapid digitalization of critical infrastructure. The expansion of sectors such as finance, healthcare, and e-governance has increased the attack surface, while challenges like gaps in digital literacy and cyber hygiene have amplified vulnerabilities. To strengthen resilience, there is a need to advance cyber capabilities, enhance public-private and international collaboration, enforce effective regulatory frameworks, and expand cybersecurity education and awareness across all sectors. These factors highlight the importance of a comprehensive, adaptive approach to securing India's digital infrastructure.

Key Areas of Focus for India's Cybersecurity Strategy

Enhancing Critical Infrastructure Protection

Strengthening cybersecurity across essential sectors such as finance, energy, and healthcare to safeguard operational continuity and resilience.

Developing a Unified National Cyber Defense Framework

Progressing toward a more coherent, comprehensive national cybersecurity strategy to address the evolving threats posed by hacktivist groups and state-sponsored actors.

Fostering International Cooperation

Increasing engagements with global cybersecurity alliances, including the Global Forum on Cyber Expertise (GFCE) and INTERPOL's Cybercrime Center, to combat cross-border cyber threats.

(Source: India Cyber Threat Report 2025)

Indian Fraud Detection and Prevention Market

India faces a fast-growing cyber fraud crisis, posing a serious national challenge and a major opportunity for fraud detection and prevention (FDP) solutions. In the past year alone, over ₹ 70,000 Crores was lost to digital fraud. Alarmingly, 1 in 3 Indians has fallen victim to online scams ranging from phishing and app fraud to 'digital arrest', where scammers impersonate authorities. The Ministry of Home Affairs reports that ₹ 2,140 Crores has been stolen via digital arrest frauds in the last 10 months.

Every minute, Indians lose ₹ 1.5 Lakh to cybercriminals. With over 10 known scam tactics, threats are growing rapidly. India could lose over ₹ 1.2 Lakh Crores in the next year without stronger measures. India's fraud prevention software market, valued at US$ 1,196.7 Million (₹ 9,980 Crores) in 2023, is expanding quickly. With rising digital use and AI-driven fraud, the market is expected to grow and expand at a CAGR of 21.9%, reaching US$ 4,785.4 Million by 2030.

(Source: Grand View Research)

Outlook

India's fraud detection and prevention market is projected to exhibit a robust CAGR of 20.14% between 2025 and 2033. This growth is primarily driven by the escalating incidence of fraudulent activities, fueled by the widespread adoption of online platforms across banking, e-commerce, and digital financial services. As digital ecosystems expand, the demand for advanced, real-time fraud prevention solutions is accelerating, positioning the market for sustained growth.

(Source: IMARC Group)

Business Overview

Quick Heal Technologies Limited (also referred to as 'Quick Heal' or 'The Company') has been at the forefront of cybersecurity innovation for over 30 years. As India's first publicly listed company focused exclusively on cybersecurity, the Company offers a comprehensive and scalable range of cybersecurity solutions tailored to the diverse needs of consumers, small businesses, and enterprises.

30+ Years of Innovation

Presence in **70+** Countries

Protecting **8.44 Million** Active Devices Endpoints

23 Offices in India

1,000+ Cybersecurity Professionals

30,000+ Enterprises

9 Patents and Several International Certifications

Seqrite Labs India's Largest Malware Analysis Lab

Market Leadership in Consumer and SMB Space

Launched India's First Fraud Prevention Solution, **AntiFraud.AI**

35,000 Strong Dealer Network

6.86 Million Lives Impacted till Date via CSR Programs

The Company's purpose is to innovate to simplify the process of securing digital experiences.

Innovate

Focus on grassroot research and adoption of new tech

- New Products and Services
- Threat Management
- Integrated Architecture
- Deep Malware Research
- Common Taxonomy
- Use Cases and Playbooks
- Innovative AI/ML models
- Democratize

Simplify

Ease of manageability & operations for the end customers

- Open and Modular
- Platformization
- Managed Services
- Single Pane of Glass
- Single Policy Framework
- Common Playbook
- Robust, Resilient and Scalable
- Ease of Deployment/Use

Secure

Staying one step ahead of the threat actors to protect customers

- Getting the Job Done
- High True Positives
- Adaptive and Future Proof
- Sentient
- Error Proof
- Transparent
- Zero Touch
- Zero Trust

As phishing, OTP scams, and identity theft grow more sophisticated, often exploiting human behavior, traditional antivirus tools fall short, especially in mobile and online banking. To address this, Quick Heal launched AntiFraud.AI, India's first AI-driven fraud prevention tool, using behavioral analytics to detect suspicious activity in real time.

The Company is expanding globally in the US, EMEA, and Southeast Asia, while strengthening existing market partnerships. Users now expect more than malware protection; they seek financial and identity security. Quick Heal meets this by combining antivirus with advanced fraud prevention for full-spectrum protection.

The 2025 Cybersecurity Maturity Index reveals major gaps in cyber hygiene and data protection across Indian organizations. As digitization accelerates, Quick Heal's enterprise arm, Seqrite, supports over 30,000 customers, ensuring compliance with the DPDP Act. Global alliances are expanding its footprint in Europe, Southeast Asia, and Latin America.

Aligned with its Horizon 3 roadmap, Quick Heal launched the Seqrite Intelligent Assistant, an AI tool for automated cybersecurity management. Powered by Seqrite Labs, India's largest malware analysis facility, and backed by a skilled team and local presence, it plays a key role in India's digital resilience. Seqrite Labs also partnered with DSCI on the India Cyber Threat Report 2025 and regional reports for Karnataka and Telangana.

Quick Heal is the only Indian cybersecurity firm working with NIST NCCoE (USA) on its Data Classification project and the sole Indian member of the AI Safety Institute Consortium (AISIC), reflecting its focus on secure, ethical AI. To stay competitive, the Company is expanding its portfolio, managing costs, and targeting high-growth areas for long-term value creation.

Seqrite Labs

In an era where cyber threats are increasingly agile and multifaceted, Seqrite Labs serves as a strategic defense hub, combining analytical rigor, technical innovation, and real-time threat intelligence. With a relentless focus on understanding the adversary's playbook, Seqrite Labs consistently evolves to protect businesses against tomorrow's digital dangers. During 2025-26, Seqrite Labs uncovered the unprecedented global coordination of hacktivist groups behind the 650+ cyberattacks on Indian institutions during Operation Sindoor.

The lab's capabilities have earned it accolades from internationally recognized testing authorities such as AV-TEST and AVLab, which have awarded Seqrite high marks following extensive validation exercises. Rigorous simulation-based evaluations and dynamic threat modeling ensure its security stack is resilient, responsive, and aligned with global best practices. Multiple international publications have cited Seqrite's research, attesting to the depth and credibility of its threat intelligence work.

To know more, read on page 24 of narrative

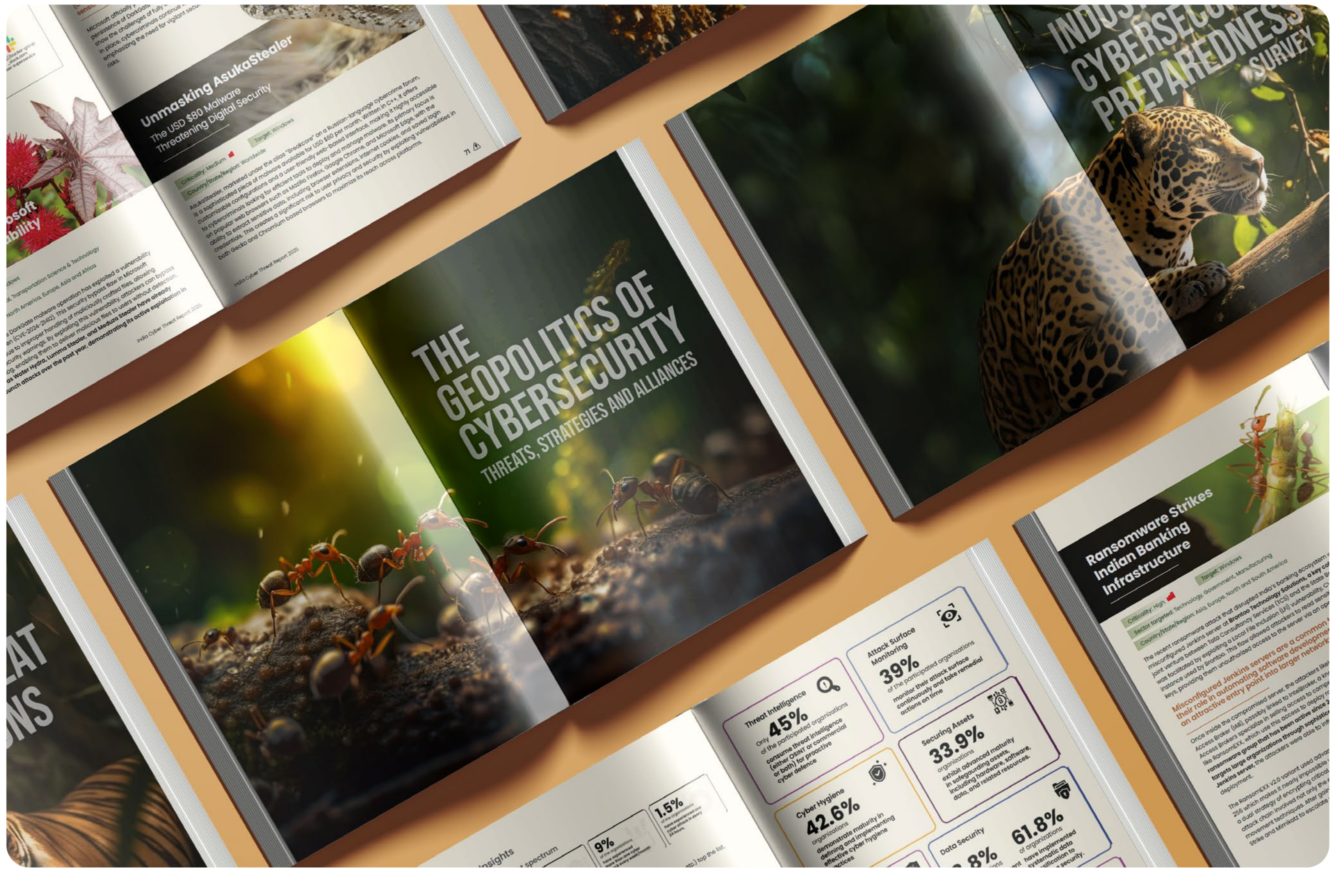
Bridging the Gap with Actionable Threat Reports

Seqrite, in partnership with the Data Security Council of India (DSCI), has unveiled the India Cyber Threat Report 2025, offering a comprehensive overview of the nation's cybersecurity landscape. This authoritative report identifies shifting threat patterns, key vulnerabilities, and the increasingly complex tactics used by malicious actors. It serves as a critical reference for organizations aiming to strengthen their defenses at a national level.

To complement this broad perspective, Seqrite has also published region-specific threat intelligence reports, offering sharper visibility into localized cyber risks. The Karnataka Cyber Threat Report 2025, launched at 'CyberShield Mysuru' by the Cyberverse Foundation, examines the threat dynamics within one of India's most digitally mature states. It highlights a surge in malware infections, ransomware activity, and targeted attacks on critical sectors such as IT, healthcare, education, and public administration.

In parallel, the Telangana Cyber Threat Report 2025 provides an in-depth look at the state's escalating cyber threat activity. Based on real-time data and expert-driven insights, it uncovers a notable increase in malware incidents, ransomware campaigns, and hacktivist intrusions affecting vital public infrastructure and services.

What distinguishes these reports is their ability to contextualize findings to each organization's specific industry, geography, technology stack, and exposure to known vulnerabilities. By correlating threat intelligence with operational realities, the reports help organizations understand the relevance, likelihood, and potential impact of threats they may face.



Business Verticals

1 Consumer Business

2 Enterprise Business

3 People and Culture

Consumer Business

1

Quick Heal continues to cement its leadership in the consumer cybersecurity space, with a sharpened focus on both traditional cybersecurity solutions and the rapidly emerging fraud prevention category. With over three decades of experience, the Company combines deep-rooted trust, consistent innovation, and strong channel partnerships to deliver real-world protection tailored to today's digital lifestyles.

To know more, Read on Page 20 of narrative

At the core of its consumer strategy is a dual focus: preserving brand trust while driving innovation to meet the expectations of younger, digital-first users. Quick Heal balances this through a refreshed UI/UX, gamified engagement features like security and privacy scores, and an AI-integrated product suite. Communication is increasingly localized and youthful, amplified through new-age channels, digital influencers, and regional language campaigns to ensure mass appeal.

Powered by GoDeep.AI, Quick Heal's flagship Total Security Antivirus offers robust protection for today's hyper-connected users. It includes advanced features like dark web monitoring, anti-ransomware, phishing protection, Smart Parenting, and metaProtect for remote management. This product scored an impressive 17.5/18 in the latest AV-Test evaluation, reinforcing its global standard of protection. Fraud prevention capabilities are now natively integrated into the latest version of Total Security for Windows, with a free upgrade for existing users.

To know more about Channel strategy, read Page 21 of narrative

Quick Heal's landmark innovation, AntiFraud.AI, is India's first AI-powered consumer fraud prevention solution, designed to proactively tackle the escalating menace of digital fraud. It leverages behavioral analytics and real-time transaction monitoring to alert users to suspicious activities instantly. Key features of AntiFraud.AI include fraud app detector to identify malicious apps, fraud call alert to notify users of suspicious calls, and unauthorized access alert to detect data theft on dark web. Other features such as fraudulent app detection, scam protection, dark web monitoring, and more to further enhance its robust digital fraud prevention capabilities.

The product is also being actively rolled out across retail partner networks, with a freemium model and free trial period introduced to accelerate user adoption. Consumer feedback on AntiFraud.AI has been positive, especially from senior citizens, online banking users, and frequent online shoppers, segments most vulnerable to fraud. Channel partners have been equipped with dedicated training, sales enablement tools, and incentives to support the rollout, enhancing cross-sell and upsell opportunities.

The Quick Heal Fraud Prevention Lab is a specialized innovation hub dedicated to identifying, analyzing, and combating emerging cyber frauds across India. Powered by advanced artificial intelligence, behavioral analytics, and threat intelligence, the lab plays a vital role in continuously enhancing Quick Heal's fraud detection algorithms and prevention strategies. It focuses on real-world fraud scenarios and simulates new attack vectors to build proactive defenses that strengthen Quick Heal's flagship solution, AntiFraud.AI. The lab's expert team works in close collaboration with law enforcement agencies and other ecosystem partners to share insights and stay ahead of evolving fraud techniques. Its core focus areas include UPI scams, spear phishing, QR code phishing, investment frauds, social engineering attacks, and a broad range of emerging cyber threats.

During 2024-25, Quick Heal continued to showcase its commitment to cybersecurity by uncovering a fake app on the Google Play Store, which had been downloaded over 10 Million times. This discovery not only highlights Quick Heal's vigilance in protecting users from emerging cyber threats but also reflects its broader mission to raise awareness about malicious practices in the digital space.

Quick Heal's consumer business faced challenges earlier. As the external environment normalizes, the Company is aligning its consumer strategy with clearly defined priorities focused on reigniting growth.

KEY FOCUS AREAS FOR CONSUMER BUSINESS

- Repositioning Quick Heal as a comprehensive digital safety provider, expanding its narrative beyond traditional antivirus to holistic, everyday protection
- Leveraging AI to deliver deeper personalization and enhanced user experiences
- Enhance the Antivirus portfolio with improved performance, resilience, and advanced AI capabilities to reinforce market leadership
- Elevating the Fraud Prevention category by advancing AntiFraud.AI with newer features like Deep Fake detection, identity protection and stronger scam detection
- Driving adoption of a unified, cloud-based dashboard for managing antivirus protection across desktop and mobile devices
- Revamping the product interface to deliver a modern, intuitive user experience
- Simplifying the renewal and upsell journey to make subscription management easier
- Promoting auto-renewals to ensure seamless, uninterrupted protection
- Introducing a personalized engagement model featuring security and privacy scores, with actionable insights
- Running a flexible Profit-Sharing Program (PSP) to protect partner earnings even when customers renew directly, with incentives via bank transfers in place
- Strategically realigning the product suite to cater to the evolving needs and preferences of younger, digital-first audiences.
- Continuing to automate the marketing technology stack across the consumer journey, with a strong focus on scaling efforts
- Driving partner transformation and investing in AI, cloud, and behavioral analytics to build a future-ready, responsive ecosystem.

2 Enterprise Business

Seqrite is India's only full-stack enterprise cybersecurity provider, focused on delivering smarter and more accessible security solutions. Seqrite's research and development (R&D) efforts have been deeply focused on building a comprehensive solution stack mapped to CSMA, culminating in the launch of next-generation products that secure not just infrastructure but also data privacy, providing a holistic security and privacy solution to enterprise customers.

To know about Seqrite's product portfolio, read Page 22 of Narrative

To expand its reach, Seqrite has adopted a tiered channel distribution strategy, now extended to international markets such as Southeast Asia, the Middle East, Africa, and Latin America. Partners are selected for shared values, technical capability, customer reach, and strategic fit, ensuring effective and lasting collaborations.

Strengthening brand recall and market presence remains a key priority. Seqrite invests in sponsorships, roadshows, and advisory forums to enhance visibility and influence. Its content strategy focuses on customer testimonials, partner success stories, and case studies supported by lead attribution and ROI analytics for data-informed marketing.

Seqrite continues to enhance the scalability, resilience, and features of its solutions to serve the evolving needs of large enterprises. Focus on product stability and responsive customer support reflects its commitment to quality. Its agility in developing market-specific functionalities offers a competitive edge, with prioritized Feature Requests (FRs) enabling quick alignment to local needs.

In line with its transformation strategy, Seqrite is reshaping its sales organization with a solution-first, customer-centric approach. Investments in sales enablement, consultative selling, and vertical expertise aim to strengthen its engagement with business challenges. Key sectors of focus include Government, BFSI, Digital Natives, and IT/ITES.

The Company has launched Seqrite Malware Analysis Platform (SMAP), Seqrite Threat Intel (STI) and Seqrite Intelligent Assistant (SIA) in 2024-25, in alignment with its Horizon-3 product portfolio.

Enriched by over 5 Lakhs daily malware samples analyzed, SMAP offers real-time, forensic-grade threat intelligence to decode the behavior, intent, and origins of threats. Key forensic-driven features of SMAP include multi-stage analysis, content-based sample matching, IOC lookup, and PDF/JSON reporting. It also provides access to the SMAP API, live threat contextualization, campaign attribution, and command-center integration, enabling comprehensive and real-time threat intelligence capabilities.

Seqrite Threat Intel, a real-time Cyber Defense Hub developed by Seqrite Labs, delivers consolidated, actionable threat intelligence by integrating data from OSINT, global CERTs, and Seqrite's extensive telemetry network. Its capabilities include real-time actionable threat feeds, contextualized insights from expert threat researchers, vulnerability intelligence, and insightful dashboards. It also provides emerging Indian and global threat visibility, STIX/TAXII based threat intel sharing, and adversary intelligence, including threat actors, intrusion sets, and campaigns, to deliver comprehensive, consolidated threat intelligence.

Seqrite's commitment to innovation is exemplified by the launch of Seqrite Intelligent Assistant (SIA), a breakthrough in enterprise security operations. Developed by researchers at Seqrite Labs, SIA combines Generative AI with GoDeep.AI, the Company's proprietary self-aware malware hunting technology. This integration addresses the growing complexity of cyber threats and transforms how organizations detect, investigate, and respond to incidents.

SIA is designed to ease alert fatigue, overcome resource constraints, and reduce the reliance on manual processes. Through a conversational interface, it simplifies workflows by delivering real-time context, connecting related incidents, identifying matched indicators of compromise (IOCs), and offering instant mitigation steps.

With conversational memory and the ability to deliver insights on demand, SIA helps reduce operational workload, speed up threat investigations, and improve response clarity. By automating routine tasks and streamlining complex ones, it lets analysts focus on critical threats, enhancing overall security posture. Currently available for Seqrite XDR users, SIA will be extended across Seqrite's full product suite, reinforcing its goal of delivering advanced, made-in-India cybersecurity solutions for a digital-first world.

In line with its intelligence-led approach, Seqrite's flagship solution, XDR, earned the AV-TEST Approved Advanced EDR Certification after rigorous evaluation. It scored a perfect 18/18, ranking as the top product in recent AV-TEST assessments. These accolades highlight Seqrite's strength in delivering effective, enterprise-ready cybersecurity solutions built for complex threat environments.

KEY FOCUS AREAS FOR ENTERPRISE BUSINESS

- Delivering a unified security stack that simplifies complex IT environments
- Designing scalable solutions adaptable to businesses of all sizes
- Strengthen partner networks across India and international markets to deepen reach and service quality
- Building a high-performance sales force through targeted hiring, upskilling, and a consultative sales approach
- Accelerating go-to-market for new and evolving offerings, especially within high-growth verticals
- Deploying automation to scale sales and marketing operations, improving efficiency and responsiveness
- Acquiring new enterprise customers and deepening relationships with existing ones through upsell and cross-sell motions
- Investing in Horizon 2 solutions (EDR, XDR, ZTNA, Data Privacy) and incubate Horizon 3 innovations focused on monetizing threat intelligence, data-driven security services and generative AI-based capabilities (Threat Intel and SIA)

Growth Drivers

1 Thought Leadership

Quick Heal continuously positions itself as a thought leader by publishing insightful Threat Reports, participating in leading industry forums and events and active CXO presence across mediums to shape conversations in cybersecurity. The Company also showcases cutting-edge solutions through an immersive Experience Center and investments in Generative AI while expanding into new categories such as Fraud Prevention.

The Company also launched a Cybersecurity Experience Center at its Pune headquarters, which offers an immersive look into real-world cyberattacks and defense mechanisms. More than a showcase, it serves as a hub for startups, academia, clients, and professionals to collaborate, exchange insights, and co-create solutions. This open ecosystem encourages continuous learning and innovation. The model was replicated at BIRD, Lucknow, with a focus on BFSI-specific needs, ensuring the experience remains relevant as cybersecurity threats evolve.

2 Robust Distribution Network

Over the last three decades, Quick Heal has built a robust Pan-India presence, through a wide network of 23 offices and 260 distributors. Additionally, the internal sales and marketing teams are deeply integrated with this partner ecosystem, providing sustained engagement well beyond the point of sale.

In alignment with its customer-centric philosophy, Quick Heal continues to invest in localized language support to enhance accessibility and personalization of its diverse customer base. By offering these services, the Company is better positioned to understand and address the unique needs of its diverse customer base.

This philosophy is equally embedded within Seqrite. The enterprise brand continuously incorporates user feedback into product design, ensuring its solutions evolve to be intuitive, effective, and aligned with operational realities. With a focus on inclusivity and usability, Seqrite designs its solutions for a broad range of users regardless of technical expertise. Advanced AI/ML-powered features such as real-time threat detection and granular policy enforcement allow administrators to act with greater precision and speed, supporting secure and efficient operations.

3 Research & Development (R&D)

Quick Heal has been making strategic investments in R&D to remain at the forefront of advancements in the industry, while maintaining its leadership position in the market. The Company has consistently prioritized investment in research and development, with a strategic focus on emerging technologies such as AI-powered security and adaptive threat detection. These investments, made over the course of several years, are now beginning to yield tangible results. As the Company continues to advance and refine these technologies, the full impact of these efforts is expected to progressively unfold.

The Company's R&D strategy centers on building new product categories and enhancing existing solutions to address evolving enterprise and consumer needs. Recent outcomes include the launch of a dedicated Fraud Prevention category for consumers, and the expansion of enterprise offerings with a data discovery and classification solution capable of identifying personally identifiable information (PII) across structured and unstructured data sets.

Refer to page 4 of the narrative to learn about our patents

Quick Heal is committed to delivering high-quality cybersecurity products and services through the dedicated efforts of the following teams:

Product Strategy Team

Aligns the Company's portfolio with market needs and threat trends.

Innovation and Development Team

Designs and develops advanced security technologies.

Threat Response Team

Responds swiftly to emerging threats to ensure continuity and resilience.

Quality and Compliance Team

Upholds high product standards and regulatory compliance across offerings.

4 New Product Launches

Quick Heal continues to take a proactive, insight-led approach to innovation, guided by global antivirus adoption patterns, rising social engineering threats, and in-house research. This has led to the launch of several cutting-edge cybersecurity solutions across consumer and enterprise segments.

Consumer Segment

Enterprise Segment

- Seqrite Malware Analysis Platform (SMAP)
- Seqrite Threat Intel (STI)
- Seqrite Intelligent Assistant (SIA)

5 Advancing with Technology

Quick Heal continues to invest strategically in AI, ML, and automation to stay ahead of evolving cyber threats. In collaboration with Seqrite Labs and product engineering, its data science team identifies areas where AI/ML can enhance detection and response. These are developed into machine learning models, tested rigorously, and deployed across the product ecosystem to improve accuracy and speed of threat prevention.

GenAI Enablement Across the Portfolio

Leveraging Generative AI, Quick Heal is building conversational interfaces powered by LLMs to simplify system interactions, improve analyst productivity, and accelerate decision-making with actionable insights.

GoDeep.AI – Malware Threat Management

GoDeep.AI, Quick Heal's deep learning platform, strengthens malware detection across multiple vectors. Its performance contributed to Quick Heal receiving the AV-Test Best Performance Award for effective real-world defense.

6 Partnering for Success

Quick Heal's partners form a vital pillar of its product development ecosystem. Their consistent reliability, high-quality standards, and timely delivery are instrumental in enabling the Company to fulfill its promise of protecting customers' digital lives with confidence and efficiency.

NewJaisa Technologies

Quick Heal has forged a strategic partnership with NewJaisa Technologies, a renowned Direct-to-Consumer (D2C) brand in the rapidly growing refurbished electronics market. As part of this collaboration, Quick Heal's flagship product, Total Security, will be pre-installed on all NewJaisa refurbished laptops and desktops. With the refurbished electronics sector projected to experience substantial growth, particularly in India, it is crucial to offer robust security solutions across all device segments.

IDRBT

Quick Heal, in collaboration with the Institute for Development and Research in Banking Technology (IDRBT) – an institution established by the Reserve Bank of India (RBI) in 1996, has launched IB-CART 3.0, the next-generation version of the Indian Banks – Center for Analysis of Risks and Threats (IB-CART). This state-of-the-art platform, supported by threat intelligence from Seqrite Labs, marks a significant advancement in enhancing cybersecurity within India's banking and financial services sector.

TruVisor

TruVisor, a visionary technology distributor, has forged a strategic partnership with Seqrite to enhance its portfolio with robust protection capabilities that align with its core offerings in Cloud Security, Asset Intelligence, Identity Security, Digitalization, Automation, and Data Protection. Both entities are committed to delivering scalable, compliance-ready solutions that help organizations secure their digital assets in an increasingly complex cyber landscape.

Bankers Institute of Rural Development (BIRD)

Quick Heal has collaborated in the establishment of a dedicated cybersecurity lab at the BIRD in Lucknow for strengthening the cybersecurity posture of Rural Financial Institutions (RFIs). The lab is designed to provide immersive, hands-on training that empowers officials with the knowledge and practical skills needed to counter evolving cyber threats. Through simulated attack scenarios and real-world case studies, participants gain critical insights into cyber hygiene, fraud prevention, and effective incident response, enabling them to build resilience within the rural financial ecosystem.

National Forensic Sciences University – Research and Innovation Council (NFSU-RIC)

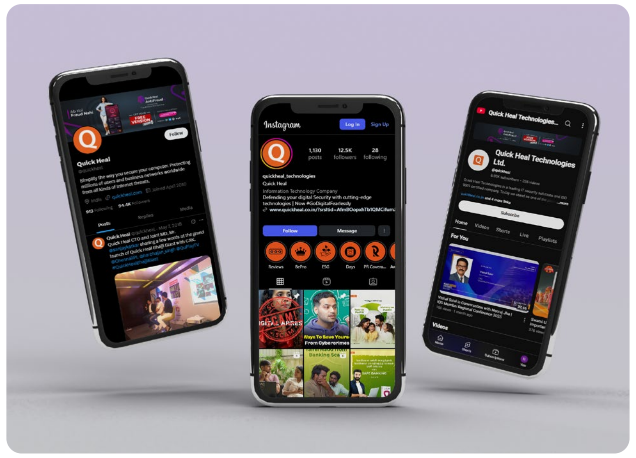
In March 2024, Quick Heal entered into a two-year strategic collaboration with the National Forensic Sciences University – Research and Innovation Council (NFSU-RIC) to advance academic and research initiatives in the fields of Cybersecurity and Forensic Science.

7 Marketing for Engagement

Quick Heal's marketing strategy is anchored in three pillars: brand credibility, technological innovation, and thought leadership. In India, the brand has strengthened its retail cybersecurity leadership through education-driven campaigns, influencer collaborations, and digital storytelling. Its offline network, including Quick Heal-branded stores, enhances omnichannel presence and consumer trust. On the enterprise side, Seqrite has gained visibility through curated industry events and personalized stakeholder experiences.

Digital Strategy and Engagement

A digital-first approach guides platform-specific content for varied audiences - technical insights on LinkedIn, security tips on Instagram and YouTube, and strategic views for the C-suite on X (formerly Twitter).



Cybersecurity Education

Quick Heal Academy expanded cyber literacy via webinars and academic partnerships, targeting schools, universities, and workplaces. Feedback from surveys, app reviews, and CSAT scores shaped agile marketing strategies and user experiences.

Awareness through Campaigns

The #AbKoiFraudNahi campaign, launched with AntiFraud. AI, simplified digital risk communication using humor instead of fear, aligning with behavioral research. This approach improved message retention and engagement with digital natives.

Influencer Partnerships

Influencers like Raj Shamani and Anup Soni were chosen to connect with young entrepreneurs and crime-aware audiences. These collaborations increased authenticity and widened reach, especially among 18–35-year-olds, improving app adoption and brand sentiment.

Impactful Launches

Product launches like SMAP and the Threat Intelligence Platform used a narrative-led strategy like teasers, pilot testimonials, and roundtables to address market needs and position solutions as essential responses to cybersecurity challenges.

8 Talent Management

The Company remains deeply committed to fostering a workplace culture that is inclusive, equitable, and focused on talent excellence. By prioritizing employee development, well-being, and engagement, Quick Heal continues to position its people at the center of its growth strategy.

9 Adhering with Government's Data Privacy Initiative

The Digital Personal Data Protection (DPDP) Rules, 2025, under the 2023 DPDP Act, grant individuals the right to access, correct, and erase personal data. They mandate encryption, 72-hour breach reporting, and strict identity verification, with special focus on protecting data of children and persons with disabilities. Quick Heal has integrated these compliance standards into its offerings, maintaining privacy and upholding data sovereignty. Aligned with the 'Make in India' vision, Quick Heal is a fully indigenous cybersecurity firm. This homegrown identity enhances its competitive edge by providing regulatory-compliant, locally developed technology. Its commitment supports national priorities like Make in India and Digital India.

With advanced Seqrite Labs, widespread endpoint presence, and strong data localization, Quick Heal is equipped to secure India's critical infrastructure and ensure compliance with the DPDP Act. Beyond products, Quick Heal helps shape state-level cyber infrastructure, smart city initiatives, and e-governance programs. Through public-private collaborations, it strengthens national cybersecurity and enables secure digital transformation.

3 People and Culture

Building a Culture of Connection

As of March 31, 2025, Quick Heal employed 973 individuals, forming a skilled, diverse, and high-performing workforce.

Driving a High-Performance, Merit-Based Culture

The Company believes that empowered employees are the foundation of innovation and growth. Their development philosophy focuses on providing personalized, continuous, and future-oriented growth opportunities. The key components of this approach include:

Structured Career Pathways

Quick Heal has defined career frameworks for both technical and managerial tracks, allowing employees to grow as deep-domain experts or evolve into leadership roles. Employees have access to role-specific competencies and promotion criteria, ensuring transparency and clarity in their career development through Talent Management.

Internal Job Postings (IJP) and Career Mobility

Employees are encouraged to explore cross-functional moves through a transparent IJP process. The Company actively promotes lateral mobility, enabling employees to build diverse experiences across various functions, including R&D, Technical Support, Sales, and other enabling functions.

Recognition and Accelerated Growth

High performers at Quick Heal are identified through performance reviews and fast-tracked for accelerated growth. This is achieved through development interventions, stretch assignments, and leadership grooming programs designed to speed up their career advancement.

KEY HIGHLIGHTS FOR 2024-25

- A 5.25% reduction in annualized attrition, signaling higher employee retention and improved satisfaction
- A 0.02% improvement in the overall employee engagement score, along with a 23.42% increase in training participation, reflecting a more involved and growth-oriented workforce
- 100% completion of OKRs (Objectives and Key Results), underlining strong alignment across functions with the organization's strategic objectives

Culture Code

Quick Heal's Culture Code is a foundational part of its work ethos, shaping behaviour across all levels. It defines a shared value system that guides team interactions and decision-making, fostering alignment and consistency throughout the organization.

To know more, Read on Page 61 of narrative

Key Outcomes:

Unified Language: Teams now use common terms rooted in these values, improving clarity and communication.

Leadership Adoption: Senior leaders incorporate Culture Code into town halls, OKRs, and appraisals, reinforcing expectations.

Better Alignment: Actions align more closely with goals, reducing silos and improving focus.

Structured Programs for Talent Development and Engagement

Quick Heal supports growth through focused learning and leadership initiatives:

HiPo Engagement Program

Uses the 9-Box model to identify top talent and offer tailored development plans, including mentorship, coaching, and cross-functional projects, reviewed quarterly

Manager Assimilation Program (MAP)

Trains managers quarterly on employee lifecycle, feedback delivery, and expectations leading to improved team management and fewer HR escalations

Leadership Development

Periodic sessions build core leadership and productivity skills for current and aspiring leaders

Udemy for Learning

Employees access premium courses to upgrade skills and stay industry-relevant

Sales Development

A tiered program that enhances negotiation, communication, and selling skills, strengthening overall sales effectiveness

Employee Feedback is Central to Engagement

A continuous feedback culture that values employee voices, drives trust, improves workplace satisfaction, and fosters stronger organizational commitment

eSAT Survey

Annual pulse check to understand employee sentiment and areas for improvement

Skip-level Meetings

Improve vertical and horizontal communication across teams

Pulse Panels and Action Teams

Help shape policies like hybrid work and wellness by integrating employee input

Strategic Talent Acquisition

Quick Heal's hiring approach emphasizes quality and cultural fit. Candidates are evaluated by cross-functional panels on technical, behavioral, and cultural dimensions.

Efforts include:

- Targeted recruitment in threat research, AI/ML, malware analysis, and cloud via academia ties, events, and leadership outreach
- A clear positioning as a mission-led cybersecurity firm that attracts purpose-driven professionals
- Career advancement through structured paths, internal mobility, HiPo tracks, IDPs, and leadership programs
- Recognition via performance incentives, Ideathon events, and peer-nominated awards

Financial Overview

Growing Steadily

Gross revenue from operations stood at ₹ 306.90 Crores (Net revenue ₹ 279.53) during Financial Year 2024-25. The Gross Enterprise sector revenue recorded ₹ 121.20 Crores, while the Gross Consumer sector recorded ₹ 185.70 Crores.

Other Income

Miscellaneous revenues stood at ₹ 20.77 Crores.

Operating Expenses

The procurement of security software products, benefit plan costs, amortization, and other costs are the principal charges listed under the heading Operating Costs.

Employee Benefits Expenses stood at ₹ 185.55 Crores.

Web Publishing Charges stood at ₹ 0.37 Crores as compared to ₹ 0.48 Crores in 2023-24.

Technology Subscription Charges and Fees for Technical Services stood at ₹ 11.31 Crores as compared to ₹ 10.27 Crores in 2023-24.

Rent Expenses stood at ₹ 1.60 Crores as compared to ₹ 1.49 Crores in 2023-24.

Rates and Taxes were ₹ 0.85 Crores as compared to ₹ 0.81 Crores in 2023-24.

Insurance

The Company covers various risks to safeguard and protect its assets. These include liability risk, such as D&O, E&O, and other liability insurance. The asset insurance covers all offices, fit-outs, furniture and other accessories. The insurance cost amounted to ₹ 0.45 Crores in 2024-25, as compared to ₹ 0.49 Crores for 2023-24.

Repairs and Maintenance

The Company's overall repairs and maintenance costs were at ₹ 2.55 Crores as compared to ₹ 2.95 Crores in 2023-24.

Business Promotion, Advertising, and Sales Promotion Expenses

For 2024-25, the advertising and sales promotion costs stood at ₹ 17.34 Crores, while business promotion costs stood at ₹ 2.86 Crores.

Traveling and Conveyance Expenses

The volume of travel and transportation stood at ₹ 4.84 Crores in 2024-25 as compared to ₹ 4.36 Crores in 2023-24.

Communication Expenses

The cost of communication stood at ₹ 20.76 Crores as compared to ₹ 21.38 Crores in 2023-24.

Office Expenses

The office expenses were ₹ 2.83 Crores, as compared to ₹ 2.88 Crores in 2023-24.

Legal and Professional Fees

The Company's legal and professional fees stood at ₹ 17.23 Crores in 2024-25, as compared to ₹ 19.61 Crores in 2023-24.

Provision for Doubtful Debts and Advances/Bad Debts Written off

During the year, the provision for doubtful debts and bad debts was ₹ 3.92 Crores, as compared to ₹ 7.15 Crores for 2023-24. The decrease is on account of provision on overdue debtors as per expected credit loss.

Miscellaneous Expenses

During the year, the miscellaneous expenses stood at ₹ 1.61 Crores in 2024-25, as compared to ₹ 1.26 Crores in 2023-24.

Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA)

EBITDA (excluding other income) was ₹ (6.59) Crores for 2024-25, as compared to ₹ 17.55 Crores for 2023-24. This is a decrease of 138% on a year-on-year basis. The overall decrease in EBITDA was primarily on account of decrease in revenue.

Interest

The Company does not have interest expenses, as it does not have any debt on its balance sheet.

Depreciation

Depreciation expense amounted to ₹ 12.96 Crores for 2024-25, as compared to ₹ 12.60 Crores for 2023-24, an increase of 2.9%. The increase was mainly on account of an increase in gross block.

Profit After Tax

Profit after tax amounted to ₹ 5.04 Crores for 2024-25, as compared to ₹ 24.24 Crores in 2023-24 registering a decline of 79.2% owing to decrease in revenue.

Equity

Total equity remained at ₹ 54.00 Crores as of March 31, 2025, as against ₹ 53.51 Crores, as on March 31, 2024.

Retained Earnings

During the year, retained earnings decreased to ₹ 311.54 Crores, as on March 31, 2025, as compared to ₹ 322.51 Crores, as on March 31, 2024 on account of dividend payout.

Property, Plant, and Equipment (PPE) and Intangible Assets

During the year, PPE (excluding CWIP and including investment property) balances increased to ₹ 118.88 Crores, as of March 31, 2025, from ₹116.72 Crores, as of March 31, 2024. The increase was on account of an addition in fixed assets.

Non-Current Financial Assets

The investment under non-current financial assets as on March 31, 2025, stood at ₹ 7.28 Crores, as compared to ₹ 7.45 Crores, as on March 31, 2024. This is mainly on account of impairment of investment.

Income Tax Assets

Income tax assets stood at ₹ 17.20 Crores, as compared to ₹ 16.46 Crores on March 31, 2024.

Current Financial Assets

Investments

Investments reflect the Company's cash flow and are made in generally conservative assets while the money is still being used for its operations. As on March 31, 2025, the total current investment stood at ₹ 172.01 Crores, as compared to ₹ 182.51 Crores as on March 31, 2024.

Trade Receivables

The trade receivables, stood at ₹ 166.90 crores, as on March 31, 2025, compared to ₹ 131.72 crores, as on March 31, 2024, resulting into increase in receivable days by 35 days.

Other Current Assets

The Company's other current assets amounted to ₹ 7.92 Crores as of March 31, 2025, as compared to ₹ 7.75 Crores as of March 31, 2024.

Dividend

Total dividend paid in 2024-25 was ₹ 16.13 Crores. However, for 2023-24 it was ₹ 13.27 Crores.

Corporate Social Responsibility (CSR)

Championing Community Growth

Quick Heal has consistently demonstrated its deep commitment to corporate social responsibility, not as a formality but as a meaningful mission to uplift communities and safeguard their future. More than a cybersecurity solutions provider, the Company sees itself as a catalyst for social good, working tirelessly to bridge the digital divide through thoughtful engagement, inclusive outreach, and purpose-driven programs. At the heart of its CSR philosophy is the belief that true progress must be secure, equitable, and shared by all members of society.

Central to this vision is the flagship initiative Cyber Shiksha for Cyber Suraksha, which empowers India's youth to take charge of their digital future. As dependence on technology grows, so too does the risk of cyber threats, many of which remain invisible to the everyday user. Quick Heal addresses this urgent need by equipping young individuals with the tools, knowledge, and confidence required to navigate the online world safely. These students are trained to become Cyber Warriors, ambassadors of digital safety who not only understand the technical aspects of cybersecurity but also develop vital leadership, communication, and organizational skills.

The initiative includes an Earn and Learn model that allows students to gain practical experience while supporting themselves financially. This component makes the program more inclusive and ensures that deserving youth from all backgrounds can participate fully. These Cyber Warriors go on to lead awareness campaigns, conduct

training sessions, perform street plays, and engage in interactive community dialogues that demystify the complexities of cybercrime and safety. To date, Cyber Shiksha for Cyber Suraksha has reached over 68 Lakhs individuals across 19 states in India, with more than 5,000 Cyber Warriors actively spreading awareness.

The program aligns with several United Nations Sustainable Development Goals, including SDG 4 for quality education, SDG 5 for gender equality, SDG 8 for decent work and economic growth, SDG 9 for industry and innovation, and SDG 17 for partnerships. By working with schools, law enforcement, NGOs, and government agencies, Quick Heal strengthens its impact and builds a unified front in the fight against cybercrime.

Quick Heal's broader CSR goal also supports vital national efforts such as Digital India, Skill India, Atmanirbhar Bharat, and the Pradhan Mantri Gramin Digital Saksharta Abhiyan. These alignments reflect the Company's commitment to nurturing a secure, digitally literate, and self-reliant nation.

Through all its programs, Quick Heal continues to inspire and empower. It sees each initiative not as a checklist item, but as a heartfelt investment in the people it serves. By combining corporate responsibility with compassion and innovation, the Company is building a legacy that goes far beyond profits - one that creates real change, fosters resilience, and shapes a digitally secure tomorrow for generations to come.

Risks and Mitigation Strategy

Securing the Path Ahead

Risk	Definition	Mitigation Measures
Risk of infringement of intellectual property rights and proprietary technology	The extent of protection afforded to the Company's patents, copyrights, trade secrets, and other intellectual property rights may differ based on the prevailing laws and regulations of the countries in which it operates.	Quick Heal has established legal protection for its key brands and innovations across major international markets. The trademark Quick Heal® is officially registered and protected. In the United States, the Company holds eight granted patents. Within the European Union, trademarks for both Quick Heal® and SEQRITE® are registered. Additionally, to support its current operations and planned expansions, the Company has secured Fast Heal® trademark registrations in countries including Australia, Japan, and the United States.
Channel partner dependency risk	The Company depends heavily on its network of channel partners for the sale and support of its solutions. This network includes service providers, system integrators, resellers, and distributors. The agreements with these partners are non-exclusive, giving them the flexibility to offer software security products from other companies, including competitors. However, if channel partners prioritize marketing and selling their own products or those of competitors over the Company's offerings, it could adversely affect business operations.	To ensure efficient distribution and minimize risks, the Company has implemented a two-tier distribution model. Its sales team works directly to enhance product availability across channels and provide technical and sales assistance. The Company strongly emphasizes on continuous training for its channel partners, coordinated with technical support centers, enabling them to offer high-quality support services to end users.

Risk	Definition	Mitigation Measures
Credit Risk	In the Consumer sector for antivirus and cybersecurity products, the stock-and-sell business model is predominantly utilized. This model requires extensive inventory at all levels due to the industry's fiercely competitive nature, which is crucial for achieving market dominance. The channel partners play a pivotal role in driving the Company's sales and revenues. However, their performance can be affected by any general market or economic conditions that impact their cash flow.	The Company offers a 30-60-90-day credit period to its channel partners, with over 90% of payments made within these terms. To mitigate this risk, the Company closely monitors its credit exposure and takes necessary measures to assess the creditworthiness of partners. To ensure faster sales turnover and prompt collection, the sales team collaborates closely with the partner ecosystem. The Company has strengthened its Tier I Distributor infrastructure by appointing over 260 distributors nationwide, serving 35,000 dealers across rural and urban regions. This expansion helps the Company increase its direct reach, attract more investment, and further reduce risk. However, moving up to high-value projects poses some risk for mid-segment partners, as execution and customer payments may exceed the 90-day period, despite their financial capability to support such deals. These partners act as aggregators, and each Tier II partner has credit terms with distributors. To mitigate this risk, the Company seeks the assistance of national distributors. This risk management approach is also applied by the Company in international markets and with partners worldwide.
Competition Risk	Competitors' solutions and services may seem equally effective as those offered by the Company, but at a lower cost, for free, bundled with other products, or in exchange for ongoing maintenance and service fees. This can have a notable impact on the Company's average revenue per unit sold.	Quick Heal has established itself as a market leader in the Consumer sector, with a particularly strong presence in Tier II and Tier III cities, in addition to major metro areas. The Company drives growth by attracting new customers through consistent marketing campaigns, strategic partnerships, retailer collaborations, and promotional events. A key differentiator for Quick Heal is its exceptional customer service. The Company offers comprehensive support through multiple channels, phone, E-mail, SMS, online chat, and a support forum, while also providing multilingual assistance in Hindi, English, and several regional Indian languages. In 2024-25, Quick Heal allocated ₹ 135.95 Crores to R&D as of March 31, 2025. The dedicated R&D team is focused on identifying emerging threats and developing innovative features tailored for the Consumer, Enterprise, and Government markets.

Risk	Definition	Mitigation Measures
Obsolescence	Quick Heal is exposed to the risk of obsolescence due to the rapid evolution of cyber threats, technological advancements, and shifting regulatory landscapes, which can render current tools and practices outdated.	The Company stays at the forefront of innovation by investing in research and development, supporting a wide range of hardware, software applications, operating systems, and network functions. Quick Heal is committed to delivering timely updates and continuous improvements to ensure users benefit from the latest protection.

Internal Control Systems and Adequacy

Strengthening Control Frameworks

Quick Heal has established a comprehensive framework of rules, regulations, and procedures to support its operations, enhance operational efficiency, and ensure adherence to internal policies. These internal control systems are tailored to suit the unique characteristics, scale, and complexity of the organization. To uphold effectiveness, both internal and statutory auditors periodically evaluate the Company's operations and processes. Observations and findings from these evaluations are addressed promptly, and the Audit Committee convenes regularly to review these reports in detail.

Audit Committee

The Audit Committee plays a critical role in evaluating the effectiveness of Quick Heal's internal control systems and recommending enhancements where necessary. Additionally, all Related Party Transactions require the Committee's prior approval. The Committee is constituted by the Board of Directors in accordance with Section 177 of the Companies Act and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Code of Conduct

Quick Heal adheres to a comprehensive Code of Conduct that outlines the ethical and legal standards expected from employees, directors, and vendors. This code addresses key areas such as conflict of interest, anti-bribery and anti-corruption measures, data protection, and intellectual property rights.

Whistle-Blower Policy and Vigil Mechanism

The Company is committed to operating with integrity, professionalism, and transparency. Through its Whistle-Blower Policy and Vigil Mechanism, Quick Heal encourages employees to report any unethical behaviour, misconduct, or questionable business practices without fear of retaliation.

Vulnerability Disclosure Policy

As part of its dedication to sound corporate governance, Quick Heal has implemented a robust Vulnerability Disclosure Policy. This policy ensures that any potential security issues are reported and addressed responsibly, reinforcing the Company's commitment to ethical practices and risk management.

IT Security Controls

Quick Heal has deployed advanced IT security controls to safeguard its systems and those of its clients. Its IT security framework encompasses access management, data protection protocols, and incident response strategies, ensuring a secure digital environment for all stakeholders.

Cautionary Statement

'Forward-looking' assertions about Quick Heal Technologies Limited's financial performance and operations outcomes can be found in this paper. 'Forward-looking statements' are, by their very nature, subject to risks and uncertainties and demand assumptions from the Company. The likelihood that the assumptions, forecasts, and other 'forward-looking statements' will turn out to be incorrect is rather high. Readers are advised not to put undue faith in 'forward-looking statements' since a number of variables might lead to assumptions, actual results, and events diverging considerably from those predicted in the statements. As a result, the conclusions, limitations, and risk factors mentioned in the Management Discussion and Analysis of the Company's Annual Report 2024-25 apply to this document in their entirety and are subject to the cautionary note.

NOTICE

Notice is hereby given that the 30th Annual General Meeting of the Members of Quick Heal Technologies Limited will be held on Thursday, 25th day of September 2025 at 11.00 A.M. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. **Adoption of Financial Statements:**

   To receive, consider and adopt

   (a) the audited standalone financial statements of the Company for the financial year ended March 31, 2025 and the reports of the Board of Directors and the Auditors thereon; and

   (b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2025 and the report of Auditors thereon

2. **Appointment of Mr. Kailash Katkar as a Director liable to retire by rotation:**

   To appoint a Director in place of Mr. Kailash Katkar (DIN: 00397191), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. **Appointment of Ruchi Bhave as Secretarial Auditor of the Company:**

   To consider and if thought fit, to pass the following resolution **as an Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 179 and 204, and any other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and in terms of Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) as amended from time to time, Ruchi Bhave (Firm registration No. I2023MH2474600), be and are hereby appointed as Secretarial Auditor of the Company for a term of five (5) consecutive years, commencing from Financial Year 2025-26 till Financial Year 2029-30, on a remuneration of Rs.1,40,000 (Rupees One Lac Fourty Thousand only) and on such terms and conditions as may be decided by the Board of Directors in consultation with the Secretarial Auditor of the Company and to avail any other services, certificates, or reports as may be permissible under the applicable laws.

4. **Appointment of Ms. Amita Mirajkar [DIN: 06945253] as an Non-Executive Women Director and designate her as Independent Director.**

   To consider and, if thought fit, to pass the following resolution as an **Special Resolution**

   "RESOLVED THAT pursuant to the provisions of Section 149, 150, 152, 161 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Ms. Amita Mirajkar [DIN: 06945253] who was appointed as an Additional, Non-Executive, Independent Woman Director by the Board of Directors of the Company with effect from August 07, 2025 and who holds office upto the date of this Annual General Meeting of the Company, who, being eligible, offers herself for appointment and in respect of whom the Company has received a notice from a member in writing under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director on the Board of Directors of the Company to hold office for a term of 5 (five) consecutive years up to August 06, 2030.

   RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Act and the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended from time to time, appointment of Ms. Amita Mirajkar [DIN: 06945253] who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI LODR, as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 consecutive years, be and is hereby approved.**"**

5. **Remuneration to Non – Executive Independent Directors:**

   To consider and, if thought fit, to pass the following resolution as an **Special Resolution**

   ''RESOLVED THAT pursuant to Sections 197, 198, and all other applicable provisions of the Companies Act, 2013 read with rules made thereunder, including any statutory modification or re-enactment thereof and

NOTICE (Contd.)

Schedule V, for the time being in force (hereinafter referred to as "the Act") and Regulation 17(6) of the SEBI LODR and subject to all approvals, permissions and sanctions as may be necessary, and on the basis of the recommendation of the nomination and remuneration committee and of the Board of Directors, the approval of the Company be and is hereby accorded for payment of remuneration/ commission to the Director(s) of the Company who is/ are neither in the whole-time employment with the Company nor Managing Director(s) of the Company, in such manner and up to such extent as the Board of Directors of the Company ("the Board" which expression shall also include a Committee thereof for the time being exercising the powers conferred on the Board by this resolution) may so determine from time to time upon recommendation of the Nomination and Remuneration Committee. The abovesaid remuneration shall be payable even in the event of loss or inadequacy of profits in any financial year(s), such remuneration will be within the limits as prescribed under Section 197 read with Schedule V of the Act or Regulation 17 of the SEBI LODR, 2018 or any amendment thereof payable to all Non-Executive Directors for 2024-25.

RESOLVED FURTHER THAT the above remuneration/ commission shall be in addition to the fees payable to the Directors for attending the meetings of the Board or any Committee thereof or for any other purpose whatsoever, as may be decided by the Board of Directors and reimbursement of expenses for participation in the Board or any other meetings.

RESOLVED FURTHER THAT for the purpose of giving effect to the said resolution, the Board be and is hereby authorized to take all such actions and to do all such deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question or doubt that may arise in this regard.**"**

BY ORDER OF THE BOARD OF DIRECTORS
For Quick Heal Technologies Limited

Sd/-
Kailash Katkar
Chairman and Managing Director
(DIN: 00397191)

Place: Pune
Date: August 07, 2025

Registered Office:
Solitaire Business Hub, Office No. 7010 C & D,
7th Floor, Viman Nagar, Pune- 411014
CIN: L72200MH1995PLC091408
Tel: +91 20 66813232
E-mail id: cs@quickheal.co.in
Website: www.quickheal.co.in

NOTES

1. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI LODR and MCA Circulars, the AGM of the Company is being held through VC/ OAVM.
2. The relevant details of 36(3) of SEBI LODR and Secretarial Standards (SS) issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed.
3. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, with respect to the Special Business to be transacted as aforesaid is annexed hereto.
4. Since the AGM will be held through VC/ OAVM, the Route Map is not annexed in this Notice.
5. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/ her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/ OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
6. The Company has appointed Mr. Jayavant Bhave, Practising Company Secretary (Membership No. FCS: 4266; CP No: 3068), to act as the Scrutinizer for remote e-voting as well as the e-voting at AGM, if any, to ensure e-voting process in a fair and transparent manner.
7. Institutional/ Corporate Shareholders (i.e. other than individuals/ HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC/ OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to jbbhave@gmail.com.
8. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
9. Relevant documents referred to in the accompanying Notice and the Statement is open for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
10. Members holding shares in electronic form are requested to immediately intimate any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company/ Registrar of the Company MUFG Intime India Private Limited (MUFG Intime).
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ MUFG Intime.
12. Non-Resident Indian Members are requested to inform MUFG Intime, immediately of a) Change in their residential status on return to India for permanent settlement. b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
13. The Register of Directors and Key Managerial Personnel and their shareholding and Register of Contracts and Arrangements in which Directors are Interested, as maintained under Section 170 and section 189 respectively of the Companies Act, 2013, will be available for inspection by the Members at AGM.
14. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2024-25 is being sent through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. In accordance with Regulation 36(1)(b) of the SEBI LODR, a letter is being sent to the shareholders whose email addresses are not registered with the Company/ Depositories, providing a web-link for accessing the Annual Report 2024-25. Members may note that the Notice and Annual Report 2024-25 will also be available on the Company's website www.quickheal.co.in, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website https://instavote.linkintime.co.in
15. Members attending the AGM through VC/ OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
16. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate

NOTICE (Contd.)

in the AGM through VC/ OAVM but shall not be entitled to cast their vote again.

17. Procedure and instructions relating to e-Voting:

    The voting period begins on September 22, 2025 at 12:01 AM (IST) and ends on September 24, 2025 at 5:00 PM (IST). During this period Members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 19, 2025 may cast their vote electronically. The e-voting module shall be disabled by MUFG Intime for voting thereafter.

18. Members who would like to express their views/ ask questions as a speaker at AGM, are requested to pre-register by sending an email to cs@quickheal.co.in by 5:00 PM IST on Friday, September 19, 2025. Kindly include details such as Name, DP ID, Client ID, Contact Number in such email. Considering availability of time, the company may limit the number of speakers and questions to ensure AGM runs smoothly. However, the Company will endeavour to respond to the questions which have remained unanswered during the meeting to the respective shareholders.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

ITEM NO. 3 APPOINTMENT OF RUCHI BHAVE AS SECRETARIAL AUDITOR OF THE COMPANY:

The Board at its meeting held on May 06, 2025, based on recommendation of the Audit Committee, after evaluating and considering various factors such as industry experience, efficiency in conduct of audit, independence, has approved the appointment of Ruchi Bhave, Practising Company Secretary, a peer reviewed firm (Firm Registration Number: 5620/2024) as Secretarial Auditors of the Company for a term of five consecutive years commencing from 2025-26 till 2029-30, subject to approval of the Members. The appointment of Secretarial Auditors shall be in terms of the amended Regulation 24A of the SEBI LODR vide SEBI Notification dated December 12, 2024 and provisions of Section 204 of the Act and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Ruchi Bhave, Practising Company Secretary and based in Pune, specializes in providing services in corporate law, SEBI LODR, FEMA compliance. Ruchi Bhave has confirmed that she is not disqualified and is eligible to be appointed as Secretarial Auditor in terms of Regulation 24A of the SEBI LODR. The services to be rendered by Ruchi Bhave as Secretarial Auditor are within the purview of the said regulation read with SEBI circular no. SEBI/ HO/CFD/ CFD-PoD-2/CIR/P/2024/185 dated December 31, 2024.

The proposed fees in connection with the secretarial audit shall be ₹ 1,40,000/- (Rupees One Lakh Forty Thousand only) plus applicable taxes and other out-of-pocket expenses for FY 2025-26, and for subsequent year(s) of their term, such fees as may be mutually agreed.

ITEM NO 4: TO APPROVE APPOINTMENT OF MS. AMITA MIRAJKAR [DIN: 06945253] AS NON-EXECUTIVE DIRECTOR AND DESIGNATE HER AS INDEPENDENT WOMAN DIRECTOR.

Ms. Amita Mirajkar [DIN: 06945253] was appointed as an Additional Director of the Company with effect from August 07, 2025 pursuant to section 161 read together with Article 38 of the Articles of Association of the Company. She holds the office of Additional Director till the ensuing Annual General Meeting and is eligible for appointment as an Independent Director. Pursuant to the provisions of Section 149 of the Act, an Independent Director shall hold office for a term up to five consecutive years on the Board of a Company and is not liable to retire by rotation.

Ms. Amita Mirajkar [DIN: 06945253] has consented to act as Director of the Company and has given a declaration to the Board that she meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI LODR. In the opinion of the Board, Ms. Amita Mirajkar [DIN: 06945253]. fulfils the conditions specified in the Act and the Rules made thereunder for appointment as Independent Director and she is independent of the management.

The Board, based on the recommendation of the Nomination and Remuneration Committee, recommends her appointment as Independent Director for a period of five years from August 07, 2025 up to August 06, 2030. In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Ms. Amita Mirajkar [DIN: 06945253] as Independent Director is now being placed before the Members in General Meeting for their approval.

The terms and conditions of appointment of Ms. Amita Mirajkar [DIN: 06945253], pursuant to the provisions of Schedule IV of the Act, shall be open for inspection at the Registered Office of the Company by any Member during normal business hours on any working day of the Company.

The Board recommends the Special Resolution as set out at Item No. 4 of the Notice for your approval.

Ms. Amita Mirajkar [DIN: 06945253] is interested and concerned in the Resolution mentioned at Item No.4 of the Notice and other than Ms. Amita Mirajkar [DIN: 06945253], no other Director, Key Managerial Personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No.4 of the Notice.

ITEM NO 5: REMUNERATION TO INDEPENDENT NON-EXECUTIVE DIRECTORS:

The members of the Company have accorded their approval for payment of commission on profits to the Non-Executive Directors in the Annual General Meeting of the Company held on August 11, 2023, within the limits as prescribed in terms of section 197 of the Companies Act, 2013 (Act) read with section II part A of Schedule V. Under the provisions of section 197 of the Companies Act, 2013, payment of remuneration to Non-Executive Directors shall be approved by the Company in general meeting.

The Non-Executive Directors of the Company bring with them significant professional expertise and rich experience across a wide spectrum of functional areas such as marketing, legal, corporate strategy and finance. In order to bring the remuneration of the Non-Executive Directors in line and commensurate with the time devoted and the contribution made by them, the nomination and remuneration committee and the Board of Directors of the Company ('the Board') at the meeting held on May 06, 2025, have recommended for the approval of the members, payment of remuneration of ₹ 5,00,000 Lakhs (Rupees Five Lakh only) to each Director by way of commission to the Non-Executive Directors of the Company, other details as set out in the Annexure 2.

Accordingly, it is proposed that in terms of section 197 of the Act, the Non Executive Directors (apart from the Managing Director and Wholetime Directors) be paid such remuneration/commission as recommended by the Nomination and Remuneration Committee and approved by the Board for each financial year, within the limits as prescribed in terms of section 197 of the Companies Act, 2013 (Act) read with section II part A of Schedule V for financial year 2024-25.

The Board recommends the Special Resolution as set out in Item No. 6 of the Notice for approval of the Members.

All the Non-Executive Directors and their relatives are concerned or interested in the Resolution at Item No. 6 set out in the Notice to the extent of the remuneration that may be received by each of them.

BY ORDER OF THE BOARD OF DIRECTORS
Quick Heal Technologies Limited

Sd/-
Kailash Katkar
Chairman and Managing Director
(DIN: 00397191)

Place: Pune
Date: August 07, 2025

ANNEXURE 1 TO THE NOTICE

Details of Director seeking reappointment at the Annual General Meeting

Particulars	Mr. Kailash Katkar
Age	58
Date of first appointment	August 07, 1995
Qualifications	Marticulate
Expertise in specific functional areas	Business Administration
Number of shares held in the Company	78,53,473
List of directorships held in other companies *	Data Security Council of India
Number of Board Meetings attended during 2024-25	5 of 5
Chairperson/Member in the Committees of the Boards of companies in which he is a director	1
Relationships directors inter se	Brother of Mr. Sanjay Katkar
Remuneration last drawn (Including sitting fee & commission)	₹ 1.73 Crore

**Based on disclosures received from the respective Director.*

Particulars	Ms. Amita Mirajkar
Age	43
Date of first appointment	August 07, 2025
Qualifications	MBA in Technology Management from the University of Phoenix - 2013. B.E. in Computer Engineering from the Maharashtra Institute of Technology - 2003.
Expertise in specific functional areas	Deep Technology expertise, stakeholder governance, strategic planning, risk management, operational excellence.
Number of shares held in the Company	NA
List of directorships held in other companies *	NA
Number of Board Meetings attended during 2024-2025	Not applicable
Chairperson/Member in the Committees of the Boards of companies in which he is a director	NA
Relationships directors inter se	Nil
Remuneration last drawn (Including sitting fee & commission)	Nil

**Based on disclosures received from the respective Director.*

ANNEXURE 2 TO THE NOTICE

INFORMATION REQUIRED AS PER CLAUSE (IV) OF SECTION II OF SCHEDULE V OF THE COMPANIES ACT, 2013

I. General Information

a. **Nature of Business:** The Company is engaged into providing IT security solutions to consumers, small businesses and Government establishments and Corporate houses.

b. **Financial performance based on given indicators:**

Standalone Financial performance based on given indicators (₹ in Crores)

Particulars	2024-25	2023-24	2022-23
Total Income	300.25	313.12	300.49
Profit before tax	1.53	26.04	9.29
Profit after tax	5.57	24.07	7.70

Consolidated Financial performance based on given indicators (₹ in Crores)

Particulars	2024-25	2023-24	2022-23
Total Income	300.30	313.14	300.22
Profit before tax	1.00	26.21	8.02
Profit after tax	5.04	24.24	6.40

III. Other Information:

a. **Reason of loss or inadequate profits:** There is inadequacy of profit in 2024-25, due to decline in revenue owing to headwinds in consumer business and revenue from Government in Enterprise business impacted due to general elections in the country. The cost increased largely due to investment in new age products.

b. **Steps taken or proposed to be taken for improvement:** We are approaching it in two-fold manner: revenue enhancement through refined Go to Market strategy and cost optimization measures across the businesses.

ANNEXURE 3 TO THE NOTICE

REMOTE EVOTING INSTRUCTIONS:

In terms of SEBI circular no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access remote e-Voting facility.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	**METHOD 1 - NSDL IDeAS facility** **Shareholders registered for IDeAS facility:** a) Visit URL: https://eservices.nsdl.com and click on "Beneficial Owner" icon under "IDeAS Login Section". b) Click on "Beneficial Owner" icon under "IDeAS Login Section". c) Post successful authentication, you will be able to see e-Voting services under Value added services section. Click on "Access to e-Voting" under e-Voting services. d) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period. **Shareholders not registered for IDeAS facility:** a) To register, visit URL: https://eservices.nsdl.com and select "Register Online for IDeAS Portal" or click on https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp b) Enter 8-character DP ID, 8-digit Client ID, Mobile no, Verification code & click on "Submit". c) Enter the last 4 digits of your bank account / generate 'OTP' d) Post successful registration, user will be provided with Login ID and password. Follow steps given above in points (a-d). Shareholders/ Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience Google Play App Store **METHOD 2 - NSDL e-voting website** a) Visit URL: https://www.evoting.nsdl.com b) Click on the "Login" tab available under 'Shareholder/Member' section. c) Enter User ID (i.e., your 16-digit demat account no. held with NSDL), Password/OTP and a Verification Code as shown on the screen. d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services. e) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period. **METHOD 3 - NSDL OTP based login** a) Visit URL: https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp b) Enter your 8 - character DP ID, 8 - digit Client Id, PAN, Verification code and generate OTP. c) Enter the OTP received on your registered email ID/ mobile number and click on login. d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services. e) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

ANNEXURE 3 TO THE NOTICE (Contd.)

<table>
<tr><th>Type of shareholders</th><th>Login Method</th></tr>
<tr><td>Individual Shareholders registered with CDSL Easi/ Easiest facilit</td><td>METHOD 1 - CDSL Easi/ Easiest facility:
Shareholders registered for Easi/ Easiest facility:
a) Visit URL: https://web.cdslindia.com/myeasitoken/Home/Login or www.cdslindia.com & click on New System Myeasi Tab.
b) Enter existing username, Password & click on "Login".
c) Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.
Shareholders not registered for Easi/ Easiest facility:
a) To register, visit URL: https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration / https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration
b) Proceed with updating the required fields for registration.
c) Post successful registration, user will be provided username and password. Follow steps given above in points (a-c).
METHOD 2 - CDSL e-voting page
a) Visit URL: https://www.cdslindia.com
b) Go to e-voting tab.
c) Enter 16-digit Demat Account Number (BO ID) and PAN No. and click on "Submit".
d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
e) Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.</td></tr>
<tr><td>Individual Shareholders holding securities in demat mode with Depository Participant</td><td>Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL / CDSL for e-voting facility.
a) Login to DP website
b) After Successful login, user shall navigate through "e-voting" option.
c) Click on e-voting option, user will be redirected to NSDL / CDSL Depository website after successful authentication, wherein user can see e-voting feature.
d) Post successful authentication, click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.
Login method for shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode.
Shareholders holding shares in physical mode / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register and vote on InstaVote as under:
STEP 1: LOGIN / SIGNUP to InstaVote
Shareholders registered for INSTAVOTE facility:
a) Visit URL: https://instavote.linkintime.co.in & click on "Login" under 'SHARE HOLDER' tab.</td></tr>
</table>

ANNEXURE 3 TO THE NOTICE (Contd.)

<table>
<tr><th>Type of shareholders</th><th>Login Method</th></tr>
<tr><td></td><td>
b) Enter details as under:
1. User ID: Enter User ID
2. Password: Enter existing Password
3. Enter Image Verification (CAPTCHA) Code
<table>
<tr><td>InstaVote USER ID</td><td>NSDL</td><td>User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g.IN123456) and 8 digit Client ID (eg. 12345678).</td></tr>
<tr><td></td><td>CDSL</td><td>User ID is 16 Digit Beneficiary ID</td></tr>
<tr><td></td><td>Shares held in physical form</td><td>User ID is Event No + Folio no. registered with the Company</td></tr>
</table>
4. Click "Submit".
(Home page of e-voting will open. Follow the process given under "Steps to cast vote for Resolutions")
</td></tr>
<tr><td>Shareholders not registered for INSTAVOTE facility</td><td>
a) Visit URL: https://instavote.linkintime.co.in & click on "Sign Up" under 'SHARE HOLDER' tab & register with details as under:
1. User ID: Enter User ID
2. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
<table>
<tr><td>InstaVote USER ID</td><td>NSDL</td><td>User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g.IN123456) and 8 digit Client ID (eg. 12345678).</td></tr>
<tr><td></td><td>CDSL</td><td>User ID is 16 Digit Beneficiary ID</td></tr>
<tr><td></td><td>Shares held in physical form</td><td>User ID is Event No + Folio no. registered with the Company</td></tr>
</table>
3. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP/Company - in DD/MM/YYYY format)
4. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.
o Shareholders holding shares in NSDL form, shall provide 'D' above
o Shareholders holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above
5. Set the password of your choice.
(The password should contain minimum 8 characters, at least one special Character (!#$&*), at least one numeral, at least one alphabet and at least one capital letter).
6. Enter Image Verification (CAPTCHA) Code.
7. Click "Submit" (You have now registered on InstaVote).
Post successful registration, click on "Login" under 'SHARE HOLDER' tab & follow steps given above in points (a-b).

STEP 2: Steps to cast vote for Resolutions through InstaVote
A. Post successful authentication and redirection to InstaVote inbox page, you will be able to see the "Notification for e-voting".
B. Select 'View' icon. E-voting page will appear.
C. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
D. After selecting the desired option i.e. Favour / Against, click on 'Submit'.
E. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.
NOTE: Shareholders may click on "Vote as per Proxy Advisor's Recommendation" option and view proxy advisor recommendations for each resolution before casting vote. "Vote as per Proxy Advisor's Recommendation" option provides access to expert insights during the e-Voting process. Shareholders may modify their vote before final submission.
Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently.
</td></tr>
</table>

ANNEXURE 3 TO THE NOTICE (Contd.)

Type of shareholders	Login Method
Guidelines for Institutional shareholders ("Custodian / Corporate Body/ Mutual Fund")	**STEP 1 – Custodian / Corporate Body/ Mutual Fund Registration** A. Visit URL: https://instavote.linkintime.co.in B. Click on "Sign Up" under "Custodian / Corporate Body/ Mutual Fund" C. Fill up your entity details and submit the form. D. A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in. E. Thereafter, Login credentials (User ID; Organisation ID; Password) is sent to Primary contact person's email ID. (You have now registered on InstaVote) **STEP 2 – Investor Mapping** A. Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials. B. Click on "Investor Mapping" tab under the Menu Section C. Map the Investor with the following details: 1) 'Investor ID' – Investor ID for NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678; Investor ID for CDSL demat account is 16 Digit Beneficiary ID. 2) 'Investor's Name - Enter Investor's Name as updated with DP. 3) 'Investor PAN' - Enter your 10-digit PAN. 4) 'Power of Attorney' - Attach Board resolution or Power of Attorney. NOTE: File Name for the Board resolution/ Power of Attorney shall be – DP ID and Client ID or 16 Digit Beneficiary ID. Further, Custodians and Mutual Funds shall also upload specimen signatures. D. Click on Submit button. (The investor is now mapped with the Custodian / Corporate Body/ Mutual Fund Entity). The same can be viewed under the "Report Section". **STEP 3 – Steps to cast vote for Resolutions through InstaVote** The corporate shareholder can vote by two methods, during the remote e-voting period. **METHOD 1 - VOTES ENTRY** a) Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials. b) Click on "Votes Entry" tab under the Menu section. c) Enter the "Event No." for which you want to cast vote. Event No. can be viewed on the home page of InstaVote under "On-going Events". d) Enter "16-digit Demat Account No.". e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link). After selecting the desired option i.e. Favour / Against, click on 'Submit'. f) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently). **METHOD 2 - VOTES UPLOAD** a) Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials. b) After successful login, you will see "Notification for e-voting".

ANNEXURE 3 TO THE NOTICE (Contd.)

Type of shareholders	Login Method
	c) Select "View" icon for "Company's Name / Event number". d) E-voting page will appear. e) Download sample vote file from "Download Sample Vote File" tab. f) Cast your vote by selecting your desired option 'Favour / Against' in the sample vote file and upload the same under "Upload Vote File" option. g) Click on 'Submit'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode facing any technical issue in login may contact INSTAVOTE helpdesk by sending a request at enotices@in.mpms.mufg.com or contact on: - Tel: 022 – 4918 6000.

Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending request at evoting@nsdl.co.in or call at: 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Forgot Password:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on: https://instavote.linkintime.co.in

- Click on **"Login"** under 'SHARE HOLDER' tab.
- Click **"forgot password?"**
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA).
- Click on "SUBMIT".

In case Custodian / Corporate Body/ Mutual Fund has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on: https://instavote.linkintime.co.in

- Click on 'Login' under "Custodian / Corporate Body/ Mutual Fund" tab
- Click **"forgot password?"**
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA).
- Click on "SUBMIT".

In case shareholders have a valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI etc. The password should contain a minimum of 8 characters, at least one special character (!#$&), at least one numeral, at least one alphabet and at least one capital letter.*

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both, then the Shareholders are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.

General Instructions - Shareholders

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

ANNEXURE 3 TO THE NOTICE (Contd.)

INSTAMEET VC INSTRUCTIONS

In terms of Ministry of Corporate Affairs (MCA) General Circular No. 09/2024 dated 19.09.2024, the Companies can conduct their AGMs/ EGMs on or before September 30, 2025 by means of Video Conference (VC) or other audio-visual means (OAVM).

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access InstaMeet facility.

Type of shareholders	Login Method
shareholders to attend the General Meeting through InstaMeet	a) Visit URL: https://instameet.in.mpms.mufg.com & click on **"Login"**. b) Select the "Company Name" and register with your following details: c) Select Check Box - **Demat Account No**. / **Folio No.** / **PAN** • Shareholders holding shares in NSDL/ CDSL demat account shall select check box - Demat Account No. and enter the 16-digit demat account number. • Shareholders holding shares in physical form shall select check box – Folio No. and enter the Folio Number registered with the company. • Shareholders shall select check box – PAN and enter 10-digit Permanent Account Number (PAN). Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided by MUFG Intime, if applicable. • Mobile No: Mobile No. as updated with DP is displayed automatically. Shareholders who have not updated their Mobile No with the DP shall enter the mobile no. • Email ID: Email Id as updated with DP is displayed automatically. Shareholders who have not updated their Mobile No with the DP shall enter the mobile no. d) Click "Go to Meeting" You are now registered for InstaMeet, and your attendance is marked for the meeting.
Instructions for shareholders to Speak during the General Meeting through InstaMeet	a) Shareholders who would like to speak during the meeting must register their request with the company. b) Shareholders will get confirmation on first cum first basis depending upon the provision made by the company. c) Shareholders will receive "speaking serial number" once they mark attendance for the meeting. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device. d) Other shareholder who has not registered as "Speaker Shareholder" may still ask questions to the panellist via active chat-board during the meeting. **Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.*
Instructions for Shareholders to Vote during the General Meeting through InstaMeet	Once the electronic voting is activated during the meeting, shareholders who have not exercised their vote through the remote e-voting can cast the vote as under: a) On the Shareholders VC page, click on the link for e-Voting "Cast your vote" b) Enter your 16-digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET c) Click on 'Submit'. d) After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting. e) Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.

ANNEXURE 3 TO THE NOTICE (Contd.)

Type of shareholders	Login Method
	f) After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note:

Shareholders/ Members, who will be present in the General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.

Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-FI or LAN connection to mitigate any kind of aforesaid glitches.

Helpdesk:

Shareholders facing any technical issue in login may contact INSTAMEET helpdesk by sending a request at instameet@in.mpms.mufg.com or contact on: - Tel: 022 – 4918 6000 / 4918 6175.

BOARD'S REPORT

Dear Members,

Quick Heal Technologies Limited

The Board of Directors of your Company is pleased to present the 30th Annual Report along with the audited financial statements, for the financial year ended March 31, 2025.

1. FINANCIAL RESULTS

(₹ in Crores)

Particulars	Consolidated		Standalone	
	2024-25	2023-24	2024-25	2023-24
Revenue from Operations (Net)	279.53	291.75	279.53	291.75
Other Income	20.77	21.39	20.72	21.37
Total Income	**300.30**	**313.14**	**300.25**	**313.12**
Expenses	286.34	274.33	285.76	274.48
Depreciation	12.96	12.60	12.96	12.60
Total Expenditure	**299.30**	**286.93**	**298.72**	**287.08**
Profit Before Tax	**1.00**	**26.21**	**1.53**	**26.04**
Total Tax	(4.04)	1.97	(4.04)	1.97
Profit After Tax	**5.04**	**24.24**	**5.57**	**24.07**

1 Crores= 10 Million

The abovementioned figures are extracted from financial statements prepared in accordance with the Indian accounting standards (IND AS).

The Standalone and Consolidated Financial Statements of the Company for the financial year 2024-25 are prepared in compliance with the applicable provisions of the Companies Act 2013 (**the 'Act'**) including Indian Accounting Standards specified under section 133 of the Act. The audited Standalone and Consolidated Financial Statements together with the Auditors' Report thereon forms part of the Annual Report of the financial year 2024-25. The Auditors' Report on Standalone and Consolidated financials is unmodified.

2. COMPANY PERFORMANCE OVERVIEW AND OUTLOOK

The Company recorded a total income of ₹ 300.30 Crores for the financial year 2024-25 as against ₹ 313.14 Crores in 2023-24, resulting in a decrease of 4.10% in the total income during the year under review on consolidated basis. The Profit after Tax of the Company was decreased by ₹ 19.20 Crores from ₹ 24.24 Crores in the year 2023-24 to ₹ 5.04 Crores in the year under review.

Outlook of the business has been discussed in detail in the "Management Discussion and Analysis Report" which forms a part of the Annual Report.

3. DIVIDEND

During the financial year 2024-25, the Board of Directors has decided not to recommend any dividend in order to strengthen the financial position of the Company. This decision is in alignment with the Company's long-term strategic goals.

4. TRANSFER OF PROFITS TO RESERVES

The Directors do not propose to transfer any amount to the General Reserve.

5. PUBLIC DEPOSITS

During the year under review, your Company did not accept any deposits under section 73 and 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014, as amended from time to time.

6. REPORT ON PERFORMANCE OF SUBSIDIARIES

The Company has two subsidiaries as of March 31, 2025. There are no associates or joint venture companies within meaning of Section 2(6) of the Companies Act, 2013. There has been no material change in the nature of the business of the subsidiaries.

A statement containing salient features of the financial statements of subsidiary Companies in Form AOC-1, as required under section 129 (3) of the Companies Act, 2013, forms a part of this Board's Report and is annexed as **Annexure A**. The audited financial statements in respect of each of the subsidiaries will

BOARD'S REPORT (Contd.)

be kept open for inspection at the Registered Office of the Company on all working days between 11.00 a.m. to 1:00 p.m. up to the date of the forthcoming AGM. Further, the Company will make available the audited annual accounts and related information about the subsidiary companies, upon request by any Member of the Company through e-mail.

7. MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

As per the provisions of Regulation 34(2) of the SEBI LODR, a detailed review by the Management of the business operations of the Company is presented under separate section "Management Discussion and Analysis Report" (MD&A) which forms a part of this Annual Report. The MD&A captures the Company's performance, industry trends and other material changes with respect to your Company.

8. CORPORATE GOVERNANCE REPORT

The Company believes in adopting the best practices of corporate governance. The Company has complied with the regulatory provisions for Corporate Governance as prescribed under Schedule V of SEBI LODR. The quarterly Corporate Governance Reports are submitted to the stock exchanges in compliance with the regulatory provisions. A certificate from M/s J. B. Bhave & Co., Practicing Company Secretaries, confirming compliance with the conditions of the Corporate Governance, forms a part of this Annual Report.

9. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

A Business Responsibility and Sustainability Report as per Regulation 34(2) of the SEBI LODR, detailing the various initiatives taken by the Company on the environmental, social and governance front forms an integral part of this Board Report.

Over 8.6 Lakhs ransomware attacks were prevented in the financial year 2024-25. The average cost of ransomware attacks reported was ₹ 45.3 Crores approximately (source: purplesec.us).

10. RISK MANAGEMENT

The Company has put in place a robust risk management framework which facilitates the identification of risks and also mitigation thereof. The Audit Committee is updated on the risks on a quarterly basis. There are no risks which in the opinion of your Board threaten the existence of the Company. However, risks that may pose a concern, are explained under Management Discussion and Analysis which forms part of this Annual Report.

The Risk Management Committee is Chaired by Independant Director and the Chairman of the Committee briefs the Board about significant discussions held in the Risk Management Committee meeting.

The Risk Management Policy of the Company is available on the Company's website at https://www.quickheal.co.in/documents/investors/policies/Risk-Management-Policy.pdf

11. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THE REPORT

There have been no other material changes and commitments which affect the financial position of the Company that have occurred between the end of the financial year to which the financial statements relate and the date of this report.

12. LISTING ON STOCK EXCHANGES

The Company's shares are listed on BSE Limited and the National Stock Exchange of India Limited.

13. COMPLIANCE WITH THE CODE OF CONDUCT

A declaration signed by the Chief Executive Officer affirming compliance with the Company's Code of Conduct by the Directors and Senior Management Personnel, for the financial year 2024-25, as required under Schedule V of the SEBI LODR forms a part of this Annual Report.

14. DIRECTORS & KEY MANAGERIAL PERSONNEL (KMPS)

a. Composition of Board & Details of KMPs

As on March 31, 2025, the Board comprises of two Executive Directors, five Non-Executive Independent Directors and one Non-Executive Non-Independent Director. The Board is well diversified and consists of one Women Independent Director. The Non-Executive Non-Independent Director resigned from the position of Director with effect from March 31, 2025.

Mr. Kailash Katkar, Chairman and Managing Director, Mr. Sanjay Katkar, Joint Managing Director, Mr. Vishal Salvi, Chief Executive Officer (CEO), Mr. Ankit Maheshwari, Chief Financial Officer (CFO), Mr. Sarang Deshpande, Company Secretary (CS) and Mr. Vikram Dhanani, Compliance Officer are the Key Managerial Personnel of the Company within the meaning of sections 2(51) and 203 of the Companies Act, 2013 read together with the

Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and regulation 6 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

b. Appointment & Cessation during the year.

The Board at its meeting held on April 25, 2024, had re-appointed Mr. Amitabha Mukhopadhyay as an Independent Director which was consequently approved by the shareholders at the Annual General Meeting held on September 06, 2024, for Second term of 5 Consecutive years i.e. from June 10, 2024 to June 09, 2029.

Mr. Kamal Kumar Agarwal was appointed as an Additional Director in the category of Independent Director w.e.f. July 26, 2024. Mr. Kamal Kumar Agarwal was appointed as an Independent Director at the Annual General Meeting held on September 06, 2024.

During the year Mr. Kailash Katkar, Chairman and Managing Director and Mr. Sanjay Katkar, Joint Managing Director whose term of appointment were expiring on March 31, 2025, were re-appointed in Board Meeting held on February 04, 2025 for a period of five years with effect from April 01, 2025 to March 31, 2030, Subsequently, the appointment and remuneration of Mr. Kailash Katkar and Mr. Sanjay Katkar was approved at the Extra-ordinary General Meeting held on June 20, 2025.

Mr. Vikram Dhanani appointed as Key Managerial Personnel with effect from February 04, 2025 as per SEBI LODR.

Mr. Shailesh Lakhani, Non-Executive Non-Independent Director resigned from the position of Director effective March 31, 2025.

c. Policy on Director's Appointment and Remuneration

The details including the composition and terms of reference of the Nomination and Remuneration Committee and the meetings thereof held during the financial year 2024-25 and the Remuneration Policy of the Company and other matters provided in Section 178(3) of the Act are given in the Report on Corporate Governance section forming part of this Annual Report.

The Policy for appointment of a new Director on the Board is available on the Company's website https://www.quickheal.co.in/documents/investors/policies/Nomination_and_Remuneration_Policy.pdf

15. BOARD AND ITS COMMITTEE'S MEETINGS

The Board of Directors met 5 (five) times during the Financial Year 2024-25. The maximum time gap between any two meetings did not exceed the prescribed period of one hundred twenty days. The details of the attendance of Directors at the Board Meetings and Committees Meetings such as Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee and Corporate Social Responsibility Committee are given in the Corporate Governance Report which forms part of this Annual Report.

16. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors of your Company to the best of their knowledge and ability hereby state and confirm that:

a) In the preparation of the annual accounts for the financial year ended March 31, 2025, the applicable accounting standards have been followed along with proper explanation relating to material departures.

b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the same period.

c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The annual accounts have been prepared on a going concern basis;

e) Proper internal financial controls have been laid down in the Company that are adequate and were operating effectively.

f) Proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems are adequate and are operating effectively.

17. DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTORS

The Company has received necessary declarations from each Independent Directors under section 149(7)

BOARD'S REPORT (Contd.)

of the Act and Regulation 25(8) of SEBI LODR that he/ she fulfills the criteria of Independence as laid down in Section 149(6) of the Act and Regulation 16(1)(b) of SEBI LODR respectively.

The Board of Directors has evaluated the integrity, expertise, experience and proficiency of the Independent Directors appointed during the financial year. Based on such evaluation, the Board is of the opinion that the Independent Directors appointed possess the requisite integrity, relevant expertise, rich experience and proficiency required for effectively discharging their duties as Independent Directors of the Company.

The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act and the Code of Conduct for Directors and Senior Management personnel of the Company.

Based on the confirmations/disclosures received from the Directors under Section 149(7) of the Companies Act, 2013 and regulation 25(8) of SEBI LODR on evaluation of the relationships disclosed, the following Non-Executive Directors are considered as an Independent Directors:

a. Mr. Amitabha Mukhopadhyay
b. Ms. Apurva Joshi
c. Mr. Bhushan Gokhale
d. Mr. Richard Stiennon
e. Mr. Kamal Kumar Agarwal

18. BOARD EVALUATION

The Board has established a comprehensive process to evaluate the performance of the Board, its Committees and of Individual Directors. The performance evaluation matrix defining the criteria of evaluation for each of the above has been put in place. The performance evaluation of the Independent Directors was carried out by the other members of the Board (excluding the Director being evaluated). A meeting of the Independent Directors was held on March 27, 2025, to review the performance of Non-Independent Directors and the Board as a whole. The Chairperson of the Nomination & Remuneration Committee had updated the other members of the Board about the outcome of the evaluation process.

19. SUCCESSION PLANNING

The Nomination and Remuneration Committee (NRC), in collaboration with the Board, strategically manages leadership succession planning for both Board and senior management roles, ensuring seamless transitions. The Company prioritizes maintaining a dynamic balance of skills and experience, continuously integrating fresh perspectives while upholding continuity. Crucially, promoting senior talent from within fuels the ambitions of the broader workforce, motivating them to pursue and achieve future leadership opportunities.

20. COMMITTEES OF THE BOARD

During the year under review, the composition of different Committees of your Board of Directors is given hereunder:

Sr. No	Committee	Composition			
1	Audit Committee	Mr. Amitabha Mukhopadhyay (Chairperson)	Mr. Sanjay Katkar	Mr. Bhushan Gokhale	Ms. Apurva Joshi
2	Nomination and Remuneration Committee	Ms. Apurva Joshi (Chairperson)	Mr. Kailash Katkar	Mr. Amitabha Mukhopadhyay	-
3	Stakeholders Relationship Committee	Mr. Bhushan Gokhale (Chairperson)	Mr. Kailash Katkar	Mr. Amitabha Mukhopadhyay	Ms. Apurva Joshi
4	Risk Management Committee	Ms. Apurva Joshi (Chairperson)	Mr. Kailash Katkar	Mr. Sanjay Katkar	-
5	CSR Committee	Ms. Apurva Joshi (Chairperson)	Mr. Kailash Katkar	Mr. Sanjay Katkar	-

21. SECRETARIAL AUDIT REPORT

As required by Section 204 of the Companies Act, 2013 and Rules made thereunder and regulation 24A of SEBI LODR, the Board appointed M/s. J. B. Bhave & Co., Practicing Company Secretaries, Pune as the Secretarial Auditors of the Company for the financial year 2024-25. There are no qualifications/ observations/ remarks in the Secretarial Audit Report for the year ended March 31, 2025. The Secretarial Auditor has not reported any fraud during the financial year 2024-25.

The Secretarial Auditor's Report forms part of this Annual Report, annexed as **Annexure B**.

22. STATUTORY AUDITORS

M/s M S K A & Associates, Chartered Accountants (Firm Registration No. 105047W), were appointed by the Shareholders at the 29th AGM held on September 06, 2024, as Statutory Auditors for a term of five consecutive years to hold office until the conclusion of ensuing 34th AGM.

23. INTERNAL AUDITORS

The Board appointed M/s. Protiviti India Member Private Limited, as Internal Auditors of the Company for the financial year 2024-25.

24. REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

As required under Section 197 (12) of the Act read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing median details of personnel drawing remuneration in excess of the prescribed limit under the said rules, are annexed as **'Annexure C'** to this Boards' Report. The Statement containing names of top ten employees, in terms of remuneration drawn and the particulars of employees as required under section 197 (12) of the act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be made available to any member by way of e-mail upon request. In terms of proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the members excluding the aforesaid Annexure. The said Annexures are also open for inspection at the registered office up to the date of the ensuing Annual General Meeting.

25. EMPLOYEE STOCK OPTION SCHEME

The Company has two Employee Stock Option Plans namely, Employees Stock Option Scheme 2014 and Employees Stock Option Scheme 2021 for granting Term based and Performance-based Stock Options to Employees.

The above schemes are in line with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulation, 2021 (**"SBEB Regulations"**). The Company has obtained a certificate from the Secretarial Auditors of the Company stating that the Schemes have been implemented in accordance with the SBEB Regulations and the resolutions passed by the members. The certificates are available for inspection by members in electronic mode. The details as required to be disclosed under the SBEB Regulations can be accessed at https://www.quickheal.co.in/investors.

During the financial year under report, no employee has been granted stock options, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of your Company. The details of activities under the scheme have been summarized in the Notes forming part of Financial Statements and annexed as **Annexure D**.

26. SECRETARIAL STANDARDS

During the financial year under review, the Company has followed the applicable Secretarial Standards.

27. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars required to be furnished under Sub-section (3) (m) of Section 134 of the Act read with rule 8 of the Companies (Accounts) Rules, 2014 are as under:

a. Energy Conservation

1. The Company has generated 6.98% of its total power requirement for the R&D centre at Thube Park, Shivaji Nagar, Pune, through renewable solar energy. This marks the sixth consecutive year of renewable power generation from the 45 kW solar plant installed at the facility.

   Policy benefits:- The Company is benefiting from lower electricity tariffs and electricity duty exemptions under the Maharashtra IT Policy for its Head Office and R&D centre in Pune. Additionally, the Nashik office was included under the same policy benefits during 2024-25.
2. We encourage sustainability by promoting metro travel, adopting electric vehicles and reducing internal air travel through virtual meetings.

b. Technology Absorption, Adaptation and Innovation

The Company continues to use the latest technology for improving the productivity and quality of its products and services and also focuses on innovation and protecting consumers around the world with the latest technology. Few of the steps taken are provided below:

1. Rooted in culture of Innovation, our engineering team submitted over 236 ideas at the "Ideathon" series out of which 67 ideas made to the final round. The Company has already adopted over 20 innovative ideas.
2. Strengthen capability to detect AI generated misinformation, deep fakes and malwares.
3. Collaboration with top tier research organizations in Banking and Cybersecurity.
4. Promote and fund team members to represent & participate in Technology Summits, research conferences and hackathons.

BOARD'S REPORT (Contd.)

5. Our R&D team continues to do ground breaking research which resulted in our ideas being selected at marquee conferences across the globe. Team presented at 9 prestigious international conferences and 4 national conferences. Notably, Botconf (France), 2024, Virus Bulletin (Dublin), Avaar (Chennai) and C0c0n (Gandhinagar).
6. The Company has earned 4 international certifications from AVLab and AV Test Institute, as well as 1 additional Patent in the financial year 2024-25. To know about 9 Patents please refer to page no 4 and 5.
7. During the financial year your Company has spent ₹ 135.95 Crores on Research and Development.

c. Foreign Exchange earnings and outgo:

Total foreign exchange earnings and outgo for the financial year were as follows:

(₹ in Crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Total foreign exchange outgo	6.43	5.44
Total foreign exchange earnings	18.94	18.53

28. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

There are no Loans, Guarantees provided or Investments made by the Company as on March 31, 2025.

29. RELATED PARTY TRANSACTIONS

All related party transactions carried out during the year were carried out on an arm's length basis and in the ordinary course of business. There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company.

All the transactions with related parties were approved by the Audit Committee and the Board of Directors pursuant to provisions of Regulation 23 of the SEBI LODR. [The particulars of contracts entered into during the year are given in Form AOC-2 enclosed as **Annexure E**].

The Board has approved a policy for related party transactions which is available on the Company's website at https://www.quickheal.co.in/documents/investors/policies/policy-on-related-party-transactions-25.pdf.

30. CORPORATE SOCIAL RESPONSIBILITY ("CSR")

The Company has a strong commitment to the society we live in. Your Company has chosen 'Quick Heal Foundation' and implements its CSR objects through the Foundation. The Company strives to promote Cybersecurity awareness, promotion of education and community development impacting over 68 Lakhs lives. The Company's CSR policy is available on our website at https://www.quickheal.co.in/investors/company-policies.

During the year under review, the Company spent a total of ₹ 1.66 Crores on CSR activities, vis-à-vis ₹ 0.87 Crores i.e. 2% of the Average Net Profit calculated as per provisions of the Section 135 of the Companies Act, 2013. The Company continues to remain committed towards undertaking CSR activities for the welfare of society.

A detailed report on CSR activities of your Company under the provisions of the Companies Act, 2013 during the financial year 2024-25 is given as **Annexure F**.

31. ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Board of Directors of your Company are responsible for ensuring that the Internal Financial Controls ("IFC") are laid down in the Company and that such controls are adequate and are operating efficiently and effectively. The Company's IFC policies are commensurate with its requirements and are operating effectively. The IFC covered the policies and procedures adopted by the Company for ensuring orderly and efficient conduct of business including adherence to the Company's policies, safeguarding of the assets of the Company, prevention and detection of fraud and errors, accuracy and completeness of accounting records and the timely preparation of reliable financial information.

32. VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has a well laid down Vigil Mechanism/ Whistle Blower Policy as required under Section 177(9) of the Companies Act, 2013 and regulation 22 of SEBI LODR, details of which are given in the Report on Corporate Governance forming a part of this Annual Report. It provides for adequate safeguard against victimization of persons who avails this mechanism and allows direct access to the Chairman of the Audit Committee. The Company has also uploaded the said Whistle Blower Policy on its website at https://www.quickheal.co.in/investors/company-policies.

33. INVESTOR EDUCATION AND PROTECTION FUND

In accordance with the provisions of Sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividends of a company which remain unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account shall be transferred by the Company to the Investor Education and Protection Fund ("IEPF"). In terms of the foregoing provisions of the Act, Dividend of ₹ 1,78,845/- and 584 number of shares were transferred to the IEPF by the Company during the financial year 2024-25.

34. ANNUAL RETURN

Pursuant to Section 92(3) of the Act, the Draft Annual Return as on March 31, 2025 is available on Companies website on https://www.quickheal.co.in/documents/investors/quick-heal-annual-return-2025.pdf

35. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place a Policy on Prevention of Sexual Harassment at workplace in line with requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy. Internal Committee(s) has been set up across all its required locations in India to address complaints received regarding sexual harassment. There were no complaints reported during the financial year 2024-25.

36. OTHER MATTERS

The Directors state that during the financial year under review -

a) Neither the Managing Director nor the Whole-time Director of the Company received any remuneration or commission from any of its subsidiaries.

b) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operations in future.

c) No fraud has been reported by the Auditors to the Audit Committee or the Board under section 134(3).

d) There is no change in the nature of the business of the Company.

e) There is no proceeding pending under the Insolvency and Bankruptcy Code 2016.

f) There is no instance of one-time settlement with any Bank or Financial Institution.

37. APPRECIATION

The Board places on record sincere gratitude and appreciation for all the employees, customers, vendors, investors, bankers, end users, dealers, distributors, business partners and other business constituents during the year under review. We also thank for the support received from various government and regulatory authorities.

For and on the behalf of the Board of Directors
Quick Heal Technologies Limited

Kailash Katkar	**Sanjay Katkar**
Chairman & Managing Director	Joint Managing Director
(DIN: 00397191)	(DIN: 00397277)

Place: Pune
Date: May 06, 2025

ANNEXURE A

AOC 1

Sr. No	Particulars	Quick Heal Technologies America Inc.	Seqrite Technologies DMCC
1	Reporting Currency	US$	AED
2	Exchange rate on the last date of relevant financial year	85.46	23.24
3	Date on which Subsidiary was acquired	January 02, 2012	November 13, 2016
4	Share Capital	7,88,000	3,00,000
5	Reserves and Surplus	(7,53,344)	41,953
6	Total Assets	5,43,375	12,91,208
7	Total Liabilities	5,08,719	9,49,255
8	Investments	-	-
9	Turnover	4,02,202	13,49,582
10	Profit before taxation	10,651	24,536
11	Provision for taxation	-	-
12	Profit after taxation	10,651	24,536
13	Proposed dividend	-	-
14	Extent of Shareholding	Wholly Owned	Wholly Owned

ANNEXURE B

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Quick Heal Technologies Limited
Solitaire Business Hub, 7010 C&D, 7th Floor,
Opposite NECO Garden Society, Viman Nagar,
Pune - 411014, Maharashtra, India.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Quick Heal Technologies Limited** (CIN: L72200MH1995PLC091408) (hereinafter called "the Company").

Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances of the Company and for expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to me and representations made by the Management, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2025 ("Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and legal compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2025 according to the provisions of the following laws and regulations:

(i) The Companies Act, 2013 ("the Act") and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):

a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **[Not applicable during the Audit Period]**

e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **[Not applicable during the Audit Period]**

g) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

h) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client; and

i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **[Not applicable during the Audit Period]**

(vi) Other Applicable Laws: Having regard to the compliance system prevailing in the Company and on examination of relevant documents and records in pursuance thereof on test-check basis, the Company has complied with them to the extent they are applicable.

ANNEXURE B (Contd.)

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations, 2015").

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meetings.

All the decisions of the Board were passed with unanimous consent of all the Directors present in the meeting and were recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period:

1. The Board of Directors approved the re-appointment of Mr. Amitabha Mukhopadhyay (DIN: 01806781) as an Additional - Independent Director w.e.f. June 10, 2024 for a second term of 5 consecutive years upto June 09, 2029.

2. The Board of Directors approved the appointment of Mr. Kamal Kumar Agarwal (DIN: 02831435) as an Additional - Independent Director w.e.f. July 26, 2024 for a period of 5 consecutive years upto July 25, 2029.

3. The members passed the following Resolutions at the 29th Annual General Meeting held on September 06, 2024:

    a. Re-appointment of M/s. M S K A & Associates, Chartered Accountants, as Statutory Auditors of the Company for second term of 5 consecutive years to hold office till the conclusion of the 34th Annual General Meeting of the Company to be held for FY 2028-29. (Ordinary Resolution)

    b. Re-appointment of Mr. Amitabha Mukhopadhyay (DIN: 01806781) as an Independent Director for a second term of 5 consecutive years upto June 09, 2029. (Special Resolution)

    c. Appointment of Mr. Kamal Kumar Agarwal (DIN: 02831435) as an Independent Director for a term of 5 consecutive years upto July 25, 2029. (Special Resolution)

    d. Approval of Remuneration paid/ payable to Mr. Kailash Katkar, (DIN: 00397191) Chairman and Managing Director of the Company for the FY 2023-24 in terms of provisions of Sections 197 & 198 read with Schedule V of the Act. (Special Resolution)

    e. Approval of Remuneration paid/ payable to Mr. Sanjay Katkar, (DIN: 00397277) Joint Managing Director of the Company for the FY 2023-24 in terms of provisions of Sections 197 & 198 read with Schedule V of the Act. (Special Resolution)

4. Mr. Vikram Dhanani, Compliance Officer of the Company, was designated as Key Managerial Personnel of the Company w.e.f. February 04, 2025 in terms of Regulation 6 of SEBI LODR Regulations, 2015.

5. The Regional Provident Fund Commissioner-I, Pune passed an order demanding an amount of Rs. 2,51,33,001/- (Rupees Two Crore Fifty-One Lakh Thirty-Three Thousand and One Only) excluding interest of Rs. 2,49,35,994/- (Rupees Two Crore Forty-Nine Lakh Thirty-Five Thousand Nine Hundred and Ninety-Four Only) under Section 7-A of the Employees Provident Funds and Miscellaneous Provisions Act, 1952 on January 30, 2025. The Company filed an appeal with the appellate authority on March 28, 2025 and the same is res sub judice as on the date of this Report.

6. Mr. Shailesh Lakhani (DIN: 03567739) resigned from the position of Non-Executive Director of the Company w.e.f. March 31, 2025.

7. The Board of Directors approved the appointment of Mr. Kailash Katkar (DIN: 00397191) as Managing Director of the Company for a period of 5 years w.e.f. April 01, 2025, subject to approval of the shareholders.

8. The Board of Directors approved the appointment of Mr. Sanjay Katkar (DIN: 00397277) as Joint Managing Director of the Company for a period of 5 years w.e.f. April 01, 2025, subject to approval of the shareholders.

ANNEXURE B (Contd.)

9. The Company has allotted equity shares under its ESOP Schemes to the eligible employees, the details of which are as under -

Sr. No.	Particulars	No. of Equity Shares allotted
1.	ESOP Scheme, 2014	64,830 Equity Shares of Rs. 10/- each
2.	ESOP Scheme, 2021	4,25,507 Equity Shares of Rs. 10/- each

For J. B. Bhave & Co.
Company Secretaries
Sd/-
Jayavant B. Bhave
Proprietor
FCS: 4266 CP. 3068
UIN: S1999MH025400
PR No.: 1238/2021
UDIN: F004266G000279156

Date: May 06, 2025
Place: Pune

ANNEXURE B (Contd.)

Annexure to the Secretarial Audit Report
Quick Heal Technologies Limited
Auditors' Responsibility

My Report of even date is to be read along with this letter.

In accordance with the ICSI Auditing Standards (CSAS-1 to CSAS-4), I wish to state as under -

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For J. B. Bhave & Co.
Company Secretaries

Sd/-
Jayavant B. Bhave
Proprietor
FCS: 4266 CP. 3068
UIN: S1999MH025400
PR No.: 1238/2021

Date: May 06, 2025
Place: Pune

ANNEXURE C

A. DETAILS OF THE REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2024-25. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary during the financial year 2024-25 are as follows:

Sr. No.	Name of Director / KMP & Designation	% increase (decrease) in Remuneration in the 2024-25	Ratio of Remuneration of each Director to the Median remuneration of Employees
1.	Kailash Katkar Chairman and Managing Director	19.52%**	15.31
2.	Sanjay Katkar Jt. Managing Director	19.81%**	14.83
3.	Shailesh Lakhani Non–Executive Director		-
4.	Apurva Joshi Independent Director		0.86
5.	Amitabha Mukhopadhyay Independent Director		0.86
6.	Bhushan Gokhale Independent Director		0.86
7.	Richard Stiennon Independent Director		0.86
8.	Kamal Kumar Agarwal Independent Director		Nil
9.	Vishal Salvi Chief Executive Officer	*	N.A.
10.	Ankit Maheshwari Chief Financial Officer	*	N.A.
11.	Sarang Deshpande Company Secretary	*	N.A.
12.	Vikram Dhanani Compliance Officer	*	N.A.

*Employed after April 01, 2023, hence the percentage of increase (decrease) in remuneration for financial year 2024-25 cannot be determined.

** There is no absolute increase in salary of Executive Directors, the increase is on account of variable pay pertains to FY 2023-24 paid in FY 2024-25 post approval of Shareholders.

2. As on March 31, 2025 there were 973 permanent employees who were on rolls of the Company.
3. In the financial year 2024-25, there was an increase of 23.60% in the median remuneration of the employees as compared to that of 2023-24.
4. The Independent Directors of the Company are entitled to Sitting Fees and Commission as per the statutory provisions. Sitting fees is paid based on the number of meetings attended by an Independent Director and hence the % increase is not comparable.
5. The average percentage increase in salaries of employees excluding Key Managerial Personnel 14.65% as compared to previous year. The average increase in salaries of Key Managerial Personnel(s) was not comparable. Remuneration to Directors and KMP's were based on the recommendations of the 'Nominations & Remuneration Committee' as per the industry benchmark considering both organisational and individual performance.
6. All remuneration is paid as per the Remuneration Policy of the Company.

ANNEXURE C (Contd.)

B. **Details of the employees who were employed throughout the financial year and received a remuneration in excess of ₹ 1 Crores per annum OR the employees who were employed for a part of the financial year and received remuneration of ₹ 0.85 Crores per month under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:** With reference the said Rule 5 (2) provisio, the details will be shared on specific request made by the Shareholders in writing.

ANNEXURE D

ESOP DETAILS AS ON MARCH 31, 2025

Particulars	Details of ESOP Schemes	
	ESOP 2014	ESOP 2021
Options granted	Total options granted until date: 20,28,900 Options granted during fiscal 2025: Nil Options granted during fiscal 2024: Nil Options granted during fiscal 2023: Nil Options granted during fiscal 2022: Nil Options granted during fiscal 2021: 5,76,700 Options granted during fiscal 2020: 1,19,600 Options granted during fiscal 2019: 4,77,300 Options granted during fiscal 2018: 30,000	Total options granted until date: 3,587,000 Options granted during fiscal 2025: 4,63,520 Options granted during fiscal 2024: 12,93,600 Options granted during fiscal 2023: 6,72,100 Options granted during fiscal 2022: 11,55,500 Options granted during fiscal 2021: Nil Options granted during fiscal 2020: Nil Options granted during fiscal 2019: Nil Options granted during fiscal 2018: Nil
Pricing formula	discounted cash flow method	
Exercise price of options	₹ 102.50 to ₹ 294.33	₹ 10.00 to ₹ 436
Total number of options vested	21,825	4,80,566
Total number of options exercised	66,820	4,24,032
Total number of Equity Shares that would arise as a result of full exercise of options already granted	39,038	232,584
Options forfeited/lapsed/cancelled	14,050	1,67,284
Variation in terms of options	Nil	Nil
Options outstanding (in force)	39,038	18,15,679
Person wise details of options granted to		
(i) Directors and key management employees	Please see note 1 below	Please see Note 2 below
(ii) Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year	Nil	Please see Note 3 below
(iii) Identified employees who are granted options, during any one year equal to exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant	Nil	Nil
Fully diluted EPS on exercise of options calculated in accordance with the applicable Accounting Standards	₹ 1.01	
Difference between employee compensation cost using the fair value method and the employee compensation cost that shall have been recognized if our Company had used fair value of options and impact of this difference on profits and EPS of our Company	Nil Impact on EPS (basic): Nil Impact on EPS (diluted): Nil	

ANNEXURE D (Contd.)

Particulars	**Details of ESOP Schemes**	
	ESOP 2014	**ESOP 2021**
Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock	Weighted average exercise price: ₹ 228.84	Weighted average exercise price: ₹ 170.85
	Weighted average fair value: ₹ 245.74	
Description of the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option	The Company has adopted discounted cash flow method to estimate the fair value of the options with the following assumptions: i. Risk free interest rate: 6.6%;	
	Expected Life: XIII - 1.29 XVI - 1.9 XIX - 2.79	Expected Life: XXII - 2.21 XXIII - 2.62 XXIV - 2.79 XXV - 2.29 XXIX - 3.27 XXXIII - 3.96 XXXIV - 5.96 XXXV - 6.26 XXXVI - 6.26 XXXVII - 6.07 XXXVIII - 6.3 XXXIX - 6.3 XXXX - 6.3 XXXXI - 6.41 XXXXII - 6.46 XXXXIV - 4.82 XXXXV - 4.82 XXXXVI - 7.12 XXXXVII - 7.45
	Expected volatility: 48%	Expected volatility: 48% Price of underlying share in market at the time of Grant XXXXVII of option: ₹ 297.1
Vesting schedule	Options are vested in four instalments based on performance of the employee.	
Lock-in	Nil	
Impact on liability for options outstanding of the last two years on fair value	Fiscal 2024-25: ₹ 9.95 Crores Fiscal 2023-24: ₹ 5.10 Crores	

Note 1: Details regarding options granted to our Directors and key management personnel are set forth below under ESOP 2014:

Name of director/ Key Management Personnel	Total No. of options granted	Total No. of options vested*	No. of options exercised	No. of options forfeited	Total No. of options outstanding
		NONE			

ANNEXURE D (Contd.)

Note 2: Details regarding options granted to our Directors and key management personnel are set forth below under ESOP 2021:

Name of director/ Key Management Personnel	Total No. of options granted	Total No. of options vested*	No. of options exercised	No. of options forfeited	Total No. of options outstanding*
Vishal Salvi	1,10,000	68,750	68,750	Nil	3,16,250
Ankit Maheshwari	7,200	45,000	45,000	5,000	1,57,200
Sarang Deshpande	2,000	Nil	Nil	Nil	2,000
Vikram Dhanani	1,500	Nil	Nil	Nil	1,500

* *Options are vested based on the performance of the employee*

Note 3: Employee who received a grant of options amounting to 5% or more of the options granted during the year 2024-25

Name of Employee	Total No. of options granted	Grant Price (in ₹)
Mr. Vishal Salvi	1,00,000	291
Mr. Vishal Salvi	10,000	10
Mr. Sangamesh S	50,000	287

ANNEXURE E

FORM AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8 (2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso is given below:

1. **Details of contracts or arrangements or transactions not at Arm's length basis:**

   There were no contracts or arrangements or transactions entered into during the year ended March 31, 2025, which were not at arm's length basis.

2. **Details of contracts or arrangements or transactions at Arm's length basis:**

Contract 1

Sr. No.	Particulars	Details
a)	Name (s) of the related party	Data Security Council of India (DSCI)
b)	Nature of Relationship	Mr. Kailash Katkar is an Independent Director on Board of DSCI
c)	Nature of contracts / arrangements /transaction	Program sponsorship and joint report publication
d)	Duration of the contracts/ arrangements / transaction	1 year
e)	Salient terms of the contracts or arrangements or transaction	As per purchase order / agreement
f)	Justification for entering into such contracts or arrangements or transactions	NA
g)	Contract Value per year (₹)	73,00,000/-

ANNEXURE F

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended.]

1. Brief out line on CSR Policy of the Company:

Corporate Social Responsibility ("CSR") activities undertaken reflects the core values and achievements of how the Company does business as an employer, a security solutions provider and a corporate citizen – a necessity that demands that Quick Heal be trustworthy, an ethical business partner that customers can count on.

Digital security is of utmost importance in the current scenario. Quick Heal believes that progress is possible only with a deep commitment to community welfare. Since inception, the goal has been to protect customers from Internet-based attacks and intrusion by hackers.

Quick Heal conducts cyber safety and awareness workshops for school and college students, teachers and parents as an integral part of its corporate vision. It is an ambitious cross-district project to Educate, Empower and Protect India's young cyber citizens on the topics of online safety and security, digital citizenship and information literacy.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Apurva Joshi	Chairperson – Independent Director	1	1
2	Kailash Katkar	Member – Chairman and Managing Director	1	1
3	Sanjay Katkar	Member – Joint Managing Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company.

https://www.quickheal.co.in/documents/investors/policies/csr-policy-2021.pdf
https://www.quickhealfoundation.org/

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

Not Applicable for the financial year under review

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

₹ 79,54,957

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in₹)	Amount required to be set-off for the financial year, if any (in ₹)
1	2024-25	₹ 11,31,816	₹ 90,86,773

6. Average net profit of the Company as per section 135(5). ₹ **43,40,02,169 /-**

7. (a) Two percent of average net profit of the Company as per section135(5) - ₹ **86,80,043 /-**

(b) Surplus arising out of the CSR projects or programs or activities of the previous financial years - **NIL**

(c) Amount required to be set off for the financial year, if any – ₹ **11,31,816/-**

(d) Total CSR obligation for the financial year (7a+7b-7c): ₹ **75,48,227 /-**

ANNEXURE F (Contd.)

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount (in ₹)	Date of transfer
1,66,35,000 /-	Nil	Not Applicable	-	NIL	-

(b) Details of CSR amount spent against **ongoing projects** for the financial year: **NIL**

1	2	3	4	5		6	7	8	9	10	11	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation- Through Implementing Agency	
				State	District						Name	CSR Registration number
NIL	NIL	NIL	NIL	NIL		NIL	NIL	NIL	NIL	NIL	NIL	NIL

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

1	2	3	4	5		6	7	8	
Sr. No	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation- Through implementing agency	
				State	District			Name	CSR Registration number
1	Contribution to Schedule VII activities	(i), (ii), (viii)	Yes	PAN India		1,66,35,000	No	Quick Heal Foundation	CSR00005777
						1,66,35,000			

(d) Amount spent in Administrative Overheads - ₹ **Nil/-**

(e) Amount spent on Impact Assessment, if applicable – **Not Applicable**

(f) Total amount spent for the Financial Year(8b+8c+8d+8e) - ₹ **1,66,35,000/-**

(g) Excess amount for set off, if any

Sr. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per section135(5)	86,80,043
(ii)	Total amount spent for the Financial Year	1,66,35,000
(iii)	Excess amount spent for the financial year[(ii)-(i)]	(79,54,957)
(iv)	Surplus arising out of the CSR projects or programmes or Activities of the previous financial years, if any	11,31,816
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	90,86,773

ANNEXURE F (Contd.)

9. (a) Details of Unspent CSR amount for the preceding three financial years: **NIL**

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	

(b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s): **NIL**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project(in₹)	Amount spent on the project in the reporting Financial Year (₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed/ Ongoing

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year **(asset-wise details). - NOT APPLICABLE**
    (a) Date of creation or acquisition of the capital asset(s).
    (b) Amount of CSR spent for creation or acquisition of capital assets.
    (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
    (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).
11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5). **- NOT APPLICABLE**

sd/-
Kailash Katkar
Member

sd/-
Ms. Apurva Joshi
Chairperson of CSR Committee

REPORT ON CORPORATE GOVERNANCE

The report on Corporate Governance, pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) is given below.

1. COMPANY'S PHILOSOPHY ON THE CODE OF CORPORATE GOVERNANCE:

Corporate Governance is a set of principles, processes and systems to be followed by the Directors, Management and all employees of the Company for enhancement of shareholder value, keeping in view interests of all stakeholders. Integrity, transparency, and compliance with applicable laws in all dealings with government, customers, suppliers, employees and other stakeholders are the objectives of good corporate governance. It inspires the Company to set standards which not only meet applicable legislation but go beyond its scope. Corporate Governance has been an integral part of the way we have been doing our business since inception. We believe that good Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics. Your Company is in compliance with the requirements stipulated under Regulation 17 to 27 (excluding Regulation 24 as there is no material or listed subsidiary) read with Schedule V of SEBI LODR, as applicable, with regard to corporate governance.

2. BOARD OF DIRECTORS:

The Company has total Eight Directors, of which two are Executive Directors. Out of Six Non-Executive Directors, five are Independent Directors. The Board of Directors of the Company critically evaluates the Company's strategic direction, policies and their effectiveness. The actions of the Board are committed towards sustainably elevating the Company's value creation process. The Board of the Company strives to achieve higher standards and provide oversight and guidance to Management in strategy implementation, risk management and fulfilment of stated goals and objectives.

The Board has unrestricted access to all the Company-related information. The senior executives, who can provide additional insights and updates, are also invited to the meetings.

(i) Composition of Board

The Company's policy is to maintain an optimum combination of Executive, Non-Executive and Independent Directors. The Board of Directors consists of Eight Directors as detailed hereunder indicating their category as independent or otherwise against their respective names:

Executive Directors

Sr. No.	Name of the Director	Designation	Category
1.	Mr. Kailash Katkar	Chairman & Managing Director	Promoter
2.	Mr. Sanjay Katkar	Joint Managing Director	Promoter

Non-Executive Non-Independent Director

Sr. No.	Name of the Director	Designation	Category
1.	Mr. Shailesh Lakhani*	Non-Executive Director	Non-Independent

* Resigned w.e.f. March 31,2025

Non-Executive Independent Directors

Sr. No.	Name of the Director	Designation	Category
1.	Mr. Amitabha Mukhopadhyay	Director	Independent Director
2.	Ms. Apurva Joshi	Director	Independent Director
3.	Mr. Bhushan Gokhale	Director	Independent Director
4.	Mr. Richard Stiennon	Director	Independent Director
5.	Mr. Kamal Kumar Agarwal	Director	Independent Director

Except Mr. Kailash Sahebrao Katkar, Chairman and Managing Director who is brother of Mr. Sanjay Sahebrao Katkar, Joint Managing Director, none of our directors are related to each other.

(ii) Independent Directors

The first 5 years term of Mr. Amitabha Mukhopadhyay as a Non-Executive Independent Director was ended on June 09, 2024, the Board of Directors post recommendation of Nomination and Remuneration Committee re-appointed him for second term of 5 years w.e.f. June 10, 2024.

Mr. Kamal Kumar Agarwal appointed as an Additional Independent Director w.e.f July 26, 2024.

The Company has received declarations as stipulated under Section 149(7) of the Companies Act, 2013 and as per Regulation 25(8) of SEBI LODR from each Independent Director confirming that they are not disqualified from being appointed /continuing as Independent Director and fulfil the conditions specified under SEBI LODR and are thus independent of management. Your Company had also issued formal appointment letters to all the Independent Directors in the manner provided under the Companies Act, 2013 and SEBI LODR. The terms and conditions of the appointment of Independent Directors have been displayed on the website of the Company and can be accessed through the following link: https://www.quickheal.co.in/documents/investors/policies/Terms-And-Conditions-For-Appointment-Of-Independent-Director.pdf

(iii) Board Meetings

During the financial year 2024-25, 5 (Five) Board meetings were held, details are as under:

S. No.	Date of Meeting
1.	April 25, 2024
2.	July 26, 2024
3.	October 17, 2024
4.	February 04, 2025
5.	March 27, 2025 (Meeting adjourned and subsequently held on April 18, 2025)

The maximum time gap between any two meetings did not exceed the prescribed period of one hundred twenty days.

(iv) Attendance of Directors, other Directorships and other details

Attendance of Directors at the Board Meetings, last Annual General Meeting and number of Directorships in Public Companies are given below:

Name of the Director	No. of Board Meeting attended	Attendance at last AGM	No. of Directorships held in public companies (including this Company)#	Name of the Companies	No. of Memberships (M)/ Chairpersonships (C) in board Committee(s) [including this Company]^
Mr. Kailash Katkar	05	Yes	01	Quick Heal Technologies Limited – Chairman and Managing Director	0(C), 1(M)
Mr. Sanjay Katkar	05	Yes	01	Quick Heal Technologies Limited - Joint Managing Director	0(C), 01(M)
Mr. Shailesh Lakhani	01	No	02	Quick Heal Technologies Limited- Non-Executive Director. Le Travenues Technologies Limited.	00(C), 02(M)

REPORT ON CORPORATE GOVERNANCE (Contd.)

Name of the Director	No. of Board Meeting attended	Attendance at last AGM	No. of Directorships held in public companies (including this Company) #	Name of the Companies	No. of Memberships (M)/ Chairpersonships (C) in board Committee(s) [including this Company] ^
Mr. Amitabha Mukhopadhyay	05	Yes	06	Quick Heal Technologies Limited - Independent Director Foseco India Limited - Independent Director Safepack Industries Limited - Independent Director IFB Refrigeration Limited - Non Executive Director Rieco Industries Limited Sanghvi Movers Limited	02(C), 03(M)
Ms. Apurva Joshi	05	Yes	09	Independent Director in: Quick Heal Technologies Limited Associated Alcohols & Breweries Limited Precision Camshafts Limited Nihilent Limited Fidel Softech Limited Fino Paytech Limited Paramount Speciality Forgings Limited Regreen-Excel EPC India Limited Eleganz Interiors Limited	02(C), 9(M)
Mr. Bhushan Gokhale	05	Yes	01	Quick Heal Technologies Limited - Independent Director	01(C), 01(M)
Mr. Richard Stiennon	05	Yes	01	Quick Heal Technologies Limited -Independent Director	Nil
Mr. Kamal Kumar Agarwal (Appointed w.e.f. July 26, 2024)	03	Yes	01	Quick Heal Technologies Limited -Independent Director	Nil

 # Number of Directorships held in other public companies does not include Foreign Companies.

^ Only Covers Memberships/Chairpersonships of Audit Committee & Stakeholders Relationship Committee of unlisted Public Companies and Listed Companies.

As per the disclosures received from all Directors, as on March 31, 2025, none of the Directors on the Board is a Director in more than 20 companies (including not more than 10 Public Limited Companies) as specified in Section 165 of the Companies Act, 2013. None of the Independent Director serves as an Independent Director in more than 7 Listed Companies and Member of more than 10 Committees and Chairman of more than 5 Committees (as specified in SEBI LODR) across all the public companies in which he/ she is a director. However, during the year under review, one of the Independent Director crossed the limit of number of membership and chairpersonship in committees.

None of the non-executive directors hold any shares or convertible instruments in the Company.

(v) Conduct of Board Meetings:

The Board meets at least once in a calendar quarter, inter alia, to approve the quarterly financial results, the strategic business plan, review of business operations and the annual budget. The annual calendar of Board Meetings is tentatively agreed upon at the beginning of each year. Additionally, Board Meetings are convened to transact special business, as and when necessary.

Agenda papers, containing all relevant information, are made available to the Board well in advance to enable the Board to discharge its responsibilities effectively and take informed decisions. Presentations are made to the Board by the Business and Functional Heads on operations as well as various aspects concerning the Company. The Directors also have independent access to the Senior Management at all times. The draft Minutes of the Meetings are circulated to the Directors for their comments and the final minutes are thereafter entered into the Minutes Book within 30 days of the conclusion of the respective Meetings.

There is also an effective post meeting follow-up, review and action taken reporting process for the action taken on decisions of the Board and Committees. The Minutes of the meetings of all the Committees and also the subsidiaries are placed before the Board for noting.

(vi) Familiarization Programme for Board Members including Independent Directors

The Board members are provided with the requisite documents, reports and internal policies to enable them to familiarize with Company's business, procedures and practices.

Periodic presentations are also made at the Board and Committee meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. The Key Managerial Personnel/ Senior Managerial Personnel through periodic presentations familiarize the Independent Directors with the strategy, operations and functions of the Company and also appraise the Directors about their roles, rights and responsibilities in the Company to enable them to make effective contribution and discharge their functions as a Board Member.

The familiarization program for Independent Directors in terms of the provisions of SEBI LODR is uploaded on the website of the Company and can be accessed through following link: https://www.quickheal.co.in/documents/investors/details-of-familiarisation-programmes-2024-25.pdf

(vii) Independent Directors' Meeting

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and as per Regulation 25 of SEBI LODR, a meeting of the Independent Directors of the Company was held on March 27, 2025, without the presence of Non-Independent Directors and representatives of the management.

(viii) Evaluation of Board Effectiveness

In terms of the provisions of the Companies Act, 2013 read with Rules issued thereunder and as per applicable Regulations of SEBI LODR, the Board of Directors have evaluated the effectiveness of the Board. Accordingly, the performance evaluation of the Board, each Director and the Committees was carried out for the financial year ended March 31, 2025, as per the policy of the Company. The evaluation of the Directors was based on various aspects, inter-alia, included the level of participation in the Board Meetings, understanding of their roles and responsibilities, business of the Company along with the environment and effectiveness of their contribution. The Board comprises of the qualified members who bring in the required skill, competence and expertise that allows them to make effective contributions to the Board and its Committees. The members were appointed considering their skill, competence and expertise in the areas of Leadership, Finance, Business, Technology and Human Resources. Below is the table of specific areas of focus or expertise of individual Board members.

REPORT ON CORPORATE GOVERNANCE (Contd.)

Director	Area of Expertise/ Skills/ Competencies
Kailash Katkar Chairman and Managing Director	Corporate Governance, Sales, Marketing, Customer services, Technical support and administration
Sanjay Katkar Joint Managing Director	Technical Strategy, Technical Governance, Customer services
Amitabha Mukhopadhyay Independent Director	Financial, treasury management and taxation expertise Corporate Governance, Compliance and Audit purview, Large scale global operations, Mergers & Acquisitions, Business Strategy and Planning
Apurva Joshi Independent Director	Corporate Governance, Financial Management, Risk Management, Business Strategy
Bhushan Gokhale Independent Director	Strategy, General Management, Administration, Human Resources
Shailesh Lakhani Non-Executive Director	Global Business, Corporate Governance, Financial Management, Mergers & Acquisitions, Securities Market Expert, Business Strategy
Richard Stiennon Independent Director	Technical Strategy, Technical Governance, Global Operations, Mergers & Acquisitions Business Strategy and Planning
Kamal Kumar Agarwal Independent Director	Financial, Business and Admin and Venture Capital Funding, Operational Efficiency, and Digitization, Product Development, Sales, Distribution, and Brand Building across markets, focusing on Consumer and Customer-Centricity.

3. BOARD COMMITTEES

The Committees constituted by the Board plays a very important role in the governance structure of the Company. The composition and the terms of reference of these Committees are approved by the Board and are in line with the requirement of the Companies Act, 2013 and as per applicable Regulations of SEBI LODR. During the financial year ended March 31, 2025, there were following 5 (Five) Committees of the Directors viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee and Corporate Social Responsibility Committee.

(i) Audit Committee

Composition and Attendance:

The composition of the Audit Committee is in conformity with the provisions of Section 177 of the Companies Act, 2013 and as per Regulation 18 of SEBI LODR. The Audit Committee consists of four Directors, three being Independent Directors and one Executive Director. 4 (four) meetings of the Audit Committee were held during the financial year ended March 31, 2025.

During the year under review, the Audit Committee met on April 25, 2024, July 26, 2024, October 17, 2024 and February 04, 2025.

Names of Members of the Audit Committee and their attendance at the Meetings are given below:

Name	Category	Number of Meetings Held / Attended
Mr. Amitabha Mukhopadhyay	Chairperson	04 / 04
Mr. Sanjay Katkar	Member	04 / 04
Mr. Bhushan Gokhale	Member	04 / 04
Ms. Apurva Joshi	Member	04 / 04

Chief Executive Officer and Chief Financial Officer regularly attends the Audit Committee Meetings. The Company Secretary acts as the Secretary to the Audit Committee.

Terms of Reference:

The "Terms of Reference" of the Audit Committee are in conformity with the provisions of Section 177 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 and as per Regulation 18 of SEBI LODR.

Whistle Blower Policy – Vigil Mechanism

The Company has formulated a Whistle Blower Policy in accordance with the requirements of Section 177(9) of the Companies Act, 2013 read together with Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI LODR.

The Whistle Blower Policy provides for establishment of Vigil Mechanism for directors, employees and stakeholders to report genuine concerns or grievances. It encourages all employees, directors and business partners to report any suspected violations promptly and intends to investigate any bonafide reports of violations. It also specifies the procedures and reporting authority for reporting unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy or any other unethical or improper activity including financial irregularities, including fraud, or suspected fraud, wastage / misappropriation of Company's funds/ assets etc.

The Whistle Blower Policy also provides for adequate safeguards against victimization of employees and directors who avail the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee.

(ii) Nomination and Remuneration Committee:

Composition and attendance:

The composition of the Nomination and Remuneration Committee is in conformity with the provisions of Section 178 of the Companies Act, 2013 and as per Regulation 19 of SEBI LODR. The Nomination and Remuneration Committee consists of three Directors, two being Independent Directors and one Executive Director. During the financial year ended March 31, 2025, 03 (three) meetings of the Nomination and Remuneration Committee were held.

During the year under review, the Committee met on April 25, 2024, July 23, 2024, February 04, 2025.

Names of Members of the Committee and their attendance at the Meetings are given below:

Name	Category	Number of Meetings Held / Attended
Ms. Apurva Joshi	Chairperson	03 / 03
Mr. Amitabha Mukhopadhyay	Member	03 / 03
Mr. Kailash Katkar	Member	03 / 03

The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee.

Details of Remuneration paid to the Directors during the financial year ended March 31, 2025:

(a) Executive Directors

Sr. No.	Name of the Director	Gross salary (in ₹ Crores)	Commission/ Incentive (in ₹)	Contribution to PF (in ₹)	Total (in ₹ Crores)	Notice period
1.	*Mr. Kailash Katkar	1.73	Nil	Nil	1.73	6(six) Months
2.	*Mr. Sanjay Katkar	1.68	Nil	Nil	1.68	6(six) Months

** As per the Employment Agreement dated: June 20, 2025, Mr. Kailash Katkar & Mr. Sanjay Katkar are eligible for 1(one) Car each from the Company.*

(b) Particulars of sitting fees and commission paid to the Non-Executive Directors during the financial year ended March 31, 2025 are as follows:

Sr. No.	Name of the Director	Sitting fees paid (in ₹ Crores)*	Commission Paid (in ₹ Crores)*
1.	Mr. Amitabha Mukhopadhyay	0.044	0.08
2.	Ms. Apurva Joshi	0.059	0.08
3.	Mr. Bhushan Gokhale	0.035	0.08
4.	Mr. Richard Stiennon	0.020	0.08
5,	Mr. Kamal Kumar Agarwal	0.012	Nil

** mentioned sitting fees is exclusive of goods and services tax.*

REPORT ON CORPORATE GOVERNANCE (Contd.)

There has been no pecuniary relationship or transactions between the Company and Non-Executive Directors during the financial year 2024-25.

During the year under review, no convertible instruments have been issued to any of the Non-Executive Directors of the Company.

Performance evaluation criteria for independent directors

The performance evaluation of the Independent Directors is based on various aspects, inter-alia, included the level of participation in the Board Meetings, understanding of their roles and responsibilities, business of the Company along with the environment and effectiveness of their contribution. The Board comprises of the qualified members who bring in the required skill, competence and expertise that allows them to make effective contributions to the Board and its Committees. The members were appointed considering their skill, competence and expertise in the areas of Leadership, Finance, Business, Technology and Human Resources.

Criteria of making payments to non-executive directors

In addition to the sitting fees, the Company also pays commission to the Non-Executive Directors for their overall engagement and contribution for the Company's business. The Commission is paid on basis of complexities handled by them, the time spent on the critical policy decisions, higher degree of engagement and contributions made in the meetings and their active participating keeping in view the principle of collective responsibility.

Stock Options granted to Directors

The Company had not granted Stock Options (ESOPs) to any Director during the financial year 2024-25.

Terms of Reference:

The Terms of Reference of the Nomination and Remuneration Committee are in conformity with Section 178 of the Companies Act, 2013 and as per Regulation 19 of SEBI LODR.

(iii) Stakeholders Relationship Committee:

The composition of the Stakeholders Relationship Committee is in conformity with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI LODR. The Stakeholders Relationship Committee consists of Four Directors, of which three are Independent Directors and one is Executive Director. The Stakeholders Relationship Committee is headed by Mr. Bhushan Gokhale, Independent Director of the Company.

During the year under review, the Committee met on February 04, 2025. Mr. Sarang Deshpande is the Company Secretary and Mr. Vikram Dhanani is the Compliance Officer of the Company.

Names of Members of the Committee are given below:

Name	Category	Number of Meetings Held / Attended
Mr. Bhushan Gokhale	Chairperson	01 / 01
Ms. Apurva Joshi	Member	01 / 01
Mr. Amitabha Mukhopadhyay	Member	01 / 01
Mr. Kailash Katkar	Member	01 / 01

The Company complies with the various requirements of the SEBI LODR & Listing Agreement and depositories with respect to transfer of shares and share certificates are sent to them within the prescribed time.

The Committee looks into the grievances of the Shareholders related to transfer of shares, payment of dividend and non-receipt of annual report and recommends measure for expeditious and effective investor service etc.

The Company has duly appointed MUFG Intime India Private Limited (previously known as Link Intime India Private Limited) as Share Transfer Agent (R&T Agent) for servicing the shareholders holding shares in physical or dematerialized form. All requests for dematerialization of shares are likewise processed and confirmations thereof are communicated to the investors within the prescribed time.

During the year under review, no Investor complaints were pending:

Number of shareholders' complaints received	Number solved to the satisfaction of shareholders	Number of pending complaints
1	1	Nil

Terms of Reference:

The Terms of Reference of the Stakeholders Relationship Committee are in conformity with Section 178 of the Companies Act, 2013 and as per Regulation 20 of SEBI LODR.

(iv) Risk Management Committee: Terms of reference:

Composition:

The composition of the Risk Committee is in conformity with Regulation 21 of SEBI LODR. The Risk Management Committee consists of three Directors, out of which one is Independent Director, who is Chairperson, and two are Executive Directors. During the year under review, 04 (four) meetings of the Risk Management Committee were held.

During the year under review, the Committee met on April 19, 2024, July 26, 2024, October 17, 2024 and February 04, 2025.

Names of Members of the Committee and their attendance at the Meetings are given below:

Name	Category	Number of Meetings Held / Attended
Ms. Apurva Joshi	Chairperson	04 / 04
Mr. Kailash Katkar	Member	04 / 04
Mr. Sanjay Katkar	Member	04 / 04

The Company Secretary acts as the Secretary to the Risk Management Committee.

Terms of Reference:

The Terms of Reference of the Risk Management Committee are in conformity with Regulation 21 of SEBI LODR.

(v) Corporate Social Responsibility Committee:

Composition:

The composition of Corporate Social Responsibility Committee is in conformity with section 135 of the Companies Act, 2013. The Corporate Social Responsibility Committee consists of three Directors, out of which one is Independent Director, who is Chairperson, and two are Executive Directors. During the year under review, CSR Committee met on April 19, 2024.

Names of Members of the Committee and their attendance at the Meetings are given below:

Sr. No.	Name	Category	Number of Meetings Held / Attended
1.	Ms. Apurva Joshi	Chairperson	01 / 01
2.	Mr. Kailash Katkar	Member	01 / 01
3.	Mr. Sanjay Katkar	Member	01 / 01

The Company Secretary acts as the Secretary to the Corporate Social Responsibility Committee.

Terms of Reference:

The Terms of Reference of the CSR Committee are in conformity with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

4. GENERAL BODY MEETINGS:

The details of last three Annual General Meetings are mentioned below:

Sr. No.	Date of AGM	Venue
1.	September 06, 2024	Through Video Conferencing/ Other audio-visual means
2.	August 11, 2023	Through Video Conferencing/ Other audio-visual means
3.	August 26, 2022	Through Video Conferencing/ Other audio-visual means

REPORT ON CORPORATE GOVERNANCE (Contd.)

Sr. No.	Financial Year	Date	Day	Time	Number of Special resolution(s) Passed	Details of Special Resolutions passed
1.	2023-24	September 06, 2024	Friday	04.00 PM	05	Re-Appointment of Mr. Amitabha Mukhopadhyay as a Director and designate him as an Independent Director. Appointment of Mr. Kamal Kumar Agarwal as a Director and designate him as an Independent Director. Remuneration to Non – Executive Independent Directors. Approval of Remuneration to Mr. Kailash Katkar, Chairman and Managing Director. Approval of Remuneration to Mr. Sanjay Katkar, Joint Managing Director.
2.	2022-23	August 11, 2023	Friday	04.00 PM	Nil	NA
3.	2021-22	August 26, 2022	Friday	03:30 PM	1	Approval of Buyback of Equity Shares of the Company

5. MEANS OF COMMUNICATION:

i)	Quarterly Results	The quarterly, half yearly and yearly financial results of the Company are regularly sent to the stock exchanges immediately after they are approved by the Board. They are also published in the Newspapers, in the prescribed format under the SEBI LODR.
ii)	Newspapers wherein results normally published	Financial Express and Prabhat
iii)	Any website, where displayed	www.quickheal.co.in
iv)	Whether it also displays official news releases	The Company displays the Press Releases as and when released.
v)	The Presentations made to institutional investors or to the analysts	The Company holds Investor Presentations and meetings from time to time and Presentations made thereat are also sent to the Stock Exchanges as well as displayed on the website of the Company.
vi)	NSE Electronic Application Processing System (NEAPS)	The NEAPS is a web-based application designed by NSE for corporate. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NEAPS.
vii)	BSE Corporate Compliance & Listing Centre (the 'Listing Centre')	BSE's Listing Centre is a web-based application designed for corporate. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on the Listing Centre.
viii)	SEBI Complaint Redressal System (SCORES)	The investor complaints are processed in a centralized web-based complaint redressal system. The salient features of this system are: Centralized Data Base of all complaints, online upload of Action Taken Report (ATRs) by the concerned companies and online viewing by investors of action taken on the complaint and its current status.

6. GENERAL SHAREHOLDERS' INFORMATION

6.1 Annual General Meeting

- Date and Time: September 25, 2025 at 11.00 A.M.
- Venue: The Company is conducting meeting through VC/ OAVM

6.2 Financial Calendar 2025-26 (Tentative)

Annual General Meeting – (Next Year)	On or before September 30, 2026
Financial Reporting	
Results for quarter ending June 30, 2025	On or before August 14, 2025
Results for quarter ending September 30, 2025	On or before November 14, 2025
Results for quarter ending December 31, 2025	On or before February 14, 2026
Results for year ending March 31, 2026 (Audited)	On or before May 30, 2026

6.3 Cut-off date for e-Voting September 19, 2025

6.4 Dividend: Dividend not declared for FY 2024-25. Refer Dividend Distribution Policy on below link https://www.quickheal.co.in/documents/investors/Dividend-Distribution-Policy-21.pdf

6.5 Unclaimed Shares Total 584 number of shares deposited with IEPF.

6.6 Unclaimed Dividend : ₹ 1,78,845 amount of dividend deposited with IEPF.

The following is the year wise Unclaimed Dividend balance lying with the Company and which would become eligible to be transferred to IEPF is provided in table below:

Financial Year	Unclaimed Dividend as on March 31, 2025
2017-18	125,730.00
2018-19	119,654.05
2019-20	564,585.00
2020-21	182,984.00
2021-22	209,069.00
2022-23	103,069.00
2023-24	76,527.00

There are 'Nil' Share Certificates lying unclaimed with the Company as on date of this Report. In the event of unclaimed Share Certificate, the Company hereby undertakes to comply with the relevant Regulations of LODR, 2015.

6.7 (a) Listing of Equity Shares on Stock Exchanges :

National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot No. C/1, G – Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051.	BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001

The Company confirms that it has paid annual listing fees due to both the above stock exchanges for the FY 2025-26.

(b) Listing of GDR on Stock Exchange : Not Applicable

(c) Debenture Trustee: : Not Applicable

6.8 Registrar & Transfer Agents:

MUFG Intime India Private Limited, (previously known as Link Intime India Pvt Ltd) - Block No. 202, 2nd Floor, Akshay Complex, Off Dhole Patil Road, Pune 411 001.

Pune Office: Block No 202, 2nd Floor, Askhay Complex, Off Dhole Patil Road, Pune - 411001, Phone: 91 20 26160084

REPORT ON CORPORATE GOVERNANCE (Contd.)

6.9 Share Transfer System:

In terms of Regulation 40(1) of SEBI LODR as amended, securities can be transferred only in dematerialized form with effect from April 01, 2019, except in case of request received for transmission or transposition of securities on or before March 31, 2019. Transfers of equity shares in electronic form are undertaken by depositories with no involvement of the Company. The Company obtains, on an annual basis, a certificate, from a Company Secretary in Practice, certifying that during the year no requests generated or received related to transfer and /or transmission of shares. Also there were no requests for issue of certificates on sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies from the members during the year from April 01, 2024 to March 31, 2025.

6.10 Distribution of Shareholding:

Report Type: All (NSDL+CDSL+Physical)

Serial #	Shares Range			Number of Shareholders	% of Total Shareholders	Total Shares for The Range	% of Issued Capital
1	1	to	500	47,695	94.2738	32,55,802	6.0285
2	501	to	1,000	1,480	2.9254	11,18,231	2.0705
3	1,001	to	2,000	718	1.4192	10,56,338	1.9559
4	2,001	to	3,000	217	0.4289	5,48,931	1.0164
5	3,001	to	4,000	122	0.2411	4,30,290	0.7967
6	4,001	to	5,000	87	0.1720	4,02,361	0.7450
7	5,001	to	10,000	134	0.2649	9,71,193	1.7983
8	10,001	to	**********	139	0.2747	4,62,23,462	85.5885

Category of Shareholders	Total Value	Percent
Alternate Invst Funds - III	81,04,550	1.5007
Body Corporate - Ltd Liability Partnership	13,29,880	0.2462
Clearing Members	20,330	0.0038
FPI (Corporate) - I	84,55,980	1.5657
FPI (Corporate) - II	24,68,630	0.4571
Hindu Undivided Family	36,18,590	0.67
Investor Education And Protection Fund	23,030	0.0043
Mutual Funds	61,24,030	1.1339
Nationalised Banks	250	0
Non Resident (Non Repatriable)	12,74,520	0.236
Non Resident Indians	25,02,170	0.4633
Other Bodies Corporate	1,37,48,580	2.5457
Promoters	38,78,63,530	71.8178
Public	10,44,78,630	19.3455
Trusts	53,380	0.0099
TOTAL	**54,00,66,080**	**100**

6.11 Dematerialization of shares and liquidity : All shares has been dematerialized as on March 31, 2025 & trading in equity shares of the Company is permitted only in dematerialized form.

6.12 Outstanding GDRs/ADRs/ Warrants or any convertible instruments, conversion dates and likely impact on equity : Nil

6.13 Commodity price risk or foreign exchange risk and hedging activities : No risk

6.14 Plant locations : Nil

6.15 Investor Correspondence:

For transfer / dematerialization of shares, payment of dividend on shares, query on Annual Report and any other query on the shares of the Company.

: MUFG Intime India Private Limited (previously known as Link Intime India Pvt Ltd)

Block-202, 2nd Floor, Akshay Complex,
Near. Ganesh Temple, Off Dhole Patil Road,
Pune – 411 001
Tel: +91 20 26160084;
email id: : rnt.helpdesk@in.mpms.mufg.com
website: www.in.mpms.mufg.com

6.16 List of all credit ratings obtained Not Applicable

Shareholders holding shares in electronic mode should address all their correspondence relating to change of address, bank mandate and status to their respective Depository Participants (DPs).

Important Communication to Members: Members must be aware that Ministry of Corporate Affairs (MCA) has started a "Green Initiative in the Corporate Governance", whereby it has allowed paperless compliances by the Companies in the field of servicing of notice / documents, including Annual Report through emails. Further, in compliance with Ministry of Corporate Affairs ("MCA") has vide its circular dated May 05, 2020 read with circulars dated April 08, 2020 and April 13, 2020 and subsequent circulars issued in this regard, the latest being 09/2023 dated September 25, 2023 (collectively referred to as 'MCA Circulars') and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2024-25 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories.

Members who have not yet registered their email addresses are requested once again to register their email addresses in respect of their shareholding in electronic mode with the Depository Participants, including any change in their email id. Members holding shares in physical mode are requested to register their email addresses with the Company / MUFG Intime India Private Limited, the Registrar and Transfer Agent. Mumbai Office: Link Intime India Private Limited, - C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400083, Phone: 022 - 4918 6200, Pune Office: Pune Office: Block No 202, 2nd Floor, Akshay Complex, off Dhole Patil Road, Pune - 411001, Phone: 91 20 26160084.

7. OTHER DISCLOSURES AS PER LODR REGULATIONS:

a. **Disclosures on materially significant related party transactions that may have potential conflict with the interests of Company at large:**

The Company has not entered into any transaction of material nature with the Promoters or the Directors or the Management or their relatives and its subsidiaries, that may have any potential conflict with the interests of the Company. Related Party transactions are disclosed in the notes to the Financial Statements.

b. **Details of non-compliance by the Listed Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:**

FY 2022-23: Company has paid a fine of ₹ 10,000/- to each stock exchange for non-compliance of provision of Reg 29(2) and (3) of SEBI LODR Regulations, 2015.

FY 2023-24: Company has paid a fine of ₹ 10,000/- to each stock exchange for non-compliance of provision of Reg. 42(2), 42(3), 42(4) and 42(5) of SEBI LODR Regulations, 2015.

FY 2024-25: NIL

c. **Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause:**

The Company has complied with all the mandatory requirements of SEBI LODR.

REPORT ON CORPORATE GOVERNANCE (Contd.)

d. **Web Link where policy for determining material subsidiaries and dealing on related party transaction is disclosed:**

The Policy on Related Party Transactions and for determining Material Subsidiaries is disclosed and available in web link of the Company i.e. https://www.quickheal.co.in/investors/.

e. **Certificate from Practicing Company Secretary:**

The Company has obtained a certificate from M/s. J. B. Bhave & Co., Company Secretaries in practice as required under SEBI LODR, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/ Ministry of Corporate Affairs or any such statutory authority. The certificate is published as Annexure to Corporate Governance Report

f. **Details of total fees paid to Statutory Auditors:**

The details of the total fees (excluding GST) for all the services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the Statutory Auditor is a part, are as follows:

(in ₹ Crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
As auditor*	0.15	0.10
Limited review	0.26	0.25
In other capacity:		
Others (including certification fees)	0.01	0.04
Reimbursement of expenses	0.05	0.04
Total	0.47	0.43

*includes remuneration to auditors of subsidiaries.

g. **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The details of the complaints filed, disposed of and pending during the financial year pertaining to sexual harassment are provided in the Board's Report of this Annual Report.

h. **Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount':**

The Company has not given any loans or advances to any company in which directors are interested.

i. **Details of material subsidiaries of the Listed Company including the date and place of Incorporation and name and date of appointment of the Statutory Auditors of such subsidiaries:**

The Company does not have a material unlisted Indian subsidiary as defined under SEBI LODR. However, the Company has unlisted subsidiary companies abroad. The minutes of the Board meetings of the subsidiary companies are placed at the Board Meetings of the Company. Details of significant transactions and arrangements entered into by the subsidiary companies are noted by the Board. The Audit Committee of the Company reviews the financial statements of the subsidiary companies, including investments made by such subsidiaries. The Company has adopted a policy for determining material subsidiaries which is displayed on the Company's website https://www.quickheal.co.in/investors/.

j. The Company is in compliance with the corporate governance requirements specified in Regulations 17 to 27 and Regulation 46(2)(b) to (i) of the Listing Regulations:

Disclosure of Discretionary requirement as per Part E of Schedule II

1. The Auditors' Opinion on the Financial Statements is unmodified.
2. Internal Auditor reports to Chairman of the Audit Committee

k. **Agreements relating to the Company:**

There are no agreements with any party which impact the management or control of the Company or impose any restrictions or create any liability upon the Company.

INITIATIVES BY RTA

The RTA has launched an Investor Self-Service Portal, called 'Swayam', in October 2023. This empowers shareholders to access information through a dashboard for all companies, in which they hold shares, which are serviced by MUFG. This portal enables shareholders to obtain an updated status on their electronic holdings across various companies as also to track dividend and other corporate action details. Shareholders can also raise queries/complaints on the same and track them till resolution. Physical holders can also avail of the portal services for folios which are KYC compliant. The portal can be accessed at https://swayam.in.mpms.mufg.com/.

The RTA had also developed a Chatbot 'IDIA', that utilises conversational technology to provide investors with around the-clock intuitive platform to ask questions and get information about queries. The Shareholders may engage with 'IDIA' by logging in to https://in.mpms.mufg. com.

The FAQ section on the RTA website has very detailed answers to almost all probable investor queries. Please visit https://web.in.mpms.mufg.com/faq.html to find answers to the stakeholders' queries related to securities.

Service Request Module: Allows submission and tracking of requests such as KYC updates, bank mandate changes, and contact detail modifications, each with a unique request ID. Access at: https://web.in.mpms.mufg.com/helpdesk/Service_Request.html.

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website. I confirm that the Company has in respect of the year ended March 31, 2025, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

Vishal Salvi
Chief Executive Officer
Place: Pune
Date: May 06, 2025

CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

(As per Provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time)

To,
The Members of
Quick Heal Technologies Limited
Solitaire Business Hub, 7010 C& D, 7th Floor,
Opposite NECO Garden Society, Viman Nagar,
Pune - 411014, Maharashtra, India

Subject: Corporate Governance Compliance Certificate of Quick Heal Technologies Limited

I have examined all relevant records of **Quick Heal Technologies Limited** (CIN: L72200MH1995PLC091408) for the purpose of certifying compliance of the conditions of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations, 2015) for the financial year ended March 31, 2025. I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of the above certification. In my independent verification of the committee memberships/ Chairmanships of all Directors, I have observed that one Independent Director has crossed the maximum limit as permitted under SEBI LODR Regulations, 2015 during the financial year ended March 31, 2025.

The compliance of conditions of corporate governance is the responsibility of the management. My examination was carried out in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. My examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

On the basis of my examination of the records produced, explanations and information furnished, I certify that the Company has complied with the mandatory conditions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as applicable and amended from time to time for the financial year ended March 31, 2025.

For J. B. Bhave & Co.
Company Secretaries

Sd/-
Jayavant Bhave
Proprietor
FCS: 4266 CP. 3068
UIN: S1999MH025400
PR No.: 1238/2021
UDIN: F004266G000278870

Place: Pune Date:
May 06, 2025

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V, Para C, Clause (10)(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Quick Heal Technologies Limited
Solitaire Business Hub, 7010 C&D,
7th Floor, Opposite NECO Garden Society,
Viman Nagar, Pune - 411014, Maharashtra, India

I have examined the relevant registers, record, forms, returns and disclosures received from the Directors of **Quick Heal Technologies Limited** having CIN: L72200MH1995PLC091408 and having Registered Office at Solitaire Business Hub, 7010 C&D, 7th Floor, Opposite NECO Garden Society, Viman Nagar, Pune - 411014, Maharashtra, India (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V, Para-C, Sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications {including Directors Identification Number (DIN) status at the portal www.mca.gov.in} as considered necessary and explanations furnished to me by the Company & its Officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of the Director	Designation	DIN	Date of Appointment in the Company
1.	Mr. Kailash Sahebrao Katkar	Managing Director	00397191	August 17, 1995*
2.	Mr. Sanjay Sahebrao Katkar	Joint Managing Director	00397277	August 17, 1995**
3.	Mr. Bhushan Nilkanth Gokhale	Non-Executive - Independent Director	01493276	August 12, 2020
4.	Mr. Amitabha Mukhopadhyay	Non-Executive - Independent Director	01806781	June 10, 2019
5.	Ms. Apurva Pradeep Joshi	Non-Executive - Independent Director	06608172	August 21, 2015
6.	Mr. Richard Dennis Stiennon	Non-Executive - Independent Director	09324046	September 27, 2021
7.	Mr. Shailesh Lakhani	Non-Executive - Non-Independent Director	03567739	April 29, 2014#
8.	Mr. Kamal Kumar Agarwal	Non-Executive -Independent Director	02831435	July 26, 2024

*The term of Mr. Kailash Sahebrao Katkar, Managing Director of the Company ended as on March 31, 2025 and he was re-appointed as the Managing Director w.e.f. April 01, 2025, subject to approval of shareholders.

**The term of Mr. Sanjay Sahebrao Katkar, Joint Managing Director of the Company ended as on March 31, 2025 and he was re-appointed as the Joint Managing Director w.e.f. April 04, 2025, subject to approval of shareholders.

#Mr. Shailesh Lakhani, Non-Executive-Non-Independent Director of the Company resigned on March 31, 2025.

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the Management of the Company. My responsibility is to express an opinion on the same based on my verification. This Certificate is specifically being issued in accordance with Regulation 34(3) read with Schedule V, Para-C, Sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For J. B. Bhave & Co.
Company Secretaries

Sd/-
Jayavant B. Bhave
Proprietor
FCS: 4266 CP. 3068
UIN: S1999MH025400
PR No.: 1238/2021
UDIN: F004266G000278892

Place: Pune
Date: May 06, 2025

COMPLIANCE CERTIFICATE: CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

A. We have reviewed financial statements and the cash flow statement for the period April 01, 2024 to March 31, 2025 and that to the best of our knowledge and belief:

   1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

   2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the period April 01, 2024 to March 31, 2025 which is fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit committee:

   1) significant changes in internal control over financial reporting during the period April 01, 2024 to March 31, 2025;

   2) significant changes in accounting policies during the period April 01, 2024 to March 31, 2025 and that the same have been disclosed in the notes to the financial statements; and

   3) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-	Sd/-
Vishal Salvi	**Ankit Maheshwari**
Chief Executive Officer	Chief Financial Officer

Place: Pune
Date: May 06, 2025

ANNEXURE 16

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	**Corporate Identity Number (CIN) of the Listed Entity**	L72200MH1995PLC091408
2	**Name of the Listed Entity:**	Quick Heal Technologies Limited
3	**Year of incorporation:**	August 07, 1995
4	**Registered office address:**	Solitaire Business Hub, Office No. 7010 C & D, 7th Floor, Opposite Neco Garden Society, Viman Nagar, Pune - 411014.
5	**Corporate address:**	Solitaire Business Hub, Office No. 7010 C & D, 7th Floor, Opposite Neco Garden Society, Viman Nagar, Pune - 411014.
6	**E-mail:**	cs@quickheal.co.in
7	**Telephone:**	+91 20 66813232
8	**Website:**	https://www.quickheal.co.in
9	**Financial year for which reporting is being done:**	April 01, 2024, to March 31, 2025
10	**Name of the Stock Exchange(s) where shares are listed:**	• BSE Limited (BSE) – BSE Ticker: 539678 • National Stock Exchange of India Limited (NSE) – NSE Ticker: QUICKHEAL
11	**Paid-up Capital:**	₹ 54,00,66,080/- divided into 540,06,608 equity shares of ₹ 10/- each
12	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:**	Name: Mr. Vikram Dhanani Designation: Compliance Officer Telephone number: 020-66813232 E-mail Id: cs@quickheal.co.in
13	**Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together):**	The disclosures under this report are made on Standalone basis.
14	Name of assurance provider	NA
15	Type of assurance obtained	NA

II. Products/services

16. Details of business activities *(accounting for 90% of the turnover):*

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Cybersecurity Products	Cybersecurity Solutions to Consumers, Small Businesses, Government Establishments & Corporate Houses.	100%

17. Products/Services sold by the entity*(accounting for 90% of the entity's Turnover):*

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Cybersecurity Products	62011	100%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	Nil	23 Offices & 4 Warehouses	27
International	Nil	2 Offices (Dubai & USA)	2

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	All states of India
International (No. of Countries)	70+

b. What is the contribution of exports as a percentage of the total turnover of the entity?

The contribution of exports as a percentage of the total turnover of the Company is 6.49%

c. A brief on types of customers

Quick Heal is a leading global cybersecurity solutions provider. Incorporated in the year 1995, with a registered office in Pune, it is an end-to-end cybersecurity player with a presence in B2C, B2B and B2G segments. Quick Heal's portfolio includes solutions under the widely recognized brand names 'Quick Heal' and 'Seqrite'. Backed by AI and patented technologies, the range of award-winning solutions caters to endpoints, network, data, mobility and cloud. With a heavy focus on R&D and innovation, the Company aims to simplify security by delivering the best-in-class protection against advanced cyber-threats to millions of its customers, enterprises, and government organizations worldwide. For more information about the Company, please visit our website: www.quickheal.co.in About Seqrite Seqrite is the enterprise arm of Quick Heal and leading enterprise cybersecurity solutions provider. With a focus on simplifying cybersecurity, Seqrite delivers comprehensive solutions and services through our patented, AI/MLpowered tech stack to protect businesses against the latest threats by securing devices, applications, networks, cloud, data, and identity. Seqrite is the Enterprise arm of the global cybersecurity brand, Quick Heal Technologies Limited, the only listed cybersecurity products and solutions company in India. We are the first and only Indian company to have solidified India's position on the global map by collaborating with the Govt. of the USA on its NIST NCCoE's Data Classification project. We are differentiated by our easy-to-deploy, seamless-to-integrate comprehensive solutions providing the highest level of protection against emerging and sophisticated threats powered by state-of-the-art threat intelligence and playbooks backed by world-class service provided by best-in-class security experts at India's largest malware analysis lab – Seqrite Labs. We are the only Indian full-stack company aligned with CSMA architecture recommendations offering award-winning Endpoint Protection, Mobile Device Management, Zero Trust Network Access, Data Privacy Management, and many more. Our Data Privacy Management solution enables organizations to stay fully compliant with the Data Privacy Compliance. Today, 30,000+ enterprises in more than 70+ countries trust Seqrite with their cybersecurity needs. For more information, please visit: https://www.Seqrite.com

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	EMPLOYEES					
1.	Permanent (D)	973	797	81.92%	176	18.08%
2.	Other than Permanent (E)	86	63	73.26%	23	26.74%
3.	**Total employees (D + E)**	1059	860	81.21%	199	18.79%
	WORKERS					
4.	Permanent (F)	NA	NA	NA	NA	NA
5.	Other than Permanent (G)	NA	NA	NA	NA	NA
6.	**Total workers (F + G)**	NA	NA	NA	NA	NA

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent (D)	NA	NA	NA	NA	NA
2.	Other than Permanent (E)	NA	NA	NA	NA	NA
3.	**Total differently abled employees (D + E)**	NA	NA	NA	NA	NA
	DIFFERENTLY ABLED WORKERS					
4.	Permanent (F)	NA	NA	NA	NA	NA
5.	Other than permanent (G)	NA	NA	NA	NA	NA
6.	**Total differently abled workers (F + G)**	NA	NA	NA	NA	NA

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	7	1	14.28
Key Management Personnel	6	0	0

22. Turnover rate for permanent employees and workers
(Disclose trends for the past 3 years)

	2024-25 (Turnover rate in current FY)			2023-24 (Turnover rate in previous FY)			2022-23 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	14.04	15.64	14.63	14.02	13.74	18.07	26.43	33.24	27.60
Permanent Workers	NA	NA	NA	NA	NA	NA	NA	NA	NA

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether Holding/ Subsidiary/ Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Quick Heal Dubai DMCC	Subsidiary	100%	No
2	Quick Heal Technologies America Inc	Subsidiary	100%	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: **Yes**
(ii) Turnover (in ₹) – 3,00,25,30,282/-
(iii) Net worth (in ₹) – 4,11,02,89,654/-

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	2024-25 Current Financial Year			2023-24 Previous Financial Year		
	(If Yes, then provide web-link for grievance redress policy)	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	https://www.quickheal.co.in/documents/investors/policies/whistleblower-policy-&-vigil-mechanism.pdf	Nil	Nil	Nil	Nil	Nil	Nil
Investors (other than shareholders		Nil	Nil	Nil	Nil	Nil	Nil

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	2024-25 Current Financial Year			2023-24 Previous Financial Year		
	(If Yes, then provide web-link for grievance redress policy)	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Shareholders	https://www.quickheal.co.in/documents/investors/policies/Vulnerability-Disclosure-Policy.pdf	1	0	Nil	3	0	Nil
Employees and workers		0	0	Nil	0	0	Nil
Customers		258832	9	9 complaints are WIP with respective stakeholders, expected solution in May 2025	211930	15	Out of 15 pending complaints, 6 were resolved in April-24, 2 in June-24, and 7 WIP with respective stakeholders
Value Chain Partners		18,588	0	Nil	9,424	0	Nil
Other (please specify)		0	0	Nil	0	0	Nil

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
	Nil	Nil	Nil	Nil	

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	N	Y	Y	Y	N	N	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	N	Y	Y	Y	N	N	Y	Y
c. Web Link of the Policies: www.quickheal.co.in/investors	Y	N	Y	Y	Y	N	N	Y	Y
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	N	Y	Y	Y	N	N	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Y	N	Y	Y	Y	N	N	Y	Y
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	N	N	N	N	N	N	N	N	N
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	NA	NA	NA	NA	NA	NA	NA	NA	NA
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (*listed entity has flexibility regarding the placement of this disclosure):* NA									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	The Board of Directors of the Company and Stakeholders Relationship Committee are responsible for implementation and oversight of the Business Responsibility policies.								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, the Stakeholders Relationship Committee of the Company is responsible for decision making on sustainability related issues								

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

P1	P2	P3	P4	P5	P6	P7	P8	P9
N	N	N	N	N	N	N	N	N

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
It is planned to be done in the next financial year (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
Any other reason (please specify)	NA	NA	NA	NA	NA	NA	NA	NA	NA

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	5	Corporate Governance and Companies Act, SEBI Regulations	100
Key Managerial Personnel	11	Product Training, Sales mock training, Information security training, POSH Training, GenAI enablement Gen AI	100
Employees other than BoD and KMPs	815	Product Training, Sales mock training, Information security training, POSH Training, GenAI enablement Gen AI	100
Workers	NIL	NIL	NIL

2. Details of fines/ penalties/ punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (In ₹)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Penalty/ Fine	Nil	Nil	Nil	Nil	No
Settlement	Nil	Nil	Nil	Nil	No
Compounding fee	Nil	Nil	Nil	Nil	No

Non-Monetary				
	NGRBC Principle	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Imprisonment	Nil	Nil	Nil	No
Punishment	Nil	Nil	Nil	No

3. Of the instances disclosed in Question2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/enforcement agencies/ judicial institutions
Nil	Nil

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.: Yes, the Company's Code of Conduct Policy complies with the legal requirement of applicable laws and regulations https://www.quickheal.co.in/sustainability

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	2024-25 (Current Financial Year)		2023-24 (Previous Financial Year)	
	Number	**Remarks**	**Number**	**Remarks**
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

7. Provide details of any corrective action taken or underway on issues related to fines / penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest: NA

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Number of days of accounts payables	60	64

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics		2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Concentration of Purchases	a.	Purchases from trading houses as % of total purchases	Nil	Nil
	b.	Number of trading houses where purchases are made from	Nil	Nil
	c.	Purchases from top 10 trading houses as % of total purchases from trading houses	Nil	Nil
Concentration of Sales	a.	Sales to dealers / distributors as % of total sales	84.33%	86.58%
	b.	Number of dealers / distributors to whom sales are made	586	513
	c.	Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	20.21%	21.52%
Share of RPTs in	•	Purchases (Purchases with related parties / Total Purchases)	Nil	5.07%
	•	Sales (Sales to related parties / Total Sales)	Nil	Nil
	•	Loans & advances (Loans & advances given to related parties / Total loans & advances)	Nil	Nil
	•	Investments (Investments in related parties / Total Investments made)	Nil	Nil

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness held	Topics / principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
234	Seqrite Product	100%

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? **(Yes/No)** If Yes, provide details of the same: Yes, the Company receives annual declaration (changes from time to time) from its Board members and KMPs on the entities they are interested in, and ensure requisite approvals as required under the statue as well as the Company's policies are in place before transacting with such entities/ individuals

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	135.95	133.06	Quick Heal's investment in R&D have resulted in protection of society from cyberattacks and also resulted in creation of employment in the society.
Capex	-	-	-

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)Yes

   b. If yes, what percentage of inputs were sourced sustainably? 44%

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste: Plastic and E waste recycling process (EPR) is in place, hazards waste is not been generated anywhere in the process.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same. EPR (End Producer Responsibility) guidelines are in place: NA

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Products and services	% of total Turnover Contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external Agency(Yes/No)	Results communicated in public domain (Yes / No) If yes provide the web-link
NA	NA	NA	NA	NA	NA

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same. NA

Name of Product / Service	Description of the risk / concern	Action Taken
NA	NA	NA
NA	NA	NA
NA	NA	NA

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry). NA

Indicate input material	Recycled or re-used input material to total material	
	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
NA	NA	NA

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format: NA

	2024-25 Current Financial Year			2023-34 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	NA	NA	NA	NA	NA	NA
E-waste	NA	NA	NA	NA	NA	NA
Hazardous waste	NA	NA	NA	NA	NA	NA
Other waste	NA	NA	NA	NA	NA	NA

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category. NA

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
NA	NA

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	797	797	100%	797	100%	NA	NA	797	100%	NA	NA
Female	176	176	100%	176	100%	176	100%	NA	NA	NA	NA
Total	973	973	100%	973	100%	176	100%	812	100%	NA	NA
Other than Permanent employees											
Male	63	63	100%	63	100%	NA	NA	63	100%	NA	NA
Female	23	23	100%	23	100%	23	100%	NA	NA	NA	NA
Total	86	86	100%	86	100%	23	100%	NA	NA	NA	NA

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Other than Permanent workers											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the Company	0.62%	0.58%

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	2024-25 Current Financial Year			2023-24 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	99.99%	NA	Y	99.99%	NA	Y
Gratuity	100%	NA	Y	100%	NA	Y
ESI	0.72%	NA	Y	1.31%	NA	Y
Others – please specify	NA	NA	NA	NA	NA	NA

3. **Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard. Yes

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy. Yes, the Company follows principle of equal opportunities for everyone https://www.quickheal.co.in/documents/company_policies/Company_Code_of_Conduct

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

	Permanent employees		Permanent workers	
Gender	**Return to work rate**	**Retention rate**	**Return to work rate**	**Retention rate**
Male	100%	100%	NA	NA
Female	100%	100%	NA	NA
Total	100%	100%	NA	NA

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief. Yes

	Yes/No ***(If Yes, then give details of the mechanism in brief)***
Permanent Workers	NA
Other than Permanent Workers	NA
Permanent Employees	Yes, Whistle Blower Policy
Other than Permanent Employees	Yes, Whistle Blower Policy

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	2024-25 Current Financial Year			2023-24 Previous Financial Year		
	Total employees/ workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees						
- Male	NA	NA	NA	NA	NA	NA
- Female	NA	NA	NA	NA	NA	NA
Total Permanent Workers						
- Male	NA	NA	NA	NA	NA	NA
- Female	NA	NA	NA	NA	NA	NA

8. Details of training given to employees and workers:

Category	2024-25 Current Financial Year					2023-24 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	797	450	56.46%	525	65.87%	818	-	-	497	61%
Female	176	106	60.22%	115	65.34%	168	-	-	98	58%
Total	973	556	57.14%	640	65.78%	986	-	-	595	60%
Workers										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

9. Details of performance and career development reviews of employees and worker:

Category	2024-25 (Current Financial Year)			2023-24 (Previous Financial Year)		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	797	726	91.09%	859	725	84%
Female	176	165	93.75%	181	154	85%
Total	973	891	91.57%	1040	879	85%
Workers						
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA

10. Health and safety management system:
    a. Whether an occupational health and safety management system has been implemented by the entity?: (Yes/ No). *If yes, the coverage such system?:* No
    b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?: No
    c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N): Not Applicable
    d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services?**:** Yes
11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category*	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NIL	NIL
	Workers	NIL	NIL
Total recordable work-related injuries	Employees	NIL	NIL
	Workers	NIL	NIL
No. of fatalities	Employees	NIL	NIL
	Workers	NIL	NIL
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL	NIL
	Workers	NIL	NIL

*Including in the contract workforce

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

    Access to company premises are controlled by Access control system & physical security guards are available at all entry/ exit points. Premises are under CCTV surveillance, which ensure security of premises & employees.

    Company installed the Fire safety equipment's like Fire Extinguishers, Fire Hydrant & sprinkler System, Smoke detectors, FM200.
13. Number of Complaints on the following made by employees and workers:

Category	2024-25 Current Financial Year			2023-24 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	Nil	Nil	Nil	-
Health & Safety	Nil	Nil	Nil	Nil	Nil	-

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	NA
Working Conditions	NA

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions. Incident management process is in place to track & take corrective action.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) Yes (B) Workers (Y/N): NA

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners. Yes, the Company obtain necessary documents from partners to ensure timely deduction and deposit of statutory dues.
3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		**No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment**	
	2024-25 (Current Financial Year)	**2023-24 (Previous Financial Year)**	**2024-25 (Current Financial Year)**	**2023-24 (Previous Financial Year)**
Employees	NIL	NIL	NIL	NIL
Workers	NIL	NIL	NIL	NIL

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? **(Yes/ No)Yes**
5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	NA
Working Conditions	NA

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners: Not Applicable

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

   Identifying key stakeholder groups is crucial for Quick Heal to achieve its objectives and sustain its operations. Stakeholders can significantly influence the entity's success, providing support, posing challenges, or shaping its strategic direction. The process of identifying these stakeholders involves systematic steps to ensure comprehensive understanding and effective engagement. Here's a streamlined approach to identifying and analyzing key stakeholder groups:

   1. Stakeholder Mapping

   List Potential Stakeholders: Identify all individuals, groups, or organizations affected by or interested in the entity's activities.

   Categorize Stakeholders: Group them based on their relationship to the entity (internal vs. external, primary vs. secondary).

   Map Influence and Interest: Create a matrix plotting stakeholders based on their influence and interest levels.

   2. Stakeholder Analysis

   Identify Needs and Interests: Determine what each stakeholder needs or expects and how the entity affects them.

   Assess Influence and Power: Evaluate each stakeholder's power over decision-making.

   By systematically identifying and analyzing stakeholders, Quick Heal has identified all the relevant stakeholders from our ecosystem

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Shareholder Group	Whether Identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website) Other	Frequency of engagement (Annually/ Half Yearly, Quarterly, Others - Please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	• Direct Communication • One-on-One interaction	• Ongoing • Need Based	Cybersecurity solutions & Services
Employees	No	• Direct Interaction • Employee engagement survey • Townhalls and Exit interviews	• Ongoing	Work Environment EVP
Partners	No	• On-boarding processes • Site visits to facilities • One – on – One Interaction format	• Ongoing • Need based	Timely Payment Business Opportunity Knowledge Sharing
Investors	No	• Investor meets • AGM Meetings • Periodic declarations on performance	• Quarterly • Need based	Growth Opportunity, ESG Performance
Regulator	No	• Policy Advocacy • Direct interaction with the regulatory bodies • Regulatory Audits and inspections	• Need based	Compliance Tax
Local Community	No	• Interactions with NGO partners and Communities • Meetings/discussions with local communities	• Need based	Healthcare Support Employment, Skills Development, Cyber awareness
Media	No	• Meeting in person or via call/ virtual platforms	• Opportunity based	Cyber threats Organization Performance
Shareholders	No	• Investor Meets • AGM	• Regular • Need based	Shareholder value Financial Reports
Industry Association	No	• Member Connect • Events	• Ongoing • Need Based	Industry Tech & Innovation
Board member	No	• Board Meeting • Direct Communication	• Ongoing • Need Based	Corporate governance

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

   The Stakeholders Relationship Committee of the Board of Quick Heal technologies Limited assists the Board and the Company to oversee the existing redressal mechanisms in relation to Stakeholders of the Company. The Board is also appraised of the ESG developments on a half-yearly basis.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity: Yes

   Stakeholders have been consulted to define the Materiality Matrix of the organization. The stakeholders were reached out through a digital survey and the survey result acted as an input for defining the final matrix.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups https://www.quickheal.co.in/documents/investors/policies/Vulnerability-Disclosure-Policy.pdf

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	2024-25 (Current Financial Year)			2023-24 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	973	973	100	NIL	NIL	NIL
Other than permanent	86	86	100	NIL	NIL	NIL
Total Employees	1,059	1,059	100	NIL	NIL	NIL
Workers						
Permanent	NA	NA	NA	NA	NA	NA
Other than permanent	NA	NA	NA	NA	NA	NA
Total Workers	NA	NA	NA	NA	NA	NA

2. Details of minimum wages paid to employees and workers, in the following format: We pay wages above the minimum wages to employees.

Category	2024-25 (Current Financial Year)					2023-24 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Male	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Female	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Other than Permanent	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Male	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Female	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Workers										
Permanent	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Other than Permanent	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

3. Details of remuneration/ salary/ wages

a. Median remuneration/ wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	4	7,75,000	1	10,90,000
Key Managerial Personnel	6	1,56,95,000	0	0
Employees other than BoD and KMP	1,023	8,59,095	215	8,43,051
Workers	Nil	Nil	Nil	Nil

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Gross wages paid to females as % of total wages	14.84%	11.89%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? **(Yes/No)**

Yes, we have POSH committee, Ethics Committee, Whistle Blower and SART to address human rights impact or issues caused or contributed to by the business.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Our mechanisms include Suspicious Activity Reporting Tool (SART) which allows employees to report all their grievances on the SART Portal.

6. Number of Complaints on the following made by employees and workers:

Category	2024-25 (Current Financial Year)			2023-24 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	Nil	Nil	Nil	-
Discrimination at workplace	Nil	Nil	Nil	Nil	Nil	-
Child Labor	Nil	Nil	Nil	Nil	Nil	-
Forced Labor /Involuntary Labor	Nil	Nil	Nil	Nil	Nil	-
Wages	Nil	Nil	Nil	Nil	Nil	-
Other human rights related issues	Nil	Nil	Nil	Nil	Nil	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

   Internal committee's established to deal with harassment.

9. Do human rights requirements form part of your business agreements and contracts? **Yes**

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labor	NIL
Forced/involuntary labor	NIL
Sexual harassment	NIL
Discrimination at workplace	NIL
Wages	NIL
Others – please specify	NIL

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above. NIL

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints. No

2. Details of the scope and coverage of any Human rights due-diligence conducted. No

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016? Yes

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	NIL
Discrimination at workplace	NIL
Child Labor	NIL
Forced Labor /Involuntary Labor	NIL
Wages	NIL
Others – please specify	NIL

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above: NA

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	51,310 Kwh	50,408 Kwh
Total fuel consumption (B)	Nil	Nil
Energy consumption through other sources (C)	Nil	Nil
Total energy consumed from renewable sources (A+B+C)	51,310 Kwh	50,408 Kwh
From non-renewable sources		
Total electricity consumption (D)	22,24,991 Kwh	2,152,924 Kwh
Total fuel consumption (E)	57,499 Kwh	67,061 Kwh
Energy consumption through other sources (F)	Nil	Nil
Total energy consumed from non- renewable sources (D+E+F)	22,82,490 Kwh	22,19,985 Kwh
Total energy consumed (A+B+C+D+E+F)	23,33,800 Kwh	22,70,393 Kwh
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	0.009	0.009
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	NA	NA
Energy intensity in terms of physical output	NA	NA
Energy intensity *(optional)* – the relevant metric may be selected by the entity	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. NA

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any. NA

3. Provide details of the following disclosures related to water, in the following format:

Parameter	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	13,789 KL	11,419 KL
(ii) Groundwater	NA	NA
(iii) Third party water	NA	NA
(iv) Seawater / desalinated water	NA	NA
(v) Others	NA	NA
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	13,789 KL	11,419 KL
Total volume of water consumption (in kilolitres)	13,789 KL	11,419 KL
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	0.00011	0.00010
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	NA	NA

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Parameter	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Water intensity in terms of physical output	NA	NA
Water intensity *(optional)* – the relevant metric may be selected by the entity	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. NA

4. Provide the following details related to water discharged:

Parameter	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	13,789 KL	11,419 KL
(ii) To Groundwater	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iii) To Seawater	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iv) Sent to third-parties	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(v) Others	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
Total water discharged (in kilolitres)	13,789 KL	11,419 KL

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. NA

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation. NA

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
NOx	[mg/m^3]	3.1	3.1
SOx	[mg/m^3]	3.0	2.9
Particulate matter (PM)	[mg/m^3]	3.1	0.1
Persistent organic pollutants (POP)	[mg/m^3]	0.1	NA
Volatile organic compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA
Others– please specify	NA	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. NA

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into **CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3**, if available)	*Metric tonnes of CO_2 equivalent*	NA	NA
Total Scope 2 emissions (Break-up of the GHG into **CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3**, if available)	*Metric tonnes of CO_2 equivalent*	NA	NA
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations)	NA	NA	NA
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	NA	NA	NA
Total Scope 1 and Scope 2 emission intensity in terms of physical output	NA	NA	NA
Total Scope 1 and Scope 2 emission intensity *(optional)*– the relevant metric may be selected by the entity	NA	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: NA

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details. NA

9. Provide details related to waste management by the entity, in the following format:

Parameter	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste ***(A)***	NA	NA
E-waste ***(B)***	0.65	0.511
Bio-medical waste ***(C)***	NA	NA
Construction and demolition waste ***(D)***	NA	NA
Battery waste ***(E)***	NA	NA
Radioactive waste ***(F)***	NA	NA
Other Hazardous waste. Please specify, if any. ***(G)***	NA	NA
Other Non-hazardous waste generated ***(H)****. Please specify, if any.* (Break-up by composition i.e. by materials relevant to the sector)	NA	NA
Total (A+B + C + D + E + F + G + H)	0.65	0.511

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Parameter	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	NA	NA
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	NA	NA
Waste intensity in terms of physical output	NA	NA
Waste intensity *(optional)* – the relevant metric may be selected by the entity	NA	NA
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	0.65	0.511
(ii) Re-used	NA	NA
(iii) Other recovery operations	NA	NA
Total	0.65	0.511
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste	NA	NA
(i) Incineration	NA	NA
(ii) Landfilling	NA	NA
(iii) Other disposal operations	NA	NA
Total	NA	NA

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. NA

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes. NA

11. If the entity has operations/ offices in/ around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any
	NA	NA	NA

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA	NA	NA	NA	NA	NA

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non- compliances, in the following format: NA

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non- compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
	NA	NA	NA	NA
	NA	NA	NA	NA

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area: NA

(ii) Nature of operations: NA

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	13,789 KL	11,419 KL
(ii) Groundwater NA NA	NA	NA
(iii) Third party water	NA	NA
(iv) Seawater / desalinated water	NA	NA
(v) Others	NA	NA
Total volume of water withdrawal (in kilolitres)	13,789 KL	11,419 KL
Total volume of water consumption (in kilolitres)	13,789 KL	11,419 KL
Water intensity per rupee of turnover *(Water consumed / turnover)*	NA	NA
Water intensity *(optional)* – the relevant metric may be selected by the entity	NA	NA
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	13,789 KL	11,419 KL
- No treatment	NA	NA
- With treatment – please specify level of treatment	13,789 KL	11,419 KL
(ii) Into Groundwater	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iii) Into Seawater	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iv) Sent to third-parties	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(v) Others	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
Total water discharged (in kilolitres)	13,789 KL	11,419 KL

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.NA

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into **CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3,** if available)	*Metric tonnes of CO_2 equivalent*	NA	NA
Total Scope 3 emissions per rupee of turnover	NA	NA	NA
Total Scope 3 emission intensity *(optional)*– the relevant metric may be selected by the entity	NA	NA	NA

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.NA

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities: NA

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative *(Web-link, if any, may be provided along-with summary)*	Outcome of the initiative
1	Solar	Installed 45Kw solar plat at RND center located at Shivajinagar office, Pune	Generating approx. 60K units of electricity per year
2	EPP	Under the EPP-End Producer Responsibility, made 12 locations as E-Waste collection centers	E-Waste collection facilities made available

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link: https://www.quickheal.co.in/documents/investors/policies/Risk-Management-Policy.pdf.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard: NA

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts: NA

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations: 2

   b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sr. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Data Security Council of India	National
2	Computer & Media Dealers Association	State Level

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
NIL	NIL	NIL

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly /Others – please specify)	Web Link, if available
	NA	NA	NA	NA	NA

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA	NA	NA	NA	NA	NA

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
NA	NA	NA	NA	NA	NA	NA

3. Describe the mechanisms to receive and redress grievances of the community.

   The Committee looks into the grievances of the shareholders related to the transfer of shares, payment of dividends and non receipt of the annual report and recommends measures for expeditious and effective investor service among others.

   The Whistle Blower Policy (WBP) provides for the establishment of a Vigil Mechanism for Directors and employees to report genuine concerns or grievances. Website Link: https://www.quickheal.co.in/documents/investors/policies/whistleblower-policy-&-vigil-mechanism.pdf

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	100%	100%
Directly from within India	0%	0%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

   (Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Location	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Rural	NIL	NIL
Semi-urban	NIL	NIL
Urban	NIL	NIL
Metropolitan	100%	100%

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
NA	NA
NA	NA

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sr. No	State	Aspirational District	Amount spent (In ₹)
1	Maharashtra	Jalgaon	6,08,000
2	Chhattisgarh	Rajnandgaon	7,00,300

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No): NA

   (b) From which marginalized /vulnerable groups do you procure?: NA

   (c) What percentage of total procurement (by value) does it constitute?: NA

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Sr. No	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes / No)	Benefit shared (Yes / No)	Basis of calculating benefit share
	Nil	Nil	Nil	Nil

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Nil	Nil	Nil

6. Details of beneficiaries of CSR Projects:

Sr. No	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Cyber Shiksha for Cyber Suraksha	15,08,898	NA

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback: NA
2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	NA
Safe and responsible usage	NA
Recycling and/or safe disposal	NA

3. Number of consumer complaints in respect of the following:

Stakeholder group from whom complaint is received	2024-25 Current Financial Year			2023-24 Previous Financial Year		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	409	359	[Out of 2993 requesters, 50 confirmed their consent for deleting their data. For the remaining requests, as there was no response from the users, the tickets were marked as closed. Consequently, no data was deleted for these users]	2993	2801	[Out of 2993 requesters, 192 confirmed their consent for deleting their data. For the remaining requests, as there was no response from the users, the tickets were marked as closed. Consequently, no data was deleted for these users]
Advertising	NA	NA	NA	NA	NA	NA
Cybersecurity	NA	NA	NA	NA	NA	NA
Delivery of essential services	NA	NA	NA	NA	NA	NA
Restrictive Trade Practices	NA	NA	NA	NA	NA	NA
Unfair Trade Practices	NA	NA	NA	NA	NA	NA
Other	NA	NA	NA	NA	NA	NA

4. Details of instances of product recalls on account of safety issues:

Total number of awareness held	Number	Reasons for recall
Voluntary recalls	NA	NA
Forced recalls	NA	NA

5. Does the entity have a framework/ policy on Cybersecurity and risks related to data privacy? **(Yes/No)** If available, provide a web-link of the policy: NA
6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; Cybersecurity and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services: NA
7. Provide the following information relating to data breaches:
   a. Number of instances of data breaches: NA
   b. Percentage of data breaches involving personally identifiable information of customers: NA
   c. Impact, if any, of the data breaches: NA

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

d. Ransomware Attacks Prevented - 8.6 Lakhs approximately. The average cost of ransomware attacks reported was ₹ 45.3 Crores approximately (source: purplesec.us).

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (https://www.quickheal.co.in/investors).
2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.
   https://www.quickheal.co.in/eula
   https://www.seqrite.com/documents/en/master-eula/seqrite-master-eula.pdf
3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.
   https://www.quickheal.co.in/retail-products-end-of-life-policy
   https://www.seqrite.com/seqrite-products-end-of-life-policy
4. Does the entity display product informsation on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No): Yes. The Company carries out a consumer satisfaction survey on a periodic basis and compares the various parameters across multiple dimensions through peer comparison and its membership in the various chambers of commerce.

INDEPENDENT AUDITOR'S REPORT

To the Members of

Quick Heal Technologies Limited

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of **Quick Heal Technologies Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss, including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended March 31, 2025. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1.	**Revenue from contract with customers:** Refer the disclosures related to Revenue recognition in Note 24 to the accompanying Standalone Financial Statements. Revenue from the sale of security software products is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods. The Application of Ind AS 115 involves certain key judgements relating to identification of performance obligations, determination of basis and its appropriateness for allocation of transaction price to the identified performance obligations; recognition of such identified performance obligations based on timing of satisfaction (i.e., over time or point in time). Due to the significance of revenue and involvement of management judgments relating to identification of separate performance obligations, this is considered as a key audit matter.	Our audit procedures in respect of this area include, but are not limited to, following: 1. Evaluated the Company's accounting policies for revenue recognition (including incentives) and assessed its compliance with Ind AS 115 'Revenue from contracts with customers'; 2. Obtained and reviewed contracts with customers and confirmed our understanding of the Company's sales process, including design and implementation of controls and tested the operating effectiveness of these controls on a sample basis; 3. Reviewed the customer agreements, on a sample basis, to test the terms and conditions for sale of such products including identification of performance obligations and allocation of the transaction price to such performance obligation based on appropriate method, as applicable; 4. Discussed with management the key assumptions underlying the Company's assessment of cost related to identified performance obligations and tested mathematical accuracy of the underlying data used for computation and calculations made by the Company;

INDEPENDENT AUDITOR'S REPORT (Contd.)

Sr. No.	Key Audit Matter	How the Key Audit Matter was addressed in our audit
		5. In case of variable consideration, assessed management's computations for accrual of discounts and incentives and on a sample basis compared the accruals made with the approved schemes and underlying documents; 6. Ensured that the actual discounts and incentives does not exceed the approved amount and it has been recorded in the correct accounting period; and 7. Evaluated the appropriateness of the disclosures made in the standalone financial statement in relation to revenue recognition as required by applicable accounting standards.
2.	**Provision for expected credit loss for accounts receivables:** Refer Note 12 of the Standalone Financial Statements. The Company has total outstanding trade receivable amounting to ₹ 217.76 crores as at March 31, 2025, against which the Company has provided for ₹ 47.40 crores towards expected credit loss in the books of account. We have identified provisioning for credit loss as a key audit matter as the calculation of credit loss provision is a complex area and requires management to make significant assumptions on customer payment behaviour and estimating the level and timing of expected future cash flows.	We evaluated the judgement and estimation used by management in recognizing the expected credit loss provision. Our procedures included, but were not limited to the following: 1. Obtained an understanding of the Company's policy on assessment of expected credit loss against trade receivables, including design and implementation of controls, validation of management review controls and testing the operating effectiveness of these controls; 2. Verified accuracy of the aging of trade receivables for sample customer transactions; 3. Obtained management's assessment and plan for recovery with respect to trade receivables outstanding for more than 365 days and corroborated the same; 4. Assessed the methodology applied for recognising expected credit loss against the trade receivables outstanding balances and verified the same based on historical collection data; 5. Tested the arithmetic accuracy and completeness of the expected credit loss provision performed by the Company; and 6. Assessed and validated the adequacy and appropriateness of the disclosures made by the management is as per the requirements of Ind AS 109 -'Financial Instruments'.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the Management Discussion and Analysis, Director's report, Corporate Governance report, Business Responsibility and Sustainability Reporting but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(h)(vi) below on reporting under Rule 11(g).

   (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) The reservation relating to maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(h)(vi) below on reporting under Rule 11(g).

   (g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".

INDEPENDENT AUDITOR'S REPORT (Contd.)

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 36 to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. 1. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

2. The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

3. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

v. The final dividend paid by the Company during the year, in respect of the dividend declared for the previous year, is in accordance with section 123 of the Companies Act 2013 to the extent applicable to the payment of dividends.

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility, except that no audit trail feature was enabled at the database level in respect of an accounting software to log any direct data changes as explained in Note 46 to the standalone financial statements.

Further, where enabled, audit trail feature has been operated for all relevant transactions recorded in the accounting software. Also, during the course of our audit, we did not come across any instance of audit trail feature being tampered with in respect of such accounting software. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in respective years.

Based on our examination, the Company has used an accounting software which is operated by a third-party software service provider, for maintaining its payroll records which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all the relevant transactions recorded in the software as explained in Note 46 to the standalone financial statements.

Further, during the course of our audit and considering SOC report, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention.

3. In our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits prescribed under Section 197 read with Schedule V of the Act and the rules thereunder.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Sd/-
Shraddha D Khivasara
Partner
Membership No. 134285
UDIN: 25134285BMNTDD4660

Place: Pune
Date: May 06, 2025

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF QUICK HEAL TECHNOLOGIES LIMITED

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management and Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned

scope and timing of the audit and significant audit findings, including any significant deficiencies in

internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the year ended March 31, 2025 and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Sd/-
Shraddha D Khivasara
Partner
Membership No. 134285
UDIN: 25134285BMNTDD4660

Place: Pune
Date: May 06, 2025

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF QUICK HEAL TECHNOLOGIES LIMITED FOR THE YEAR ENDED MARCH 31, 2025

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

i. (a) A The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment, investment property and relevant details of right-of-use assets.

(a) B The Company has maintained proper records showing full particulars of intangible assets.

(b) Property, Plant and Equipment, investment property and right of use assets were physically verified by the management according to a phased programme designed to cover all items over a period of two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of Property, plant and equipment, investment property and right of use assets have been physically verified by Management during the year. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the standalone financial statements, are held in the name of the Company.

(d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment including Right of Use assets and intangible assets during the year. Accordingly, the provisions stated under clause 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated under clause 3(i)(e) of the Order are not applicable to the Company.

ii. (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification, coverage and procedure of such verification is reasonable and appropriate., having regard to the size of the Company and the nature of its operations. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) The Company has not been sanctioned any working capital limits during the year on the basis of security of current assets. Accordingly, the provisions stated under clause 3(ii)(b) of the Order is not applicable to the Company.

iii. According to the information explanation provided to us, the Company has not made any investments in, or provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions stated under clause 3(iii) of the Order are not applicable to the Company.

iv. According to the information and explanations given to us, there are no loans, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013, are applicable and accordingly, the requirement to report under clause 3(iv) of the Order is not applicable to the Company. Further, according to the information and explanations given to us, provisions of sections 186 of the Companies Act, 2013 in respect of investments made have been complied with by the Company.

v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of the provisions of Sections 73 to 76 of the Companies Act, 2013 and the rules framed there under. Accordingly, the requirement to report under clause 3(v) of the Order is not applicable to the Company. Also there are no amounts outstanding as on March 31, 2025, which are in the nature of deposits.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Companies Act, 2013 in respect of its products. We have broadly reviewed the same, and are of the opinion that, *prima facie*, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records examined by us, in our opinion, undisputed statutory dues including

ANNEXURE B (Contd.)

Goods and Services tax, provident fund, employees' state insurance, income-tax, cess, and other statutory dues have generally been regularly deposited with the appropriate authorities during the year, though there has been a slight delay in two cases of Professional tax.

No undisputed amounts payable in respect of these statutory dues were outstanding as at March 31, 2025, for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and the records examined by us, dues relating to statutory dues which have not been deposited as on March 31, 2025, on account of any dispute, are as follows:

Amounts in ₹ Crores

Name of the statute	Nature of dues	Amount demanded ₹	Amount paid under protest	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Tax demand on account of disallowance of expenses under section 14A and disallowance of Depreciation	2.43	0.13	FYs 2013-14, 2016-17 and 2017-18	Commissioner of Income Tax (Appeals)	Nil
Income Tax Act, 1961	Tax demand on account of disallowance of expenses under section 14A, tax on buy back and payment of dividend distribution tax	0.28	Nil	FY 2019-20	Commissioner of Income Tax (Appeals)	Nil
Income Tax Act,1961	Tax demand on account of disallowance of expenses on ESOP	0.27	Nil	FY 2017-18	Commissioner of Income Tax (Appeals)	Nil
Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident fund dues (includes interest amounting to ₹ 2.49 crores as per the order)	5.01	Nil	September 2014 – March 2019	Regional P.F. Commissioner - I	Nil

The amount of tax as reported above is calculated using the tax rates applicable during the relevant assessment year based on the amount of disallowances/adjustments under dispute and excluding interest.

There are no other statutory dues which have not been deposited on account of any dispute apart from as reported above.

viii. According to the information and explanations given to us, there are no transaction which are not recorded in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment under the Income Tax Act, 1961. Accordingly, the requirement to report as stated under clause 3(viii) of the Order is not applicable to the Company.

ix. (a) The Company does not have any loans or borrowings or interest thereon due to any lenders during the year. Accordingly, the requirement to report under clause 3(ix)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations provided to us, no money was raised by way of term loans. Accordingly, the requirement to report under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanation provided to us, there are no funds raised on short term basis or there are no funds raised during the year. Accordingly, the requirement to report under clause 3(ix)(d) of the Order is not applicable to the Company.

ANNEXURE B (Contd.)

(e) According to the information explanation given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Accordingly, the requirement to report under Clause 3(ix)(f) of the order is not applicable to the Company.

x. (a) In our opinion and according to the information explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting requirement under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly, or optionally convertible) during the year. Accordingly, the requirements to report under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) Based on our examination of the books and records of the Company and according to the information and explanations given to us, we report that no frauds by the Company or no material fraud on the Company has been noticed or reported during the year in the course of our audit.

(b) During the year no report under Section 143(12) of the Act, has been filed by cost auditor/secretarial auditor or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company. Accordingly, the provisions stated under clause 3(xii)(a) to (c) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till the date of our audit report, for the period under audit.

xv. According to the information and explanations given to us, and based on our examination of the records of the Company, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, the requirement to report on clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 (2 of 1934) and accordingly, the requirements to report under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 3 (xvi)(b) of the Order are not applicable to the Company.

(c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report under clause 3 (xvi)(c) of the Order is not applicable to the Company.

(d) The Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company (as part of its group. Accordingly, the requirement to report under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. Based on the overall review of standalone financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the requirement to report under clause 3(xvii) of the Order is not applicable to the Company.

ANNEXURE B (Contd.)

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in note 37 to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. According to the information and explanations given to us and based on our verification, the provisions of Section 135 of the Companies Act, 2013, are applicable to the Company. The Company has made the required contributions during the year and there are no unspent amounts which are required to be transferred either to a Fund specified in schedule VII of the Companies Act, 2013 or to a Special Account as per the provisions of Section 135 of the Companies Act, 2013 read with schedule VII to the Companies Act, 2013. Accordingly, reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable to the Company.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said Clause has been included in the report.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Sd/-
Shraddha D Khivasara
Partner
Membership No. 134285
UDIN: 25134285BMNTDD4660

Place: Pune
Date: May 06, 2025

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF QUICK HEAL TECHNOLOGIES LIMITED

[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Quick Heal Technologies Limited on the Standalone Financial Statements for the year ended March 31, 2025]

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls with reference to standalone financial statements of Quick Heal Technologies Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2025, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI').

MANAGEMENT'S AND BOARD OF DIRECTOR'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

ANNEXURE C (Contd.)

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Sd/-
Shraddha D Khivasara
Partner
Membership No. 134285
UDIN: 25134285BMNTDD4660

Place: Pune
Date: May 06, 2025

STANDALONE BALANCE SHEET

AS AT MARCH 31, 2025

(All amounts are in ₹ Crores, unless otherwise stated)

	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
(a) Property, plant and equipment	5	83.15	83.61
(b) Capital work-in-progress	5 (a)	0.05	3.06
(c) Investment properties	6	35.01	31.62
(d) Intangible assets	7	0.72	1.49
(e) Right-of-use assets	8	0.33	-
(f) Investments in subsidiaries	9	0.81	0.81
(g) Financial assets			
(i) Investments	9	7.28	7.45
(ii) Other financial assets	10	0.89	0.82
(h) Deferred tax assets (net)	31	7.94	3.40
(i) Non-current tax assets (net)	15	17.20	16.46
(j) Other non-current assets	16	1.35	0.91
		154.73	**149.63**
Current assets			
(a) Inventories	11	2.22	2.80
(b) Financial assets			
(i) Investments	9	172.01	182.51
(ii) Trade receivables	12	170.36	132.05
(iii) Cash and cash equivalents	13	17.10	36.46
(iv) Bank balances other than (iii) above	14	0.13	0.25
(v) Other financial assets	10	1.26	1.26
(c) Other current assets	16	7.86	7.65
		370.94	**362.98**
Total assets		**525.67**	**512.61**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	17	54.00	53.51
(b) Other equity	18	387.84	383.39
Total equity		**441.84**	**436.90**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	20	0.09	-
(b) Employee benefit obligations	21	0.74	-
(c) Other non-current liabilities	22	4.02	2.33
		4.85	**2.33**
Current liabilities			
(a) Financial liabilities			
(i) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	19	3.52	3.70
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	19	31.84	36.40
(ii) Other financial liabilities	20	1.71	3.82
(b) Employee benefit obligations	21	18.11	15.57
(c) Other current liabilities	22	23.79	13.88
(d) Current tax liabilities (net)	23	0.01	0.01
		78.98	**73.38**
Total liabilities		**83.83**	**75.71**
Total equity and liabilities		**525.67**	**512.61**

Summary of material accounting policies 3

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration Number: 105047W

For and on behalf of the Board of Directors of
Quick Heal Technologies Limited
CIN: L72200MH1995PLC091408

Sd/-
Shraddha D Khivasara
Partner
Membership Number: 134285
Place: Pune
Date: May 06, 2025

Sd/-
Kailash Katkar
Chairman & Managing Director
DIN: 00397191
Place: Pune
Date: May 06, 2025

Sd/-
Sanjay Katkar
Joint Managing Director
DIN: 00397277
Place: Pune
Date: May 06, 2025

Sd/-
Vishal Salvi
Chief Executive Officer
Place: Pune
Date: May 06, 2025

Sd/-
Ankit Maheshwari
Chief Financial Officer
Place: Pune
Date: May 06, 2025

Sd/-
Sarang Hari Deshpande
Company Secretary
Regs. No. ACS-18613
Place: Pune
Date: May 06, 2025

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in ₹ Crores, unless otherwise stated)

	Notes	Year ended March 31, 2025	Year ended March 31, 2024
INCOME			
Revenue from operations	24	279.53	291.75
Other income	25	20.72	21.37
Total income		**300.25**	**313.12**
EXPENSES			
Cost of material consumed	26 (a)	6.11	0.41
Purchase of security software products	26 (b)	0.45	5.13
(Increase)/ decrease in inventories security software products	26 (c)	0.58	1.29
Employee benefits expense	27	184.95	168.94
Finance costs	28	0.22	0.13
Depreciation and amortization expense	29	12.96	12.60
Other expenses	30	93.45	98.58
Total expenses		**298.72**	**287.08**
Profit before tax		**1.53**	**26.04**
Tax expense			
Current tax	31	-	5.78
Adjustments of tax relating to earlier periods (net)		0.44	0.07
Deferred tax		(4.48)	(3.88)
Total tax expense/ (benefit)		**(4.04)**	**1.97**
Profit for the year		**5.57**	**24.07**
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement (loss) on defined benefit plans		(0.25)	(0.22)
Income tax effect		0.06	0.06
		(0.19)	(0.16)
Net (loss) on FVOCI financial instruments		(0.17)	(13.45)
Income tax effect		-	-
		(0.17)	(13.45)
Net other comprehensive (loss) not to be reclassified to profit or loss in subsequent periods:		**(0.36)**	**(13.61)**
Total comprehensive income for the year		**5.21**	**10.46**
Earnings per equity share [nominal value per share ₹ 10 (March 31, 2024: ₹ 10)]	32		
Basic		1.04	4.52
Diluted		1.01	4.45

Summary of material accounting policies 3

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration Number: 105047W

For and on behalf of the Board of Directors of
Quick Heal Technologies Limited
CIN: L72200MH1995PLC091408

Sd/-
Shraddha D Khivasara
Partner
Membership Number: 134285

Sd/-
Kailash Katkar
Chairman & Managing Director
DIN: 00397191

Sd/-
Sanjay Katkar
Joint Managing Director
DIN: 00397277

Sd/-
Vishal Salvi
Chief Executive Officer

Sd/-
Ankit Maheshwari
Chief Financial Officer

Sd/-
Sarang Hari Deshpande
Company Secretary
Regs. No. ACS-18613

Place: Pune
Date: May 06, 2025

Place: Pune
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Date: May 06, 2025

Place: Pune
Date: May 06, 2025

Place: Pune
Date: May 06, 2025

STANDALONE CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in ₹ Crores, unless otherwise stated)

		March 31, 2025	March 31, 2024
A.	CASH FLOWS FROM OPERATING ACTIVITIES		
	Profit before tax	1.53	26.04
	Adjustment to reconcile profit before tax to net cash flows:		
	Net (gain)/loss on foreign exchange differences	(0.10)	0.15
	Employee share based payments expense	9.95	5.10
	Interest on lease	0.22	0.13
	Rent equalization	(0.21)	(0.12)
	Depreciation and amortization expense	12.96	12.60
	Interest income	(0.78)	(1.43)
	Provision for doubtful debts and advances	3.27	7.15
	Property, plant and equipment written off	-	0.32
	(Profit) on sale of property, plant and equipment	(0.13)	(0.27)
	Income from Investment property	(5.49)	(4.99)
	Net gain on sale of investment	(2.16)	(2.02)
	Unrealised gain on investments	(11.30)	(10.23)
	Operating profit before working capital changes	**7.76**	**32.43**
	Movements in working capital:		
	(Increase) in trade receivables	(41.48)	(16.58)
	Decrease in inventories	0.58	1.70
	(Increase)/ decrease in other financial assets	(0.10)	0.50
	(Increase) in other assets	(0.44)	(1.18)
	Increase in net employee benefit obligations	3.03	14.18
	(Decrease) in trade payables	(4.74)	(8.58)
	(Decrease) in other financials liabilities	(0.15)	(10.23)
	Increase in other current and non-current liabilities	11.38	6.15
	Cash (used in)/ generated from operations	**(24.16)**	**18.39**
	Income taxes paid (net of refund)	(0.85)	0.03
	Net cash flows (used in)/ generated from operating activities (A)	**(25.01)**	**18.42**
B.	CASH FLOWS FROM INVESTING ACTIVITIES		
	Purchase of property, plant and equipment and intangible assets (including capital work-in-progress and capital advances)	(14.42)	(7.56)
	Proceeds from sale of property, plant and equipment	0.34	1.08
	Purchase of investment in mutual funds	(265.10)	(279.68)
	Proceeds from sale of investment in mutual funds	289.06	286.21
	Rental income from investment property	5.49	4.99
	Proceeds from bank deposit other than Cash and cash equivalents	0.14	0.02
	Interest received	0.46	1.09
	Net cash flows generated from investing activities (B)	**15.97**	**6.15**

STANDALONE CASH FLOW STATEMENT
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts are in ₹ Crores, unless otherwise stated)

	March 31, 2025	March 31, 2024
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(16.13)	(13.29)
Payment of principal portion of lease liabilities	(0.10)	-
Refund of GST on buy back expenses	-	0.14
Refund of buy back tax	-	8.60
Proceeds from issuance of equity shares (including securities premium) on exercise of employee stock options	5.91	6.15
Net cash flows (used in)/ generated from financing activities (C)	**(10.32)**	**1.60**
Net (Decrease)/ increase in cash and cash equivalents (A+B+C)	**(19.36)**	**26.17**
Cash and cash equivalents at the beginning of the year	36.46	10.29
Cash and cash equivalents at the end of the year	**17.10**	**36.46**
Components of cash and cash equivalents		
Cash on hand	0.01	0.01
Balances with banks		
On current account	9.89	6.06
On EEFC account	1.63	2.32
Deposits with maturity of less than 3 months	5.57	28.07
Total cash and cash equivalents (refer note 13)	**17.10**	**36.46**

Summary of material accounting policies (refer note 3)

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration Number: 105047W

For and on behalf of the Board of Directors of
Quick Heal Technologies Limited
CIN: L72200MH1995PLC091408

Sd/-
Shraddha D Khivasara
Partner
Membership Number: 134285

Sd/-
Kailash Katkar
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DIN: 00397191

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DIN: 00397277

Sd/-
Vishal Salvi
Chief Executive Officer

Sd/-
Ankit Maheshwari
Chief Financial Officer

Sd/-
Sarang Hari Deshpande
Company Secretary
Regs. No. ACS-18613

Place: Pune
Date: May 06, 2025

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Date: May 06, 2025

Place: Pune
Date: May 06, 2025

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in ₹ Crores, unless otherwise stated)

A. Equity share capital

Equity shares of ₹ 10 each issued, subscribed and fully paid-up	No.	Amount
As at April 01, 2023	**5,30,73,851**	**53.07**
- Employee stock option plan (ESOP) (refer note 17)	4,42,420	0.44
As at March 31, 2024	**5,35,16,271**	**53.51**
- Employee stock option plan (ESOP) (refer note 17)	4,90,337	0.49
As at March 31, 2025	**5,40,06,608**	**54.00**

B. Other equity

Other equity attributable to equity holders of the Company

	Reserves and Surplus						Items of other Comprehensive Income	Total
	Securities premium	Capital redemption reserve	Amalgamation reserve	General reserve	Retained earnings	Employee stock options outstanding (ESOP)	Equity instruments through Other comprehensive income	
Balance as at April 01, 2023	**0.01**	**17.69**	**2.65**	**45.03**	**302.24**	**9.51**	**(10.48)**	**366.65**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	24.07	-	-	24.07
Other comprehensive income	-	-	-	-	(0.16)	-	(13.45)	(13.61)
Total comprehensive income	-	-	-	-	**23.91**	-	**(13.45)**	**10.46**
Expenses pertaining to share-based payments	5.71	-	-	-	-	5.10	-	10.81
GST on Buyback expenses	-	-	-	-	0.14	-	-	0.14
Transfer from ESOP reserve on option exercised	-	-	-	-	0.82	(0.82)	-	-
Refund of excess buy back tax paid	-	-	-	-	8.60	-	-	8.60
Transferred to Retained earnings	3.83	-	-	-	-	(3.83)	-	-
Final equity dividend	-	-	-	-	(13.27)	-	-	(13.27)
Balance as at March 31, 2024	**9.55**	**17.69**	**2.65**	**45.03**	**322.44**	**9.96**	**(23.93)**	**383.39**

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts are in ₹ Crores, unless otherwise stated)

	Reserves and Surplus						Items of other Comprehensive Income	Total
	Securities premium	Capital redemption reserve	Amalgamation reserve	General reserve	Retained earnings	Employee stock options outstanding (ESOP)	Equity instruments through Other comprehensive income	
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	5.57	-	-	5.57
Other comprehensive income	-	-	-	-	(0.19)	-	(0.17)	(0.36)
Total comprehensive income	**-**	**-**	**-**	**-**	**5.38**	**-**	**(0.17)**	**5.21**
Expenses pertaining to share-based payments	5.42					9.95	-	15.37
Transfer from ESOP reserve on option exercised	-	-	-	-	0.31	(0.31)	-	-
Transferred to Retained earnings	4.52	-	-	-	-	(4.52)	-	-
Final equity dividend	-	-	-	-	(16.13)	-	-	(16.13)
Balance as at March 31, 2025	**19.49**	**17.69**	**2.65**	**45.03**	**312.00**	**15.08**	**(24.10)**	**387.84**

Summary of material accounting policies (refer note 3)

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration Number: 105047W

For and on behalf of the Board of Directors of
Quick Heal Technologies Limited
CIN: L72200MH1995PLC091408

Sd/-
Shraddha D Khivasara
Partner
Membership Number: 134285

Place: Pune
Date: May 06, 2025

Sd/-
Kailash Katkar
Chairman & Managing Director
DIN: 00397191

Place: Pune
Date: May 06, 2025

Sd/-
Sanjay Katkar
Joint Managing Director
DIN: 00397277

Place: Pune
Date: May 06, 2025

Sd/-
Vishal Salvi
Chief Executive Officer

Place: Pune
Date: May 06, 2025

Sd/-
Ankit Maheshwari
Chief Financial Officer

Place: Pune
Date: May 06, 2025

Sd/-
Sarang Hari Deshpande
Company Secretary
Regs. No. ACS-18613

Place: Pune
Date: May 06, 2025

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025

1. CORPORATE INFORMATION

Quick Heal Technologies Limited ("the Company"), a public limited company domiciled in India, was incorporated on August 07, 1995 under the Companies Act, 1956. The CIN of the Company is L72200MH1995PLC091408. The Company's shares are listed on the BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') w.e.f. February 18, 2016. The registered office of the Company is located at Solitaire Business Hub, Office No.7010 C & D, 7th Floor, Viman Nagar, Pune 411014, Maharashtra, India.

The Company is engaged in the business of providing security software products. The Company caters to both domestic and international market.

The standalone financial statements of the Company for the year ended March 31, 2025 were authorized for issue in accordance with a resolution of the Board of Directors on May 06, 2025.

2. BASIS OF PREPARATION

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended and presentation requirements of Division II of Schedule III to the Companies Act 2013 (IND AS compliant Schedule III) as applicable.

The standalone financial statements have been prepared on a historical cost basis, except for certain financial assets:

Items	Measurement basis
Certain financial assets and liabilities measured at fair value	Fair value
Equity-settled share-based payment transactions	Fair value on the date of grant

The standalone financial statements are presented in ₹ Crores and all values are rounded off to two decimals; except when otherwise indicated.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The following are the material accounting policies applied by the Company in preparing its standalone financial statements:

a) Current versus Non-Current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

- expected to be realized or intended to be sold or consumed in the normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realized within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when it is:

- expected to be settled in the normal operating cycle;
- held primarily for the purpose of trading;
- due to be settled within twelve months after the reporting period; or
- no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle of the Company is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company's normal operating cycle has been considered to be twelve months.

b) Foreign currencies

Functional and presentation currency

The Company's standalone financial statements are presented in Indian Rupees, which is also the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

Transaction and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognized in the Statement of Profit and Loss.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognized in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item i.e., translation differences on items whose fair value gain or loss is recognized in Other comprehensive income ('OCI') or statement of profit and loss are also recognized in OCI or statement of profit and loss, respectively.

c) Fair value measurement

The Company measures financial instruments such as investments in equity shares (other than those in subsidiaries) at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Significant accounting judgements, estimates and assumptions (Refer note 4)
- Quantitative disclosures of fair value measurement hierarchy (Refer note 44)
- Financial instruments risk management objectives and policies (Refer note 45)

d) Revenue from Contract with Customer

Revenue is recognized upon transfer of control of promised products or services are transferred to customers in an amount that reflects the consideration expected to be received in exchange for those products or services.

Sale of security software products:

Revenue from the sale of security software products is recognized when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. Revenue from the sale of products is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts, volume rebates, value added tax, goods and services tax (GST) and amounts collected on behalf of third parties.

In arrangements for sale of security software products, the Company has applied the guidance as per Ind AS 115, Revenue, by applying the revenue recognition criteria for each separately identifiable component of a single transaction. The arrangements generally meet the criteria for considering sale of security software and related services as separate performance obligation. Further, the Company measures the revenue in respect of each separable component of a transaction at its fair value, in accordance with principles given in Ind AS 115. The Company allocates and defers revenue for the undelivered component based on the fair value of the undelivered components. In contracts, where the arrangement is determined to constitute a single performance obligation, revenue is recognised over the license period, reflecting the continuous transfer of control to the customer.

Revenue from software services:

The Company has applied the principle under Ind AS 115 to identify each performance obligation on licenses sold to customer. Revenue for all identified performance obligation pertaining to services is recognized over the period of time, when such performance obligation is rendered. In absence of standalone selling price of the performance obligation, the contract price is allocated to each performance obligation of the contract on the basis of cost-plus margin approach.

Contract balances:

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company transfers goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Trade receivables

A trade receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (q) financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.

e) Other income

Interest

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate ('EIR') applicable. The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included under the head "Other income" in the statement of profit and loss.

Rental income from investment property

Rental income is accounted on a straight-line basis over the terms of the relevant lease.

f) Taxes

The tax expense/ (benefit) comprise of current tax & deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in OCI or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and established provisions where appropriate.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

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 taxes relate to the same taxable Company and the same taxation authority.

g) Property, plant and equipment

Property, plant and equipment and capital work in progress are stated at cost, net of accumulated depreciation and impairment losses, if any.

The cost comprises of the purchase price and directly attributable costs of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Each part of item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as 'Capital advances' under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Depreciation methods, estimated useful lives

Depreciation on property, plant and equipment is calculated on a written down value (WDV) basis using the rates arrived at based on the useful lives estimated by the management. The Company has used the following rates to provide depreciation on its property, plant and equipment.

Type of assets	Schedule II life (years)	Useful lives estimated by the management (years)	Rates (WDV)
Buildings	60	60	4.87%
Computers	3	3	63.16%
Electrical installations	10	10	25.89%
Furniture and fixtures	10	10	25.89%
Office equipment	5	5	45.07%
Server	6	6	39.30%
Vehicles	8	8	31.23%

Leasehold premises are amortized on a straight-line basis over the period of lease.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

h) Investment properties

Property which is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are expensed when incurred.

The Company depreciates building component of investment property over 60 years from the date of original purchase.

The Company, based on technical assessment made by technical expert and management estimate, depreciates the building over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

i) Intangible assets

Intangible assets 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.

Intangible assets with finite useful lives i.e. software's are amortized on a straight-line basis over the period of expected future benefits i.e. over their estimated useful lives of three years. Intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss.

Gains or losses arising from derecognition of an intangible asset 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 derecognized.

Research and development costs

Research costs are expensed as incurred. Development expenditure is expensed except for project where it is recognized as an intangible asset when the recognition criteria as per Ind AS 38 are met.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

j) Leases:

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

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 Company if it is reasonably 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 recognized where the Company 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 amortized 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 amortized over the remaining (revised) lease term.

Right-of-use assets are depreciated on a straight-line basis over the lease term, i.e. 30 years.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset is classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

k) Inventories

Inventories are valued at the lower of cost and net realizable value.

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.

- Finished goods are valued at lower of cost and net realizable value. Cost includes direct material and labor and a proportion of manufacturing overhead based on normal operating capacity. Cost is determined on a 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.

The comparison of cost and net realizable value is made on item by item basis.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

l) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Company. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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 the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecasts which are prepared separately for each of the Company's CGU to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses, including impairment on inventories, are recognized in the statement of profit and loss in those expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

m) 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.

When 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 asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

n) 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 standalone financial statements.

o) Retirement and other employee benefits

(i) Post-employment benefits

- **Defined contribution plan**

  The Company makes payment to provident fund scheme which is defined contribution plan. The contribution paid/payable under the schemes is recognized in the statement

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

of profit and loss during the period in which the employee renders the related service. The Company has no further obligations under these schemes beyond its periodic contributions.

The Company recognize contribution payable to the provident fund scheme as an expenditure, when an employee renders the related services. If the contribution payable to the scheme for services received before balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then the excess recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or cash refund.

- **Defined benefit plan**

  The Company operates a defined benefit plan for its employees, viz. gratuity. The present value of the obligation under such defined benefit plans is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. The fair value of plan asset is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on a net basis.

  Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to the statement of profit and loss in subsequent periods.

  Past service costs are recognized in statement of profit and loss on the earlier of:

- the date of the plan amendment or curtailment; and
- the date that the Company recognizes related restructuring costs

  Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- net interest expense or income.

(ii) Short-term employee benefits

The distinction between short term and long term employee benefits is based on expected timing of settlement rather than the employee's entitlement benefits. All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay, etc. and are recognized in the period in which the employee renders the related service.

(iii) Other long-term employment benefits:

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the Balance Sheet to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where the Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

p) Share based payments

Employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. (refer note 35)

That cost is recognized, together with a corresponding increase in share based payment reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognized for equity-settled transactions at each reporting date until the vested date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

No expense is recognized for awards that do not ultimately vest, except for equity-settled transactions for which vesting is conditional upon a market or non-vesting condition. These are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognized is the expense had the terms not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

q) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

- **Financial assets**

Initial recognition and measurement of financial assets

All 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 purposes of subsequent measurement, financial assets are classified in the following categories:

- debt instruments at amortized cost
- debt instruments at fair value through profit or loss (FVTPL)
- equity instruments measured at fair value through profit or loss (FVTPL) / other comprehensive income (FVTOCI)

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the EIR method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS103

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applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

The Company has decided to classify equity instrument as FVTOCI and all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that 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. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument; and
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

ECL impairment loss allowance (or reversal) recognized during the period is recognied as expense/ (income) in the statement of profit and loss. This amount is reflected under the head 'Other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortized cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount; and
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analyzis that is designed to enable significant increases in credit risk to be identified on a timely basis. The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

- **Financial liabilities**

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, loans and borrowings or payables as appropriate.

All financial liabilities are recognized initially at fair value.

The Company's financial liabilities include trade and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

r) Investment in subsidiaries

Investment in subsidiaries is carried at cost less accumulated impairment in the standalone financial statements

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s) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprize cash at banks and on hand and short-term deposits with original maturity of three months or less, which are subject to an insignificant risk of changes in value. In the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered as integral part of the Company's cash management.

t) Cash dividend

The Company recognizes a liability to make cash distributions to the equity holders of the Company when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the provisions of the Act, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

u) Earnings per share (EPS)

Basic EPS is calculated by dividing the Company's earnings for the year attributable to ordinary equity shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. The earnings considered in ascertaining the Company's EPS comprise the net profit after tax attributable to equity shareholders. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, bonus element in a rights issue to existing shareholders, share split, and reverse share split (consolidation of shares) other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares. There were no instruments excluded from the calculation of diluted earnings per share for the periods presented because of an anti-dilutive impact.

v) Segment reporting

An operating segment is a component of a company whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker (CODM) to make decisions about resource allocation and assess its performance and for which discrete financial information is available. The Company has identified the Managing Directors of the Company as its CODM.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's Standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, including the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

(a) Judgements

In the process of applying the Company's accounting policies, the management has made the following judgements, which have the most significant effect on the amounts recognized in the Standalone financial statements.

Revenue Recognition :

Significant Judgement is required for identifying separate performance obligations, determination of basis and its appropriateness for allocation of transaction price to the identified performance obligations and recognition of such identified performance obligations based on timing of satisfaction (i.e. over time or point in time). The Company assess each promise in a contract with customer to transfer a goods or service to identify performance obligation. These contracts generally meet the criteria for considering sale of security software and related services as separate performance obligation, wherein revenue is recognised as and when control is transferred to the customer for each performance obligation. The transaction price is allocated to each performance obligation that depicts the amount of consideration which the Company expects to be entitled in exchange for transferring the promised goods or services to the customer. In Contracts, where arrangement is determined to constitute a single performance obligation revenue is recognised over the license period, reflecting the continuous transfer of control to the customer.

(b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial

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year, are described below. The Company based its assumptions and estimates on parameters available when the Standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

- **Expected Credit loss on trade receivables**

  The Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed. In addition to that management also makes specific provision in case the recovery is not expected based on their discussion with the customer's.

- **Fair value measurement of financial instruments – Investment in equity instruments and preference shares**

  When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 43 for further disclosures.

4.1 Standards (including amendments) issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 01, 2025.

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(All amounts are in ₹ Crores, unless otherwise stated)

5. PROPERTY, PLANT AND EQUIPMENT

	Freehold land (refer note 1 below)	Building (Right of use)	Buildings (refer note 2 below)	Computers and server	Office equipment	Electrical installations	Furniture and fixtures	Vehicles	Total
Cost (Gross)									
At April 01, 2023	2.66	2.13	122.05	59.32	16.47	9.49	20.41	1.05	233.59
Transfer (refer note 4) below	-	-	14.20	-	-	-	-	-	14.20
Additions	-	-	-	2.45	0.23	2.49	0.07	-	5.24
Disposals/written-off	-	-	0.48	7.37	0.29	1.03	0.29	-	9.46
At March 31, 2024	**2.66**	**2.13**	**107.37**	**54.40**	**16.41**	**10.95**	**20.19**	**1.05**	**215.17**
Transfer (refer note 4) below	1.78	-	4.75	-	-	-	-	-	6.53
Additions	-	-	-	8.08	2.38	2.65	1.69	-	14.80
Disposals/written-off	-	-	-	1.63	0.96	-	0.16	0.12	2.87
At March 31, 2025	**0.88**	**2.13**	**102.62**	**60.85**	**17.83**	**13.60**	**21.72**	**0.93**	**220.57**
Depreciation									
At April 01, 2023	-	0.98	42.89	49.33	15.32	8.39	18.29	0.82	136.02
Transfer (refer note 4) below	-	-	5.19	-	-	-	-	-	5.19
Depreciation charge for the year	-	0.06	3.51	4.25	0.25	0.73	0.51	0.07	9.38
Disposals/written-off	-	-	0.19	6.98	0.27	0.93	0.28	-	8.65
At March 31, 2024	**-**	**1.04**	**41.02**	**46.60**	**15.30**	**8.19**	**18.52**	**0.89**	**131.56**
Transfer (refer note 4) below	-	-	1.55	-	-	-	-	-	1.55
Depreciation charge for the year	-	0.07	3.18	4.59	0.49	1.15	0.54	0.05	10.07
Disposals/written-off	-	-	-	1.54	0.86	-	0.15	0.11	2.66
At March 31, 2025	**-**	**1.11**	**42.65**	**49.65**	**14.93**	**9.34**	**18.91**	**0.83**	**137.42**
Net block									
At March 31, 2024	**2.66**	**1.09**	**66.35**	**7.80**	**1.11**	**2.76**	**1.67**	**0.16**	**83.61**
At March 31, 2025	**0.88**	**1.02**	**59.97**	**11.20**	**2.90**	**4.26**	**2.81**	**0.10**	**83.15**

Note:-

1. The value of land has been estimated based on the stamp duty valuation rate.
2. Building includes one of the office building (including share in undivided portion of land) taken on long term lease i.e. 999 years.
3. The title deeds of the immovable properties are held in the name of the Company
4. During the year, The Company has transferred building of ₹ 4.75 (March 31, 2024: ₹ 14.20), freehold land ₹ 1.78 (March 31, 2024: Nil) and accumulated depreciation of ₹ 1.55 (March 31, 2024; ₹ 5.19) to investment property as the Company intends to lease and earn rental income from the same.

5 (a) Capital Work in Progress (CWIP)

	As at April 01, 2024	Addition during the year	Capitalized during the year	Impairment	Written off	Closing as at March 31, 2025
Buildings	-	0.05	-	-	-	0.05
Computers and server	3.06	5.02	8.08	-	-	-
Office equipment	-	2.38	2.38	-	-	-
Electrical installations	-	2.65	2.65	-	-	-
Furniture and fixtures	-	1.69	1.69	-	-	-
	3.06	**11.79**	**14.80**	**-**	**-**	**0.05**

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(All amounts are in ₹ Crores, unless otherwise stated)

5. PROPERTY, PLANT AND EQUIPMENT (Contd.)

	As at April 01, 2023	Addition during the year	Capitalized during the year	Impairment	Written off	Closing as at March 31, 2024
Computers and server	-	5.51	2.45	-	-	3.06
Office equipment	-	0.23	0.23	-	-	-
Electrical installations	-	2.49	2.49	-	-	-
Furniture and fixtures	-	0.07	0.07	-	-	-
	-	**8.30**	**5.24**	**-**	**-**	**3.06**

5 (b) Ageing of Tangible CWIP

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
At March 31, 2025					
Projects in progress	0.05	-	-	-	0.05
	0.05	-	-	-	0.05
At March 31, 2024					
Projects in progress	3.06	-	-	-	3.06
	3.06	-	-	-	3.06

5 (c) There are no projects as Capital Work in Progress as at March 31, 2025 and March 31, 2024, whose completion is overdue or cost of which exceeds in comparison to its original plan.

6. INVESTMENT PROPERTIES

	Land	Buildings	Total
Cost (Gross)			
At April 01, 2023	-	32.43	32.43
Transfer (refer note 5 (4))	-	14.20	14.20
Purchase		-	-
Disposals/written-off		-	-
At March 31, 2024	**-**	**46.63**	**46.63**
Transfer (refer note 5 (4))	1.78	4.75	6.53
Purchase	-	-	-
Disposals/written-off	-	-	-
At March 31, 2025	**1.78**	**51.38**	**53.16**
Depreciation			
At April 01, 2023	-	8.31	8.31
Transfer (refer note 5 (4))	-	5.19	5.19
Depreciation charge for the year	-	1.51	1.51
Disposals/written-off	-	-	-
At March 31, 2024	**-**	**15.01**	**15.01**
Transfer	-	1.55	1.55
Depreciation charge for the year	-	1.59	1.59
Disposals/written-off	-	-	-
At March 31, 2025	**-**	**18.15**	**18.15**
Net block			
At March 31, 2024	**-**	**31.62**	**31.62**
At March 31, 2025	**1.78**	**33.23**	**35.01**

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(All amounts are in ₹ Crores, unless otherwise stated)

6. INVESTMENT PROPERTIES (Contd.)

Information regarding amount recognized in profit and loss for investment properties

	As at March 31, 2025	As at March 31, 2024
Rental income derived from investment properties (refer note 25)	5.49	4.99
Direct operating expenses (including repairs and maintenance) generating rental income	(0.30)	(0.25)
Profit arising from investment properties before depreciation and indirect expenses	**5.19**	**4.74**
Less – Depreciation charges for the year	(1.59)	(1.51)
Profit arising from investment properties before indirect expenses	**3.60**	**3.23**
Less – Indirect expenses	-	-
Profit from investment properties	**3.60**	**3.23**

The Company's investment properties consist of office premises in India given on non-cancellable lease for a period of 11 months to 5 years.

Measurement of fair values of investment properties

As at March 31, 2025, the fair values of the property is ₹ 75.91 (March 31, 2024 ₹ 65.79). The valuations are based on valuations performed by Magnitas Valuation & Advisory Services LLP and M/s Rao associates (Registered Valuer & Chartered Engineer), accredited independent valuer. The Valuer are a specialist in valuing these types of investment properties. A valuation model in accordance with "internationally accepted valuation standards" that recommended by the International Valuation Standards Committee has been applied.

Fair value hierarchy disclosures for investment properties have been provided in Note 44.

1.The Company has no restriction on the realizability of its investment properties and no contractual obligations to purchase, or develop investment properties.

2.The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, age of the property. The fair value is based on valuation performed by an accredited independent valuer. Fair valuation is based on Market and income approach for valuation. The fair value measurement is categorised in level 2 fair value hierarchy.

Key assumption and inputs

The Company have adopted market approach to estimate the value of property, market rate is estimated based on Prime data source & the rate applicable at surrounding vicinity.

1. Prime Source: Recorded sales tranaction in the vicinity of property.
2. Secondary sources: Local enquiry about the rates, web advertisement about the land rates, ready reckoner/ guideline rates.

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(All amounts are in ₹ Crores, unless otherwise stated)

7. INTANGIBLE ASSETS

	Software	Total
Cost (Gross)		
At April 01, 2023	45.75	45.75
Purchase	0.43	0.43
Disposals/written-off	-	-
At March 31, 2024	**46.18**	**46.18**
Purchase	0.45	0.45
Disposals/written-off	-	-
At March 31, 2025	**46.63**	**46.63**
Amortization (Gross)		
At April 01, 2023	42.98	42.98
Amortization for the year	1.71	1.71
Disposals/written-off	-	-
At March 31, 2024	**44.69**	**44.69**
Amortization for the year	1.22	1.22
Disposals/written-off	-	-
At March 31, 2025	**45.91**	**45.91**
Net block		
At March 31, 2024	**1.49**	**1.49**
At March 31, 2025	**0.72**	**0.72**

7 (a) Intangible assets under development

	As at April 01, 2023	Addition during the year	Capitalized during the year	Impairment	Written off	Closing as at March 31, 2024
Software	0.15	0.28	0.43	-	-	-

	As at April 01, 2024	Addition during the year	Capitalized during the year	Impairment	Written off	Closing as at March 31, 2025
Software	-	0.45	0.45	-	-	-

7 (b) Ageing of Tangible Intangible assets under development

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
At March 31, 2024					
Projects in progress	-	-	-	-	-
	-	-	-	-	-

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
At March 31, 2025					
Projects in progress	-	-	-	-	-
	-	-	-	-	-

7 (c) There are no projects as Intangible assets under development as at March 31, 2025 and March 31, 2024, whose completion is overdue or cost of which exceeds in comparison to its original plan.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

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8. RIGHT-OF-USE ASSETS

	Building Office premises	Total
Cost		
At April 01, 2023	-	-
Addition during the year	-	-
At March 31, 2024	**-**	**-**
Addition during the year	0.41	0.41
At March 31, 2025	**0.41**	**0.41**
Amortization		
At April 01, 2023	-	-
Amortization for the year	-	-
At March 31, 2024	**-**	**-**
Amortization for the year	0.08	0.08
At March 31, 2025	**0.08**	**0.08**
Net block		
At March 31, 2024	**-**	**-**
At March 31, 2025	**0.33**	**0.33**

9. INVESTMENTS IN SUBSIDIARIES AND OTHERS

	As at March 31, 2025	As at March 31, 2024
Non - current investments		
Investment in equity instruments (unquoted) (at cost)		
Investment in wholly owned subsidiaries		
7,88,000 (March 31, 2024: 7,88,000) equity shares of USD 1 each fully paid-up in Quick Heal Technologies America Inc., USA (net off impairment of ₹ 5.11)	0.25	0.25
	0.25	**0.25**
300 (March 31, 2024: 300) equity shares of AED 1,000 each fully paid-up in Seqrite Technologies DMCC, UAE	0.56	0.56
	0.56	**0.56**
Sub total - Investment in equity instruments (unquoted) (at cost)	**0.81**	**0.81**
Investment carried at amortized cost		
Investment in tax free bonds (quoted)		
30,000 (March 31, 2024: 30,000) 7.35% Indian Railway Finance Corporation Limited Bonds	3.00	3.00
22,500 (March 31, 2024: 22,500) 7.39% National Highway Authority of India Bonds	2.25	2.25
Sub total	**5.25**	**5.25**
Investments at fair value through OCI		
Investment in other equity shares (unquoted)		
4,472 (March 31, 2024: 4,472) equity shares of ₹ 10 each fully paid-up in Smartalyse Technologies Private Limited	6.67	6.67
Less: Fair value changes routed through OCI	(6.67)	(6.67)
Sub total	**-**	**-**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

9. INVESTMENTS IN SUBSIDIARIES AND OTHERS (Contd.)

	As at March 31, 2025	As at March 31, 2024
18,255 (March 31, 2024: 18,255) equity shares of NIS 0.01 each fully paid-up in L7 Defense Limited	1.62	1.62
Less: Fair value changes routed through OCI *	(1.62)	(1.62)
Sub total	-	-
4,651 (March 31, 2024: 4,651) equity shares of SGD 0.001 each fully paid-up in Ray Pte. Limited	2.20	3.10
Less: Fair value changes routed through OCI	(0.17)	(0.90)
Sub total	**2.03**	**2.20**
Investment in Preference shares (unquoted)		
1,49,925 (March 31, 2024: 1,49,925) compulsory convertible preference shares (CCPS) of NIS 0.01 each fully paid-up in L7 Defense Limited	10.94	10.94
Less: Fair value changes routed through OCI *	(10.94)	(10.94)
Sub total	-	-
Sub total - Investments	**7.28**	**7.45**
Total non - current investments	**8.09**	**8.26**
Current investments		
Investments at fair value through profit and loss		
Investments in mutual funds (quoted)		
Investments in mutual funds	172.01	182.51
Total current investments	**172.01**	**182.51**
Total non-current investments	**8.09**	**8.26**
Total current investments	**172.01**	**182.51**
Aggregate book value of quoted investments	143.83	165.20
Aggregate market value of quoted investments	177.69	188.46
Aggregate book value of unquoted investments gross	43.83	43.83
Aggregate amount of impairment/ fair value change in value of investments	(40.99)	(40.82)
Investments carried at cost (net of impairment)	0.81	0.81
Investments carried at amortized cost	5.25	5.25
Investments carried at fair value through profit or loss	172.01	182.51
Investments carried at fair value through other comprehensive income	2.03	2.20

*During previous year ended March 31, 2024, considering the financial position, liquidity condition, market conditions and geopolitical scenario in Israel, management based on its assessment has recorded a fair value loss in other comprehensive income (FVOCI) amounting to Nil (March 31, 2024: ₹ 12.55). Accordingly, the carrying value of investment made in L7 Defense Limited has been considered as Nil as at March 31, 2025.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

10. OTHER FINANCIAL ASSETS

	As at March 31, 2025	As at March 31, 2024
Current		
Security deposits	0.45	0.39
Bank Deposits with remaining maturity of less than twelve month	0.10	-
Interest accrued on fixed deposit	0.53	0.54
Other receivables	0.18	0.33
Total current	**1.26**	**1.26**
Non - current		
Security deposits	0.57	0.48
Bank Deposits with remaining maturity of more than twelve month	0.32	0.34
Total non - current	**0.89**	**0.82**
Other financial assets carried at amortized cost	**2.15**	**2.08**

Out of the total deposits, ₹ 0.42 (March 31, 2024: ₹ 0.34) are pledged against bank guarantees.

11. INVENTORIES

	As at March 31, 2025	As at March 31, 2024
(At lower of cost and net realizable value)		
Finished goods - Security software products	2.22	2.80
Total	**2.22**	**2.80**

12. TRADE RECEIVABLES

	As at March 31, 2025	As at March 31, 2024
Trade receivables	164.10	129.86
Trade receivables from related parties (refer note 41)	6.26	2.19
Total	**170.36**	**132.05**

Break-up for trade receivables:

	As at March 31, 2025	As at March 31, 2024
Trade receivables		
Unsecured - considered good	170.36	132.05
Trade receivables - credit impaired*	47.40	44.13
Total	**217.76**	**176.18**
Impairment Allowance (Allowance for bad and doubtful debts)		
Unsecured - considered good	-	-
Trade receivables - credit impaired*	(47.40)	(44.13)
	(47.40)	**(44.13)**
Total	**170.36**	**132.05**

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

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Trade receivables are non interest bearing and generally on credit terms of 90 days. The Company does not hold any collateral security (refer note 45).

For terms and condition relating to related party receivables refer note 41.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

12. TRADE RECEIVABLES (Contd.)

Trade Receivables ageing schedule

As at March 31, 2025

	Outstanding for following periods from the due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 -3 years	More than 3 years	Total
i) Undisputed Trade Receivables - considered good	55.06	64.56	34.73	11.63	0.51	3.88	170.36
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade Receivables - credit impaired	1.97	3.83	5.75	7.23	-	-	18.78
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	28.62	28.62
Less: Impairment allowance (Disputed + Undisputed)	(1.97)	(3.83)	(5.75)	(7.23)	-	(28.62)	(47.40)
Total	**55.06**	**64.56**	**34.73**	**11.63**	**0.51**	**3.88**	**170.36**

As at March 31, 2024

	Outstanding for following periods from the due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 -3 years	More than 3 years*	Total
i) Undisputed Trade Receivables - considered good	59.33	61.60	3.93	3.49	0.27	0.36	128.98
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade Receivables - credit impaired	1.56	2.89	0.39	11.80	0.29	1.35	18.28
(iv) Disputed Trade Receivables– considered good*	-	-	-	-	-	3.07	3.07
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed Trade Receivables - credit impaired	-	-	-	-	1.03	24.82	25.85
Less: Impairment allowance (Disputed + Undisputed)	(1.56)	(2.89)	(0.39)	(11.80)	(1.32)	(26.17)	(44.13)
Total	**59.33**	**61.60**	**3.93**	**3.49**	**0.27**	**3.43**	**132.05**

* Trade receivables outstanding for more than eighteen months and disputed - considered good are not provided for, mainly on account of corresponding incentive provision outstanding in the books.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts are in ₹ Crores, unless otherwise stated)

13. CASH AND CASH EQUIVALENTS

	As at March 31, 2025	As at March 31, 2024
Balances with banks:		
On current account	9.89	6.06
On EEFC account	1.63	2.32
Deposit with maturity for more than 3 months	5.57	28.07
Cash on hand	0.01	0.01
Total	**17.10**	**36.46**

14. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2025	As at March 31, 2024
Bank balances		
Deposit with bank with original maturity for more than three months but less than twelve months	-	0.08
Unpaid dividend account	0.13	0.17
Total	**0.13**	**0.25**

Out of the total deposits, Nil (March 31, 2024: ₹ 0.08) amount are pledged against bank guarantees.

15. NON-CURRENT TAX ASSETS (NET)

	As at March 31, 2025	As at March 31, 2024
Advance tax (net of provision for tax)	17.20	16.46
Total	**17.20**	**16.46**

16. OTHER ASSETS

	As at March 31, 2025	As at March 31, 2024
Current (unsecured, considered good)		
Prepaid expenses	4.64	5.45
Unbilled revenue	0.35	-
Balances with government authorities	0.06	0.04
Surplus in Gratuity fund (refer note 34)	-	1.36
Advance to suppliers	2.81	0.80
Total current	**7.86**	**7.65**
Non - current (unsecured, considered good)		
Prepaid expenses (refer note 39) (includes prepaid CSR of ₹ 0.79)	1.35	0.91
Non - current (unsecured, considered doubtful)		
Capital advances	0.30	0.30
Less: provision for doubtful capital advances	(0.30)	(0.30)
Total non - current	**1.35**	**0.91**
Total current	**7.86**	**7.65**
Total non - current	**1.35**	**0.91**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

17. EQUITY SHARE CAPITAL

	As at March 31, 2025	As at March 31, 2024
Authorized Shares capital		
7,50,00,000 (March 31, 2024: 7,50,00,000) equity shares of ₹ 10 each	75.00	75.00
	75.00	**75.00**
Issued, subscribed and fully paid-up shares		
5,40,06,608 (March 31, 2024: 5,35,16,271) equity shares of ₹ 10 each	54.00	53.51
Total issued, subscribed and fully paid-up share capital	**54.00**	**53.51**

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

	As at March 31, 2025		As at March 31, 2024	
	No.	₹	No.	₹
At the beginning of the year	5,35,16,271	53.51	5,30,73,851	53.07
Issued during the year				
Add: Employee stock option plan (ESOP)	4,90,337	0.49	4,42,420	0.44
Outstanding at the end of the year	**5,40,06,608**	**54.00**	**5,35,16,271**	**53.51**

(b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing Annual General Meeting.

The Board of Directors, in their meeting on April 25, 2024, proposed a final dividend of ₹ 3 per equity share and the same was approved by the shareholders at the Annual General Meeting held on September 06, 2024. The amount was recognized as distributions to equity shareholders during the year ended March 31, 2025 and the total appropriation was ₹ 16.13 including Tax deduction at source.

The Board of Directors, in their meeting on April 17, 2023, proposed a final dividend of ₹ 2.50 per equity share and the same was approved by the shareholders at the Annual General Meeting held on August 11, 2023. The amount was recognized as distributions to equity shareholders during the year ended March 31, 2024 and the total appropriation was ₹ 13.27 including Tax deduction at source.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by shareholders.

(c) There are no shares held by holding/ ultimate holding company and /or their subsidiaries/ associates

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

	As at March 31, 2025		As at March 31, 2024	
	Nos.	% holding	Nos.	% holding
Equity shares of ₹ 10 each fully paid-up				
Kailash Sahebrao Katkar	78,53,473	14.54%	1,55,88,818	29.13%
Sanjay Sahebrao Katkar	1,55,88,818	28.86%	1,55,88,818	29.13%
Anupama Kailash Katkar	1,11,72,970	20.69%	38,03,075	7.11%
Chhaya Sanjay Katkar	38,03,075	7.04%	38,03,075	7.11%

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

17. EQUITY SHARE CAPITAL (Contd.)

(e) Details of shares held by promoters

As at March 31, 2025

Promoter name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Kailash Sahebrao Katkar	1,55,88,818	(77,35,345)	78,53,473	14.54%	-14.59%
Sanjay Sahebrao Katkar	1,55,88,818	-	1,55,88,818	28.86%	-0.26%
Anupama Kailash Katkar	38,03,075	73,69,895	1,11,72,970	20.69%	13.58%
Chhaya Sanjay Katkar	38,03,075	-	38,03,075	7.04%	-0.06%
Sneha Kailash Katkar	2,567	3,65,450	3,68,017	0.68%	0.68%
Total	**3,87,86,353**	**-**	**3,87,86,353**	**71.82%**	**-0.66%**

As at March 31, 2024

Promoter name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Kailash Sahebrao Katkar	1,55,88,818	-	1,55,88,818	29.13%	-0.24%
Sanjay Sahebrao Katkar	1,55,88,818	-	1,55,88,818	29.13%	-0.24%
Anupama Kailash Katkar	38,03,075	-	38,03,075	7.11%	-0.06%
Chhaya Sanjay Katkar	38,03,075	-	38,03,075	7.11%	-0.06%
Sneha Kailash Katkar	2,567	-	2,567	0.00%	0.00%
Total	**3,87,86,353**	**-**	**3,87,86,353**	**72.48%**	**-0.60%**

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.

(f) Aggregate number of shares issued for consideration other than cash, bonus shares allotted and shares bought back during the period of five years immediately preceding the reporting date:

	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021	March 31, 2020
No of shares bought back	-	50,00,000	63,26,530	-	63,63,636
Total	**-**	**50,00,000**	**63,26,530**	**-**	**63,63,636**

(g) Shares reserved for issue under options.

For details of shares reserved for issue under the Share based payment plan of the Company refer note 35.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

18. OTHER EQUITY

		As at March 31, 2025	As at March 31, 2024
a)	**Reserves and Surplus**		
(i)	**Securities premium**		
	Balance as at the beginning of the year	9.55	0.01
	Add: ESOPs exercised	5.42	5.71
	Add: Transferred from share based payment reserve	4.52	3.83
	Balance as at end of the year	**19.49**	**9.55**
(ii)	**Amalgamation reserve**		
	Balance as at the beginning and end of the year	2.65	2.65
(iii)	**General reserve**		
	Balance as at the beginning and end of the year	45.03	45.03
(iv)	**Capital redemption reserve**		
	Balance as at the beginning and end of the year	17.69	17.69
(v)	**Retained earnings**		
	Balance as at the beginning of the year	322.44	302.24
	Add: Amount transferred from surplus balance in the statement of profit and loss	5.57	24.07
	Add: Employee share option plan (ESOP) options vested & lapsed	0.31	0.82
	Add: Refund of GST on buy back expenses	-	0.14
	Add: Refund of excess buy back tax paid [refer note i (a)]	-	8.60
	Less: Re-measurement (losses) on defined benefit plans	(0.19)	(0.16)
	Less: Dividend paid [amount per share ₹ 3.00 (March 31, 2024: ₹ 2.50)]	16.13	13.27
	Balance as at end of the year	**312.00**	**322.44**

i (a) During the previous year ended March 31, 2024, the Company received refund of ₹ 8.60, from the Income Tax Authorities for the assessment year 2022-23 towards excess buy back tax paid. Since the tax on buy back was debited to retained earnings during financial year ended March 31, 2022, the refund received is recognized in retained earnings.

b)	**Other Equity**		
	Share based payment reserve		
	Balance as at the beginning of the year	9.96	9.51
	Additions during the year (refer note 27 & 35)	9.95	5.10
	Less: Options vested and lapsed transfer to Retained earnings	0.31	0.82
	Less: Transfer to securities premium on exercise of stock options	4.52	3.83
	Balance as at end of the year	**15.08**	**9.96**
(c)	**Other Comprehensive Income**		
	Equity instruments through Other comprehensive income		
	Balance as at the beginning of the year	(23.93)	(10.48)
	Add: Additions during the year	(0.17)	(13.45)
	Balance as at end of the year	**(24.10)**	**(23.93)**
	Total Other Equity (a+b+c)	**387.84**	**383.39**

Nature and purpose of reserves

Securities premium

Securities premium is used to record the premium on issue of shares. This reserve can be utilized only in accordance with the provisions of the Companies Act, 2013.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts are in ₹ Crores, unless otherwise stated)

18. OTHER EQUITY (Contd.)

Amalgamation reserve

Pursuant to the scheme of amalgamation ("the Scheme") sanctioned by the Honourable High Court of Bombay, Cat Labs Private Limited (CLPL), subsidiary of the Company, had been merged with the Company with effect from April 01, 2010. Accordingly, an amount of ₹ 2.65 was recorded as amalgamation reserve.

General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilized only in accordance with the specific requirements of Companies Act, 2013.

Capital redemption reserve

The Company had bought back its share in the past. In accordance with section 69 of the Companies Act, 2013, Capital Redemption Reserve is created (which represent nominal value of share bought back).

Retained earnings

Retained Earnings represent surplus i.e., balance of the relevant column in the Statement of Changes in Equity.

Share based payment reserve

The Company has two employee stock option schemes under which options to subscribe for the Company's shares have been granted to certain executives and senior employees. The share-based payment reserve is used to recognize the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer note 35 for further details of these plans.

Fair value through other comprehensive income reserve

The Company has elected to recognize changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the equity instruments through other comprehensive income within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognized.

19. TRADE PAYABLES

	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises (refer note 38)	3.52	3.70
Total outstanding dues of creditors other than micro enterprises and small enterprises*	31.84	36.40
Total	**35.36**	**40.10**

* Includes amount payable to related party (refer note 41)

* For terms and conditions with related parties (refer note 41)

* For explanations on the Company's credit risk management processes (refer note 45)

- Trade payables are non-interest bearing and have an average credit term of 60 days.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

19. TRADE PAYABLES (Contd.)

Trade payables ageing schedules as at March 31, 2025

	Outstanding for following period from the date of invoice						
	Unbilled Dues	Not Due	Less than 1 year	1- 2 years	2- 3 years	More than 3 years	Total
(i) Micro enterprises and small enterprises	-	3.50	0.02	-	-	-	3.52
(ii) Disputed dues - micro enterprises and small enterprises	-	-	-	-	-	-	-
(iii) Other than micro enterprises and small enterprises	24.38	3.62	0.59	-	-	-	28.59
(iv) Disputed dues - Other than micro enterprises and small enterprises	-	-	-	-	-	3.25	3.25
Total	**24.38**	**7.12**	**0.61**	**-**	**-**	**3.25**	**35.36**

Trade payables ageing schedules as at March 31, 2024

	Outstanding for following period from the date of invoice						
	Unbilled Dues	Not Due	Less than 1 year	1- 2 years	2- 3 years	More than 3 years	Total
(i) Micro enterprises and small enterprises	-	-	3.70	-	-	-	3.70
(ii) Disputed dues - micro enterprises and small enterprises	-	-	-	-	-	-	-
(iii) Other than micro enterprises and small enterprises	29.22	-	3.69	0.21	0.01	0.08	33.21
(iv) Disputed dues - Other than micro enterprises and small enterprises	-	-	-	-	-	3.19	3.19
Total	**29.22**	**-**	**7.39**	**0.21**	**0.01**	**3.27**	**40.10**

20. OTHER FINANCIAL LIABILITIES

	As at March 31, 2025	As at March 31, 2024
Current		
Carried at amortized cost		
Capital creditors	0.85	3.03
Unpaid dividend	0.13	0.17
Employee benefit liabilities	0.49	0.61
Other payables	0.02	0.01
Lease Liabilities	0.22	-
Total	**1.71**	**3.82**
Total current	**1.71**	**3.82**
Non-Current		
Lease Liabilities	0.09	**-**
Total non - current	**0.09**	**-**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts are in ₹ Crores, unless otherwise stated)

21. EMPLOYEE BENEFIT OBLIGATIONS

	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits		
Current		
Provision for gratuity (refer note 34)	1.35	-
Provision for employee incentive	16.04	14.37
Provision for compensated absences	0.72	1.20
Total	**18.11**	**15.57**
Non - current		
Provision for gratuity (refer note 34)	-	-
Performance-linked incentive	-	-
Provision for compensated absences	0.74	-
Total	**0.74**	**-**
Total current	**18.11**	**15.57**
Total non - current	**0.74**	**-**

22. OTHER LIABILITIES

	As at March 31, 2025	As at March 31, 2024
Current		
Deferred revenue (refer note 24)	10.29	2.10
Statutory liabilities	10.07	10.99
Other liabilities	3.43	0.79
Total	**23.79**	**13.88**
Non - current		
Deferred revenue	3.99	-
Security deposit	0.03	2.33
Total	**4.02**	**2.33**
Total current	**23.79**	**13.88**
Total non - current	**4.02**	**2.33**

Terms and conditions of the above other liabilities:

- Payables for purchases of fixed assets are non interest bearing and have an average term of 90 days.
- Other liabilities are non interest bearing and have an average term of 45 days.

23. CURRENT TAX LIABILITIES (NET)

	As at March 31, 2025	As at March 31, 2024
Current tax liabilities (net of advance tax)	0.01	0.01
Total	**0.01**	**0.01**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

24. REVENUE FROM OPERATIONS

	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from contract with customers		
Sale of security software products	275.01	288.58
Software support and services	4.52	3.17
Total	**279.53**	**291.75**

Disaggregated revenue information

The table below presents disaggregated revenues from contracts with customers by geography and details of products and services sold. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

	Year ended March 31, 2025	Year ended March 31, 2024
Revenue by Geography		
India	260.28	272.83
Outside India	19.25	18.92
Total	**279.53**	**291.75**
Revenue by type of products and services		
Security software licenses	275.01	288.58
Software support and services	4.52	3.17
Total	**279.53**	**291.75**
Movement in deferred revenue is as follows:		
Balance at the beginning of the year	**2.10**	**2.10**
Less: Revenue recognized during the year	0.09	0.10
Add: Increase due to invoicing during the year (excluding amounts recognized as revenue during the year)	12.27	0.10
Balance at the end of the year	**14.28**	**2.10**

Performance obligation and remaining performance obligation

The Company assesses the sale of software licenses for identification of performance obligations. In case of software licenses where there are multiple performance obligations the revenue is recognized as and when the control is transferred to the customer for each performance obligations. In Contracts, where arrangement is determined to constitute a single performance obligation revenue is recognised over the license period, reflecting the continuous transfer of control to the customer.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at March 31, 2025 and March 31, 2024 are, as follows

	As at March 31, 2025	As at March 31, 2024
Within one year	10.29	2.22
More than one year	3.99	-
Balance at the end of the year	**14.28**	**2.22**

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as of the end of the reporting year and an explanation as to when the Company expects to recognize these amounts in revenue.

The aggregate value of performance obligation that are completely or partially unsatisfied as of March 31, 2025, is ₹ 14.28 (March 31, 2024: ₹ 2.10). Out of this, the Company expects to recognize revenue of around ₹ 14.28 in future, depending on the license period.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts are in ₹ Crores, unless otherwise stated)

24. REVENUE FROM OPERATIONS (Contd.)

Reconciliation of the revenue recognized in the statement of profit and loss with the contracted price

	Year ended March 31, 2025	Year ended March 31, 2024
Revenue as per contracted price	311.54	323.69
Adjustments:		
Sales return	2.93	1.32
Incentive, scheme and discounts	29.08	30.62
Revenue from contract with customers	**279.53**	**291.75**

25. OTHER INCOME

	Year ended March 31, 2025	Year ended March 31, 2024
Interest income on		
Cash and cash equivalents and other bank balances	0.11	0.03
Tax free bonds	0.34	0.12
Income tax	0.33	1.14
Gain on sale of current investments (net)	2.16	2.02
Profit on sale Property, plant and equipment (net)	0.13	0.27
Foreign exchange gains (net)	0.10	-
Fair value gain on financial instruments at fair value through profit and loss *	11.30	10.23
Income from Investment property	5.49	4.99
Insurance claims **	-	1.79
Miscellaneous income	0.76	0.78
Total	**20.72**	**21.37**

* Fair value gain on financial instruments at fair value through profit and loss relates to investments in mutual funds.

** On May 09, 2023, a fire incident had taken place at the Company's corporate office located at Solitaire Business Hub, Viman Nagar, Pune. However, the business operations were not impacted. Electrical installations and office equipment amounting to net book value of ₹ 0.10 (Gross value of ₹ 1.10) were damaged which were written off in the statement of Profit & Loss. The Company has received insurance claim of ₹ 1.79 which has been accounted for as "Other Income".

26. DETAILS RELATED TO COST OF SECURITY SOFTWARE PRODUCTS

	Year ended March 31, 2025	Year ended March 31, 2024
26. (a) Cost of materials consumed		
Inventory at the beginning of the year	-	0.41
Add: Purchases	6.11	-
Less: Inventory at end of the year	-	-
Sub-total	**6.11**	**0.41**
26. (b) Purchase of security software products		
Security software products	0.45	5.13
Sub-total	**0.45**	**5.13**
26. (c) Changes in inventories of finished goods		
Finished goods inventory at the beginning of the year	2.80	4.09
Less: Finished goods inventory at end of the year	2.22	2.80
Sub-total (Increase)/decrease in security software products	**0.58**	**1.29**
Total	**7.14**	**6.83**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

26. DETAILS RELATED TO COST OF SECURITY SOFTWARE PRODUCTS (Contd.)

	Year ended March 31, 2025	Year ended March 31, 2024
Details of materials consumed		
Security software products	6.11	0.41
	6.11	**0.41**

27. EMPLOYEE BENEFITS EXPENSE

	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, wages and bonus	164.79	153.83
Contribution to provident and other funds (refer note 34)	4.53	4.30
Gratuity expenses (refer note 34)	2.50	2.17
Employee share based compensation expense (refer note 35)	9.95	5.10
Staff welfare expenses	3.18	3.54
Total	**184.95**	**168.94**

28. FINANCE COST

	Year ended March 31, 2025	Year ended March 31, 2024
Interest expense on lease liabilities	0.22	0.13
Total	**0.22**	**0.13**

29. DEPRECIATION AND AMORTIZATION EXPENSE

	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation of property, plant and equipment (refer note 5)	10.07	9.38
Depreciation of Investment properties (refer note 6)	1.59	1.51
Amortisation of intangible assets (refer note 7)	1.22	1.71
Amortisation of Right-of-use assets (refer note 8)	0.08	-
Total	**12.96**	**12.60**

30. OTHER EXPENSES

	Year ended March 31, 2025	Year ended March 31, 2024
Web publishing expenses	0.37	0.48
Technology subscription and Fees for technical services	11.31	10.27
Power and fuel	2.64	2.70
Rent (refer note 36)	1.57	1.46
Rate & Taxes	0.83	0.80
Insurance	0.41	0.49
Repairs and maintenance		
Buildings	1.05	1.06
Others	1.50	1.89

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts are in ₹ Crores, unless otherwise stated)

30. OTHER EXPENSES (Contd.)

	Year ended March 31, 2025	Year ended March 31, 2024
Corporate Social Responsibility (CSR) expenditure (refer note 39)	0.87	1.82
Commission to independent directors (refer note 41)	0.25	0.32
Directors' sitting fees (refer note 41)	0.17	0.17
Business promotion expenses	2.85	2.36
Advertisement and sales promotion	17.34	16.31
Freight and forwarding charges	0.52	0.55
Travelling and conveyance	4.84	4.36
Communication costs	20.76	21.38
Office expenses	2.83	2.88
Marketing support services (refer note 41)	1.48	0.90
Legal and professional fees	17.10	19.53
Payment to statutory auditor (refer details below)	0.45	0.42
Foreign exchange loss (net)	-	0.15
Property, plant and equipment written off	-	0.32
Provision for doubtful debts and advances	3.27	7.15
Miscellaneous expenses	1.04	0.81
Total	**93.45**	**98.58**

Payment to auditor (excluding Goods and services tax)

	Year ended March 31, 2025	Year ended March 31, 2024
As auditor:		
Audit fees	0.13	0.09
Limited review	0.26	0.25
In other capacity:		
Others (including certification fees)	0.01	0.04
Reimbursement of expenses	0.05	0.04
Total	**0.45**	**0.42**

31. INCOME TAX

The major components of income tax expense for the years ended March 31, 2025 and March 31, 2024 are:

Statement of profit and loss section

	March 31, 2025	March 31, 2024
Current income tax:		
Current income tax charge	-	5.78
Adjustment in respect of previous years	0.44	0.07
Deferred tax:		
Relating to origination and reversal of temporary differences	(4.48)	(3.88)
Income tax expense reported in the statement of profit and loss	**(4.04)**	**1.97**
OCI Section		
Deferred tax related to items recognized in OCI during the year		
Net actuarial gains and losses	0.06	0.06
Deferred tax (charged)/credit to OCI	**0.06**	**0.06**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

31. INCOME TAX (Contd.)

Reconciliation of deferred tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended

	March 31, 2025	March 31, 2024
Accounting profit before tax	1.53	26.04
At India's statutory income tax rate of 25.168% (March 31, 2024: 25.168%)	0.39	6.55
Adjustments (non-deductible expenses):		
Adjustments of tax relating to earlier periods	0.44	0.07
CSR expenditure	0.22	0.46
Impact of change in tax rate	(0.64)	-
Impact of change in WDV of assets	(2.27)	-
Actualisation of 43B items	(0.50)	-
Deferred tax asset on losses and unrealized profits not recognized	(1.25)	-
Deferred tax on long term capital loss not recorded in earlier year due to lack of reasonable certainty	-	(5.36)
Others	(0.43)	0.25
At the effective income tax rate of 25.168% [March 31, 2024: 25.168%]	**(4.04)**	**1.97**
Income tax expense reported in the statement of profit and loss	**(4.04)**	**1.97**

Movement in Deferred income tax assets/liabilities for the year ended is as follows:

	Balance sheet		Statement of profit and loss	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Deferred tax assets				
Expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	0.69	0.26	(0.43)	0.14
Provision for doubtful debts and advances	11.81	11.11	(0.70)	(1.80)
Deferred revenue	0.51	0.50	(0.01)	0.03
Prepaid rent	0.04	0.09	0.05	(0.09)
Deferred tax on gratuity expense recognized in other comprehensive income	0.06	0.06	-	-
Adjustment in respect of deferred tax of previous years	1.80	-	(1.80)	-
Deferred tax liabilities				
Property, plant and equipment	(5.88)	(8.34)	(2.46)	0.62
Unrealised gain on investment in mutual funds	(0.96)	(0.11)	0.85	(2.94)
Others - rent equalisation reserve, prepaid rent etc.	(0.13)	(0.17)	(0.04)	0.11
Net deferred tax expense /(income)			**(4.54)**	**(3.94)**
Net deferred tax assets /(liabilities)	**7.94**	**3.40**		

Details of income tax assets and income tax liabilities

	March 31, 2025	March 31, 2024
Deferred tax liabilities	(6.97)	(8.62)
Deferred tax assets	14.91	12.02
Deferred tax assets, net	**7.94**	**3.40**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts are in ₹ Crores, unless otherwise stated)

31. INCOME TAX (Contd.)

Reconciliation of deferred tax assets /(liability), net

	March 31, 2025	March 31, 2024
Opening balance	3.40	(0.53)
Tax income during the period recognized in statement of profit and loss	4.48	3.88
Tax income during the period recognized in OCI	0.06	0.06
Adjustment in respect of deferred tax of previous years	-	(0.01)
Closing balance	**7.94**	**3.40**

The Company offsets the tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

32. EARNINGS PER SHARE (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on exercise of stock option.

The following reflects the income and share data used in the basic and diluted EPS computations:

		Year ended March 31, 2025	Year ended March 31, 2024
Net profit after tax attributable to equity shareholders of the Company	(A)	5.57	24.07
Weighted average number of equity shares in calculating basic EPS	(B)	5,37,71,544	5,31,95,385
Effect of dilution:			
Stock options granted under ESOP (share in numbers)	(C)	13,62,132	8,54,714
Weighted average number of equity shares adjusted for the effect of dilution	D=(B+C)	5,51,33,676	5,40,50,098
Basic earning per share of face value of ₹10 each (in ₹)	**(A/B)**	**1.04**	**4.52**
Diluted earnings per share of face value of ₹10 each (in ₹)	**(A/D)**	**1.01**	**4.45**

There have been no transactions involving equity shares or potential equity shares between the reporting date and the date of authorisation of these financial statements.

33. DIVIDEND

The Company declares and pays dividends in Indian rupees. Companies are required to pay/distribute dividend after deducting applicable taxes if any. The remittance of dividends outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.

The amount of per share dividend recognized as distribution to equity shareholders is as follows:-

	Year ended March 31, 2025	Year ended March 31, 2024
Final dividend paid financial year 2024	16.13	-
Final dividend paid financial year 2023	-	13.27

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

34. DISCLOSURE PURSUANT TO EMPLOYEE BENEFITS

A. Defined Benefit Plans

Amount of ₹ 4.53 (March 31, 2024: ₹ 4.30) is recognized as expenses and included in note no. 27 “Employee benefit expense”

B. Post employment defined benefit plan

The Company has a defined benefit gratuity plan (funded) for its employees. The Company's defined benefit gratuity plan is a final salary plan for its employees, which requires contributions to be made to a separately administered fund. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn) for each completed year of service as per the provisions of the Payment of Gratuity Act, 1972.

The following table summarises the components of net benefit expense recognized in the statement of profit and loss and the funded status and the amounts recognized in the balance sheet for the gratuity plan.

	Year ended March 31, 2025	Year ended March 31, 2024
Statement of profit and loss:		
Current service cost	2.60	2.33
Net interest (income) / expense	(0.10)	(0.16)
Net benefit expense recognized in the statement of profit and loss	**2.50**	**2.17**
Amount recorded in other comprehensive income:		
Measurement during the period due to:		
Actuarial gain / (loss) arising from change in financial assumptions on plan assets	(0.01)	0.10
Actuarial gain / (loss) arising on account of experience changes on plan assets	0.03	(0.06)
Actuarial gain / (loss) arising on account of experience changes on plan liabilities	0.10	(0.21)
Actuarial gain / (loss) arising on account of demographic changes on plan liabilities	0.02	-
Actuarial gain / (loss) arising on account of financial assumptions on plan liabilities	(0.39)	(0.05)
Total amount recognized in OCI	**(0.25)**	**(0.22)**

	As at March 31, 2025	As at March 31, 2024
Reconciliation of net (liability) / asset:		
Opening net defined benefit (liability) / asset	1.36	0.60
Expense charged to statement of profit and loss	(2.50)	(2.17)
Amount recognized in OCI	(0.25)	(0.22)
Contribution by employer	0.05	3.21
Benefits Directly paid by the Employer	-	-
Mortality charges and taxes	-	(0.06)
Closing net defined benefit assets/(liability)	**(1.35)**	**1.36**
Changes in the present value of the defined benefit obligation (DBO) are as follows:		
Opening DBO	(11.68)	(9.43)
Interest cost	(0.81)	(0.65)

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

34. DISCLOSURE PURSUANT TO EMPLOYEE BENEFITS (Contd.)

	As at March 31, 2025	As at March 31, 2024
Current service cost	(2.60)	(2.33)
Past service cost	-	-
Benefits paid	0.72	0.99
Remeasurement during the period due to:		
Actuarial gain / (loss) arising on account of experience changes on plan liabilities	0.10	(0.21)
Actuarial gain / (loss) arising from change in demographic assumptions	0.02	-
Actuarial gain / (loss) arising on account of experience changes	(0.39)	(0.05)
Closing defined benefit (obligation) / asset recognized in balance sheet	**(14.64)**	**(11.68)**
Changes in the fair value of plan assets:		
Opening fair value of plan assets	13.04	10.03
Interest income	0.90	0.81
Contributions by employer	0.05	3.21
Mortality charges and taxes	-	(0.06)
Benefits paid	(0.72)	(0.99)
Actuarial gain / (loss) arising from change in financial assumptions on plan assets	(0.01)	0.10
Actuarial gain / (loss) arising on account of experience changes on plan assets	0.03	(0.06)
Closing fair value of plan assets	**13.29**	**13.04**
Actual return on plan assets	**0.93**	**0.85**
Net defined benefit liability		
DBO	(14.64)	(11.68)
Fair value of plan assets	13.29	13.04
Closing net defined benefit Assets /(liability)	**(1.35)**	**1.36**
Net (liability)/ Assets is bifurcated as follows:		
Current*	**(1.35)**	**1.36**
Non - current	**-**	**-**

The Company has contributed ₹ 0.05 in March 31, 2025 (March 31, 2024 ₹ 3.21) to its gratuity fund. The Company expects to contribute ₹ 1.00 towards its gratuity fund in 2026.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	As at March 31, 2025	As at March 31, 2024
(i) Government of India Securities	0.00%	0.00%
(ii) Corporate bonds	0.00%	0.00%
(iii) Special deposit scheme	0.00%	0.00%
(iv) Insurer managed funds	100.00%	100.00%
Total	**100.00%**	**100.00%**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

34. DISCLOSURE PURSUANT TO EMPLOYEE BENEFITS (Contd.)

The principal assumptions used in determining gratuity obligations for the Company are shown below:

	As at March 31, 2025	As at March 31, 2024
Discount rate	6.60%	7.20%
Employee turnover	20.00%	20.00%
Expected rate of increment in compensation levels		
- First two years	5.00%	5.00%
- Thereafter	7.00%	7.00%
Expected return on plan asset	7.20%	7.30%
Expected average remaining working lives (years)	4.86	4.83

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been no change in expected rate of return on assets.

A quantitative sensitivity analysis for significant assumptions as at March 31, 2025 and March 31, 2024 is shown below:

	Sensitivity Level	Defined benefit obligation	
		As at March 31, 2025	As at March 31, 2024
Discount rate	1% decrease	15.32	12.21
	1% increase	13.99	11.17
Future salary increase	1% decrease	14.16	11.29
	1% increase	15.11	12.06
Withdrawal rate	1% decrease	14.66	11.69
	1% increase	14.59	11.65

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The followings are the expected future benefit payments for the defined benefit plan:

	As at March 31, 2025	As at March 31, 2024
Within the next 12 months (next annual reporting period)	2.50	2.05
Between 1-2 years	2.38	1.82
Between 2 and 5 years	8.21	6.77
Beyond 5 years	13.00	11.76
Total expected payments	**26.09**	**22.40**

Weighted average duration of defined benefit plan obligation (based on discounted cash flows):

	As at March 31, 2025	As at March 31, 2024
Weighted average duration of defined benefit plan obligation	5.96 years	6.04 years

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

35. SHARE BASED ARRANGEMENTS

Share based payment arrangement 2014

On February 06, 2014, the Board of Directors approved the Equity Settled ESOP Scheme 2014 for issue of stock options to the employees of the Company. According to the ESOP 2014, the employee selected by the Board of Directors from time to time will be entitled for scheme options, subject to satisfaction of the prescribed vesting conditions, viz., continued employment and performance parameters of employee. The contractual life (comprising the vesting period and the exercise period) of options and the other relevant terms of the grant are as below:

The Company has provided following share-based payment schemes to its employees

	Details
Date of Initial grant	September 06, 2014
Date of board approval	February 06, 2014
Date of shareholder's approval	February 06, 2014
Method of settlement	Equity
Vesting period	4 years
Exercise period	5 years from date of vesting
Expected life (in years)	
Grant XIII	1.29
Grant XVI	1.90
Grant XIX	2.79
Fair value of shares on date of grant	₹ 6.94 - ₹ 84.16
Vesting conditions	Continued employment and performance of employee as per contract

The vesting pattern of scheme is as follows:

Time period from the date of grant	Cumulative percentage of share vesting
12 months	25%
24 months	50%
36 months	75%
48 months	100%

The details of activities under the scheme have been summarized below:

	Year ended March 31, 2025		Year ended March 31, 2024	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	1,19,368	215.81	4,42,788	155.07
Granted during the year	-	-	-	-
Forfeited during the year	14,050	294.33	1,37,775	116.66
Exercised during the year	66,280	188.20	1,85,645	143.61
Expired during the year	-	-	-	-
Outstanding at the end of the year	39,038	228.84	1,19,368	215.81
Exercisable at the end of the year	39,038	228.84	97,543	241.55

The details of exercise price for stock options outstanding at the end of the year are:

	As at March 31, 2025	As at March 31, 2024
Exercise price (₹)	₹102.50 - ₹294.33	₹97.50 – ₹294.33
Number of options outstanding	39,038	1,19,368
Weighted average remaining contractual life of options (in years)	1.99	0.99
Weighted average exercise price (₹)	228.84	215.81

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

35. SHARE BASED ARRANGEMENTS (Contd.)

For share options exercised during the reporting period, the weighted average share price at the date of exercise, or if options were exercised on a regular basis throughout the reporting period, the entity may instead disclose the weighted average share price during the reporting period.

The weighted average share price at the date of exercise of these options, as at March 31, 2025 was ₹ 588.72 (March 31, 2024: ₹ 390.71)

Manner in which the fair value of the stock option granted during the period was determined:

There are no grants in financials ended March 31, 2025 and March 31, 2024 for share based payment arrangement 2014

Share based payment arrangement 2021

On March 10, 2021, the Board of Directors approved the Equity Settled ESOP Scheme 2021 for issue of stock options to the employees of the Company. According to the ESOP 2021, the employee selected by the Board of Directors from time to time will be entitled for scheme options, subject to satisfaction of the prescribed vesting conditions, viz., continued employment and performance parameters of employee. The contractual life (comprising the vesting period and the exercise period) of options and the other relevant terms of the grant are as below:

	Details
Date of Initial grant	May 15, 2021
Date of board approval	March 10, 2021
Date of shareholder's approval	April 18, 2021
Method of settlement	Equity
Vesting period	4 years
Exercise period	3 years from date of vesting
Expected life (in years)	
Grant XXII	2.21
Grant XXIII	2.62
Grant XXIV	2.79
Grant XXV	2.29
Grant XXIX	3.27
Grant XXXIII	3.96
Grant XXXIV	5.96
Grant XXXV	6.26
Grant XXXVI	6.26
Grant XXXVII	6.07
Grant XXXVIII	6.30
Grant XXXIX	6.30
Grant XXXX	6.30
Grant XXXXI	6.41
Grant XXXXII	6.46
Grant XXXXIV	4.82
Grant XXXXV	4.82
Grant XXXXVI	7.12
Grant XXXXVII	7.45
Fair value of shares on date of grant	₹ 69.66 - ₹ 399.90
Vesting conditions	Continued employment and performance of employee as per contract

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
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(All amounts are in ₹ Crores, unless otherwise stated)

35. SHARE BASED ARRANGEMENTS (Contd.)

The vesting pattern of scheme is as follows:

Time period from the date of grant	Cumulative percentage of share vesting
12 months	25%
24 months	50%
36 months	75%
48 months	100%

On July 23, 2024, the Board of Directors approved the Equity Settled ESOP Scheme 2021 for issue of stock options to the selected employees of the Company. According to the ESOP 2021, the employee selected by the Board of Directors from time to time will be entitled for scheme options, subject to satisfaction of the prescribed vesting conditions, viz., continued employment and performance parameters of employee. The contractual life (comprising the vesting period and the exercise period) of options and the other relevant terms of the grant are as below:

	Details
Date of grant	July 23, 2024
Date of board approval	July 23, 2024
Date of shareholder's approval	July 23, 2024
Method of settlement	Equity
Vesting period	3 years
Exercise period	3 years from date of vesting
Expected life (in years)	
Grant XXXXIII	4.32
Fair value of shares on date of grant	₹117.00- ₹588.19
Vesting conditions	Continued employment and performance of employee and company as per contract

The vesting pattern of scheme is as follows:

Time period from the date of grant	Cumulative percentage of share vesting
12 months	33%
24 months	67%
36 months	100%

The details of activities under the scheme have been summarized below:

	Year ended March 31, 2025		Year ended March 31, 2024	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	19,43,475	125.88	12,91,475	149.37
Granted during the year	4,63,520	281.05	12,93,600	117.27
Forfeited during the year	1,67,284	189.09	3,84,825	132.18
Exercised during the year	4,24,032	109.65	2,56,775	147.28
Expired during the year	-	-	-	-
Outstanding at the end of the year	18,15,679	170.85	19,43,475	125.88
Exercisable at the end of the year	2,32,584	187.31	1,87,200	143.13

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

35. SHARE BASED ARRANGEMENTS (Contd.)

The details of exercise price for stock options outstanding at the end of the year are:

	As at March 31, 2025	As at March 31, 2024
Exercise price (₹)	₹10 - ₹436	₹10 - ₹330
Number of options outstanding	18,15,679	19,43,475
Weighted average remaining contractual life of options (in years)	4.52	4.56
Weighted average exercise price (₹)	170.85	125.88

For share options exercised during the reporting period, the weighted average share price at the date of exercise, or if options were exercised on a regular basis throughout the reporting period, the entity may instead disclose the weighted average share price during the reporting period.

The weighted average share price at the date of exercise of these options, as at March 31, 2025 was ₹ 550.50 (March 31, 2024: ₹ 404.42)

Manner in which the fair value of the stock option granted during the period was determined:

The weighted average fair value of stock options granted during the year was ₹ 245.74 (March 31, 2024: ₹ 152.98). The Black and Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

	As at March 31, 2025	As at March 31, 2024
Weighted average share price (₹)	₹ 351.76	₹ 117.27
Exercise price (₹)	₹ 143.10 - ₹ 332.72	₹ 10 - ₹ 330
Expected volatility (%)	49.07%	46.20%
Life of the options granted (vesting and exercise period) (in years)	3.17	3.5
Average risk-free interest rate (%)	6.65%	7.10%
Dividend yield %	1.50%	2.10%

The weighted average fair value of stock options granted during the year was ₹ 275.60 (March 31, 2024: ₹ Nil). The Monte karlo valuation model has been used for computing the weighted average fair value considering the following inputs:

	As at March 31, 2025	As at March 31, 2024
Weighted average share price (₹)	259.91	-
Exercise price (₹)	₹ 10 - ₹ 436	-
Expected volatility (%)	47.90%	0.00%
Historical volatility (%)	0%	0%
Life of the options granted (vesting and exercise period) (in years)	3.5	-
Average risk-free interest rate (%)	6.90%	0.00%
Dividend yield %	1.50%	0.00%

The effect of share-based payment transactions on the Company's statement of profit and loss for the period and on its financial position:

	Year ended March 31, 2025	Year ended March 31, 2024
Expense arising from equity settled share based payment transaction	9.95	5.10

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts are in ₹ Crores, unless otherwise stated)

36. COMMITMENTS AND CONTINGENCIES

a. Operating lease - Company as a lessee

There are various office premises and warehouse which have been taken by the Company on lease. As per the lease agreements these are cancellable on 60-90 days notice. Further, there are no restrictions imposed by lease agreements and there are no subleases. The Company has elected not to apply the requirements of Ind AS 116 to the short-term leases and, the lease payments associated with these leases are expensed as per the terms of lease agreement. However for lease agreements having locking period more than 12 months has been recognized as right to use assets as at March 31, 2025.

Break-up of current and non-current lease liabilities (Discounted)	As at March 31, 2025	As at March 31, 2024
Current Lease Liabilities	0.22	-
Non-current Lease Liabilities	0.09	-
Total Liabilities	**0.31**	**-**

Maturity analysis of lease liabilities (Undiscounted)	As at March 31, 2025	As at March 31, 2024
Within 1 year	0.22	-
Between 1 to 2 years	0.11	-
Total Lease expenses	**0.33**	**-**

The lease rentals charged during the year is as under:

	Year ended March 31, 2025	Year ended March 31, 2024
Short term lease expenses	1.57	1.46
Total Lease expenses	**1.57**	**1.46**

b. Operating lease - Company as a lessor

	As at March 31, 2025	As at March 31, 2024
The minimum rentals receivable on leases of investment properties are as follows:		
Within 1 year	4.06	4.33
Between 1 to 2 years	0.53	3.23
Between 2 to 3 years	0.32	0.10
Between 3 to 4 years	0.09	0.11
Between 4 to 5 years	-	0.09
Later than 5 year	-	-
Total Lease income	**5.00**	**7.86**

Company as a lessor

The Company has entered into operating leases for its investment properties (refer note 6). These leases have terms ranging from eleven months to five years. Some of these leases include an annual escalation clause on rental prices based on prevailing market conditions.

During the year ended March 31, 2025 ₹ 5.49 (March 31, 2024: ₹ 4.99) was recognized in profit and loss in relation to rental income from the investment properties. (refer note 25)

c. Commitments

	As at March 31, 2025	As at March 31, 2024
Capital commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided, net of advances	4.92	2.97
Total	**4.92**	**2.97**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts are in ₹ Crores, unless otherwise stated)

36. COMMITMENTS AND CONTINGENCIES (Contd.)

d. Contingent liabilities

	As at March 31, 2025	As at March 31, 2024
Claims against the Company not acknowledged as debts		
Tax demand		
Direct tax	2.85	2.87
Indirect tax	-	0.80
Provident fund	5.01	-
Total	**7.86**	**3.67**

i) Direct tax

The claims against the Company primarily represent demands arising on completion of assessment proceedings under the Income Tax Act, 1961. These claims are majorly on account of disallowance of expenses pertaining to exempt income as per section 14A read with rule 8D of the Income Tax Act, 1961.

These matters are pending before various Income Tax Authorities and the Management including its tax advisors expect that its position will likely be upheld on ultimate resolution and will not have a material effect on the Company's financial position and results of operations.

ii) Indirect tax

The claim against the Company represented a demand arising on account of mismatch of ITC under the Goods and Services Act, 2017. This matter was pending before Assistant Commissioner CGST and the Management including its tax advisors expected that its position will likely be upheld on ultimate resolution and will not have a material effect on the Company's financial position and results of operations. The said demand is dropped by the office of the assistant commissioner of CGST vide Order No 51/Adj/DIV-/C.Tax/GST/24-25 DIN - 20250268UC000000FB1F dated February 04, 2025.

iii) Provident fund

During the year ended March 31, 2025, the Regional P.F. Commissioner ("RPFC") passed an order under Section 7A & 7Q of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("Act") demanding ₹ 5.01 (including interest of ₹ 2.49) on the grounds that it failed to remit Provident Fund ("PF") on wages for its employees for the period from September 2014 to March 2019 for certain allowances of salary. The Company filed an appeal before the Central Government Industrial Tribunal Cum-Labour Court ("CGIT") challenging the Employees' Provident Fund Organisation's ("EPFO") order along with the application under Section 7O of the Act seeking a waiver from pre-deposit of the alleged Provident Fund Contributions till the final disposal of the Appeal. The CGIT, after hearing the submissions made, passed an Order and directed RPFC, not to proceed with the recovery against the Company on depositing 30% of the total amount assessed. The Company, based on the legal counsel's opinion, is of the view that the claim made by the RPFC is not probable, and accordingly no provision is recorded in the financial statement of the year ended March 31, 2025.

e. Other litigations

An erstwhile distributor had filed a First Information Report (FIR) in May 2016 at Uttarpara Police Station, Hooghly District, West Bengal, against certain directors of the Company, their spouses, and other associates, alleging embezzlement of his investment and misappropriation of shares. Pursuant to this, the police had filed a charge sheet. Subsequently, the Company, along with the concerned directors and other parties, filed petitions seeking quashing of the proceedings before the Hon'ble High Court at Calcutta during the financial year ended March 31, 2018. During the current financial year ended March 31, 2025, the Hon'ble High Court at Calcutta, vide its judgment dated June 25, 2024, has quashed all the aforesaid proceedings

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts are in ₹ Crores, unless otherwise stated)

37. FINANCIAL RATIOS

S No.	Ratio	Formula	Particulars		March 31, 2025		March 31, 2024		Ratio as on		Variation	Reason (If variation is more than 25%)
			Numerator	Denominator	Numerator	Denominator	Numerator	Denominator	March 31, 2025	March 31, 2024		
(a)	Current Ratio	Current Assets / Current Liabilities	Current Assets	Current Liabilities	370.94	78.98	362.98	73.38	4.70	4.95	(5.05%)	Nil
(b)	Return on Equity Ratio	Profit after tax x 100 / Average Shareholder's Equity	Net Income= Net Profits after taxes	(Opening Equity share capital & Other equity + Closing Equity share capital & Other equity)/2	5.57	439.37	24.07	428.31	0.01	0.06	(77.44%)	Refer Note (i)
(c)	Inventory Turnover Ratio	Cost of Goods Sold / Average Inventory	Cost of Goods Sold	(Opening Inventory + Closing Inventory)/2	7.14	2.51	6.83	3.65	2.84	1.87	52.02%	Refer Note (ii)
(d)	Trade Receivables Turnover Ratio	Net Credit Sales / Average Trade Receivables	Gross Sales excluding sales Incentives	(Opening Trade Receivables + Closing Trade Receivable)/2	306.86	151.21	323.90	127.41	2.03	2.54	(20.17%)	Nil
(e)	Trade Payables Turnover Ratio	Net Credit Purchases / Average Trade Payables	Net Credit Purchases	(Opening Trade Payables + Closing Trade Payables)/2	6.56	37.73	5.13	44.39	0.17	0.12	50.45%	Refer Note (iii)
(f)	Net Capital Turnover Ratio	Revenue / Average Working Capital	Revenue net of sales Incentives	Average Working Capital= Average of Current assets – Current liabilities	279.53	290.78	291.75	270.16	0.96	1.08	(10.98%)	Nil
(g)	Net Profit Ratio	Net Profit / Net Sales	Profit after tax	Revenue net of sales Incentives	5.57	279.53	24.07	291.75	0.02	0.08	(75.85%)	Refer Note (iv)
(h)	Return on Capital Employed	EBIT / Capital Employed	Income before interest and tax	Capital Employed= Total Assets - Current Liability	1.75	446.69	26.04	439.23	0.00	0.06	(93.39%)	Refer Note (v)
(i)	Return on Investment	Net Income / Net Investment	Interest income on fixed deposit, bond & gain on Mutual funds (Including unrealized gain)	({Opening investment in mutual funds & bonds + fixed deposit}+{closing investment in mutual funds & bonds+ fixed deposit})/2	13.91	199.75	12.40	199.35	0.07	0.06	11.95%	Nil

Notes:

(i) Return on equity ratio has decreased on account of lower profits/income generated in business in current year

(ii) Inventory turnover ratio has increased on account of decrease in closing inventory.

(iii) Trade payable turnover ratio has increased due to decrease in Trade Payable

(iv) Decrease in Net Profit ratio due to decrease in profit after tax.

(v) Return on capital employed has decreased on account of lower profit in the current year.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

38. DISCLOSURE RELATING TO SUPPLIERS REGISTERED UNDER MSMED ACT BASED ON THE INFORMATION AVAILABLE WITH THE COMPANY

	Year ended March 31, 2025	Year ended March 31, 2024
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
Principal	3.52	3.70
Interest *	-	-
Total	-	-
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-

* Amount below rounding off norms adopted by the Company.

39. CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

	Year ended March 31, 2025	Year ended March 31, 2024
(a) Gross amount required to be spent by the Company during the year	0.87	1.71

(b) Amount spent during the year	Year ended March 31, 2025			Year ended March 31, 2024		
	Paid	Yet to be paid	Total	Paid	Yet to be paid	Total
For the purpose of education and social activity	1.66	-	1.66	1.82	-	1.82

	Year ended March 31, 2025	Year ended March 31, 2024
Gross Amount required to be spent as per Section 135 of the Act	0.87	1.71
Add: Amount Unspent from previous years	-	-
Total Gross amount required to be spent during the year	**0.87**	**1.71**
Amount approved by the Board to be spent during the year	1.66	1.82
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above	1.66	1.82

Details related to amount spent/ unspent

	March 31, 2025	March 31, 2024
Contribution to Quick Heal Foundation	1.66	1.82
Spent on social activities	-	-
Accrual towards unspent obligations in relation to:		
Ongoing projects	**-**	**-**
Other than Ongoing projects	**-**	**-**
Total	**1.66**	**1.82**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

39. CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE (Contd.)

Details of excess CSR

Nature of Activity	Balance (excess) as at April 01, 2024	Amount required to be spent during the year	Amount spent during the year	Balance (excess) as at March 31, 2025*
For the purpose of education and social activity	(0.11)	0.87	1.66	(0.90)

* Current year amount carried forwarded to future year amount of ₹ 0.79.

Contribution to Related Parties/ CSR Expenditure incurred with Related Parties

Name	Nature of Relationship	March 31, 2025	March 31, 2024
Quick Heal Foundation	Enterprise owned by directors or major shareholders	1.66	1.82

Disclosures on Shortfall/ (excess) in CSR expenditure

	March 31, 2025	March 31, 2024
Amount Required to be spent by the Company during the year	0.87	1.71
Actual Amount Spent by the Company during the year	1.66	1.82
Shortfall/(Excess) at the end of the year	(0.79)	(0.11)
Total of previous years shortfall	-	-

40. PARTICULARS OF UNHEDGED FOREIGN CURRENCY EXPOSURES AS AT THE BALANCE SHEET DATE

	Foreign currency	As at March 31, 2025		As at March 31, 2024	
		In foreign currency	In Indian Rupees	In foreign currency	In Indian Rupees
Bank balances	USD	0.02	1.63	0.03	2.33
Cash balances	AED	0.00	0.01	0.00	0.01
	USD	0.00	0.00	0.00	0.00
Trade receivables	USD	0.14	12.31	0.10	8.68
	AED	0.09	2.07	0.03	0.75
Trade payables	USD	0.00	0.21	0.00	0.18
	AED	0.01	0.27	0.00	0.11
Investment (Net)	AED	0.02	0.56	0.02	0.56
	USD	0.06	5.36	0.06	5.36
	SGD	0.03	2.20	0.04	2.20

41. (a). Related party disclosures

List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures
Related parties where control exists

Wholly owned subsidiaries	Quick Heal Technologies America Inc., USA
	Seqrite Technologies DMCC, UAE
Related parties with whom transactions have taken place during the year	
Key management personnel	Kailash Katkar, Chairman & Managing Director (w.e.f. April 25, 2024)
	Sanjay Katkar, Joint Managing Director
	Vishal Salvi, Chief Executive Officer (w.e.f. July 03, 2023)

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

41. (a). Related party disclosures (Contd.)

	Ankit Maheshwari, Chief Financial Officer (w.e.f April 26, 2023)
	Navin Sharma, Chief Financial Officer (upto April 18, 2023)
	Sarang Hari Deshpande, Company Secretary (w.e.f October 26, 2023)
	Srinivasa Rao Anasingaraju, Company Secretary (upto July 17, 2023)
	Amitabha Mukhopadhyay , Independent Director
	Apurva Joshi, Independent Director
	Bhushan Gokhale, Independent Director
	Kamal Kumar Agarwal, Independent Director (w.e.f July 26, 2024)
	Richard Stiennon, Independent Director
	Shailesh Lakhani, Non-Executive Director (upto March 31, 2025)
Relatives of key management personnel	Anupama Katkar (wife of Kailash Katkar)
	Chhaya Katkar (wife of Sanjay Katkar)
	Sneha Katkar (daughter of Kailash Katkar)
Enterprises owned by directors or major shareholders	Kailash Sahebrao Katkar HUF
	Sanjay Sahebrao Katkar HUF
	Quick Heal Foundation
	Dreambook Production (OPC) Private Limited
	Dreambook Enterprise LLP
	Gagan Bharari Enterprises LLP (upto January 08, 2025)
	Trixter Cyber Solutions Private Limited
Entities in which directors of the Company holds directorship	Data Security Council of India

Transactions with related parties and year end balances:

Nature of transaction	Name of the related party	Year ended March 31, 2025	Year ended March 31, 2024
Compensation paid to Key Management Personnel and their relatives*	Kailash Katkar	1.62	1.36
	Sanjay Katkar	1.57	1.31
	Vishal Salvi	2.17	1.02
	Navin Sharma	-	0.31
	Ankit Maheshwari	1.14	0.85
	Srinivasa Rao Anasingaraju	-	0.26
	Sarang Hari Deshpande	0.32	0.14
	Anupama Katkar	0.71	0.62
	Sneha Katkar	0.47	0.37
Sub-total		**8.00**	**6.24**
Directors' sitting fees	Amitabha Mukhopadhyay	0.04	0.05
	Apurva Joshi	0.06	0.06
	Bhushan Gokhale	0.04	0.04
	Kamal Kumar Agarwal	0.01	-
	Richard Stiennon	0.02	0.02
Sub-total		**0.17**	**0.17**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts are in ₹ Crores, unless otherwise stated)

41. (Contd.)

Nature of transaction	Name of the related party	Year ended March 31, 2025	Year ended March 31, 2024
Commission to independent directors	Amitabha Mukhopadhyay	0.05	0.08
	Apurva Joshi	0.05	0.08
	Bhushan Gokhale	0.05	0.08
	Kamal Kumar Agarwal	0.05	-
	Richard Stiennon	0.05	0.08
Sub-total		**0.25**	**0.32**
Total		**8.42**	**6.73**

Compensation of key managerial personnel of the Company

	Year ended March 31, 2025	Year ended March 31, 2024
Short-term employee benefits (compensation)	8.00	6.24
Post - employment gratuity benefits	0.66	0.57
Leave benefits	0.05	0.04
Total compensation to key management personnel	**8.71**	**6.85**

* The amounts disclosed in the table are the amounts recognized as an expense during the reporting period related to key management personnel. The remuneration and perquisites on account of ESOP to key management personnel does not include employee stock compensation expense. The amount of performance link incentive to the extent paid till March 31, 2024 is only considered as remuneration Non-executive and independent directors do not receive gratuity entitlements and leave benefits from the Company.

41(b). Managerial remuneration

During the year ended March 31, 2024, due to inadequacy of profits earned by the Company, the remuneration paid to the Managing and Joint Managing Directors of the Company exceeds the limits prescribed under Section 197 of the Companies Act, 2013 read with Schedule V to the Act, by ₹ 1.48 (March 31, 2024: ₹ 0.24). Further, the remuneration paid exceeded the limit prescribed under regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, by ₹ 3.88 (March 31, 2024: ₹ 1.72). The Company has taken requisite approvals from the shareholders at the Annual General Meeting held on September 06, 2024.

41(c). During the year employee stock options were granted to key managerial personnel. The expenses on account of below share based payment recorded through the year ended March 31, 2025 amounts to ₹ 2.40. (March 31, 2024: ₹ 2.21)

The details of share options held by executive members under the Share Based Payment arrangement to purchase equity shares have the following expiry dates and exercise prices:

Grant Date	Exercise Price	March 31, 2025	March 31, 2024
		Number outstanding	Number outstanding
July 03, 2023	80.00	1,50,000	2,00,000
July 03, 2023	10.00	2,06,250	2,75,000
July 23, 2024	10.00	12,408	-
July 23, 2024	291.00	1,05,500	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

41. (Contd.)

Nature of transaction	Name of the related party	Year ended March 31, 2025	Year ended March 31, 2024
CSR contribution	Quick Heal Foundation	0.87	1.82
		0.87	**1.82**
Sale of security software products	Quick Heal Technologies America Inc.	3.41	3.59
	Seqrite Technologies DMCC	2.23	1.10
		5.64	**4.69**
Rendering of services	Data Security Council of India	-	0.35
		-	**0.35**
Marketing support services received	Quick Heal Technologies America Inc.	0.61	0.59
	Seqrite Technologies DMCC	0.87	0.31
		1.48	**0.90**
Purchase of Material	Trixter Cyber Solutions Private Limited	(0.02)	0.26
		(0.02)	**0.26**
Services received	Data Security Council of India	0.73	0.64
		0.73	**0.64**
Final equity dividend declared and paid for the financial year ended March 31, 2024 and March 31, 2023	Kailash Katkar	2.93	3.90
	Sanjay Katkar	4.68	3.90
	Anupama Katkar	2.89	0.95
	Chhaya Katkar	1.14	0.95
	Sneha Katkar	-	0.00
	Vishal Salvi	0.02	-
	Ankit Maheshwari	0.01	-
		11.67	**9.70**

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. For the year ended March 31, 2025, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2024: ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Balance outstanding

Nature of transaction	Name of the related party	As at March 31, 2025	As at March 31, 2024
Trade receivables	Quick Heal Technologies America Inc.	4.28	1.36
	Seqrite Technologies DMCC	2.07	0.75
	Data Security Council of India	-	0.08
		6.35	**2.19**
Trade payables	Quick Heal Technologies America Inc.	0.20	0.16
	Seqrite Technologies DMCC	0.27	0.11
	Data Security Council of India	0.04	0.02
		0.51	**0.29**
Director Sitting Fees Payable*	Amitabha Mukhopadhyay	-	-
	Apurva Joshi	-	-
	Bhushan Gokhale	-	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts are in ₹ Crores, unless otherwise stated)

41. (Contd.)

Nature of transaction	Name of the related party	As at March 31, 2025	As at March 31, 2024
	Kamal Kumar Agarwal	-	-
	Richard Stiennon	-	0.02
		-	**0.02**
Commission payable to independent directors	Amitabha Mukhopadhyay	0.05	0.08
	Apurva Joshi	0.05	0.08
	Bhushan Gokhale	0.05	0.08
	Kamal Kumar Agarwal	0.05	-
	Richard Stiennon	0.05	0.16
		0.25	**0.40**

* Amount below rounding off norms adopted by the Company.

42. SEGMENT

The Company is engaged in providing security software solutions. The Chief Operating Decision Maker (CODM) reviews the information pertaining to revenue of each of the target customer group (segments) as mentioned below. However, based on similarity of activities/products, risk and reward structure, organisation structure and internal reporting systems, the Company has structured its operations into one operating segment viz. cybersecurity platform and as such there is no separate reportable operating segment as defined by Ind AS 108 "Operating segments". For management purposes, the Company reports the details of operating segments based on the target customer groups as under:

- Consumer
- Enterprise and Government

In accordance with paragraph 4 of Ind AS 108 'Operating segments', the Company has disclosed segment information only on the basis of the consolidated financial statement.

43. FAIR VALUES

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments.

	Carrying value		Fair value	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Financial assets				
Carried at FVTPL				
Investments in mutual funds (quoted)	172.01	182.51	172.01	182.51
Carried at FVOCI				
Investments in equity instruments	2.03	2.20	2.03	2.20
Investment in Preference shares	-	-	-	-
Carried at amortized cost				
Investment in Tax Free Bonds	5.25	5.25	5.25	5.25
Trade and other receivables	170.36	132.05	170.36	132.05
Cash and cash equivalents	17.10	36.46	17.10	36.46
Other bank balances	0.13	0.25	0.13	0.25
Other financial assets	2.15	2.08	2.15	2.08
Total	**369.03**	**360.80**	**369.03**	**360.80**
Financial liabilities at amortized cost				
Trade and other payables	35.36	40.10	35.36	40.10
Other financial liabilities	1.71	3.82	1.71	3.82
Total	**37.07**	**43.92**	**37.07**	**43.92**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

43. FAIR VALUES (Contd.)

The management assessed that the fair value of cash and cash equivalents, trade receivables, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The amortized cost using effective interest rate (EIR) of non-current financial assets consisting of security and term deposits are not significantly different from the carrying amount.

Financial assets that are neither past due nor impaired include cash and cash equivalents, security deposits, term deposits, and other financial assets.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

44. FAIR VALUE HIERARCHY

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included with in Level 1 that the observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data unobservable inputs.

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on a recurring basis as at March 31, 2024 and March 31, 2023.

Quantitative disclosures fair value measurement hierarchy for assets:

	Date of valuation	Fair value measurement using			
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at fair value through OCI					
Unquoted equity instruments in L7 Defense limited					
As at March 31, 2025	March 31, 2025	-	-	-	-
As at March 31, 2024	March 31, 2024	-	-	-	-
Unquoted equity instruments in Ray Pte. Limited					
As at March 31, 2025	March 31, 2025	2.03	-	-	2.03
As at March 31, 2024	March 31, 2024	2.20	-	-	2.20
Unquoted Compulsory Convertible Preference Share in L7 Defense limited					
As at March 31, 2025	March 31, 2025	-	-	-	-
As at March 31, 2024	March 31, 2024	-	-	-	-
Financial assets measured at fair value through profit and loss					
Mutual fund investments					
Fair value through profit or loss investments					
As at March 31, 2025	March 31, 2025	177.69	177.69	-	-
As at March 31, 2024	March 31, 2024	188.46	188.46	-	-
Investment Property					
As at March 31, 2025	March 31, 2025	75.91	-	75.91	-
As at March 31, 2024	March 31, 2024	65.79	-	65.79	-

There have been no transfers among Level 1, Level 2 and Level 3 during the year.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts are in ₹ Crores, unless otherwise stated)

44. FAIR VALUE HIERARCHY (Contd.)

The following methods and assumptions were used to estimate the fair values:

(i) The fair value of the quoted mutual fund are based on the price quotations at reporting date. The fair value of unquoted instruments, related parties and other financial liabilities as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

(ii) The fair values of the unquoted equity and preference shares have been estimated using a discounted cash flow (DCF) model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity and preference investments.

Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the year ended March 31, 2025 and March 31, 2024:

	Unquoted equity and preference shares
As at April 01, 2023	15.65
Remeasurement recognized in OCI	(13.45)
Purchases	-
Sales	-
As at March 31, 2024	**2.20**
Remeasurement recognized in OCI	(0.17)
Purchases	-
Sales	-
As at March 31, 2025	**2.03**

Description of significant unobservable inputs to valuation:

The significant unobservable inputs used in the fair value measurements categorised within Level 3 of the fair value hierarchy, together with a quantitative sensitivity analysis as at March 31, 2025 and March 31, 2024 are as shown below:

	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value*
Unquoted equity and preference shares in L7 Defense Limited	Discounted cash flow method			Refer below note (a)
Unquoted equity shares in Ray Pte. Limited	Discounted cash flow method	Weighted average cost of equity	March 31, 2025: 14.00% - 15.00%	1% increase in the WACC would decrease the fair value by ₹ 5.06 and 1% decrease would increase the fair value by ₹ 5.95.
		Long-term growth rate for cash flows	March 31, 2025: 1.00% - 3.00%	1% increase in the growth would increase the fair value by ₹ 4.10 and 1% decrease would decrease the fair value by ₹ 3.53.
		Long-term operating margin	March 31, 2025: 36.78% - 46.78%	5% increase in the margin would increase the fair value by ₹ 6.31 and 5% decrease would decrease the fair value by ₹ 6.31.
Unquoted equity shares in Ray Pte. Limited	Discounted cash flow method	Weighted average cost of equity	March 31, 2024: 15% - 17%	1% increase in the WACC would decrease the fair value by ₹ 3.62 and 1% decrease would increase the fair value by ₹ 4.19.
		Long-term growth rate for cash flows	March 31, 2024: 0.50% - 2.50%	1% increase in the growth would increase the fair value by ₹ 2.41 and 1% decrease would decrease the fair value by ₹ 2.11.
		Long-term operating margin	March 31, 2024: 31.33% - 41.33%	5% increase in the margin would increase the fair value by ₹ 6.86 and 5% decrease would decrease the fair value by ₹ 6.86.

*The above sensitivity analysis for fair value calculation has been derived on the entire Ray Pte. Limited and L7 Defense Limited capital amount of the companies.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

44. FAIR VALUE HIERARCHY (Contd.)

(a) Considering the financial position, liquidity condition, market conditions and geopolitical scenario in Israel, management based on its assessment the Company has recorded a fair value loss in other comprehensive income (FVOCI) amounting to ₹ 13.45 in the year ended March 31, 2024. Accordingly, the carrying value of investment made in L7 Defense Limited has been considered as Nil during the year ended March 31, 2025.

45. FINANCIAL INSTRUMENTS RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's principal financial assets include investments, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company does not have borrowings and derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Board of Directors review and agree policies for managing each of these risks, which are summarised below:

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include deposits, investments, receivables, payables, advances and other financial instruments. From the perspective of the Company, the impact of the foreign currency risk, material price risk, interest rate risk and other price risk is not significant.

The Company has certain financial assets and financial liabilities in foreign currencies which expose the Company to foreign currency risks. The foreign currency exposure of the Company has been disclosed in Note 39 to the standlaone financial statements.

Foreign currency sensitivity

The Company does not take any steps to hedge the foreign currency exposure as mentioned above as the Management believes that there is natural hedge to some extent and balance exposure not really having significant impact on the financial health of the Company.

	Foreign currency	Exposure In foreign currency	Change in Currency rate	Effect on profit before tax (₹)*	Effect on pre-tax equity (₹)*
March 31, 2025	AED	0.10	2%	0.05	0.06
				-0.05	-0.06
	SGD	0.03	3%	0.07	0.07
				-0.07	-0.07
	USD	0.22	2%	0.38	0.38
				-0.38	-0.38
March 31, 2024	AED	0.05	5%	0.00	0.00
				0.00	0.00
	SGD	0.04	5%	0.11	0.11
				-0.11	-0.11
	USD	0.19	4%	0.72	0.72
				-0.72	-0.72

* The effect on profit before tax / pre-tax equity with respect to Investments designated at FVTOCI will be routed through other comprehensive income.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

45. FINANCIAL INSTRUMENTS RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

Trade receivables

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company follows simplified approach for recognition of impairment loss allowance on Trade receivables.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made with banks in terms of fixed deposits and investment in designated mutual funds. Investment decision in mutual fund is taken with the assistance from appointed agent. Credit risk on cash deposits is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Other investments primarily include investment in liquid mutual fund units of reputed companies where historically, the Company has not incurred any loss due to credit risk.

(c) Liquidity risk

The Company had no outstanding bank borrowings as of March 31, 2025 and March 31, 2024. The working capital as at March 31, 2025 was ₹ 291.96 (March 31, 2024: ₹ 289.60) including cash and cash equivalents.

As at March 31, 2025 and March 31, 2024, the outstanding employee obligations were ₹ 18.85 and ₹ 15.57 respectively which have been substantially funded. Accordingly, no significant liquidity risk is perceived.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
As at March 31, 2025					
Trade payables	-	21.10	9.87	4.39	35.36
Unpaid dividend	0.13	-	-	-	0.13
Other financial liabilities		1.58			1.58
Total	**0.13**	**22.68**	**9.87**	**4.39**	**37.07**
As at March 31, 2024					
Trade payables	-	16.08	23.90	0.12	40.10
Unpaid dividend	0.17	-	-	-	0.17
Other financial liabilities	-	3.65	-	-	3.65
Total	**0.17**	**19.73**	**23.90**	**0.12**	**43.92**

Financial risk management

Capital management

For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder's value. The Company manages its capital and makes adjustments to it in light of the changes in economic and market conditions. The total equity as at March 31, 2025 is ₹ 441.84 (March 31, 2024: ₹ 436.90).

The Company does not have any debt as on March 31, 2025 & March 31, 2024 and hence no debt-equity ratio is computed.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025 and March 31, 2024.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

46. AUDIT TRAIL

The Company has used an accounting software, for maintaining its books of account which has a feature of recording audit trail (edit log) facility, except during the year ended in March 31, 2025 and March 31, 2024 audit trail feature was not enabled at the data base level, in respect of Accounting Software to log any changes at Database level. Further, the audit trail facility has been operated with effect from April 19, 2024 for all relevant transactions recorded in the accounting software, except at the database level.

Further, no instance of audit trail feature being tampered with was noted in respect of the accounting software where enabled. Additionally, the audit trail of the preceding year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the accounting software.

47. TITLE DEEDS OF IMMOVABLE PROPERTIES NOT HELD IN NAME OF THE COMPANY

The title deeds of all the immovable properties are held in the name of the Company.

48. LOANS OR ADVANCES IN THE NATURE OF LOANS ARE GRANTED TO PROMOTERS, DIRECTORS, KMPS AND THE RELATED PARTIES (AS DEFINED UNDER COMPANIES ACT, 2013), EITHER SEVERALLY OR JOINTLY WITH ANY OTHER PERSON, THAT ARE:

The Company has not granted any loans or advances in the nature of loans to promoters, directors and KMPs, either severally or jointly with any other person.

49. DETAILS OF BENAMI PROPERTY HELD

The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

50. WILFUL DEFAULTER

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

51. RELATIONSHIP WITH STRUCK OFF COMPANIES UNDER SECTION 248 OF THE COMPANIES ACT, 2013 OR SECTION 560 OF COMPANIES ACT, 1956,

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,

52. REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

53. COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

54. COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENTS

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts are in ₹ Crores, unless otherwise stated)

55. UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM:

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

56. UNDISCLOSED INCOME

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (and previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

57. DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

58. THE CODE ON SOCIAL SECURITY 2020

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labor and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.

The Company will assess the impact of the Code and will give appropriate impact in the Standalone financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.

59.

Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS and as required by Schedule III of the Act.

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration Number: 105047W

For and on behalf of the Board of Directors of
Quick Heal Technologies Limited
CIN: L72200MH1995PLC091408

Sd/-	Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
Shraddha D Khivasara	**Kailash Katkar**	**Sanjay Katkar**	**Vishal Salvi**	**Ankit Maheshwari**	**Sarang Hari Deshpande**
Partner	Chairman & Managing Director	Joint Managing Director	Chief Executive Officer	Chief Financial Officer	Company Secretary
Membership Number: 134285	DIN: 00397191	DIN: 00397277			Regs. No. ACS-18613
Place: Pune	Place: Pune	Place: Pune	Place: Pune	Place: Pune	Place: Pune
Date: May 06, 2025	Date: May 06, 2025	Date: May 06, 2025	Date: May 06, 2025	Date: May 06, 2025	Date: May 06, 2025

INDEPENDENT AUDITOR'S REPORT

To the Members of

Quick Heal Technologies Limited

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying consolidated financial statements of **Quick Heal Technologies Limited** (hereinafter referred to as the "Holding Company") and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2025, and the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on separate financial statements and on the other financial information of subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2025, of consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and on consideration of audit reports of other auditors referred to in the "Other Matters" section below is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended March 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Sr. No.	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1.	**Revenue from contract with customers:** Refer the disclosures related to Revenue recognition in Note 24 to the accompanying Consolidated Financial Statements. Revenue from the sale of security software products is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration to which the group expects to be entitled in exchange for those goods. The Application of Ind AS 115 involves certain key judgements relating to identification of performance obligations, determination of basis and its appropriateness for allocation of transaction price to the identified performance obligations; recognition of such identified performance obligations based on timing of satisfaction (i.e., over time or point in time).	Our audit procedures in respect of this area include, but are not limited to, following: 1. Evaluated the Group's accounting policies for revenue recognition (including incentives) and assessed its compliance with Ind AS 115 'Revenue from contracts with customers'; 2. Obtained and reviewed contracts with customers and confirmed our understanding of the Group's sales process, including design and implementation of controls and tested the operating effectiveness of these controls on a sample basis; 3. Reviewed the customer agreements, on a sample basis, to test the terms and conditions for sale of such products including identification of performance obligations and allocation of the transaction price to such performance obligation based on appropriate method, as applicable;

INDEPENDENT AUDITOR'S REPORT (Contd.)

Sr. No.	Key Audit Matter	How the Key Audit Matter was addressed in our audit
	Due to the significance of revenue and involvement of management judgments relating to identification of separate performance obligations, this is considered as a key audit matter.	4. Discussed with management the key assumptions underlying the Group's assessment of cost related to identified performance obligations and tested mathematical accuracy of the underlying data used for computation and calculations made by the Group; 5. In case of variable consideration, assessed management's computations for accrual of discounts and incentives and on a sample basis compared the accruals made with the approved schemes and underlying documents; 6. Ensured that the actual discounts and incentives does not exceed the approved amount and if has been recorded in the correct accounting period; and 7. Evaluated the appropriateness of the disclosures made in the Consolidated financial statement in relation to revenue recognition as required by applicable accounting standards.
2.	**Provision for expected credit loss for accounts receivables:** Refer Note 12 of the Consolidated Financial Statements. The Group has total outstanding trade receivable amounting to ₹ 214.78 crores as at March 31, 2025 against which the Group has provided for ₹ 48.05 crores towards expected credit loss in the books of account. We have identified provisioning for credit loss as a key audit matter as the calculation of credit loss provision is a complex area and requires management to make significant assumptions on customer payment behaviour and estimating the level and timing of expected future cash flows.	We evaluated the judgement and estimation used by management in recognizing the expected credit loss provision. Our procedures included, but were not limited to the following: 1. Obtained understanding of the Group's policy on assessment of expected credit loss against trade receivables, including design and implementation of controls, validation of management review controls and testing the operating effectiveness of these controls; 2. Verified accuracy of the aging of trade receivables for sample customer transactions; 3. Obtained management's assessment and plan for recovery with respect to trade receivables outstanding for more than 365 days and corroborated the same; 4. Assessed the methodology applied for recognising expected credit loss against the trade receivables outstanding balances and verified the same based on historical collection data; 5. Tested the arithmetic accuracy and completeness of the expected credit loss provision performed by the Group; and 6. Assessed and validated the adequacy and appropriateness of the disclosures made by the management is as per the requirements of Ind AS 109 -'Financial Instruments'.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis report, Director's report, Business Responsibility and Sustainability Reporting, Corporate Governance report but does not include the consolidated financial statements and our auditor's report thereon.

INDEPENDENT AUDITOR'S REPORT (Contd.)

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group including in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing ("SAs") will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

OTHER MATTERS:

We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of ₹ 7.65 crores as at March 31, 2025, total revenues of ₹ 5.64 crores and net cash inflows amounting to ₹ 2.71 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (including total other comprehensive income) of ₹ 0.15 crores for the year ended March 31, 2025 as considered in the consolidated financial statements, which have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements is not modified in respect of the above matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the Separate Financial Statements of

INDEPENDENT AUDITOR'S REPORT (Contd.)

the subsidiaries referred to in the Other Matters section above we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matters stated in the paragraph 2(h)(vi) below on reporting under Rule 11(g).

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group companies are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) The reservation relating to maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(h)(vi) below on reporting under Rule 11(g).

(g) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, Refer Note 35(d) to the consolidated financial statements.

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.

iv. 1. The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that such parties shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

2. The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, no funds have been received by the Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities

INDEPENDENT AUDITOR'S REPORT (Contd.)

with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Holding Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

3. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, and according to the information and explanations provided to us by the Management of the Holding company in this regard nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

v. On the basis of our verification and on consideration of the reports of the statutory auditors of subsidiaries that are Indian companies under the Act, we report that:

The final dividend paid by the Holding Company during the year, in respect of the dividend declared for the previous year, is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

vi. In regards accounting software:

Based on our examination which included test checks, the Holding Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility, except that no audit trail feature was enabled at the database level in respect of an accounting software to log any direct data changes as explained in Note 45 to the consolidated financial statements.

Further, where enabled, audit trail feature has been operated for all relevant transactions recorded in the accounting software. Also, during the course of our audit, we did not come across any instance of audit trail feature being tampered with in respect of such accounting software. Additionally, the audit trail of prior year has been preserved by the Holding Company as per the statutory requirements for record retention to the extent it was enabled and recorded in respective years.

In regards payroll software:

Based on our examination, the Holding Company has used an accounting software which is operated by a third-party software service provider, for maintaining its payroll records which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all the relevant transactions recorded in the software as explained in 45 to the consolidated financial statements.

Further, during the course of our audit and considering SOC report, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior year has been preserved by the Holding Company as per the statutory requirements for record retention.

2. In our opinion, according to information, explanations given to us, the remuneration paid by the Group to its directors is within the limits laid prescribed under Section 197 read with Schedule V of the Act and the rules thereunder.

3. According to the information and explanations given to us Companies (Auditor's Report) Order, 2020 is not applicable to the subsidiaries. Accordingly, the provisions stated in paragraph 3(xxi) of the Order are no applicable to the Group.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Sd/-
Shraddha D Khivasara
Partner
Membership No. 134285
UDIN: 25134285BMNTDB4357

Place: Pune
Date: May 06, 2025

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF QUICK HEAL TECHNOLOGIES LIMITED

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management and Board of Directors.
- Conclude on the appropriateness of the management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Sd/-
Shraddha D Khivasara
Partner
Membership No. 134285
UDIN: 25134285BMNTDB4357

Place: Pune
Date: May 06, 2025

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF QUICK HEAL TECHNOLOGIES LIMITED

[Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Quick Heal Technologies Limited on the Consolidated Financial Statements for the year ended 2025]

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

Opinion

In conjunction with our audit of the consolidated financial statements of the Group as of and for the year ended March 31, 2025, we have audited the internal financial controls reference to consolidated financial statements of Quick Heal Technologies Limited (hereinafter referred to as "the Holding Company").

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company, has, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2025, based on the internal financial controls with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

Management's and Board of Director's Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Holding Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A Company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide

ANNEXURE B (Contd.)

reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Sd/-
Shraddha D Khivasara
Partner
Membership No. 134285
UDIN: 25134285BMNTDB4357

Place: Pune
Date: May 06, 2025

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2025

(All amounts are in ₹ Crores, unless otherwise stated)

	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
(a) Property, plant and equipment	5	83.15	83.61
(b) Capital work-in-progress	5 (a)	0.05	3.06
(c) Investment Properties	6	35.01	31.62
(d) Intangible assets	7	0.72	1.49
(e) Right-of-use assets	8	0.33	-
(f) Financial assets			
(i) Investments	9	7.28	7.45
(ii) Other financial assets	10	0.89	0.82
(g) Deferred tax assets (net)	31	7.94	3.40
(h) Non-current tax assets (net)	15	17.20	16.46
(i) Other non-current assets	16	1.35	0.91
		153.92	**148.82**
Current assets			
(a) Inventories	11	2.22	2.80
(b) Financial assets			
(i) Investments	9	172.01	182.51
(ii) Trade receivables	12	166.73	131.72
(iii) Cash and cash equivalents	13	20.84	37.51
(iv) Bank balances other than (iii) above	14	0.13	0.25
(v) Other financial assets	10	1.27	1.27
(c) Other current assets	16	7.92	7.75
		371.12	**363.81**
Total assets		**525.04**	**512.63**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	17	54.00	53.51
(b) Other equity	18	387.48	383.49
Total equity		**441.48**	**437.00**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	20	0.09	-
(b) Employee benefit obligations	21	0.74	-
(c) Other non-current liabilities	22	4.02	2.33
		4.85	**2.33**
Current liabilities			
(a) Financial liabilities			
(i) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	19	3.52	3.70
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	19	31.41	36.18
(ii) Other financial liabilities	20	1.76	3.82
(b) Employee benefit obligations	21	18.13	15.57
(c) Other current liabilities	22	23.88	14.02
(d) Current Tax Liabilities (net)	23	0.01	0.01
		78.71	**73.30**
Total liabilities		**83.56**	**75.63**
Total equity and liabilities		**525.04**	**512.63**
Summary of material accounting policies	3		

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration Number: 105047W

For and on behalf of the Board of Directors of
Quick Heal Technologies Limited
CIN: L72200MH1995PLC091408

Sd/-
Shraddha D Khivasara
Partner
Membership Number: 134285
Place: Pune
Date: May 06, 2025

Sd/-
Kailash Katkar
Chairman & Managing Director
DIN: 00397191
Place: Pune
Date: May 06, 2025

Sd/-
Sanjay Katkar
Joint Managing Director
DIN: 00397277
Place: Pune
Date: May 06, 2025

Sd/-
Vishal Salvi
Chief Executive Officer
Place: Pune
Date: May 06, 2025

Sd/-
Ankit Maheshwari
Chief Financial Officer
Place: Pune
Date: May 06, 2025

Sd/-
Sarang Hari Deshpande
Company Secretary
Regs. No. ACS-18613
Place: Pune
Date: May 06, 2025

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in ₹ Crores, unless otherwise stated)

	Notes	Year ended March 31, 2025	Year ended March 31, 2024
Income			
Revenue from operations	24	279.53	291.75
Other income	25	20.77	21.39
Total income		**300.30**	**313.14**
Expenses			
Cost of material consumed	26 (a)	6.10	0.41
Purchase of security software products	26 (b)	0.45	5.13
(Increase)/ decrease in inventories security software products	26 (c)	0.58	1.29
Employee benefits expense	27	185.55	169.03
Finance cost	28	0.22	0.13
Depreciation and amortization expense	29	12.96	12.60
Other expenses	30	93.44	98.34
Total expenses		**299.30**	**286.93**
Profit before tax		**1.00**	**26.21**
Tax expense			
Current tax	31	-	5.78
Adjustments of tax relating to earlier periods (net)		0.44	0.07
Deferred tax		(4.48)	(3.88)
Total tax expense/ (benefit)		**(4.04)**	**1.97**
Profit for the year		**5.04**	**24.24**
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement (loss) on defined benefit plans		(0.25)	(0.22)
Income tax effect		0.06	0.06
		(0.19)	(0.16)
Net (loss) on FVOCI financial instruments		(0.17)	(13.45)
Income tax effect		-	-
		(0.17)	(13.45)
Net other comprehensive (loss) not to be reclassified to profit or loss in subsequent periods:		**(0.36)**	**(13.61)**
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		0.07	(0.06)
Other comprehensive income to be reclassified to profit or loss in subsequent periods:		**0.07**	**(0.06)**
Total comprehensive income for the year		**4.75**	**10.57**
Earnings per equity share [nominal value per share ₹10 (March 31, 2024: ₹10)]	32		
Basic		0.94	4.56
Diluted		0.91	4.48
Summary of material accounting policies	3		

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration Number: 105047W

For and on behalf of the Board of Directors of
Quick Heal Technologies Limited
CIN: L72200MH1995PLC091408

Sd/-
Shraddha D Khivasara
Partner
Membership Number: 134285
Place: Pune
Date: May 06, 2025

Sd/-
Kailash Katkar
Chairman & Managing Director
DIN: 00397191
Place: Pune
Date: May 06, 2025

Sd/-
Sanjay Katkar
Joint Managing Director
DIN: 00397277
Place: Pune
Date: May 06, 2025

Sd/-
Vishal Salvi
Chief Executive Officer
Place: Pune
Date: May 06, 2025

Sd/-
Ankit Maheshwari
Chief Financial Officer
Place: Pune
Date: May 06, 2025

Sd/-
Sarang Hari Deshpande
Company Secretary
Regs. No. ACS-18613
Place: Pune
Date: May 06, 2025

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in ₹ Crores, unless otherwise stated)

		March 31, 2025	March 31, 2024
A.	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Profit before tax	1.00	26.21
	Adjustment to reconcile profit before tax to net cash flows:		
	Net (gain)/ loss on foreign exchange differences	(0.08)	(0.21)
	Exchange difference on translation of foreign operations	0.07	-
	Employee share based payments expense	9.95	5.10
	Interest on lease	0.22	0.13
	Rent equalization	(0.21)	(0.12)
	Depreciation and amortization expense	12.96	12.60
	Interest income	(0.78)	(1.43)
	Provision for doubtful debts and advances	3.92	7.15
	Property, plant and equipment written off	-	0.32
	(Profit) on sale of property, plant and equipment	(0.13)	(0.27)
	Income from Investment property	(5.49)	(4.99)
	Net gain on sale of investment	(2.16)	(2.02)
	Unrealized gain on investments	(11.30)	(10.23)
	Operating profit before working capital changes	**7.97**	**32.24**
	Movements in working capital:		
	(Increase) in trade receivables	(38.83)	(16.07)
	Decrease in inventories	0.58	1.70
	(Increase)/decrease in other financial assets	(0.10)	0.50
	(Increase) in other assets	(0.40)	(1.23)
	Increase in net employee benefit obligations	3.05	14.18
	(Decrease) in trade payables	(4.95)	(8.73)
	(Decrease) in other financials liabilities	(0.10)	(10.23)
	Increase in other current and non-current liabilities	11.33	5.80
	Cash (used in)/ generated from operations	**(21.45)**	**18.16**
	Income taxes paid (net of refund)	(0.85)	0.03
	Net cash flows (used in)/ generated from operating activities (A)	**(22.30)**	**18.19**
B.	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Purchase of property, plant and equipment and intangible assets (including capital work-in-progress and capital advances)	(14.42)	(7.56)
	Proceeds from sale of property, plant and equipment	0.34	1.08
	Purchase of investment in mutual funds	(265.10)	(279.68)
	Proceeds from sale of investment in mutual funds	289.06	286.21
	Rental income from investment property	5.49	4.99
	Proceeds from bank deposit other than Cash and cash equivalents	0.14	0.02
	Interest received	0.46	1.09
	Net cash flows generated from investing activities (B)	**15.97**	**6.15**

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

	March 31, 2025	March 31, 2024
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(16.13)	(13.29)
Payment of principal portion of lease liabilities	(0.10)	-
GST refund on buy back expenses	-	0.14
Refund of buy back tax	-	8.60
Proceeds from issuance of equity shares (including securities premium) on exercise of employee stock options	5.91	6.15
Net cash flows (used in)/ generated from financing activities (C)	**(10.32)**	**1.60**
Net (Decrease)/ increase in cash and cash equivalents (A+B+C)	**(16.65)**	**25.94**
Cash and cash equivalents at the beginning of the year	37.51	11.58
Effect of exchange differences on cash and cash equivalents held in foreign currency	(0.02)	(0.01)
Cash and cash equivalents at the end of the year	**20.84**	**37.51**
Components of cash and cash equivalents		
Cash on hand	0.01	0.01
Balances with banks		
On current account	13.63	7.11
On EEFC account	1.63	2.32
Deposits with original maturity of less than three months	5.57	28.07
Total cash and cash equivalents (refer note 13)	**20.84**	**37.51**

Summary of material accounting policies (refer note 3)

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration Number: 105047W

For and on behalf of the Board of Directors of
Quick Heal Technologies Limited
CIN: L72200MH1995PLC091408

Sd/-
Shraddha D Khivasara
Partner
Membership Number: 134285
Place: Pune
Date: May 06, 2025

Sd/-
Kailash Katkar
Chairman & Managing Director
DIN: 00397191
Place: Pune
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Joint Managing Director
DIN: 00397277
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Chief Executive Officer
Place: Pune
Date: May 06, 2025

Sd/-
Ankit Maheshwari
Chief Financial Officer
Place: Pune
Date: May 06, 2025

Sd/-
Sarang Hari Deshpande
Company Secretary
Regs. No. ACS-18613
Place: Pune
Date: May 06, 2025

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in ₹ Crores, unless otherwise stated)

A. Equity share capital

Equity shares of ₹ 10 each issued, subscribed and fully paid-up	No.	Amount
As at April 01, 2023	**5,30,73,851**	**53.07**
- Employee stock option plan (ESOP) (refer note 17)	4,42,420	0.44
As at March 31, 2024	**5,35,16,271**	**53.51**
- Employee stock option plan (ESOP) (refer note 17)	4,90,337	0.49
As at March 31, 2025	**5,40,06,608**	**54.00**

B. Other equity

Other equity attributable to equity holders of the Company

	Reserves and Surplus						Items of ther Comprehensive Income		Total
	Retained earnings	Securities premium	Capital redemption reserve	Amalgamation reserve	General reserve	Employee stock options outstanding (ESOP)	Foreign currency translation reserve	Equity instruments through Other comprehensive income	
Balance as at April 01, 2023	**302.14**	**0.01**	**17.69**	**2.65**	**45.03**	**9.51**	**0.09**	**(10.48)**	**366.64**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-
Profit for the Year	**24.24**	-	-	-	-	-	-	-	24.24
Other comprehensive income	(0.16)	-	-	-	-	-	(0.06)	(13.45)	(13.67)
Total comprehensive income	**24.08**	-	-	-	-	-	**(0.06)**	**(13.45)**	**10.57**
Expenses pertaining to share-based payments	-	-	-	-	-	5.10	-	-	5.10
Transferred from Esop	0.82	-	-	-	-	(0.82)	-	-	-
GST on Buyback expenses	0.14	-	-	-	-	-	-	-	0.14
Refund of excess buy back tax paid	8.60	-	-	-	-	-	-	-	8.60
Exercise of share options	-	**5.71**	-	-	-	-	-	-	5.71
Transfer from ESOP reserve on option exercised	-	3.83	-	-	-	(3.83)	-	-	-
Final equity dividend	(13.27)	-	-	-	-	-	-	-	(13.27)
Balance as at March 31, 2024	**322.51**	**9.55**	**17.69**	**2.65**	**45.03**	**9.96**	**0.03**	**(23.93)**	**383.49**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-
Profit for the period	5.04	-	-	-	-	-	-	-	5.04
Other comprehensive income	(0.19)	-	-	-	-	-	0.07	(0.17)	(0.29)
Total comprehensive income	**4.85**	-	-	-	-	-	**0.07**	**(0.17)**	**4.75**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts are in ₹ Crores, unless otherwise stated)

	Reserves and Surplus						Items of ther Comprehensive Income		Total
	Retained earnings	Securities premium	Capital redemption reserve	Amalgamation reserve	General reserve	Employee stock options outstanding (ESOP)	Foreign currency translation reserve	Equity instruments through Other comprehensive income	
Expenses pertaining to share-based payments	-	-	-	-	-	9.95	-	-	9.95
Transferred from Esop	0.31	-	-	-	-	(0.31)	-	-	-
Exercise of share options	-	**5.42**	-	-	-	-	-	-	5.42
Transfer from ESOP reserve on option exercised	-	4.52	-	-	-	(4.52)	-	-	-
Final equity dividend	(16.13)	-	-	-	-	-	-	-	(16.13)
Balance as at March 31, 2025	**311.54**	**19.49**	**17.69**	**2.65**	**45.03**	**15.08**	**0.10**	**(24.10)**	**387.48**

Summary of material accounting policies (refer note 3)

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration Number: 105047W

For and on behalf of the Board of Directors of
Quick Heal Technologies Limited
CIN: L72200MH1995PLC091408

Sd/-
Shraddha D Khivasara
Partner
Membership Number: 134285

Place: Pune
Date: May 06, 2025

Sd/-
Kailash Katkar
Chairman & Managing Director
DIN: 00397191

Place: Pune
Date: May 06, 2025

Sd/-
Sanjay Katkar
Joint Managing Director
DIN: 00397277

Place: Pune
Date: May 06, 2025

Sd/-
Vishal Salvi
Chief Executive Officer

Place: Pune
Date: May 06, 2025

Sd/-
Ankit Maheshwari
Chief Financial Officer

Place: Pune
Date: May 06, 2025

Sd/-
Sarang Hari Deshpande
Company Secretary
Regs. No. ACS-18613

Place: Pune
Date: May 06, 2025

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025

1. CORPORATE INFORMATION

Quick Heal Technologies Limited ("the Company" / "Holding Company"), a public limited company domiciled in India, was incorporated on August 07, 1995 under the Companies Act, 1956. The CIN of the Company is L72200MH1995PLC091408. The Company's shares are listed on the BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') w.e.f. February 18, 2016. The registered office of the Company is located at Solitaire Business Hub, Office No. 7010 C & D, 7th Floor, Viman Nagar, Pune 411014, Maharashtra, India.

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries (together referred to as "the Group").

a) Quick Heal Technologies America Inc., USA

b) Seqrite Technologies DMCC, UAE

The Group is engaged in the business of providing security software products. The Group caters to both domestic and international market.

The consolidated financial statements of the Group for the year ended March 31, 2025 were authorized for issue in accordance with a resolution of the Board of Directors on May 06, 2025.

2. BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended and presentation requirements of Division II of Schedule III to the Companies Act 2013 (IND AS compliant Schedule III) as applicable.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets:

Items	Measurement basis
Certain financial assets and liabilities measured at fair value	Fair value
Equity-settled share-based payment transactions	Fair value on the date of grant

The consolidated financial statements are presented in ₹ Crores and all values are rounded off to two decimals; except when otherwise indicated.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The following are the material accounting policies applied by the Group in preparing its consolidated financial statements:

a) Principles of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2025. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Holding Company, i.e., year ended on March 31.

In preparing the consolidated financial statements, the Group has used the following key consolidation procedures:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Holding Company with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of assets and liabilities recognized in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the Holding Company's investment in each subsidiary and the Holding Company's portion of equity of each subsidiary.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group. Profits or losses resulting from intragroup transactions

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

that are recognized in assets, such as inventory and property, plant and equipment, are eliminated in full. However, intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 - Income Taxes apply to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

b) Current versus Non-Current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

- expected to be realized or intended to be sold or consumed in the normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realized within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when it is:

- expected to be settled in the normal operating cycle;
- held primarily for the purpose of trading;
- due to be settled within twelve months after the reporting period; or
- no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle of the Group is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Group's normal operating cycle has been considered to be twelve months.

c) Foreign currencies

The Group's consolidated financial statements are presented in Indian Rupees, which is also the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

Transaction and balances

Transactions in foreign currency are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognized in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognized in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item i.e., translation differences on items whose fair value gain or loss is recognized in Other comprehensive income ('OCI') or statement of profit and loss are also recognized in OCI or statement of profit and loss, respectively.

On consolidation, the assets and liabilities of the subsidiaries are translated into Indian Rupees at the rate of exchange prevailing at the reporting date and their statements of profit and loss are translated at average exchange rates. Equity items, other than retained earnings, are translated at the spot rate in effect on each related transaction date (specific identification). Retained earnings are translated at the weighted average exchange rate for the relevant year.

The exchange differences arising on translation for consolidation are recognized in OCI.

d) Fair value measurement

The Group measures financial instruments such as investments in equity shares at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Significant accounting judgements, estimates and assumptions (Refer Note 4)
- Quantitative disclosures of fair value measurement hierarchy (Refer Note 43)
- Financial instruments risk management objectives and policies (Refer Note 44)

e) Revenue from Contract with Customer

Revenue is recognized upon transfer of control of promised products or services are transferred to customers in an amount that reflects the consideration expected to be received in exchange for those products or services.

The following specific recognition criteria must also be met before revenue is recognized.

Sale of security software products and devices:

Revenue from the sale of security software products is recognized when control of the goods are transferred to the customer at an amount that reflects the consideration to which the group expects to be entitled in exchange for those products. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts, volume rebates, value added tax, goods and services tax (GST) and amounts collected on behalf of third parties.

In arrangements for sale of security software products, the Group has applied the guidance as per Ind AS 115, Revenue, by applying the revenue recognition criteria for each separately identifiable component of a single transaction. The arrangements generally meet the criteria for considering sale of security software and related services as separate performance obligation. Further, the Group measures the revenue in respect of each separable component of a transaction at its fair value, in accordance with principles given in Ind AS 115. The Group allocates and defers revenue for the undelivered component based on the fair value of the undelivered components. In contracts, where the arrangement is determined to constitute a single performance obligation, revenue is recognised over the license period, reflecting the continuous transfer of control to the customer.

Revenue from software services:

The group has applied the principle under Ind AS 115 to identify each performance obligation on licenses sold to customer. Revenue for all identified performance obligation pertaining to services is recognized over the

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

period of time, when such performance obligation is rendered. In absence of standalone selling price of the performance obligation, the contract price is allocated to each performance obligation of the contract on the basis of cost-plus margin approach.

Contract balances:

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group transfers goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Trade receivables

A trade receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (r) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract.

f) Other income

Interest

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate ('EIR') applicable. The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. When calculating the EIR, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included under the head "Other income" in the statement of profit and loss.

Rental income from investment property

Rental income is accounted on a straight-line basis over the terms of the relevant lease.

g) Taxes

The tax expense/ (benefit) comprise of current tax & deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in OCI or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and established provisions where appropriate.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

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 taxes relate to the same taxable entity and the same taxation authority.

h) Property, plant and equipment

Property, plant and equipment and capital work in progress are stated at cost, net of accumulated depreciation and impairment losses, if any.

The cost comprises of the purchase price, and directly attributable costs of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Each part of item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as 'Capital advances' under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Depreciation methods, estimated useful lives

Depreciation on property, plant and equipment is calculated on a written down value (WDV) basis using the rates arrived at based on the useful lives estimated by the management. The Group has used the following rates to provide depreciation on its property, plant and equipment.

Type of assets	Schedule II life (years)	Useful lives estimated by the management (years)	Rates (WDV)
Buildings	60	60	4.87%
Computers	3	3	63.16%
Electrical installations	10	10	25.89%
Furniture and fixtures	10	10	25.89%
Office equipment	5	5	45.07%
Server	6	6	39.30%
Vehicles	8	8	31.23%

Leasehold premises are amortized on a straight-line basis over the period of lease.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

i) Investment properties

Property which is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs. Subsequent

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. Repairs and maintenance costs are expensed when incurred.

The Group depreciates building component of investment property over 60 years from the date of original purchase.

The Group, based on technical assessment made by technical expert and management estimate, depreciates the building over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

j) Intangible assets

Intangible assets 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.

Intangible assets with finite useful lives i.e. software's are amortized on a straight-line basis over the period of expected future benefits i.e. over their estimated useful lives of three years. Intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss.

Gains or losses arising from derecognition of an intangible asset 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 derecognized.

Research and development costs

Research costs are expensed as incurred. Development expenditure is expensed except for project where it is recognized as an intangible asset when the recognition criteria as per Ind AS 38 are met.

k) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

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 reasonably 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 recognized 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 amortized 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 group 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 amortized over the remaining (revised) lease term

Right-of-use assets are depreciated on a straight-line basis over the lease term, i.e. 30 years.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset is classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

l) Inventories

Inventories are valued at the lower of cost and net realizable value.

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.

- Finished goods are valued at lower of cost and net realizable value. Cost includes direct material and labor and a proportion of manufacturing overhead based on normal operating capacity. Cost is determined on a 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.

The comparison of cost and net realizable value is made on item by item basis.

m) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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 the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecasts which are prepared separately for each of the Group's CGU to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses, including impairment on inventories, are recognized in the statement of profit and loss in those expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognized

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
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impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

n) Provisions

A provision is recognized when the Group 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.

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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 Group 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 Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

p) Retirement and other employee benefits

In case of Holding Company:

(i) Post-employment benefits

- **Defined contribution plan**

  The Company makes payment to provident fund scheme which is defined contribution plan. The contribution paid/payable under the schemes is recognized in the statement of profit and loss during the period in which the employee renders the related service. The Company has no further obligations under these schemes beyond its periodic contributions.

  The Company recognize contribution payable to the provident fund scheme as an expenditure, when an employee renders the related services. If the contribution payable to the scheme for services received before balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then the excess recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or cash refund.

- **Defined benefit plan**

  The Company operates a defined benefit plan for its employees, viz. gratuity. The present value of the obligation under such defined benefit plans is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. The fair value of plan asset is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on a net basis.

  Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the Balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to the statement of profit and loss in subsequent periods.

  Past service costs are recognized in statement of profit and loss on the earlier of:

- the date of the plan amendment or curtailment; and

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

- the date that the Company recognizes related restructuring costs

  Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- net interest expense or income.

(ii) **Short-term employee benefits**

The distinction between short term and long-term employee benefits is based on expected timing of settlement rather than the employee's entitlement benefits. All employee benefits payable within twelve months of rendering the service are classified as short-term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay, etc. and are recognized in the period in which the employee renders the related service.

(iii) **Other long term employment benefits:**

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the Balance Sheet to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where the Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

In case of Subsidiaries:

(i) **Post-employment benefits**

- Retirement benefit in the form of Gratuity is a defined benefit scheme is payables to the employees. There are no other long-term benefits payable to employees of any of the overseas subsidiaries.

q) **Share based payments**

Employees of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. (refer note 34)

That cost is recognized, together with a corresponding increase in share base payment reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

No expense is recognized for awards that do not ultimately vest, except for equity-settled transactions for which vesting is conditional upon a market or non-vesting condition. These are treated as vested irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognized is the expense had the terms not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

r) **Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

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- **Financial assets**

Initial recognition and measurement of financial assets

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

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in the following categories:

- Debt instruments at amortized cost
- Debt instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through profit or loss (FVTPL) / other comprehensive income (FVTOCI)

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortized cost using the EIR method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

The Group has decided to classify equity instruments as FVTOCI and all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivable.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that 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. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument; and
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense/ (income) in the statement of profit and loss. This amount is reflected under the head 'Other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortized cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount; and
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

For assessing increase in credit risk and impairment loss, the Group combines financial

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instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis. The Group does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

- **Financial liabilities**

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, loans and borrowings or payables as appropriate.

All financial liabilities are recognized initially at fair value.

The Group's financial liabilities include trade and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

s) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with original maturity of three months or less, which are subject to an insignificant risk of changes in value. In the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, net of outstanding bank overdrafts as they are considered as integral part of the Group's cash management.

t) Cash dividend

The Group recognizes a liability to make cash distributions to the equity holders of the Group when the distribution is authorized and the distribution is no longer at the discretion of the Group. As per the provisions of the Act, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

u) Earnings per share (EPS)

Basic EPS is calculated by dividing the Group's earnings for the year attributable to ordinary equity shareholders of the Holding Company by the weighted average number of ordinary shares outstanding during the year. The earnings considered in ascertaining the Group's EPS comprise the net profit after tax attributable to equity shareholders. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, bonus element in a rights issue to existing shareholders, share split, and reverse share split (consolidation of shares) other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares. There were no instruments excluded from the calculation of diluted earnings per share for the periods presented because of an anti-dilutive impact.

v) Segment reporting

An operating segment is a component of a Group whose operating results are regularly reviewed by the Group's chief operating decision maker (CODM) to make decisions about resource allocation and assess its performance and for which discrete financial information is available. The Group has identified the Managing Director of the Holding Company as its CODM.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying

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disclosures, including the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

(a) Judgements

In the process of applying the Group's accounting policies, the management has made the following judgements, which have the most significant effect on the amounts recognized in the consolidated financial statements.

Revenue Recognition:

Significant Judgement is required for identifying separate performance obligations, determination of basis and its appropriateness for allocation of transaction price to the identified performance obligations and recognition of such identified performance obligations based on timing of satisfaction (i.e. over time or point in time). The Group assess each promise in a contract with customer to transfer a goods or service to identify performance obligation. These contracts generally meet the criteria for considering sale of security software and related services as separate performance obligation, wherein revenue is recognised as and when control is transferred to the customer for each performance obligation. The transaction price is allocated to each performance obligation that depicts the amount of consideration which the Group expects to be entitled in exchange for transferring the promised goods or services to the customer. In Contracts, where arrangement is determined to constitute a single performance obligation revenue is recognised over the license period, reflecting the continuous transfer of control to the customer.

(b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

- **Expected Credit loss on trade receivables**

  The group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. In addition to that management also makes specific provision in case the recovery is not expected based on their discussion with the customer's.

- **Fair value measurement of financial instruments – Investment in equity instruments and preference shares**

  When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 42 for further disclosures.

4.1 Standards (including amendments) issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 01, 2025.

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(All amounts are in ₹ Crores, unless otherwise stated)

5. PROPERTY, PLANT AND EQUIPMENT

	Freehold land (refer note 1 below)	Building (Right of use)	Buildings (refer note 2 below)	Computers and server	Office equipment	Electrical installations	Furniture and fixtures	Vehicles	Total
Cost (Gross)									
At April 01, 2023	2.66	2.13	122.04	59.35	16.49	9.49	20.41	1.05	233.62
Transfer (refer note 4) below	-		14.20	-	-	-	-	-	14.20
Additions	-	-	-	2.45	0.23	2.49	0.07	-	5.24
Disposals/written-off	-	-	0.48	7.37	0.29	1.03	0.29	-	9.46
At March 31, 2024	**2.66**	**2.13**	**107.36**	**54.43**	**16.43**	**10.95**	**20.19**	**1.05**	**215.20**
Transfer	1.78	-	4.75	-	-	-	-	-	6.53
Additions	-	-	-	8.08	2.38	2.65	1.69	-	14.80
Disposals/written-off	-	-	-	1.63	0.96	-	0.16	0.12	2.87
At March 31, 2025	**0.88**	**2.13**	**102.61**	**60.88**	**17.85**	**13.60**	**21.72**	**0.93**	**220.60**
Depreciation (Gross)									
At April 01, 2023	-	0.98	42.89	49.36	15.34	8.38	18.30	0.81	136.06
Transfer (refer note 4) below	-	-	5.19	-	-	-	-	-	5.19
Depreciation charge for the year	-	0.06	3.51	4.25	0.25	0.73	0.51	0.07	9.38
Disposals/written-off			0.19	6.98	0.27	0.93	0.28	-	8.65
At March 31, 2024	**-**	**1.04**	**41.02**	**46.63**	**15.32**	**8.18**	**18.53**	**0.88**	**131.60**
Transfer (refer note 4) below	-	-	1.55	-	-	-	-	-	1.55
Depreciation charge for the year	-	0.07	3.18	4.59	0.49	1.15	0.54	0.05	10.07
Disposals/written-off	-	-	-	1.54	0.86	-	0.15	0.11	2.66
At March 31, 2025	**-**	**1.11**	**42.65**	**49.68**	**14.95**	**9.33**	**18.92**	**0.82**	**137.46**
Net block									
At March 31, 2024	**2.66**	**1.09**	**66.34**	**7.80**	**1.11**	**2.77**	**1.66**	**0.17**	**83.61**
At March 31, 2025	**0.88**	**1.02**	**59.96**	**11.20**	**2.90**	**4.27**	**2.80**	**0.11**	**83.15**

Note:-

1. The value of land has been estimated based on the stamp duty valuation rate.
2. Building includes one of the office building (including share in undivided portion of land) taken on long term lease i.e. 999 years.
3. The title deeds of the immovable properties are held in the name of the Holding Company.
4. During the year, The Holding Company has transferred building of ₹ 4.75 (March 31, 2024: ₹ 14.20), freehold land ₹ 1.78 (March 31, 2024: Nil) and accumulated depreciation of ₹ 1.55 (March 31, 2024; ₹ 5.19) to investment property as the Company intends to lease and earn rental income from the same.

5 (a) Capital Work in Progress (CWIP)

	As at April 01, 2024	Addition during the year	Capitalized during the year	Impairment	Written off	Closing as at March 31, 2025
Buildings	-	0.05	-	-	-	0.05
Computers and server	3.06	5.02	8.08	-	-	-
Office equipment	-	2.38	2.38	-	-	-
Electrical installations	-	2.65	2.65	-	-	-
Furniture and fixtures	-	1.69	1.69	-	-	-
	3.06	**11.79**	**14.80**	**-**	**-**	**0.05**

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5. PROPERTY, PLANT AND EQUIPMENT (Contd.)

	As at April 01, 2023	Addition during the year	Capitalized during the year	Impairment	Written off	Closing as at March 31, 2024
Computers and server	-	5.51	2.45	-	-	3.06
Office equipment	-	0.23	0.23	-	-	-
Electrical installations	-	2.49	2.49	-	-	-
Furniture and fixtures	-	0.07	0.07	-	-	-
	-	**8.30**	**5.24**	**-**	**-**	**3.06**

5 (b) Ageing of Tangible CWIP

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
At March 31, 2025					
Projects in progress	0.05	-	-	-	0.05
	0.05	-	-	-	0.05
At March 31, 2024					
Projects in progress	3.06	-	-	-	3.06
	3.06	-	-	-	3.06

5 (c) There are no projects as Capital Work in Progress as at March 31, 2025 and March 31, 2024, whose completion is overdue or cost of which exceeds in comparison to its original plan.

6. INVESTMENT PROPERTIES

	Land	Buildings	Total
Cost (Gross)			
At April 01, 2023	-	32.43	32.43
Transfer (refer note 5 (4))	-	14.20	14.20
Purchase	-	-	-
Disposals/written-off	-	-	-
At March 31, 2024	**-**	**46.63**	**46.63**
Transfer (refer note 5 (4))	1.78	4.75	6.53
Purchase	-	-	-
Disposals/written-off	-	-	-
At March 31, 2025	**1.78**	**51.38**	**53.16**
Depreciation			
At April 01, 2023	-	8.31	8.31
Transfer (refer note 5 (4))	-	5.19	5.19
Depreciation charge for the year	-	1.51	1.51
Disposals/written-off	-	-	-
At March 31, 2024	**-**	**15.01**	**15.01**
Transfer (refer note 5 (4))	-	1.55	1.55
Depreciation charge for the year	-	1.59	1.59
Disposals/written-off	-	-	-
At March 31, 2025	**-**	**18.15**	**18.15**
Net block			
At March 31, 2024	**-**	**31.62**	**31.62**
At March 31, 2025	**1.78**	**33.23**	**35.01**

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(All amounts are in ₹ Crores, unless otherwise stated)

6. INVESTMENT PROPERTIES (Contd.)

Information regarding amount recognized in profit and loss for investment properties

	Year ended March 31, 2025	Year ended March 31, 2024
Rental income derived from investment properties (refer note 25)	5.49	4.99
Direct operating expenses (including repairs and maintenance) generating rental income	(0.30)	(0.25)
Profit arising from investment properties before depreciation and indirect expenses	**5.19**	**4.74**
Less – Depreciation charge for the year	(1.59)	(1.51)
Profit arising from investment properties before indirect expenses	**3.60**	**3.23**
Less – Indirect expenses	-	-
Profit from investment properties	**3.60**	**3.23**

The Group investment properties consist of office premises in India given on non-cancellable lease for a period of 11 months to 5 years.

Measurement of fair values of investment properties

As at 31 March 2025, the fair values of the property is ₹ 75.91 (March 31, 2024 ₹ 65.79). The valuations are based on valuations performed by Magnitas Valuation & Advisory Services LLP and M/s Rao associates (Registered Valuer & Chartered Engineer), accredited independent valuer. The Valuer are a specialist in valuing these types of investment properties. A valuation model in accordance with "internationally accepted valuation standards" that recommended by the International Valuation Standards Committee has been applied.

Fair value hierarchy disclosures for investment properties have been provided in note 43.

1. The Group has no restriction on the realizability of its investment properties and no contractual obligations to purchase or develop investment properties.
2. The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, age of the property. The fair value is based on valuation performed by an accredited independent valuer. Fair valuation is based on Market and income approach for valuation. The fair value measurement is categorized in level 2 fair value hierarchy.

Key assumption and inputs

The Holding Company have adopted market approach to estimate the value of property. market rate is estimated based on Prime data source & the rate applicable at surrounding vicinity.

1. Prime Source: Recorded sales transaction in the vicinity of property.
2. Secondary sources: Local enquiry about the rates, web advertisement about the land rates, ready reckoner/ guideline rates.

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7. INTANGIBLE ASSETS

	Software	Total
Cost (Gross)		
At April 01, 2023	45.74	45.74
Purchase	0.43	0.43
Disposals/written-off	-	-
At March 31, 2024	**46.17**	**46.17**
Purchase	0.45	0.45
Disposals/written-off	-	-
At March 31, 2025	**46.62**	**46.62**
Amortization (Gross)		
At April 01, 2023	42.97	42.97
Amortization for the year	1.71	1.71
Disposals/written-off	-	-
At March 31, 2024	**44.68**	**44.68**
Amortization for the year	1.22	1.22
Disposals/written-off	-	-
At March 31, 2025	**45.90**	**45.90**
Net block		
At March 31, 2024	**1.49**	**1.49**
At March 31, 2025	**0.72**	**0.72**

7 (a) Intangible assets under development

	As at April 01, 2023	Expenditure during the year	Capitalized during the year	Impairment	Written off	Closing as at March 31, 2024
Software	0.15	0.28	0.43	-	-	-

	As at April 01, 2024	Expenditure during the year	Capitalized during the year	Impairment	Written off	Closing as at March 31, 2025
Software	-	0.45	0.45	-	-	-

7 (b) Ageing of Tangible Intangible assets under development

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
At March 31, 2024					
Projects in progress	-	-	-	-	-
	-	-	-	-	-

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
At March 31, 2025					
Projects in progress	-	-	-	-	-
	-	-	-	-	-

7 (c) There are no projects as Intangible assets under development as at March 31, 2025 and March 31, 2024, whose completion is overdue or cost of which exceeds in comparison to its original plan.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts are in ₹ Crores, unless otherwise stated)

8. RIGHT-OF-USE ASSETS

	Building Office premises	Total
Cost		
At April 01, 2023	-	-
Addition during the year	-	-
At March 31, 2024	**-**	**-**
Addition during the year	0.41	0.41
At March 31, 2025	**0.41**	**0.41**
Amortization		
At April 01, 2023	-	-
Amortization for the year	-	-
At March 31, 2024	**-**	**-**
Amortization for the year	0.08	0.08
At March 31, 2025	**0.08**	**0.08**
Net block		
At March 31, 2024	**-**	**-**
At March 31, 2025	**0.33**	**0.33**

9. INVESTMENTS IN SUBSIDIARIES AND OTHERS

	As at March 31, 2025	As at March 31, 2024
Non - current investments		
Investment carried at amortised cost		
Investment in tax free bonds (quoted)		
30,000 (March 31, 2024: 30,000) 7.35% Indian Railway Finance Corporation Limited Bonds	3.00	3.00
22,500 (March 31, 2024: 22500) 7.39% National Highway Authority of India Bonds	2.25	2.25
	5.25	**5.25**
Investments at fair value through OCI		
Investment in other equity shares (unquoted)		
4,472 (March 31, 2024: 4,472) equity shares of ₹10 each fully paid-up in Smartalyse Technologies Private Limited	6.67	6.67
Less: Fair value changes routed through OCI	(6.67)	(6.67)
Sub total	**-**	**-**
18,255 (March 31, 2024: 18,255) equity shares of NIS 0.01 each fully paid-up in L7 Defense Limited	1.62	1.62
Less: Fair value changes routed through OCI *	(1.62)	(1.62)
Sub total	**-**	**-**
4,651 (March 31, 2024: 4,651) equity shares of SGD 0.001 each fully paid-up in Ray Pte. Limited	2.20	3.10
Less: Fair value changes routed through OCI	(0.17)	(0.90)
Sub total	**2.03**	**2.20**

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9. INVESTMENTS IN SUBSIDIARIES AND OTHERS (Contd.)

	As at March 31, 2025	As at March 31, 2024
Investment in Preference shares (unquoted)		
1,49,925 (March 31, 2024:1,49,925) compulsory convertible preference shares (CCPS) of NIS 0.01 each fully paid-up in L7 Defense Limited	10.94	10.94
Less: Fair value changes routed through OCI *	(10.94)	(10.94)
Sub total	**-**	**-**
Total non - current investments	**7.28**	**7.45**
Current investments		
Investments at fair value through profit and loss		
Investments in mutual funds (quoted)		
Investments in mutual funds	172.01	182.51
Total current investments	**172.01**	**182.51**
Total non-current investments	**7.28**	**7.45**
Total current investments	**172.01**	**182.51**
Aggregate book value of quoted investments	143.83	165.20
Aggregate market value of quoted investments	177.69	188.46
Aggregate book value of unquoted investments gross	25.58	25.58
Aggregate amount of impairment/ fair value change in value of investments	(23.55)	(23.38)
Investments carried at amortised cost	5.25	5.25
Investments carried at fair value through profit or loss	172.01	182.51
Investments carried at fair value through other comprehensive income	2.03	2.20

*During previous year ended March 31, 2024, considering the financial position, liquidity condition, market conditions and geopolitical scenario in Israel, management based on its assessment has recorded a fair value loss in other comprehensive income (FVOCI) amounting to Nil (March 31, 2024: ₹ 12.55). Accordingly, the carrying value of investment made in L7 Defense Limited has been considered as Nil as at March 31, 2025.

10. OTHER FINANCIAL ASSETS

	As at March 31, 2025	As at March 31, 2024
Current		
Security deposits	0.46	0.40
Bank Deposits with remaining maturity of less than twelve month	0.10	-
Interest accrued on bank balance	0.53	0.54
Other Receivables	0.18	0.33
Total current	**1.27**	**1.27**
Non - current		
Security deposits	0.57	0.48
Bank Deposits with remaining maturity of more than twelve month	0.32	0.34
Total non - current	**0.89**	**0.82**
Other financial assets carried at amortised cost	**2.16**	**2.09**

Out of the total deposits, ₹ 0.42 (March 31, 2024: ₹ 0.34) are pledged against bank guarantees.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts are in ₹ Crores, unless otherwise stated)

11. INVENTORIES

	As at March 31, 2025	As at March 31, 2024
(At lower of cost and net realisable value)		
Finished goods - Security software products	2.22	2.80
Total	**2.22**	**2.80**

12. TRADE RECEIVABLES

	As at March 31, 2025	As at March 31, 2024
Trade receivables	166.73	131.64
Trade receivables from related parties (refer note 38)	-	0.08
Total	**166.73**	**131.72**

Break-up for trade receivables:

	As at March 31, 2025	As at March 31, 2024
Trade receivables		
Unsecured - considered good	166.73	131.72
Trade receivables - credit impaired*	48.05	44.13
Total	**214.78**	**175.85**
Impairment Allowance (Allowance for bad and doubtful debts)		
Unsecured - considered good	-	-
Trade receivables - credit impaired*	(48.05)	(44.13)
	(48.05)	**(44.13)**
Total	**166.73**	**131.72**

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

No trade or other receivables are due from directors or other officers of the Group either severally or jointly with any other person. Trade receivables are non interest bearing and generally on credit terms of 90 days. The Group does not hold any collateral security (refer note 44).

For terms and condition relating to related party receivables refer note 38.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

12. TRADE RECEIVABLES (Contd.)

Trade Receivables ageing schedule

As at March 31, 2025

	Outstanding for following periods from the due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 -3 years	More than 3 years*	Total
i) Undisputed Trade Receivables - considered good	55.06	60.45	34.56	12.28	0.51	3.88	166.73
ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade Receivables - credit impaired	1.97	3.83	5.75	7.88	-	-	19.43
iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	28.62	28.62
Less: Impairment allowance (Disputed + Undisputed)	(1.97)	(3.83)	(5.75)	(7.88)	-	(28.62)	(48.05)
Total	**55.06**	**60.45**	**34.56**	**12.28**	**0.51**	**3.88**	**166.73**

As at March 31, 2024

	Outstanding for following periods from the due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 -3 years	More than 3 years*	Total
i) Undisputed Trade Receivables - considered good	58.53	62.04	3.95	3.50	0.27	0.36	128.65
ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade Receivables - credit impaired	1.56	2.89	0.39	11.80	0.29	1.35	18.28
iv) Disputed Trade Receivables - considered good*	-	-	-	-	-	3.07	3.07
v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed Trade Receivables - credit impaired	-	-	-	-	1.03	24.82	25.85
Less: Impairment allowance (Disputed + Undisputed)	(1.56)	(2.89)	(0.39)	(11.80)	(1.32)	(26.17)	(44.13)
Total	**58.53**	**62.04**	**3.95**	**3.50**	**0.27**	**3.43**	**131.72**

* Trade receivables outstanding for more than eighteen months and disputed - considered good are not provided for, mainly on account of corresponding incentive provision outstanding in the books.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts are in ₹ Crores, unless otherwise stated)

13. CASH AND CASH EQUIVALENTS

	As at March 31, 2025	As at March 31, 2024
Balances with banks:		
On current account	13.63	7.11
On EEFC account	1.63	2.32
Deposits with original maturity of less than three months	5.57	28.07
Cash on hand	0.01	0.01
Total	**20.84**	**37.51**

14. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2025	As at March 31, 2024
Bank balances		
Deposit with bank with original maturity for more than three months but less than twelve months	-	0.08
Unpaid dividend account	0.13	0.17
Total	**0.13**	**0.25**

Out of the total deposits, Nil (March 31, 2024: ₹ 0.08) amount are pledged against bank guarantees.

15. NON-CURRENT TAX ASSETS (NET)

	As at March 31, 2025	As at March 31, 2024
Advance tax (net of provision for tax)	17.20	16.46
Total	**17.20**	**16.46**

16. OTHER ASSETS

	As at March 31, 2025	As at March 31, 2024
Current (unsecured, considered good)		
Prepaid expenses	4.70	5.50
Unbilled revenue	0.35	-
Balances with government authorities	0.06	0.05
Surplus in Gratuity fund	-	1.36
Advance to suppliers	2.81	0.80
Advance to employees	-	0.04
Total current	**7.92**	**7.75**
Non - current (unsecured, considered good)		
Prepaid expenses (includes prepaid CSR of ₹ 0.79)	1.35	0.91
Non - current (unsecured, considered doubtful)		
Capital advances	0.30	0.30
Less: provision for doubtful capital advances	(0.30)	(0.30)
Total non - current	**1.35**	**0.91**
Total current	**7.92**	**7.75**
Total non - current	**1.35**	**0.91**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

17. EQUITY SHARE CAPITAL

	As at March 31, 2025	As at March 31, 2024
Authorized Shares capital		
7,50,00,000 (March 31, 2024: 7,50,00,000) equity shares of ₹10 each	75.00	75.00
	75.00	**75.00**
Issued, subscribed and fully paid-up shares		
5,40,06,608 (March 31, 2024: 5,35,16,271) equity shares of ₹ 10 each	54.00	53.51
Total issued, subscribed and fully paid-up share capital	**54.00**	**53.51**

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

	As at March 31, 2025		As at March 31, 2024	
	No.	₹	No.	₹
At the beginning of the Year	5,35,16,271	53.51	5,30,73,851	53.07
Issued during the year				
Add: Employee stock option plan (ESOP)	4,90,337	0.49	4,42,420	0.44
Outstanding at the end of the year	**5,40,06,608**	**54.00**	**5,35,16,271**	**53.51**

(b) Rights, preferences and restrictions attached to equity shares

The Holding Company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The Holding Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing Annual General Meeting.

The Board of Directors, in their meeting on April 25, 2024, proposed a final dividend of ₹ 3 per equity share and the same was approved by the shareholders at the Annual General Meeting held on September 06, 2024. The amount was recognized as distributions to equity shareholders during the year ended March 31, 2025 and the total appropriation was ₹ 16.13 including Tax deduction at source.

The Board of Directors, in their meeting on April 17, 2023, proposed a final dividend of ₹ 2.50 per equity share and the same was approved by the shareholders at the Annual General Meeting held on August 11, 2023. The amount was recognized as distributions to equity shareholders during the year ended March 31, 2024 and the total appropriation was ₹ 13.27 including Tax deduction at source.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by shareholders.

(c) There are no shares held by holding/ ultimate holding company and /or their subsidiaries/ associates

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

	As at March 31, 2025		As at March 31, 2024	
	Nos.	% holding	Nos.	% holding
Equity shares of ₹10 each fully paid-up				
Kailash Sahebrao Katkar	78,53,473	14.54%	1,55,88,818	29.13%
Sanjay Sahebrao Katkar	1,55,88,818	28.86%	1,55,88,818	29.13%
Anupama Kailash Katkar	1,11,72,970	20.69%	38,03,075	7.11%
Chhaya Sanjay Katkar	38,03,075	7.04%	38,03,075	7.11%

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts are in ₹ Crores, unless otherwise stated)

17. EQUITY SHARE CAPITAL (Contd.)

(e) Details of shares held by promoters

As at March 31, 2025

Promoter name	No. of shares at the beginning of the year	Change during the period	No. of shares at the end of the period	% of Total Shares	% change during the period
Kailash Sahebrao Katkar	1,55,88,818	(77,35,345)	78,53,473	14.54%	-14.59%
Sanjay Sahebrao Katkar	1,55,88,818	-	1,55,88,818	28.86%	-0.26%
Anupama Kailash Katkar	38,03,075	73,69,895	1,11,72,970	20.69%	13.58%
Chhaya Sanjay Katkar	38,03,075	-	38,03,075	7.04%	-0.06%
Sneha Kailash Katkar	2,567	3,65,450	3,68,017	0.68%	0.68%
Total	**3,87,86,353**	**-**	**3,87,86,353**	**71.82%**	**-0.66%**

As at March 31, 2024

Promoter name	No. of shares at the beginning of the year	Change during the period	No. of shares at the end of the period	% of Total Shares	% change during the period
Kailash Sahebrao Katkar	1,55,88,818	-	1,55,88,818	29.13%	0.09%
Sanjay Sahebrao Katkar	1,55,88,818	-	1,55,88,818	29.13%	0.09%
Anupama Kailash Katkar	38,03,075	-	38,03,075	7.11%	0.02%
Chhaya Sanjay Katkar	38,03,075	-	38,03,075	7.11%	0.02%
Sneha Kailash Katkar	2,567	-	2,567	0.00%	0.00%
Total	**3,87,86,353**	**-**	**3,87,86,353**	**72.48%**	**0.22%**

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.

(f) Aggregate number of shares issued for consideration other than cash, bonus shares allotted and shares bought back during the period of five years immediately preceding the reporting date:

	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021	March 31, 2020
No of shares bought back	-	50,00,000	63,26,530	-	63,63,636
Total	**-**	**50,00,000**	**63,26,530**	**-**	**63,63,636**

(g) Shares reserved for issue under options.

For details of shares reserved for issue under the Share based payment plan of the Company refer note 34.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

18. OTHER EQUITY

		As at March 31, 2025	As at March 31, 2024
a)	**Reserves and Surplus**		
(i)	**Securities premium**		
	Balance as at the beginning of the year	9.55	0.01
	Add: ESOPs exercised	5.42	5.71
	Add: Transferred from share based payment reserve	4.52	3.83
	Balance as at end of the year	**19.49**	**9.55**
(ii)	**Amalgamation reserve**		
	Balance as at the beginning and end of the year	2.65	2.65
(iii)	**General reserve**		
	Balance as at the beginning and end of the year	45.03	45.03
(iv)	**Capital redemption reserve**		
	Balance as at the beginning of the year	17.69	17.69
(v)	**Retained earnings**		
	Balance as at the beginning of the year	322.51	302.14
	Add: Amount transferred from surplus balance in the statement of profit and loss	5.04	24.24
	Add: Employee share option plan (ESOP) options vested & lapsed	0.31	0.82
	Add: Refund of GST on buy back expenses	-	0.14
	Add: Refund of excess buy back tax paid [refer note i (a)]	-	8.60
	Less: Re-measurement (losses) on defined benefit plans	(0.19)	(0.16)
	Less: Dividend paid [amount per share ₹ 3.00 (March 31, 2024: ₹ 2.50)]	16.13	13.27
	Balance as at end of the year	**311.54**	**322.51**

i a) During the previous year ended March 31, 2024, the Holding Company received refund of ₹ 8.60, from the Income Tax Authorities for the assessment year 2022-23 towards excess buy back tax paid. Since the tax on buy back was debited to retained earnings during financial year ended March 31, 2022, the refund received is recognized in retained earrings.

		As at March 31, 2025	As at March 31, 2024
b)	**Other Equity**		
	Share based payment reserve		
	Balance as at the beginning of the year	9.96	9.51
	Additions during the year (refer note 27 & 34)	9.95	5.10
	Less: Options vested and lapsed transfer to Retained earnings	0.31	0.82
	Less: Transfer to securities premium on exercise of stock options	4.52	3.83
	Balance as at end of the year	**15.08**	**9.96**
c)	**Other Comprehensive Income**		
	(i) Equity instruments through Other comprehensive income		
	Balance as at the beginning of the year	(23.93)	(10.48)
	Add: Additions during the year	(0.17)	(13.45)
	Balance as at end of the year	**(24.10)**	**(23.93)**
	(ii) Foreign currency translation reserve		
	Balance as at the beginning of the year	0.03	0.09
	Less: Recycled to Profit and Loss	-	-
	Add: Additions during the year	0.07	(0.06)
	Balance as at end of the year	**0.10**	**0.03**
Total Other Equity (a+b+c)		**387.48**	**383.49**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

18. OTHER EQUITY (Contd.)

Nature and purpose of reserves

Securities premium

Securities premium is used to record the premium on issue of shares. This reserve can be utilized only in accordance with the provisions of the Companies Act, 2013.

Amalgamation reserve

Pursuant to the scheme of amalgamation ("the Scheme") sanctioned by the Honourable High Court of Bombay, Cat Labs Private Limited (CLPL), subsidiary of the Group, had been merged with the Company with effect from April 01, 2010. Accordingly, an amount of ₹ 2.65 was recorded as amalgamation reserve.

General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilized only in accordance with the specific requirements of Companies Act, 2013.

Capital redemption reserve account

The Group had bought back its share in the past. In accordance with section 69 of the Companies Act, 2013, Capital Redemption Reserve is created (which represent nominal value of share bought back).

Retained earnings

Retained Earnings represent surplus i.e., balance of the relevant column in the Statement of Changes in Equity.

Share based payment reserve

The Group has two employee stock option schemes under which options to subscribe for the Holding Company's shares have been granted to certain executives and senior employees. The share-based payment reserve is used to recognize the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer note 33 for further details of these plans.

Fair value through other comprehensive income reserve

The Group has elected to recognize changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the equity instruments through other comprehensive income within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognized.

Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognized in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

19. TRADE PAYABLES

	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises	3.52	3.70
Total outstanding dues of creditors other than micro enterprises and small enterprises*	31.41	36.18
Total	**34.93**	**39.88**

* Includes amount payable to independent directors (refer note 38)
* For terms and conditions with related parties (refer note 38)
* For explanations on the Group credit risk management processes (refer note 44)
- Trade payables are non-interest bearing and have an average credit term of 60 days.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

19. TRADE PAYABLES (Contd.)

Trade payables ageing schedules as at March 31, 2025

	Outstanding for following period from the date of invoice						
	Unbilled Dues	Not Due	Less than 1 year	1- 2 years	2- 3 years	More than 3 years	Total
(i) Micro enterprises and small enterprises	-	3.50	0.02	-	-	-	3.52
(ii) Disputed dues - micro enterprises and small enterprises	-	-	-	-	-	-	-
(iii) Other than micro enterprises and small enterprises	23.95	3.62	0.59	-	-	-	28.16
(iv) Disputed dues - Other than micro enterprises and small enterprises	-	-	-	-	-	3.25	3.25
Total	**23.95**	**7.12**	**0.61**	**-**	**-**	**3.25**	**34.93**

Trade payables ageing schedules as at March 31, 2024

	Outstanding for following period from the date of invoice						
	Unbilled Dues	Not Due	Less than 1 year	1- 2 years	2- 3 years	More than 3 years	Total
(i) Micro enterprises and small enterprises	-	-	3.70	-	-	-	3.70
(ii) Disputed dues - micro enterprises and small enterprises	-	-	-	-	-	-	-
(iii) Other than micro enterprises and small enterprises	29.00	-	3.69	0.21	0.01	0.08	32.99
(iv) Disputed dues - Other than micro enterprises and small enterprises	-	-	-	-	-	3.19	3.19
Total	**29.00**	**-**	**7.39**	**0.21**	**0.01**	**3.27**	**39.88**

20. OTHER FINANCIAL LIABILITIES

	As at March 31, 2025	As at March 31, 2024
Current		
Carried at amortised cost		
Capital creditors	0.85	3.03
Unpaid dividend	0.13	0.17
Employee benefit liabilities	0.54	0.61
Lease Liabilities	0.22	-
Other payables	0.02	0.01
Total	**1.76**	**3.82**
Total current	**1.76**	**3.82**
Non-Current		
Lease Liabilities	0.09	**-**
Total non - current	**0.09**	**-**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts are in ₹ Crores, unless otherwise stated)

21. EMPLOYEE BENEFIT OBLIGATIONS

	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits		
Current		
Provision for gratuity	1.37	-
Provision for employee incentive	16.04	14.37
Provision for compensated absences	0.72	1.20
Total	**18.13**	**15.57**
Non - current		
Provision for compensated absences	0.74	-
Total	**0.74**	**-**
Total current	**18.13**	**15.57**
Total non - current	**0.74**	**-**

22. OTHER LIABILITIES

	As at March 31, 2025	As at March 31, 2024
Current		
Deferred revenue (refer note 24)	10.29	2.10
Statutory liabilities	10.07	10.99
Other liabilities	3.52	0.93
Total	**23.88**	**14.02**
Non - current		
Deferred revenue	3.99	-
Security deposit	0.03	2.33
Total	**4.02**	**2.33**
Total current	**23.88**	**14.02**
Total non - current	**4.02**	**2.33**

Terms and conditions of the above other liabilities:

- Payables for purchases of fixed assets are non interest bearing and have an average term of 90 days.

- Other liabilities are non interest bearing and have an average term of 45 days.

23. CURRENT TAX LIABILITIES (NET)

	As at March 31, 2025	As at March 31, 2024
Current tax liabilities (net of advance tax)	0.01	0.01
Total	**0.01**	**0.01**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

24. REVENUE FROM OPERATIONS

	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from contracts with customers		
Sale of security software products	275.01	288.58
Sale of software support services	4.52	3.17
Total	**279.53**	**291.75**

Disaggregated revenue information

The table below presents disaggregated revenues from contracts with customers by geography and details of products and services sold. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

	Year ended March 31, 2025	Year ended March 31, 2024
Revenue by Geography		
India	260.28	272.84
Outside India	19.25	18.91
Total	**279.53**	**291.75**
Revenue by type of products and services		
Security software licenses	275.01	288.58
Software support and services	4.52	3.17
Total	**279.53**	**291.75**
Movement in deferred revenue is as follows:		
Balance at the beginning of the year	**2.10**	**2.10**
Less: Revenue recognized during the year	0.09	0.10
Add: Increase due to invoicing during the year (excluding amounts recognized as revenue during the year)	12.27	0.10
Balance at the end of the year	**14.28**	**2.10**

Performance obligation and remaining performance obligation

The Group assesses the sale of software licenses for identification of performance obligations. In case of software licenses where there are multiple performance obligations the revenue is recognized as and when the control is transferred to the customer for each performance obligations. In Contracts, where arrangement is determined to constitute a single performance obligation revenue is recognised over the license period, reflecting the continuous transfer of control to the customer.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at March 31, 2025 and March 31, 2024 are, as follows

	As at March 31, 2025	As at March 31, 2024
Within one year	10.29	2.22
More than one year	3.99	-
Balance at the end of the year	**14.28**	**2.22**

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as of the end of the reporting year and an explanation as to when the Group expects to recognize these amounts in revenue.

The aggregate value of performance obligation that are completely or partially unsatisfied as of March 31, 2025, is ₹ 14.28 (March 31, 2024: ₹ 2.10). Out of this, the Group expects to recognize revenue of around ₹ 14.28 in future, depending on the license period.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts are in ₹ Crores, unless otherwise stated)

24. REVENUE FROM OPERATIONS (Contd.)

Reconciliation of the revenue recognized in the statement of profit and loss with the contracted price

	Year ended March 31, 2025	Year ended March 31, 2024
Revenue as per contracted price	311.54	323.69
Adjustments:		
Sales return	2.93	1.32
Incentive, scheme and discounts	29.08	30.62
Revenue from contract with customers	**279.53**	**291.75**

25. OTHER INCOME

	Year ended March 31, 2025	Year ended March 31, 2024
Interest income on		
Cash and cash equivalents and other bank balances	0.11	0.03
Tax free bonds	0.34	0.12
Income tax	0.33	1.14
Gain on sale of current investments (net)	2.16	2.02
Profit on sale Property, plant and equipment (net)	0.13	0.27
Foreign exchange gains (net)	0.10	-
Fair value gain on financial instruments at fair value through profit and loss*	11.30	10.23
Income from Investment property	5.49	4.99
Insurance claims **	-	1.79
Miscellaneous income	0.81	0.80
Total	**20.77**	**21.39**

* Fair value gain on financial instruments at fair value through profit and loss relates to investments in mutual funds.

** On May 09, 2023, a fire incident had taken place at the Holding Company's corporate office located at Solitaire Business Hub Viman Nagar, Pune. However, the business operations were not impacted. Electrical installations and office equipment amounting to net book value of ₹ 0.10 (Gross value of ₹ 1.10) were damaged which were written off in the statement of Profit & Loss. The Holding Company has received insurance claim of ₹ 1.79 which has been accounted for as "Other Income".

26. DETAILS RELATED TO COST OF SECURITY SOFTWARE PRODUCTS

	Year ended March 31, 2025	Year ended March 31, 2024
26. (a) Cost of materials consumed		
Inventory at the beginning of the year	-	0.41
Add: Purchases	6.10	-
Less: Inventory at end of the year	-	-
Sub-total	**6.10**	**0.41**
26. (b) Purchase of security software products		
Security software products	0.45	5.13
Sub-total	**0.45**	**5.13**
26. (c) Changes in inventories of finished goods		
Finished goods inventory at the beginning of the year	2.80	4.09
Less: Finished goods inventory at end of the year	2.22	2.80
Sub-total (Increase)/ decrease in security software products	**0.58**	**1.29**
Total	**7.13**	**6.83**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

26. DETAILS RELATED TO COST OF SECURITY SOFTWARE PRODUCTS (Contd.)

	Year ended March 31, 2025	Year ended March 31, 2024
Details of materials consumed		
Security software products	6.10	0.41
	6.10	**0.41**

27. EMPLOYEE BENEFITS EXPENSE

	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, wages and bonus	165.37	153.92
Contribution to provident and other funds	4.53	4.30
Gratuity expenses	2.52	2.17
Employee share based compensation expense (refer note 34)	9.95	5.10
Staff welfare expenses	3.18	3.54
Total	**185.55**	**169.03**

28. FINANCE COST

	Year ended March 31, 2025	Year ended March 31, 2024
Interest expense on lease liabilities	0.22	0.13
Total	**0.22**	**0.13**

29. DEPRECIATION AND AMORTIZATION EXPENSE

	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation of property, plant and equipment (refer note 5)	10.07	9.38
Depreciation of Investment properties (refer note 6)	1.59	1.51
Amortization of intangible assets (refer note 7)	1.22	1.71
Amortization of Right-of-use assets (refer note (refer note 8)	0.08	-
Total	**12.96**	**12.60**

30. OTHER EXPENSES

	Year ended March 31, 2025	Year ended March 31, 2024
Web publishing expenses	0.37	0.48
Technology subscription and Fees for technical services	11.31	10.27
Power and fuel	2.64	2.70
Rent (refer note 35)	1.60	1.49
Rates and taxes	0.85	0.81
Insurance	0.45	0.49
Repairs and maintenance		
Buildings	1.05	1.06
Others	1.50	1.89

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts are in ₹ Crores, unless otherwise stated)

30. OTHER EXPENSES (Contd.)

	Year ended March 31, 2025	Year ended March 31, 2024
Corporate Social Responsibility (CSR) expenditure	0.87	1.82
Commission to independent directors (refer note 38)	0.25	0.32
Directors' sitting fees (refer note 38)	0.17	0.17
Business promotion expenses	2.86	2.44
Advertisement and sales promotion	17.34	16.31
Freight and forwarding charges	0.52	0.55
Travelling and conveyance	4.84	4.36
Communication costs	20.76	21.38
Office expenses	2.83	2.88
Legal and professional fees	17.23	19.61
Payment to auditor (refer details below)	0.47	0.43
Foreign exchange loss (net)	-	0.15
Property, plant and equipment written off	-	0.32
Provision for doubtful debts and advances	3.92	7.15
Miscellaneous expenses	1.61	1.26
Total	**93.44**	**98.34**

Payment to auditor (excluding Goods and services tax)*

	Year ended March 31, 2025	Year ended March 31, 2024
As auditor:		
Audit fees*	0.15	0.10
Limited review	0.26	0.25
In other capacity:		
Others (including certification fees)	0.01	0.04
Reimbursement of expenses	0.05	0.04
Total	**0.47**	**0.43**

* includes remuneration to auditors of subsidiaries.

31. INCOME TAX

The major components of income tax expense for the years ended March 31, 2025 and March 31, 2024 are:

Statement of profit and loss section

	March 31, 2025	March 31, 2024
Current income tax:		
Current income tax charge	-	5.78
Adjustment in respect of previous years	0.44	0.07
Deferred tax:		
Relating to origination and reversal of temporary differences	(4.48)	(3.88)
Income tax expense reported in the statement of profit and loss	**(4.04)**	**1.97**
OCI Section		
Deferred tax related to items recognized in OCI during the year		
Net actuarial gains and losses	0.06	0.06
Deferred tax (charged)/credit to OCI	**0.06**	**0.06**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

31. INCOME TAX (Contd.)

Reconciliation of deferred tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended

	March 31, 2025	March 31, 2024
Accounting profit before tax	1.00	26.21
At India's statutory income tax rate of 25.168% (March 31, 2024: 25.168%)	0.25	6.60
Adjustments (non-deductible expenses):		
Adjustments of tax relating to earlier periods	0.44	0.07
CSR expenditure	0.22	0.46
Impact of change in tax rate	(0.64)	-
Impact of change in WDV of assets	(2.27)	-
Actualization of 43B items	(0.50)	-
Deferred tax asset on losses and unrealized profits not recognized	(1.25)	**0.20**
Deferred tax on long term capital loss not recorded in earlier year due to lack of reasonable certainty	-	(5.36)
Others	(0.29)	-
At the effective income tax rate of 25.168% [March 31, 2024: 25.168%]	**(4.04)**	**1.97**
Income tax expense reported in the statement of profit and loss	**(4.04)**	**1.97**

Movement in Deferred income tax assets/liabilities for the year ended is as follows:

	Balance sheet		Statement of profit and loss	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Deferred tax asset				
Expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	0.69	0.26	(0.43)	0.14
Provision for doubtful debts and advances	11.81	11.11	(0.70)	(1.80)
Deferred revenue	0.50	0.50	-	0.03
Deferred tax on gratuity expense recognized in other comprehensive income	0.06	0.06	-	-
Lease Liability	0.08		(0.08)	
Current Year Loss carried Forward	1.71		(1.71)	
Prepaid rent	0.05	0.09	0.04	(0.09)
Adjustment in respect of deferred tax of previous years	0.01	-	(0.01)	-
Deferred tax liabilities				
Property, plant and equipment	(5.88)	(8.34)	(2.46)	0.62
Unrealized gain on investment in mutual funds	(0.96)	(0.11)	0.85	(2.94)
Others - rent equalization reserve, prepaid rent etc.	(0.13)	(0.17)	(0.04)	0.11
Net deferred tax expense /(income)			**(4.54)**	**(3.94)**
Net deferred tax assets /(liabilities)	**7.94**	**3.40**		

Details of income tax assets and income tax liabilities

	March 31, 2025	March 31, 2024
Deferred tax liabilities	(6.97)	(8.62)
Deferred tax assets	14.91	12.02
Deferred tax assets, net	**7.94**	**3.40**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts are in ₹ Crores, unless otherwise stated)

31. INCOME TAX (Contd.)

Reconciliation of deferred tax assets /(liability), net

	March 31, 2025	March 31, 2024
Opening balance	3.40	(0.53)
Tax income during the period recognized in statement of profit and loss	4.48	3.88
Tax income during the period recognized in OCI	0.06	0.06
Adjustment in respect of deferred tax of previous years	-	(0.01)
Closing balance	**7.94**	**3.40**

The unused tax losses are incurred by the subsidiaries, which are not likely to generate taxable income in the foreseeable future. The losses can be carried forward for a period as per local laws applicable to the respective subsidiaries.

Notes:

1. Subsidiaries of the Group have undistributed losses, which will be available for deduction in the hands of the Holding Company on sale of the subsidiary. An assessable temporary difference exists, but no deferred tax asset has been recognized as it is not probable that the temporary difference will reverse in the foreseeable future.
2. An assessable temporary difference exists on foreign exchange differences on translation of foreign operations, but no deferred tax liability has been recognized as it is not probable that the temporary difference will reverse in the foreseeable future.
3. The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

32. EARNINGS PER SHARE (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Holding Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Holding Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on exercise of stock option.

The following reflects the income and share data used in the basic and diluted EPS computations:

		Year ended March 31, 2025	Year ended March 31, 2024
Net profit after tax attributable to equity shareholders of the Holding Company	(A)	5.04	24.24
Weighted average number of equity shares in calculating basic EPS	(B)	5,37,71,544	5,31,95,385
Effect of dilution:			
Stock options granted under ESOP (share in numbers)	(C)	13,62,132	8,54,714
Weighted average number of equity shares adjusted for the effect of dilution	D=(B+C)	5,51,33,676	5,40,50,098
Basic earning per share of face value of ₹10 each (in ₹)	**(A/B)**	**0.94**	**4.56**
Diluted earnings per share of face value of ₹10 each (in ₹)	**(A/D)**	**0.91**	**4.48**

There have been no transactions involving equity shares or potential equity shares between the reporting date and the date of authorisation of these financial statements.

33. DIVIDEND

The Holding Company declares and pays dividends in Indian rupees. The Holding Companies are required to pay/distribute dividend after deducting applicable taxes if any. The remittance of dividends outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.

The amount of per share dividend recognized as distribution to equity shareholders is as follows:-

	Year ended March 31, 2025	Year ended March 31, 2024
Final dividend paid fiscal year 2024	16.13	-
Final dividend paid fiscal year 2023	-	13.27

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
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(All amounts are in ₹ Crores, unless otherwise stated)

34. SHARE BASED ARRANGEMENTS

Share based payment arrangement 2014

On February 6, 2014, the Board of Directors approved the Equity Settled ESOP Scheme 2014 ("ESOP Scheme 2014") for issue of stock options to the employees of the Holding Company. According to the ESOP Scheme 2014, the employee selected by the Board of Directors from time to time will be entitled for scheme options, subject to satisfaction of the prescribed vesting conditions, viz., continued employment and performance parameters of employee. The contractual life (comprising the vesting period and the exercise period) of options and the other relevant terms of the grant are as below:

The Group has provided following share-based payment schemes to its employees

	Details
Date of Initial grant	September 06, 2014
Date of board approval	February 06, 2014
Date of shareholder's approval	February 06, 2014
Method of settlement	Equity
Vesting period	4 years
Exercise period	5 years from date of vesting
Expected life (in years)	
Grant XIII	1.29
Grant XVI	1.90
Grant XIX	2.79
Fair value of shares on date of grant	₹ 6.94 - ₹ 84.16
Vesting conditions	Continued employment and performance of employee as per contract

The vesting pattern of scheme is as follows:

Time period from the date of grant	Cumulative percentage of share vesting
12 months	25%
24 months	50%
36 months	75%
48 months	100%

The details of activities under the scheme have been summarized below:

	Year ended March 31, 2025		Year ended March 31, 2024	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	1,19,368	215.81	4,42,788	155.07
Granted during the year	-	-	-	-
Forfeited during the year	14,050	294.33	1,37,775	116.66
Exercised during the year	66,280	188.20	1,85,645	143.61
Expired during the year	-	-	-	-
Outstanding at the end of the year	39,038	228.84	1,19,368	155.07
Exercisable at the end of the year	39,038	228.84	97,543	241.55

The details of exercise price for stock options outstanding at the end of the year are:

	As at March 31, 2025	As at March 31, 2024
Exercise price (₹)	₹102.50 - ₹294.33	₹97.50 – ₹294.33
Number of options outstanding	39,038	1,19,368
Weighted average remaining contractual life of options (in years)	1.99	0.99
Weighted average exercise price (₹)	228.84	215.81

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts are in ₹ Crores, unless otherwise stated)

34. SHARE BASED ARRANGEMENTS (Contd.)

For share options exercised during the reporting period, the weighted average share price at the date of exercise, or if options were exercised on a regular basis throughout the reporting period, the entity may instead disclose the weighted average share price during the reporting period.

The weighted average share price at the date of exercise of these options, as at March 31, 2025 was ₹ 588.72 (March 31, 2024: ₹ 390.71)

Manner in which the fair value of the stock option granted during the period was determined:

There are no grants in financials ended March 31, 2025 and March 31, 2024 for share based payment arrangement 2014

Share based payment arrangement 2021

On March 10, 2021, the Board of Directors approved the Equity Settled ESOP Scheme 2021 for issue of stock options to the employees of the Holding Company. According to the ESOP 2021, the employee selected by the Board of Directors from time to time will be entitled for scheme options, subject to satisfaction of the prescribed vesting conditions, viz., continued employment and performance parameters of employee. The contractual life (comprising the vesting period and the exercise period) of options and the other relevant terms of the grant are as below:

	Details
Date of Initial grant	May 15, 2021
Date of board approval	March 10, 2021
Date of shareholder's approval	April 18, 2021
Method of settlement	Equity
Vesting period	4 years
Exercise period	3 years from date of vesting
Expected life (in years)	
Grant XXII	2.21
Grant XXIII	2.62
Grant XXIV	2.79
Grant XXV	2.29
Grant XXIX	3.27
Grant XXXIII	3.96
Grant XXXIV	5.96
Grant XXXV	6.26
Grant XXXVI	6.26
Grant XXXVII	6.07
Grant XXXVIII	6.30
Grant XXXIX	6.30
Grant XXXX	6.30
Grant XXXXI	6.41
Grant XXXXII	6.46
Grant XXXXIV	4.82
Grant XXXXV	4.82
Grant XXXXVI	7.12
Grant XXXXVII	7.45
Fair value of shares on date of grant	₹ 69.66 - ₹ 399.90
Vesting conditions	Continued employment and performance of employee as per contract

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
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(All amounts are in ₹ Crores, unless otherwise stated)

34. SHARE BASED ARRANGEMENTS (Contd.)

The vesting pattern of scheme is as follows:

Time period from the date of grant	Cumulative percentage of share vesting
12 months	25.00%
24 months	50.00%
36 months	75.00%
48 months	100.00%

On July 23, 2024, the Board of Directors approved the Equity Settled ESOP Scheme 2021 for issue of stock options to the selected employees of the Company. According to the ESOP 2021, the employee selected by the Board of Directors from time to time will be entitled for scheme options, subject to satisfaction of the prescribed vesting conditions, viz., continued employment and performance parameters of employee. The contractual life (comprising the vesting period and the exercise period) of options and the other relevant terms of the grant are as below:

	Details
Date of grant	July 23, 2024
Date of board approval	July 23, 2024
Date of shareholder's approval	July 23, 2024
Method of settlement	Equity
Vesting period	3 years
Exercise period	3 years from date of vesting
Expected life (in years)	
Grant XXXXIII	4.32
Fair value of shares on date of grant	₹117.00- ₹588.19
Vesting conditions	Continued employment and performance of employee and company as per contract

The vesting pattern of scheme is as follows:

Time period from the date of grant	Cumulative percentage of share vesting
12 months	33%
24 months	67%
36 months	100%

The details of activities under the scheme have been summarized below:

	Year ended March 31, 2025		Year ended March 31, 2024	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	19,43,475	125.88	12,91,475	149.37
Granted during the year	4,63,520	281.05	12,93,600	117.27
Forfeited during the year	1,67,284	189.09	3,84,825	132.18
Exercised during the year	4,24,032	109.65	2,56,775	147.28
Expired during the year	-	-	-	-
Outstanding at the end of the year	18,15,679	170.85	19,43,475	125.88
Exercisable at the end of the year	2,31,684	187.31	1,87,200	143.13

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts are in ₹ Crores, unless otherwise stated)

34. SHARE BASED ARRANGEMENTS (Contd.)

The details of exercise price for stock options outstanding at the end of the year are:

	As at March 31, 2025	As at March 31, 2024
Exercise price (₹)	₹10 - ₹436	₹10 - ₹330
Number of options outstanding	18,15,679	19,43,475
Weighted average remaining contractual life of options (in years)	4.52	4.56
Weighted average exercise price (₹)	170.85	125.88

For share options exercised during the reporting period, the weighted average share price at the date of exercise, or if options were exercised on a regular basis throughout the reporting period, the entity may instead disclose the weighted average share price during the reporting period.

The weighted average share price at the date of exercise of these options, as at March 31, 2025 was ₹ 550.50 (March 31, 2024: ₹ 404.42)

Manner in which the fair value of the stock option granted during the period was determined:

The weighted average fair value of stock options granted during the year was ₹ 245.74 (March 31, 2024: ₹ 152.98). The Black and Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

	As at March 31, 2025	As at March 31, 2024
Weighted average share price (₹)	₹ 351.76	₹ 117.27
Exercise price (₹)	₹ 143.10 - ₹ 332.72	₹ 10 - ₹ 330
Expected volatility (%)	49.07%	46.20%
Historical volatility (%)	0%	0%
Life of the options granted (vesting and exercise period) (in years)	3.17	3.5
Average risk-free interest rate (%)	6.65%	7.10%
Dividend yield	1.50%	2.10%

The weighted average fair value of stock options granted during the year was ₹ 275.60 (March 31, 2024: ₹ Nil). The Monte karlo valuation model has been used for computing the weighted average fair value considering the following inputs:

	As at March 31, 2025	As at March 31, 2024
Weighted average share price (₹)	259.91	-
Exercise price (₹)	₹ 10 - ₹ 436	-
Expected volatility (%)	47.90%	0.00%
Historical volatility (%)	0%	0%
Life of the options granted (vesting and exercise period) (in years)	3.5	-
Average risk-free interest rate (%)	6.90%	0.00%
Dividend yield %	1.50%	0.00%

The effect of share-based payment transactions on the Group's statement of profit and loss for the period and on its financial position:

	Year ended March 31, 2025	Year ended March 31, 2024
Expense arising from equity settled share based payment transaction	9.95	5.10

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(All amounts are in ₹ Crores, unless otherwise stated)

35. COMMITMENTS AND CONTINGENCIES

a. Operating lease - Group as a lessee

There are various office premises and warehouse which have been taken by the Holding Company on lease. As per the lease agreements these are cancellable on 60-90 days notice. Further, there are no restrictions imposed by lease agreements and there are no subleases. The Holding Company has elected not to apply the requirements of Ind AS 116 to the short-term leases and, the lease payments associated with these leases are expensed as per the terms of lease agreement. However for lease agreements having locking period more than 12 months has been recognized as right to use assets as at March 31, 2025.

Break-up of current and non-current lease liabilities (Discounted)	As at March 31, 2025	As at March 31, 2024
Current Lease Liabilities	0.22	-
Non-current Lease Liabilities	0.09	-
Total Liabilities	**0.31**	**-**

Maturity analysis of lease liabilities (Undiscounted)	As at March 31, 2025	As at March 31, 2024
Within 1 year	0.22	-
Between 1 to 2 years	0.11	-
Total Lease expenses	**0.33**	**-**

The lease rentals charged during the year is as under:

	Year ended March 31, 2025	Year ended March 31, 2024
Short term lease expenses	1.60	1.49
Total Lease Expenses	**1.60**	**1.49**

b. Operating lease - Group as a lessor

	As at March 31, 2025	As at March 31, 2024
The minimum rentals receivable on leases of investment properties are as follows		
Within 1 year	4.06	4.33
Between 1 to 2 years	0.53	3.23
Between 2 to 3 years	0.32	0.10
Between 3 to 4 years	0.09	0.11
Between 4 to 5 years	-	0.09
Later than 5 year	-	-
Total Lease income	**5.00**	**7.86**

Group as a lessor

The Group has entered into operating leases for its investment properties (refer note 6). These leases have terms ranging from one to five years. Some of these leases include an annual escalation clause on rental prices based on prevailing market conditions.

During the year ended March 31, 2025 ₹ 5.49 (March 31, 2024: ₹ 4.99) was recognized in profit and loss in relation to rental income from the investment properties. (refer note 24)

c. Commitments

	As at March 31, 2025	As at March 31, 2024
Capital commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided, net of advances	4.92	2.97
Total	**4.92**	**2.97**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts are in ₹ Crores, unless otherwise stated)

35. COMMITMENTS AND CONTINGENCIES (Contd.)

d. Contingent liabilities

	As at March 31, 2025	As at March 31, 2024
Claims against the Group not acknowledged as debts		
Tax demand		
Direct tax	2.85	2.87
Indirect tax	-	0.80
Provident fund	5.01	-
Total	**7.86**	**3.67**

i) Direct tax

The claims against the Holding Company primarily represent demands arising on completion of assessment proceedings under the Income Tax Act, 1961. These claims are majorly on account of disallowance of expenses pertaining to exempt income as per section 14A read with rule 8D of the Income Tax Act, 1961.

These matters are pending before various Income Tax Authorities and the Management including its tax advisors expect that its position will likely be upheld on ultimate resolution and will not have a material effect on the Holding Company's financial position and results of operations.

ii) Indirect tax

The claim against the Holding Company represented a demand arising on account of mismatch of ITC under the Goods and Services Act, 2017. This matter was pending before Assistant Commissioner CGST and the Management including its tax advisors expected that its position will likely be upheld on ultimate resolution and will not have a material effect on the Holding Company's financial position and results of operations. The said demand is dropped by the office of the assistant commissioner of CGST vide Order No 51/Adj/DIV-/C.Tax/GST/24-25 DIN - 20250268UC000000FB1F dated February 04, 2025.

iii) Provident fund

During the year ended March 31, 2025, the Regional P.F. Commissioner ("RPFC") passed an order under Section 7A & 7Q of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("Act") demanding ₹ 5.01 (including interest of ₹ 2.49) on the grounds that it failed to remit Provident Fund ("PF") on wages for its employees for the period from September 2014 to March 2019 for certain allowances of salary. The Holding Company filed an appeal before the Central Government Industrial Tribunal Cum-Labour Court ("CGIT") challenging the Employees' Provident Fund Organization's ("EPFO") order along with the application under Section 7O of the Act seeking a waiver from pre-deposit of the alleged Provident Fund Contributions till the final disposal of the Appeal. The CGIT, after hearing the submissions made, passed an Order and directed RPFC, not to proceed with the recovery against the Holding Company on depositing 30% of the total amount assessed. The Holding Company, based on the legal counsel's opinion, is of the view that the claim made by the RPFC is not probable, and accordingly no provision is recorded in the financial statement of the year ended March 31, 2025.

e. Other litigations

An erstwhile distributor had filed a First Information Report (FIR) in May 2016 at Uttarpara Police Station, Hooghly District, West Bengal, against certain directors of the Holding Company, their spouses, and other associates, alleging embezzlement of his investment and misappropriation of shares. Pursuant to this, the police had filed a charge sheet. Subsequently, the Holding Company, along with the concerned directors and other parties, filed petitions seeking quashing of the proceedings before the Hon'ble High Court at Calcutta during the financial year ended March 31, 2018. During the current financial year ended March 31, 2025, the Hon'ble High Court at Calcutta, vide its judgment dated June 25, 2024, has quashed all the aforesaid proceedings

(All amounts are in ₹ Crores, unless otherwise stated)

36. FINANCIAL RATIOS

S No.	Ratio	Formula	Particulars		March 31, 2025		March 31, 2024		Ratio as on		Variation	Reason (If variation is more than 25%)
			Numerator	Denominator	Numerator	Denominator	Numerator	Denominator	March 31, 2025	March 31, 2024		
(a)	Current Ratio	Current Assets / Current Liabilities	Current Assets	Current Liabilities	371.12	78.71	363.81	73.30	4.72	4.96	(5.00%)	Nil
(b)	Return on Equity Ratio	Profit after tax x 100 / Average Shareholder's Equity	Net Income= Net Profits after taxes	(Opening Equity share capital & Other equity + Closing Equity share capital & Other equity)/2	5.04	439.24	24.24	428.36	0.01	0.06	(79.72%)	Refer Note (i)
(c)	Inventory Turnover Ratio	Cost of Goods Sold / Average Inventory	Cost of Goods Sold	(Opening Inventory + Closing Inventory)/2	7.13	2.51	6.83	3.65	2.84	1.87	51.81%	Refer Note (ii)
(d)	Trade Receivables Turnover Ratio	Net Credit Sales / Average Trade Receivables	Gross Sales excluding sales Incentives	(Opening Trade Receivables + Closing Trade Receivable)/2	306.86	149.23	323.90	127.19	2.06	2.55	(19.25%)	Nil
(e)	Trade Payables Turnover Ratio	Net Credit Purchases / Average Trade Payables	Net Credit Purchases	(Opening Trade Payables + Closing Trade Payables)/2	6.55	37.41	5.13	44.25	0.18	0.12	51.03%	Refer Note (iii)
(f)	Net Capital Turnover Ratio	Revenue / Average Working Capital	Revenue net of sales Incentives	Average Working Capital= Average of Current assets – Current liabilities	279.53	291.46	291.75	271.02	0.96	1.08	(10.91%)	Nil
(g)	Net Profit Ratio	Net Profit / Net Sales	Profit after tax	Revenue net of sales Incentives	5.04	279.53	24.24	291.75	0.02	0.08	(78.30%)	Refer Note (iv)
(h)	Return on Capital Employed	EBIT / Capital Employed	Income before interest and tax	Capital Employed= Total Assets - Current Liability	1.22	446.33	26.21	439.33	0.00	0.06	(95.42%)	Refer Note (v)
(i)	Return on Investment	Net Income / Net Investment	Interest income on fixed deposit, bond & gain on Mutual funds (Including unrealized gain)	({Opening investment in mutual funds & bonds + fixed deposit}+{closing investment in mutual funds & bonds+ fixed deposit})/2	13.91	199.75	12.40	199.35	0.07	0.06	11.95%	Nil

Notes:

(i) Return on equity ratio has decreased on account of lower profits/income generated in business in current year

(ii) Inventory turnover ratio has increased on account of decrease in closing inventory.

(iii) Trade payable turnover ratio has increased due to decrease in Trade Payable

(iv) Decrease in Net Profit ratio due to decrease in profit after tax.

(v) Decrease in Return on Capital Employed due to decrease in EBIT.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts are in ₹ Crores, unless otherwise stated)

37. PARTICULARS OF UNHEDGED FOREIGN CURRENCY EXPOSURES AS AT THE BALANCE SHEET DATE

	Foreign currency	As at March 31, 2025		As at March 31, 2024	
		In foreign currency	In Indian Rupees	In foreign currency	In Indian Rupees
Bank balances	USD	0.06	4.84	0.03	2.75
	AED	0.02	0.54	0.03	0.61
Cash balances	USD	0.00	0.00	0.00	0.00
Trade receivables	USD	0.11	9.27	0.10	8.41
	AED	0.09	2.13	0.03	0.68
Trade payables	USD	0.00	0.13	0.00	0.04
	AED	0.00	0.01	0.00	0.01
Loans & Advances	AED	0.00	0.01	0.01	0.17
Investment (net)	SGD	0.03	2.20	0.04	2.20

38. (a). Related party disclosures

List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures
Related parties with whom transactions have taken place during the year

Key management personnel	Kailash Katkar, Managing Director (w.e.f. April 25, 2024)
	Sanjay Katkar, Joint Managing Director
	Vishal Salvi, Chief Executive Officer (w.e.f July 03, 2023)
	Ankit Maheshwari, Chief Financial Officer (w.e.f April 26, 2023)
	Navin Sharma, Chief Financial Officer (upto April 18, 2023)
	Sarang Hari Deshpande, Company Secretary (w.e.f October 26, 2023)
	Srinivasa Rao Anasingaraju, Company Secretary (upto July 17, 2023)
	Amitabha Mukhopadhyay , Independent Director
	Apurva Joshi, Independent Director
	Bhushan Gokhale, Independent Director
	Kamal Kumar Agarwal, Independent Director (w.e.f July 26, 2024)
	Richard Stiennon, Independent Director
	Shailesh Lakhani, Non-Executive Director (upto March 31, 2025)
Relatives of key management personnel	Anupama Katkar (wife of Kailash Katkar)
	Chhaya Katkar (wife of Sanjay Katkar)
	Sneha Katkar (daughter of Kailash Katkar)
Enterprises owned by directors or major shareholders	Kailash Sahebrao Katkar HUF
	Sanjay Sahebrao Katkar HUF
	Quick Heal Foundation
	Dreambook Production (OPC) Private Limited
	Dreambook Enterprise LLP
	Gagan Bharari Enterprises LLP (upto January 08, 2025)
	Trixter Cyber Solutions Private Limited
Entities in which directors of the Company holds directorship	Data Security Council of India

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

38. (a). Related party disclosures (Contd.)

Transactions with related parties and year end balances:

Nature of transaction	Name of the related party	Year ended March 31, 2025	Year ended March 31, 2024
Compensation paid to Key Management Personnel and their relatives*	Kailash Katkar	1.62	1.36
	Sanjay Katkar	1.57	1.31
	Vishal Salvi	2.17	1.02
	Navin Sharma	-	0.31
	Ankit Maheshwari	1.14	0.85
	Srinivasa Rao Anasingaraju	-	0.26
	Sarang Hari Deshpande	0.32	0.14
	Anupama Katkar	0.71	0.62
	Sneha Katkar	0.47	0.37
Sub-total		**8.00**	**6.24**
Directors' sitting fees	Amitabha Mukhopadhyay	0.04	0.05
	Apurva Joshi	0.06	0.06
	Bhushan Gokhale	0.04	0.04
	Kamal Kumar Agarwal	0.01	-
	Richard Stiennon	0.02	0.02
Sub-total		**0.17**	**0.17**
Commission to independent directors	Amitabha Mukhopadhyay	0.05	0.08
	Apurva Joshi	0.05	0.08
	Bhushan Gokhale	0.05	0.08
	Kamal Kumar Agarwal	0.05	-
	Richard Stiennon	0.05	0.08
Sub-total		**0.25**	**0.32**
Total		**8.42**	**6.73**

Compensation of key managerial personnel of the Group

	Year ended March 31, 2025	Year ended March 31, 2024
Short-term employee benefits (compensation)	8.00	6.24
Post - employment gratuity benefits	0.66	0.57
Leave benefits	0.05	0.04
Total compensation to key management personnel	**8.71**	**6.85**

* The amounts disclosed in the table are the amounts recognized as an expense during the reporting period related to key management personnel. The remuneration and perquisites on account of ESOP to key management personnel does not include employee stock compensation expense. The amount of performance link incentive to the extent paid till March 31, 2024 is only considered as remuneration Non-executive and independent directors do not receive gratuity entitlements and leave benefits from the Group.

38(b). Managerial remuneration

During the year ended March 31, 2024, due to inadequacy of profits earned by the Holding Company, the remuneration paid to the Managing and Joint Managing Directors of the Holding Company exceeds the limits prescribed under Section 197 of the Companies Act, 2013 read with Schedule V to the Act, by ₹ 1.48 (March 31, 2024: ₹ 0.24). Further, the remuneration paid exceeds the limit prescribed under regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, by ₹ 3.88 (March 31, 2024: ₹ 1.72). The Holding Company has taken requisite approvals from the shareholders at the Annual General Meeting held on September 06, 2024.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

38. (Contd.)

38(c). During the year employee stock options were granted to key managerial personnel. The expenses on account of below share based payment recorded through the year ended March 31, 2025 amounts to ₹ 2.40. (March 31, 2024: ₹ 2.21)

The details of share options held by executive members under the Share Based Payment arrangement to purchase equity shares have the following expiry dates and exercise prices:

Grant Date	Exercise Price	March 31, 2025	March 31, 2024
		Number outstanding	Number outstanding
July 03, 2023	80.00	1,50,000	2,00,000
July 03, 2023	10.00	2,06,250	2,75,000
July 23, 2024	10.00	12,408	-
July 23, 2024	291.00	1,05,500	-

As per the Group policy, the option stands cancel or expire if the employee has not exercised the option within six months from the date of resignation.

Nature of transaction	Name of the related party	Year ended March 31, 2025	Year ended March 31, 2024
CSR contribution	Quick Heal Foundation	0.87	1.82
		0.87	**1.82**
Purchase of Material	Trixter Cyber Solutions Private Limited	-	0.26
		-	**0.26**
Rendering of services	Data Security Council of India	-	0.35
		-	**0.35**
Services received	Data Security Council of India	0.73	0.64
		0.73	**0.64**
Final equity dividend declared and paid for the financial year ended March 31, 2024 and March 31, 2023	Kailash Katkar	2.93	3.90
	Sanjay Katkar	4.68	3.90
	Anupama Katkar	2.89	0.95
	Chhaya Katkar	1.14	0.95
	Sneha Katkar	-	0.00
	Vishal Salvi	0.02	-
	Ankit Maheshwari	0.01	-
		11.67	**9.70**

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. For the year ended March 31, 2024, the Holding Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2023: ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Balance outstanding

Nature of transaction	Name of the related party	As at March 31, 2025	As at March 31, 2024
Commission payable to independent directors	Amitabha Mukhopadhyay	0.05	0.08
	Apurva Joshi	0.05	0.08
	Bhushan Gokhale	0.05	0.08
	Kamal Kumar Agarwal	0.05	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

38. (Contd.)

Nature of transaction	Name of the related party	As at March 31, 2025	As at March 31, 2024
	Richard Stiennon	**0.05**	**0.16**
		0.25	**0.40**
Trade receivables	Data Security Council of India	-	0.08
		-	**0.08**
Trade payables	Trixter Cyber Solutions Private Limited	-	-
	Data Security Council of India	0.04	0.02
		0.04	**0.02**
Director Sitting Fees Payable*	Amitabha Mukhopadhyay	-	-
	Amitabha Mukhopadhyay	-	-
	Apurva Joshi	-	-
	Bhushan Gokhale	-	-
	Kamal Kumar Agarwal	-	-
	Richard Stiennon	-	0.02
		-	**0.02**

* Amount below rounding off norms adopted by the Company.

39. SEGMENT

The Group is engaged in providing security software solutions. The Chief Operating Decision Maker (CODM) reviews the information pertaining to revenue of each of the target customer group (segments) as mentioned below. However, based on similarity of activities/products, risk and reward structure, organisation structure and internal reporting systems, the Group has structured its operations into one operating segment viz. cybersecurity platform and as such there is no separate reportable operating segment as defined by Ind AS 108 "Operating segments". For management purposes, the Group reports the details of operating segments based on the target customer groups as under:

- Consumer
- Enterprise and Government

In accordance with paragraph 4 of Ind AS 108 'Operating segments', the Holding Company has disclosed segment information only on the basis of the consolidated financial statement.

Revenue from operations	Year ended March 31, 2025	Year ended March 31, 2024
India	260.28	272.84
Outside India	19.25	18.91
Total	**279.53**	**291.75**

The revenue information above is based on location of the customers

Non current assets *	As at March 31, 2025	As at March 31, 2024
India	146.64	141.37
Outside India	-	-
Total	**146.64**	**141.37**

* As defined in paragraph 33(b) of the IND AS 108 "operating segments" non current assets excludes financial instruments.

There is no customer who is accounting for more than 10% of the total revenue of the Group.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts are in ₹ Crores, unless otherwise stated)

40. GROUP INFORMATION

List of subsidiaries which are included in the consolidation and the Holding Company's effective holdings therein are as under:

Name of the subsidiary	Country of incorporation / Principle place of business	Financial year ends on	Holding Company's ultimate holding as at		Principal activities
			March 31, 2025	March 31, 2024	
Quick Heal Technologies America Inc.	USA	March 31	100.00%	100.00%	Sale of security software products
Seqrite Technologies DMCC	Dubai	March 31	100.00%	100.00%	Sale of security software products

All the above subsidiaries of the Group are included in these consolidated financial statements.

41. STATUTORY GROUP INFORMATION

Disclosure of additional information pertaining to Holding Company and subsidiaries after elimination:

March 31, 2025

Name of the entity	Net Assets i.e total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Impact (OCI)		Share in Total Comprehensive Income (TCI)	
	Amount	As % of consolidated Net Assets	Amount	As % of consolidated P&L	Amount	As % of consolidated OCI	Amount	As % of TCI
Quick Heal Technologies Limited	441.84	100.08%	5.57	110.52%	(0.36)	124.14%	5.21	109.68%
Quick Heal Technologies America Inc.	0.30	0.07%	0.09	1.79%	-	0.00%	0.09	1.89%
Seqrite Technologies DMCC	0.80	0.18%	0.06	1.19%	-	0.00%	0.06	1.26%
Consolidation elimination and adjustment effect	(1.46)	(0.33%)	(0.68)	(13.49%)	0.07	(24.14%)	(0.61)	(12.84%)
Total	**441.48**	**100.00%**	**5.04**	**100.00%**	**(0.29)**	**100.00%**	**4.75**	**100.00%**

March 31, 2024

Name of the entity	Net Assets i.e total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Impact (OCI)		Share in Total Comprehensive Income (TCI)	
	Amount	As % of consolidated Net Assets	Amount	As % of consolidated P&L	Amount	As % of consolidated OCI	Amount	As % of TCI
Quick Heal Technologies Limited	436.90	99.98%	24.07	99.30%	(13.61)	99.56%	10.46	98.96%
Quick Heal Technologies America Inc.	0.20	0.05%	0.06	0.25%	-	0.00%	0.06	0.57%
Seqrite Technologies DMCC	0.72	0.16%	0.02	0.08%	-	0.00%	0.02	0.19%
Consolidation elimination and adjustment effect	(0.82)	(0.19%)	0.09	0.37%	(0.06)	0.44%	0.03	0.28%
Total	**437.00**	**100.00%**	**24.24**	**100.00%**	**(13.67)**	**100.00%**	**10.57**	**100.00%**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

42. FAIR VALUES

Set out below is a comparison, by class, of the carrying amounts and fair value of the Group's financial instruments.

	Carrying value		Fair value	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Financial assets				
Carried at FVTPL				
Investments in mutual funds (quoted)	172.01	182.51	172.01	182.51
Carried at FVOCI				
Investments in equity instruments	2.03	2.20	2.03	2.20
Investment in Preference shares	-	-	-	-
Carried at amortised cost				
Investment in Tax Free Bonds	5.25	5.25	5.25	5.25
Trade and other receivables	166.73	131.72	166.73	131.72
Cash and cash equivalents	20.84	37.51	20.84	37.51
Other bank balances	0.13	0.25	0.13	0.25
Other financial assets	2.16	2.09	2.16	2.09
Total	**369.15**	**361.53**	**369.15**	**361.53**
Financial liabilities at amortised cost				
Trade and other payables	34.93	39.88	34.93	39.88
Other financial liabilities	1.76	3.82	1.76	3.82
Total	**36.69**	**43.70**	**36.69**	**43.70**

The Group management assessed that the fair value of cash and cash equivalents, trade receivables, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The amortized cost using effective interest rate (EIR) of non-current financial assets consisting of security and term deposits are not significantly different from the carrying amount.

Financial assets that are neither past due nor impaired include cash and cash equivalents, security deposits, term deposits, and other financial assets.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

43. FAIR VALUE HIERARCHY

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included with in Level 1 that the observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data unobservable inputs.

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on a recurring basis as at March 31, 2025 and March 31, 2024.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

43. FAIR VALUE HIERARCHY (Contd.)

Quantitative disclosures fair value measurement hierarchy for assets:

	Date of valuation	Fair Value Measurement using			
		Amount	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at fair value through OCI					
Unquoted Equity Share in L7 Defense limited					
As at March, 31, 2025	March 31, 2025	-	-	-	-
As at March, 31, 2024	March 31, 2024	-	-	-	-
Unquoted Equity Share in Ray Pte. Limited					
As at March, 31, 2025	March 31, 2025	2.03	-	-	2.03
As at March, 31, 2024	March 31, 2024	2.20	-	-	2.20
Unquoted Compulsory Convertible Preference Share in L7 Defense limited					
As at March, 31, 2025	March 31, 2025	-	-	-	-
As at March, 31, 2024	March 31, 2024	-	-	-	-
Financial assets measured at fair value through profit and loss					
Mutual fund and Tax Free bonds investments					
Fair value through profit or loss investments					
As at March, 31, 2025	March 31, 2025	177.69	177.69	-	-
As at March, 31, 2024	March 31, 2024	188.46	188.46	-	-
Investment Property					
As at March, 31, 2025	March 31, 2025	75.91	-	75.91	-
As at March, 31, 2024	March 31, 2024	65.79	-	65.79	-

There have been no transfers among Level 1, Level 2 and Level 3 during the year.

The following methods and assumptions were used to estimate the fair values:

(i) The fair value of the quoted mutual fund are based on the price quotations at reporting date. The fair value of unquoted instruments, related parties and other financial liabilities as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

(ii) The fair values of the unquoted equity and preference shares have been estimated using a discounted cash flow (DCF) model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity and preference investments.

Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the periods ended March 31, 2025 and March 31, 2024:

	Unquoted equity and preference shares
As at April 01, 2023	15.65
Remeasurement recognized in OCI	(13.45)
Purchases	-
Sales	-
As at March 31, 2024	**2.20**
Remeasurement recognized in OCI	(0.17)
Purchases	-
Sales	-
As at March 31, 2025	**2.03**

(All amounts are in ₹ Crores, unless otherwise stated)

43. FAIR VALUE HIERARCHY (Contd.)

Description of significant unobservable inputs to valuation:

The significant unobservable inputs used in the fair value measurements categorized within Level 3 of the fair value hierarchy, together with a quantitative sensitivity analysis as at March 31, 2025 and March 31, 2024 are as shown below:

	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value*
Unquoted equity and preference shares in L7 Defense Limited	Discounted cash flow method			Refer below note (a)
Unquoted equity shares in Ray Pte. Limited	Discounted cash flow method	Weighted average cost of equity	March 31, 2025: 14.00% - 15.00%	1% increase in the WACC would decrease the fair value by ₹ 5.06 and 1% decrease would increase the fair value by ₹ 5.95.
		Long-term growth rate for cash flows	March 31, 2025: 1.00% - 3.00%	1% increase in the growth would increase the fair value by ₹ 4.10 and 1% decrease would decrease the fair value by ₹ 3.53.
		Long-term operating margin	March 31, 2025: 36.78% - 46.78%	5% increase in the margin would increase the fair value by ₹ 6.31 and 5% decrease would decrease the fair value by ₹. 6.31.
Unquoted equity shares in Ray Pte. Limited	Discounted cash flow method	Weighted average cost of equity	March 31, 2024: 15% - 17%	1% increase in the WACC would decrease the fair value by ₹ 3.62 and 1% decrease would increase the fair value by ₹ 4.19.
		Long-term growth rate for cash flows	March 31, 2024: 0.50% - 2.50%	1% increase in the growth would increase the fair value by ₹ 2.41 and 1% decrease would decrease the fair value by ₹ 2.11.
		Long-term operating margin	March 31, 2024: 31.33% - 41.33%	5% increase in the margin would increase the fair value by ₹ 6.86 and 5% decrease would decrease the fair value by ₹. 6.86.

*The above sensitivity analysis for fair value calculation has been derived on the entire Ray Pte. Limited and L7 Defense Limited capital amount of the companies.

(a) Considering the financial position, liquidity condition, market conditions and geopolitical scenario in Israel, management based on its assessment the Holding Company has recorded a fair value loss in other comprehensive income (FVOCI) amounting to ₹ 13.45 in the year ended March 31, 2024. Accordingly, the carrying value of investment made in L7 Defense Limited has been considered as Nil during the year ended March 31, 2025.

44. FINANCIAL INSTRUMENTS RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations and to support its operations. The Group's principal financial assets include investments, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Group does not have borrowings and derivative transactions.

The Group is exposed to market risk, credit risk and liquidity risk. The Board of Directors review and agree policies for managing each of these risks, which are summarised below:managing each of these risks, which are summarised below:

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include deposits, investments, receivables, payables, advances and other financial instruments. From the perspective of the Group, the impact of the foreign currency risk, material price risk, interest rate risk and other price risk is not significant.

The Group has certain financial assets and financial liabilities in foreign currencies which expose the Group to foreign currency risks. The foreign currency exposure of the Group has been disclosed in the consolidated financial statements.

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FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

44. FINANCIAL INSTRUMENTS RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

Foreign currency sensitivity

The Group does not take any steps to hedge the foreign currency exposure as mentioned above as the Management believes that there is natural hedge to some extent and balance exposure not really having significant impact on the financial health of the Group.

	Foreign currency	Exposure In foreign currency	Change in Currency rate	Effect on profit before tax (₹)*	Effect on pre-tax equity (₹)*
March 31, 2025	USD	0.16	2%	0.28	0.28
				(0.28)	(0.28)
	AED	0.11	2%	0.05	0.05
				(0.05)	(0.05)
	SGD	0.03	3%	0.07	0.07
				(0.07)	(0.07)
March 31, 2024	USD	0.13	4%	0.50	0.50
				(0.50)	(0.50)
	AED	0.05	4%	0.05	0.05
				(0.05)	(0.05)
	SGD	0.04	4%	0.11	0.11
				(0.11)	(0.11)

* The effect on profit before tax / pre-tax equity with respect to Investments designated at FVTOCI will be routed through other comprehensive income.

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

Trade receivables

Customer credit risk is managed by the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or gain. The Group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The Group follows simplified approach for recognition of impairment loss allowance on trade receivables.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made with banks in terms of fixed deposits and investment in designated mutual funds. Investment decision in mutual fund is taken with the assistance from appointed agent. Credit risk on cash deposits is limited as we generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Other investments primarily include investment in liquid mutual fund units of reputed companies where historically, the Group has not incurred any loss due to credit risk.

(c) Liquidity risk

The Group had no outstanding bank borrowings as of March 31, 2025 and March 31, 2024. The working capital as at March 31, 2025 was ₹ 292.41 (March 31, 2024: ₹ 290.51) including cash and cash equivalents.

As at March 31, 2025 and March 31, 2024, the outstanding employee obligations were ₹ 17.39 and ₹ 15.57 respectively which have been substantially funded. Accordingly, no significant liquidity risk is perceived.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)
(All amounts are in ₹ Crores, unless otherwise stated)

44. FINANCIAL INSTRUMENTS RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
As at March 31, 2025					
Trade payables	-	20.57	9.97	4.39	34.93
Unpaid Dividend	0.13	-	-	-	0.13
Other financial liabilities		1.63			1.63
Total	**0.13**	**22.20**	**9.97**	**4.39**	**36.69**
As at March 31, 2024					
Trade payables	-	15.86	23.90	0.12	39.88
Unpaid Dividend	0.17	-	-	-	0.17
Other financial liabilities	-	3.65	-	-	3.65
Total	**0.17**	**19.51**	**23.90**	**0.12**	**43.70**

Financial risk management

Capital management

For the purpose of the Group's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the Holding Company. The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder's value. The Group manages its capital and makes adjustments to it in light of the changes in economic and market conditions. The total equity as at March 31, 2025 is ₹ 441.48 (March 31, 2024: ₹437.00).

The Group does not have any debt as on March 31, 2025 and March 31, 2024 and hence there is no debt-equity ratio is computed.

45. AUDIT TRAIL

The Group has used an accounting software, for maintaining its books of account which has a feature of recording audit trail (edit log) facility, except during the year ended in March 31, 2025 and March 31, 2024 audit trail feature was not enabled at the data base level, in respect of Accounting Software to log any changes at Database level. Further, the audit trail facility has been operated with effect from April 19, 2024 for all relevant transactions recorded in the accounting software, except at the database level.

Further, no instance of audit trail feature being tampered with was noted in respect of the accounting software where enabled. Additionally, the audit trail of the preceding year has been preserved by the Group as per the statutory requirements for record retention to the extent it was enabled and recorded in the accounting software.

46. DETAILS OF BENAMI PROPERTY HELD

The Group does not have any Benami property, where any proceeding has been initiated or pending against the group for holding any Benami property.

47. WILFUL DEFAULTER

None of the entities in the Group have been declared wilful defaulter by any bank or financial institution or government or any government authority.

48. RELATIONSHIP WITH STRUCK OFF COMPANIES UNDER SECTION 248 OF THE COMPANIES ACT, 2013 OR SECTION 560 OF COMPANIES ACT, 1956

The Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

49. COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(All amounts are in ₹ Crores, unless otherwise stated)

50. LOANS OR ADVANCES IN THE NATURE OF LOANS ARE GRANTED TO PROMOTERS, DIRECTORS, KMPS AND THE RELATED PARTIES (AS DEFINED UNDER COMPANIES ACT, 2013), EITHER SEVERALLY OR JOINTLY WITH ANY OTHER PERSON, THAT ARE

The Group has not granted any loans or advances in the nature of loans to promoters, directors and KMPs, either severally or jointly with any other person.

51. UNDISCLOSED INCOME

The Group does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (and previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

52. THE CODE ON SOCIAL SECURITY 2020

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labor and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.

The Group will assess the impact of the Code and will give appropriate impact in the consolidated financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.

53.

Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS and as required by Schedule III of the Act.

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration Number: 105047W

For and on behalf of the Board of Directors of
Quick Heal Technologies Limited
CIN: L72200MH1995PLC091408

Sd/-	Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
Shraddha D Khivasara	**Kailash Katkar**	**Sanjay Katkar**	**Vishal Salvi**	**Ankit Maheshwari**	**Sarang Hari Deshpande**
Partner	Chairman & Managing Director	Joint Managing Director	Chief Executive Officer	Chief Financial Officer	Company Secretary
Membership Number: 134285	DIN: 00397191	DIN: 00397277			Regs. No. ACS-18613
Place: Pune	Place: Pune	Place: Pune	Place: Pune	Place: Pune	Place: Pune
Date: May 06, 2025	Date: May 06, 2025	Date: May 06, 2025	Date: May 06, 2025	Date: May 06, 2025	Date: May 06, 2025

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Website: www.quickheal.co.in