

Ref No.: QHTL/Sec/SE/2017-18/19

12th May, 2017

The Manager,
Corporate Services,
BSE Limited,
14th floor, P J Towers, Dalal Street,
Mumbai - 400 001
Ref: Security ID: QUICKHEAL
Security Code: 539678

The Manager,
Corporate Services,
National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai - 400 051
Symbol: QUICKHEAL
Series: EQ

Subject: Outcome of Board Meeting 12th May 2017

Dear Sir / Madam,

We wish to inform you that the Board of Directors at its meeting held on 12th May 2017 which commenced at 11.30 am and concluded at 6.00 pm, has approved following:

1. Audited Financial Results of the Company for the financial year ended 31st March 2017 both Standalone and consolidated.
2. A copy of the Press Release being issued in respect of aforesaid financial results.
3. Pursuant to Regulation 33 of SEBI Regulations, we have enclosed herewith Audit Report for the audited financial results both standalone and consolidated for the financial year ended 31st March 2017 (including Form A for both standalone and consolidated) from our Statutory Auditors M/s S R B C & CO LLP, Chartered Accountants.
4. The Board has also recommended final dividend of Rs. 2.50/- per share for the financial year ended 31st March 2017.

This is for your information and records.

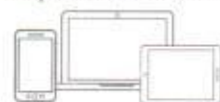
For Quick Heal Technologies Limited

Vijay Shirode
Company Secretary

Encl: As Above



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SMARTPHONES · COMPUTERS · TABLETS

STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2017

Sr. No.	Particulars	Standalone				Consolidated	
		Quarter ended		Year ended		Year ended	
		March 31, 2017 (Audited) (Refer note 2)	December 31, 2016 (Unaudited) (Refer note 2)	March 31, 2016 (Refer note 2)	March 31, 2017 (Audited)	March 31, 2016 (Audited)	March 31, 2017 (Audited)
	Income						
1	a) Revenue from operations	918.85	531.93	1,116.66	2,990.22	2,984.90	2,999.73
	b) Finance income	56.86	64.94	24.91	244.20	65.41	244.20
	c) Other income	2.00	10.74	13.19	33.56	65.41	40.31
	Total income (a+b+c)	977.71	607.61	1,154.76	3,267.98	3,079.36	3,284.24
2	Expenses						
	a) Cost of raw materials consumed	3.96	2.32	5.27	14.02	12.79	19.43
	b) Purchase of security software products	42.79	27.54	46.26	126.99	120.55	128.56
	c) Changes in inventories of security software products	(7.43)	(6.89)	0.98	(9.18)	10.25	(4.10)
	d) Employee benefits expense	247.33	249.08	232.89	987.62	835.25	1,028.05
	e) Depreciation and amortisation expense	81.59	75.63	63.16	308.67	236.78	309.44
	f) Other expenses	249.49	211.02	269.87	898.31	938.07	926.35
	Total expenses (a+b+c+d+e+f)	617.73	558.70	608.43	2,326.43	2,153.69	2,407.73
3	Profit before exceptional items and tax (2-3)	359.98	48.91	546.33	941.55	925.67	876.51
4	Exceptional items (refer note 8)	-	6.35	-	44.13	-	37.80
5	Profit before tax (3-4)	359.98	42.58	546.33	897.42	925.67	838.71
6	Tax expense						
	Current tax	127.90	27.25	200.77	317.56	324.61	318.27
	Pertaining to profit for the current year	0.52	(2.47)	(1.72)	(1.72)	(1.72)	(1.72)
	Adjustments of tax relating to earlier periods	(4.76)	(8.35)	(28.06)	(10.11)	(22.72)	(10.11)
	Deferred tax	123.66	16.43	172.71	305.73	301.89	306.44
	Total tax expense	236.32	26.15	373.62	591.69	623.78	532.27
7	Profit for the year (5-6)	123.66	16.43	172.71	305.73	301.89	306.44
8	Other comprehensive income, net of tax						
	Other comprehensive income not to be reclassified to profit or loss in subsequent periods:						
	Re-measurement of defined benefits plans	2.38	0.45	(0.01)	1.12	(0.28)	1.12
	Net (loss) or gain on FVTOCI assets	0.10	-	4.62	(3.45)	4.63	(3.45)
	Other comprehensive income to be reclassified to profit or loss in subsequent periods:						
	Exchange differences on translation of foreign operations	-	-	-	-	-	(8.02)
	Total other comprehensive income	2.48	0.45	4.61	(2.33)	4.35	(10.35)
9	Total comprehensive income (after tax) (7+8)	126.14	16.88	177.32	303.40	306.24	296.09
10	Paid-up equity share capital (face value of INR 10 each)	701.02	700.92	700.30	701.02	700.30	701.02
11	Reserves excluding revaluation reserves as per balance sheet of previous accounting year				6,089.44	5,699.67	5,915.43
12	Earnings per share of INR 10 each:						
	(before and after extraordinary items) (not annualised for the quarter)						
	a) Basic	3.37	0.37	5.66	8.45	10.00	7.60
	b) Diluted	3.35	0.37	5.65	8.40	9.98	7.55



QUICK HEAL TECHNOLOGIES LIMITED

Regd. Office : Marvel Edge, Office No. 7010 C & D, 7th Floor, Opposite Neco Garden Society, Viman Nagar, Pune - 411014

CIN: L72200MH1995PLC091408

AUDITED STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2017

(INR in million)

	Standalone		Consolidated	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Assets				
Non-current assets				
(a) Property, plant and equipment	1,780.66	1,321.55	1,782.23	1,323.54
(b) Capital work-in-progress	135.89	550.21	135.89	550.58
(c) Intangible assets	65.12	93.74	65.39	93.74
(d) Financial assets				
(i) Investments	361.57	170.13	66.66	40.08
(ii) Loans and security deposits	4.50	1.52	4.50	1.52
(iii) Other financial assets	2.07	5.29	1.83	2.00
(e) Deferred tax assets (net)	87.30	77.80	87.30	77.80
(f) Other non-current assets	244.79	177.52	244.79	177.38
	2,681.90	2,397.76	2,388.59	2,266.64
Current assets				
(a) Inventories	72.22	53.68	79.40	66.69
(b) Financial assets				
(i) Investments	1,750.82	1,113.21	1,750.82	1,113.21
(ii) Trade and other receivables	949.90	969.11	971.83	923.81
(iii) Cash and cash equivalents	501.16	1,107.22	592.54	1,167.24
(iv) Bank balances other than (iii) above	1,501.16	1,523.30	1,501.16	1,523.30
(v) Loans and security deposits	5.38	68.87	6.21	70.19
(vi) Interest accrued and share issue expenses recoverable	8.73	18.73	8.73	18.73
(c) Other current assets	33.85	23.04	35.96	23.48
	4,823.22	4,877.16	4,946.65	4,906.65
Total assets	7,505.12	7,274.92	7,335.24	7,173.29
Equity and liabilities				
Equity				
(a) Equity share capital	701.02	700.30	701.02	700.30
(b) Share application money pending allotment	0.06	-	0.06	-
(c) Other equity				
(i) Retained earnings	3,299.40	2,917.32	3,132.04	2,809.39
(ii) Securities premium account	2,297.36	2,291.14	2,297.36	2,291.14
(iii) Amalgamation reserve	26.45	26.45	26.45	26.45
(iv) General reserve	450.26	450.26	450.26	450.26
(v) Other reserves	15.97	14.50	9.42	15.97
Total equity	6,790.52	6,399.97	6,616.61	6,293.51
Liabilities				
Non-current liabilities				
(a) Net employee defined benefit liabilities	22.73	18.34	22.73	18.34
	22.73	18.34	22.73	18.34
Current liabilities				
(a) Financial liabilities				
(i) Trade and other payables	406.02	506.07	408.96	509.85
(ii) Other financial liabilities	13.16	10.25	13.16	10.25
(b) Other current liabilities	135.79	159.71	136.25	160.76
(c) Net employee defined benefit liabilities	14.42	14.79	14.42	14.79
(d) Current tax liabilities (net)	122.48	165.79	123.11	165.79
	691.87	856.61	695.90	861.44
Total liabilities	714.60	874.95	718.63	879.78
Total equity and liabilities	7,505.12	7,274.92	7,335.24	7,173.29



QUICK HEAL TECHNOLOGIES LIMITED

Regd. Office: Marvel Edge, Office No. 7010 C & D, 7th Floor, Opposite Neco Garden Society, Viman Nagar, Pune - 411014
CIN: L72200MH1995PLC091408

STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2017

1 The above financials results for the year ended March 31, 2017 have been subjected to statutory audit by the auditors of the Company and reviewed by the Audit Committee and approved by the Board of Directors of the Company at the respective meetings held on May 11, 2017 and May 12, 2017 respectively.

2 The Company has adopted Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs with effect from April 01, 2016 and accordingly, the transition was carried out, from the Accounting Principles generally accepted in India as specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 ("previous GAAP"), in accordance with Ind AS 101 - First time adoption of Indian Accounting Standards. Accordingly, the impact of transition has been recorded in opening reserves as at April 1, 2015 and the periods presented have been restated.

The figures for the quarters ended March 31, 2017 and March 31, 2016, as reported in the financial results, are the balancing figures between the audited figures in respect of the full financial year and published figures of nine months ended December 31, 2016 and December 31, 2015 respectively. The figures for the quarter and nine months ended December 31, 2016 has been subjected to limited review by the statutory auditors. As the Company got listed on February 18, 2016, the Statement was drawn in accordance with Regulation 33 of SEBI LODR Regulations, 2015 for the first time for the quarter and year ended March 31, 2016. The figures for the quarter and nine months ended December 31, 2015, which was not liable to be published was prepared by the management. Those figures were prepared to give a true and fair view and were not subjected to any limited review or audit. Accordingly, the standalone figures for the corresponding quarter ended March 31, 2016 has been compiled by the management and has not been subjected to any review or audit by us.

3 The Company has also prepared a reconciliation of the standalone net profit for the quarter and year ended March 31, 2016 and consolidated net profit for the year ended March 31, 2016 under previous GAAP with the total comprehensive income as reported in these financial results under Ind AS. The net profit reconciliation is presented below:

Sr. No.	Particulars	(INR in million)			Notes
		Standalone	Consolidated		
		Quarter ended March 31, 2016	Year ended March 31, 2016 (Audited)	Year ended March 31, 2016 (Audited)	
A	Net profit under previous GAAP	383.42	628.61	584.00	
B	Effects of transition to Ind AS on Statement of profit and loss:				
(a)	On account of adjustment of deferral of income as per Ind AS 18 (net)	(22.49)	(2.96)	(2.96)	
(b)	On account of measuring investments at fair value through profit and loss (FVTPL)	6.51	0.98	0.98	(a)
(c)	On account of reclassification of actuarial gain or loss arising in respect of defined benefit plans	0.02	0.42	0.42	
(d)	On account of remeasurement of stock compensation expenses at fair value	(0.65)	(2.87)	(2.87)	
(e)	Deferred tax on above adjustments (net)	6.81	(0.40)	(0.49)	
C	Net profit after tax for the period under Ind AS	373.62	623.78	579.08	
D	Other comprehensive income (net of tax)	4.61	4.35	4.49	(b)
E	Total comprehensive income	378.23	628.13	583.57	

Notes:

a) Under previous GAAP, current investments were stated at lower of cost and fair value. Under Ind AS, these financial assets have been classified as FVTPL on the date of transition and fair value changes has been recognised in the statement of profit and loss.

b) Other comprehensive income ("OCI") for the quarter and year ended March 31, 2016 includes actuarial gain or loss arising in respect of defined benefit plans. It also includes fair value gain on investments through OCI.

4 Reconciliation of Equity, as reported under previous GAAP to Ind AS for earlier periods is as follows:

Sr. No.	Particulars	(INR in million)			
		Standalone	Consolidated		
		As at March 31, 2016 (Audited)	As at April 1, 2015	As at March 31, 2016 (Audited)	As at April 1, 2015
A	Equity as reported under previous GAAP	6,175.63	3,376.31	6,069.17	3,314.40
B	Effect of transition to Ind AS				
(a)	On account of measuring equity instrument through OCI	5.93	(0.21)	5.93	(0.21)
(b)	On account of proposed dividend including dividend distribution tax	210.72	485.11	210.72	485.11
(c)	On account of measuring investments at FVTPL	29.23	28.25	29.23	28.25
(d)	On account of adjustment of deferral of income as per Ind AS 18 (net)	(27.72)	(24.76)	(27.72)	(24.76)
(e)	Deferred tax on above adjustments (net)	6.18	7.95	6.18	7.95
	Total of effects of transition to Ind AS	224.34	496.34	224.34	496.34
C	Equity as reported under Ind AS	6,399.97	3,872.65	6,293.51	3,810.74

5 During the current year and earlier years, the Company has received two statement of demands of service tax under the provisions of Finance Act, 1994 for INR 846.06 million (excluding penalty of INR 589.26 million) covering the period from March 01, 2011 to March 31, 2015 on supply of anti-virus software in Compact Disk. The Company had filed an appeal with Customs, Excise and Service Tax Appellate Tribunal, New Delhi against one of the demand and is in the process of filing an appeal against the second demand with the appropriate authorities. Based on a technical circular issued by the government authorities and an independent legal opinion, the Company is confident of getting this claim set aside and accordingly no provision has been considered necessary in this regard and also for the subsequent period till March 31, 2017.

6 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) viz. retail, enterprise & government and mobile. 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. anti-virus and as such there is no separate reportable operating segment as defined by Ind AS 108 "Operating segments".

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STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2017

7 Adjustment to Income from operations is as follows:

		(INR in million)						
Sr. No.	Particulars	Standalone				Consolidated		
		Quarter ended		Year ended		Year ended		
		March 31, 2017	December 31, 2016	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
a)	Income from operations (gross)	1,030.08	576.47	1,322.06	3,309.20	3,383.61	3,313.75	3,377.73
b)	Less: Adjustment pertaining to: Sales incentive and promotional expenses (including channel spends) and multiple element contracts	111.23	44.54	205.40	314.02	356.83	314.02	356.83
	Income from operations (net)	918.85	531.93	1,116.66	2,990.22	2,984.90	2,999.73	3,020.90

8 Exceptional item for the year ended March 31, 2017 represents impairment of financial assets (Loan and interest receivable) of INR 37.80 million and impairment of investment in subsidiary (i.e. 'Quick Heal Technologies MENA FZE') amounting to INR 6.33 million (Exceptional item for the quarter ended December 31, 2016).

9 The Board of Directors have recommended the dividend of INR 2.50 per equity share of the face value of INR 10.00 per share aggregating to INR 210.93 million (including dividend distribution tax) for the year ended March 31, 2017. The payment of dividend is subject to approval of the shareholders at the ensuing Annual General Meeting of the Company.

10 Previous period's figures have been regrouped / reclassified, wherever necessary, to conform to the current period's classification / disclosures.







For and on behalf of the Board of Directors

Kailash Katkar
 Kailash Katkar
 Managing Director
 & Chief Executive Officer

Place: Pune
 Date: May 12, 2017

Compliance under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Form A (for audit report with unmodified opinion)

1	Name of the Company	Quick Heal Technologies Limited
2	Annual financial statements for the year ended	31 st March 2017 (Standalone)
3	Type of audit observation	<p>Un-modified Included Emphasis of Matter as stated below:</p> <p>We draw attention to note 5 of the Statement, wherein it is stated that the Company had received statement of demands of service tax under the provision of Finance Act, 1994 for INR 846.06 million (excluding penalty of INR 589.26 million) for the period from March 01, 2011 to March 31, 2015 and as more fully discussed therein and based on matter stated therein including legal opinion obtained by the Company, no provision has been considered by the management in these statements including similar liability for the subsequent period till March 31, 2017. Our conclusion is not qualified in respect of this matter.</p>
4	Frequency of observation	Not applicable
5	<p>To be signed by -</p> <p>1. Mr. Kailash Katkar Managing Director & CEO</p> <p>2. Mr. Rajesh Ghonasgi Chief Financial Officer</p> <p>3. Mr. Sunil Sethy Audit Committee Chairman</p> <p>4. Mr. Tridevlal Khandelwal Partner Membership Number: 501160 S R B C & CO LLP Chartered Accountants ICAI Firm Registration Number: 324982E/E300003</p>	   

Pune, 12th May 2017

Auditor's Report On Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
Board of Directors of
Quick Heal Technologies Limited,

1. We have audited the accompanying statement of quarterly standalone financial results of Quick Heal Technologies Limited ('the Company') for the quarter ended March 31, 2017 and for the year ended March 31, 2017, ('the Statement') attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. The quarterly standalone financial results are the derived figures between the audited figures in respect of the year ended March 31, 2017 and the published year-to-date figures up to December 31, 2016, being the date of the end of the third quarter of the current financial year, which were subject to limited review. The standalone financial results for the quarter ended March 31, 2017 and year ended March 31, 2017 have been prepared on the basis of the standalone Ind AS financial results for the nine-month period ended December 31, 2016, the audited annual standalone Ind AS financial statements as at and for the year ended March 31, 2017, and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, which are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these standalone financial results based on our review of the standalone financial results for the nine-month period ended December 31, 2016 which was prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34 Interim Financial Reporting, specified under Section 133 of the Companies Act 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India; our audit of the annual standalone Ind AS financial statements as at and for the year ended March 31, 2017; and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us, these quarterly standalone financial results as well as the year to date results:
 - i. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, in this regard; and
 - ii. give a true and fair view of the net profit and other financial information for the quarter ended March 31, 2017 and for the year ended March 31, 2017.



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S R B C & CO LLP

Chartered Accountants

4. Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2017 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2017 and the published year-to-date figures up to December 31, 2016, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
5. We draw attention to note 5 of the Statement, wherein it is stated that the Company had received statement of demands of service tax under the provision of Finance Act, 1994 for INR 846.06 million (excluding penalty of INR 589.26 million) for the period from March 01, 2011 to March 31, 2015 and as more fully discussed therein and based on matter stated therein including legal opinion obtained by the Company, no provision has been considered by the management in these statements including similar liability for the subsequent period till March 31, 2017. Our conclusion is not qualified in respect of this matter.
6. We draw attention to note 2 of the Statement and we report that the unaudited standalone figures for the corresponding quarter ended March 31, 2016 has been compiled by the management and has not subjected to any review or audit by us. Our conclusion is not qualified in respect of this matter.

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

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



per **Trideval Khandelwal**

Partner

Membership Number: 501160

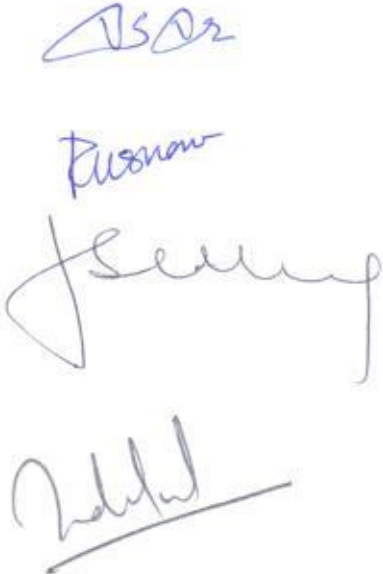
Place of Signature: Pune

Date: May 12, 2017



Compliance under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Form A (for audit report with unmodified opinion)

1	Name of the Company	Quick Heal Technologies Limited
2	Annual financial statements for the year ended	31 st March 2017 (Consolidated)
3	Type of audit observation	<p>Un-modified Included Emphasis of Matter as stated below:</p> <p>We draw attention to note 5 of the Statement, wherein it is stated that the Company had received statement of demands of service tax under the provision of Finance Act, 1994 for INR 846.06 million (excluding penalty of INR 589.26 million) for the period from March 01, 2011 to March 31, 2015 and as more fully discussed therein and based on matter stated therein including legal opinion obtained by the Company, no provision has been considered by the management in these statements including similar liability for the subsequent period till March 31, 2017. Our conclusion is not qualified in respect of this matter.</p>
4	Frequency of observation	Not applicable
5	<p>To be signed by -</p> <p>1. Mr. Kailash Katkar Managing Director & CEO</p> <p>2. Mr. Rajesh Ghonasgi Chief Financial Officer</p> <p>3. Mr. Sunil Sethy Audit Committee Chairman</p> <p>4. Mr. Tridevlal Khandelwal Partner Membership Number: 501160 S R B C & CO LLP Chartered Accountants ICAI Firm Registration Number: 324982E/E300003</p>	

Pune, 12th May 2017

Auditor's Report On Consolidated Year to Date Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
Board of Directors of
Quick Heal Technologies Limited

1. We have audited the accompanying statement of consolidated financial results of Quick Heal Technologies Limited ('the Company'), comprising its subsidiaries (together, 'the Group'), for the year ended March 31, 2017, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. The consolidated financial results for the year ended March 31, 2017 have been prepared on the basis of the audited annual consolidated Ind AS financial statements as at and for the year ended March 31, 2017 and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, which are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these consolidated financial results based on our audit of the annual consolidated Ind AS financial statements as at and for the year ended March 31, 2017 which was prepared in accordance with the applicable accounting standards and other accounting principles generally accepted in India and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us, these consolidated financial statements for the year:
 - i. include the year-to-date results of the following entities
 - a. Quick Heal Technologies Limited, Kenya
 - b. Quick Heal Technologies (MENA) FZE, UAE
 - c. Quick Heal Technologies America Inc., USA
 - d. Quick Heal Technologies Japan K. K., Japan
 - e. Seqrite Technologies DMCC, UAE
 - ii. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 in this regard; and
 - iii. give a true and fair view of the consolidated net profit and other financial information for the consolidated year to date results for the year ended March 31, 2017.

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SRBC & CO LLP

Chartered Accountants

4. We did not audit the financial statements and other financial information, in respect of five subsidiaries, whose Ind AS financial statements include total assets of INR 153.41 million and net assets of INR 138.04 million as at March 31, 2017, and total revenues of INR 44.83 million for the year ended on that date and net cash inflows of INR 31.11 million for the year ended on that date. These Ind AS financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion, in so far as it relates to the affairs of such subsidiaries is based solely on the report of other auditors. Our opinion is not qualified in respect of this matter.
5. We draw attention to note 5 of consolidated financial results wherein it is stated that the Company has received statements of demands of service tax under the provision of Finance Act, 1994 for INR 846.06 million (excluding penalty of INR 589.26 million) for the period from March 01, 2011 to March 31, 2015 and as more fully discussed therein and based on matter stated therein including legal opinion obtained by the Company, no provision has been considered by the management in these statements including similar liability for the subsequent period till March 31, 2017. Our conclusion is not qualified in respect of this matter.

For SRBC & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



per Pradevlal Khandelwal

Partner

Membership No.: 501160

Place of Signature: Pune

Date: May 12, 2017



FOR IMMEDIATE RELEASE
May 12th, 2017

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Quick Heal Technologies Limited reports its FY17 Results Stable Profitability & Improved Operating Cash Flow on YoY basis

FY17 – Consolidated Results

- Cash PAT increased by 8% on YoY basis to Rs 879.5 million
- Revenues marginally declined by 0.7% on YoY basis at Rs 2,999.7 million
- Despite the impact of demonetisation, EBITDA stands at Rs 901.4 million
- PAT excl. exceptional item stands at Rs 570.0 million

Q4 FY17 – Consolidated Results

- Revenues declined by 18% on YoY basis to Rs 921.7 million
- EBITDA declined by 35% on YoY basis to Rs 365.8 million
- PAT declined by 39% on YoY basis to Rs 221.9 million

PUNE, May 12th, 2017: Quick Heal Technologies Limited ("Quick Heal"), India's leading IT Security Software Products and Solutions provider, reported the audited results for the fourth quarter and full financial year ending 31st March, 2017.

Key Highlights

Consolidated Results (Rs Million)	Q4 FY17	Q4 FY16	YoY %	FY17	FY16	YoY %
Revenue	921.7	1,123.7	-17.98%	2,999.7	3,020.9	-0.7%
EBIDTA	365.8	558.7	-34.53%	901.4	1,019.2	-11.6%
EBITDA Margin %	39.69%	49.72%	-1004 bps	30.05%	33.74%	-369 bps
PAT excl. Exceptional Item	221.9	364.7	-39.16%	570	579.2	-1.6%
PAT Margin %	24.08%	32.46%	-838 bps	19.00%	19.17%	-17 bps
EPS (Rs)	3.17	5.2	-39.04%	7.6	9.29	-18.2%

- Revenue from retail, enterprise & government and mobile segments accounted for 80.3%, 17.1% and 2.6% of total revenues respectively in FY17. Enterprise & Government vertical has clocked a YoY growth. On an average, the vertical acquired 17 new clients every day.
- Number of licenses sold during FY17 was 6,222K. Licenses sold to retail, enterprise & government and mobile segments were 5,183K, 913K and 126K respectively in FY17. Mobile vertical clocked a robust growth in customer acquisition.
- Revenue from retail, enterprise & government and mobile segments accounted for 79.6%, 18.2% and 2.2% of total revenues respectively in Q4 FY17.

- Number of licenses sold during Q4 FY17 was 1,913K. Licenses sold to retail, enterprise & government and mobile segments were 1,632K, 261K and 20K respectively in Q4 FY17.
- The Board of Directors have recommended the dividend of Rs 175.26 million (Excluding Dividend Distribution Tax) for FY16-17, translating into dividend of Rs 2.5 per equity share with face value of Rs 10, with a dividend pay-out ratio of 30.74 % of PAT excl. exceptional item.

Kailash Katkar, Managing Director & Chief Executive Officer, Quick Heal Technologies Limited, said; *"The business environment was challenging during the fourth quarter as our distributor-retailer operations saw gradual stabilisation. While this led to decline in retail segment revenues, our enterprise & government and mobile segment revenues saw healthy growth. We witnessed good traction in new customer additions in enterprise & government segment. Our overall active licenses grew by 7% YoY to over 7.8 million as on March 2017. For the full year FY17, we recorded stable revenues on YoY basis and maintained strict control on operating costs, leading to higher cash profit generation. We continue to maintain a positive outlook for coming year backed by an increasing need of robust IT security solutions in India. With our committed efforts on Research & Development, we shall continue to deliver high quality IT security products & features which can effectively deal with the fast-evolving cyber security landscape in India & globally."*

Key Achievements / Developments in FY17:

- Seqrite EPS and Quick Heal Total Security received '**Top Product**' rating by **AV-TEST**
- Quick Heal Technologies Limited received **Top Trademark Driven Industry** award by CII in its Industrial Intellectual Property Awards
- Quick Heal Technologies Limited collaborated with Indian Computer Emergency Response Team, also referred as CERT-In for its 'Cyber Swachhta Kendra'. CERT-In provided Quick Heal's 'Bot Removal tool' free of cost to its users.
- Received '**Best Make in India Brand**' award at 14th VARINDIA IT Forum
- Received 12th Annual Info Security PG's 2016 Global Excellence Awards, USA
 - Gold Winner for Product Development/Management Executive of the year
 - Silver Winner in the category of Security Products and Solutions for Small Businesses and SOHO
- Received ICSA Labs '**Excellence in Information Security Testing**' Award for the 5th consecutive year

About Quick Heal Technologies Limited

Quick Heal Technologies Limited is one of the leading providers of security software products and solutions in India. Incorporated in 1995 with a registered office in Pune, Quick Heal has 1,374 employees and a network of over 15,093 retail channel partners, 491 enterprise channel partners, 102 Government partners and 1,660 mobile channel partners as on 31st March 2017. It conducts sales and marketing activities out of 63 offices and warehouses across 35 cities in India and, through its subsidiaries that are present in Japan, Dubai, the United States of America, and Kenya.

Quick Heal's portfolio includes solutions under the widely recognized brand names 'Quick Heal' and 'Seqrite' across various operating systems and devices. Quick Heal currently has over 7.8 million active licenses spread across more than 80 countries as on 31st March 2017.