Quick Heal
Security Simplified

Quick Heal Technologies Ltd.
(Formerly Known as Quick Heal Technologies Pvt. Ltd.)
Regd. Office: Marvel Edge, Office No. 7010 C & D,
7th Floor, Viman Nagar, Pune 411014.
Tel: +91 20 66813232 | Email: info@quickheal.com
~~CIN - U72200MH1995PLC091408~~
NEW CIN-L72200MH1995PLC091408

Ref No.: QHTL/Sec/SE/2017-18/63

10th November, 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 on 10th November, 2017

Dear Sir / Madam,

We wish to inform you that the Board of Directors at its meeting held on 10th November, 2017 which commenced at 11:30 am and concluded at 03:15 pm, has approved the following:

1. Financial Results of the Company for the quarter and half year ended 30th September, 2017.

2. Pursuant to Regulation 33 of SEBI Regulations, we have enclosed herewith Limited Review Report for the Unaudited Standalone Financial Results of the Company for the quarter and half year ended 30th September, 2017, from our Statutory Auditors, M/s S R B C & CO LLP, Chartered Accountants.

A copy of the Press Release being issued in respect of aforesaid financial results.

This is for your information and records.

For Quick Heal Technologies Limited

Raghav Mulay
Company Secretary

Encl: As Above

Quick Heal Technologies Limited (Formerly known as Quick Heal Technologies Pvt. Ltd.) Pune

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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 STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2017

(INR in million)

Sr. No	Particulars	Quarter ended			Six month ended		Year ended
		September 30, 2017 (Unaudited)	June 30, 2017 (Unaudited)	September 30, 2016 (Unaudited)	September 30, 2017 (Unaudited)	September 30, 2016 (Unaudited)	March 31, 2017 (Audited)
1	**Income**						
	Revenue from operations (Refer note 4)	1,045.32	297.22	1,064.30	1,342.54	1,539.44	2,990.22
	Other income	56.94	54.63	69.06	111.57	143.22	277.76
	Total income	**1,102.26**	**351.85**	**1,133.36**	**1,454.11**	**1,682.66**	**3,267.98**
2	**Expenses**						
	Cost of raw materials consumed	1.59	2.40	3.91	3.99	7.74	14.02
	Purchase of security software products	17.22	7.53	40.14	24.75	56.66	126.99
	Changes in inventories of security software products	22.64	(0.23)	6.61	22.41	5.14	(9.18)
	Employee benefits expense	256.93	255.72	253.85	512.65	491.21	987.62
	Depreciation and amortisation expense	67.63	64.10	77.57	131.73	151.45	308.67
	Other expenses	144.02	189.70	203.84	333.72	437.80	898.31
	Total expenses	**510.03**	**519.22**	**585.92**	**1,029.25**	**1,150.00**	**2,326.43**
3	**Profit / (loss) before exceptional items and tax (1-2)**	**592.23**	**(167.37)**	**547.44**	**424.86**	**532.66**	**941.55**
4	Exceptional items	-	-	-	-	37.80	44.13
5	**Profit / (loss) before tax (3-4)**	**592.23**	**(167.37)**	**547.44**	**424.86**	**494.86**	**897.42**
6	**Tax expense**						
	Current tax						
	Pertaining to profit for the current period	179.11	(52.00)	181.84	127.11	162.41	317.56
	Adjustments of tax relating to earlier periods	-	-	-	-	0.23	(1.72)
	Deferred tax	20.40	(4.52)	2.50	15.88	3.00	(10.11)
	Total tax expense	**199.51**	**(56.52)**	**184.34**	**142.99**	**165.64**	**305.73**
7	**Profit / (loss) for the period (5-6)**	**392.72**	**(110.85)**	**363.10**	**281.87**	**329.22**	**591.69**
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 benefit plans	2.55	(2.42)	(2.20)	0.13	(1.71)	1.12
	Net (loss) or gain on FVTOCI assets	-	-	-	-	(3.55)	(3.45)
	Total other comprehensive income	**2.55**	**(2.42)**	**(2.20)**	**0.13**	**(5.26)**	**(2.33)**
9	**Total comprehensive income (after tax) (7+8)**	**395.27**	**(113.27)**	**360.90**	**282.00**	**323.96**	**589.36**
10	**Earnings per share of INR 10 each:** (not annualised except for the year ended March 31, 2017)						
	a) Basic	5.60	(1.58)	5.18	4.02	4.70	8.45
	b) Diluted	5.58	(1.57)	5.15	4.00	4.67	8.40

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STATEMENT OF STANDALONE ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2017

(INR in million)

Particulars	As at September 30, 2017 (Unaudited)	As at March 31, 2017 (Audited)
Assets		
Non-current assets		
(a) Property, plant and equipment	1,715.39	1,780.66
(b) Capital work-in-progress	133.01	135.89
(c) Intangible assets	51.14	65.12
(d) Investments in subsidiaries	300.34	294.91
(e) Financial assets		
(i) Investments in others	66.66	66.66
(ii) Loans and security deposits	3.17	4.50
(iii) Other financial assets	3.68	2.07
(f) Deferred tax assets (net)	71.35	87.30
(g) Non-current tax assets (net)	33.79	198.67
(h) Other non-current assets	22.31	46.12
	2,400.84	**2,681.90**
Current assets		
(a) Inventories	53.32	72.22
(b) Financial assets		
(i) Investments	2,501.78	1,750.82
(ii) Trade and other receivables	613.76	949.90
(iii) Cash and cash equivalents	159.95	501.16
(iv) Bank balances other than (iii) above	1,566.59	1,501.16
(v) Loans and security deposits	6.73	5.38
(vi) Interest accrued and share issue expenses recoverable	28.34	8.73
(c) Other current assets	39.65	33.85
	4,970.12	**4,823.22**
Total assets	**7,370.96**	**7,505.12**
Equity and liabilities		
Equity		
(a) Equity share capital	701.89	701.02
(b) Share application money pending allotment	0.83	0.06
(c) Other equity		
Retained earnings	3,370.21	3,299.40
Other reserves	2,801.54	2,790.04
Total equity	**6,874.47**	**6,790.52**
Liabilities		
Non-current liabilities		
(a) Net employee defined benefit liabilities	23.79	22.73
	23.79	**22.73**
Current liabilities		
(a) Financial liabilities		
(i) Trade and other payables	275.22	406.02
(ii) Other financial liabilities	11.16	13.16
(b) Other current liabilities	137.45	135.79
(c) Net employee defined benefit liabilities	14.00	14.42
(d) Current tax liabilities (net)	34.87	122.48
	472.70	**691.87**
Total liabilities	**496.49**	**714.60**
Total equity and liabilities	**7,370.96**	**7,505.12**

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STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2017

Notes to financial results

1 The above financial results for the quarter and six month ended September 30, 2017 have been subjected to limited review 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 November 9, 2017 and November 10, 2017.

2 During the previous quarter and earlier years, the Company has received three statement of demands of service tax under the provisions of Finance Act, 1994 for INR 1,223.07 million (excluding penalty of INR 589.26 million) covering the period from March 01, 2011 to March 31, 2016 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 for the period March 01, 2011 to March 31, 2014 and with the Customs, Excise and Service Tax Appellate Tribunal, Mumbai for the period April 01, 2014 to March 31, 2015. The Company has filed reply with Pune-1 Commissionerate against the statements of demand received amounting to INR 377.01 million (included in above amount) pertaining to period April 01, 2015 to March 31, 2016. Based on 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 June 30, 2017 (before implementation of GST).

   In addition to above, during the previous quarter, the Company has received letter for submission of the sales information pertaining to period April 01, 2016 to March 31, 2017 and the Company has submitted the required information during the current quarter.

3 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".

4 Post implementation of Goods and Services Tax (GST) w.e.f. July 1, 2017, "Revenue from operations" has been disclosed net of GST.

For and on behalf of the Board of Directors

Quick Heal Technologies Limited (Formerly known as Quick Heal Technologies Pvt Ltd) Pune

Kailash Katkar
Managing Director
& Chief Executive Officer

Place: Pune
Date: November 10, 2017

S R B C & CO LLP
Chartered Accountants

C-401, 4th Floor
Panchshil Tech Park, Yerwada
(Near Don Bosco School)
Pune-411 006, India
Tel : +91 20 6603 6000
Fax : +91 20 6601 5900

Limited Review Report

Review Report to
The Board of Directors
Quick Heal Technologies Limited

We have reviewed the accompanying statement of unaudited standalone financial results of Quick Heal Technologies Limited (the 'Company') for the quarter ended September 30, 2017 and year to date from April 01, 2017 to September 30, 2017 (the "Statement") attached herewith, being submitted by the Company pursuant to 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.

The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms 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, including the manner in which it is to be disclosed, or that it contains any material misstatement.

S R B C & CO LLP
Chartered Accountants

We draw attention to note 2 of the Statement, wherein it is stated that the Company had received statements of demand of service tax under the provision of Finance Act, 1994 for Rs. 1,223.07 million (excluding penalty of Rs. 589.26 million) for the period from March 01, 2011 to March 31, 2016. 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 Tridevlal Khandelwal
Partner
Membership No.: 501160

Place: Pune
Date: November 10, 2017