Quick Heal
Security Simplified

Quick Heal Technologies Ltd.

Regd. Office: Marvel Edge, Office No. 7010 C & D, 7th Floor,
Opposite Neco Garden Society, Viman Nagar, Pune 411014.
Tel: +91 20 66813232 | Email: info@quickheal.com
CIN - L72200MH1995PLC091408

Ref. No.: QHTL/Sec/SE/2020-21/65 March 19, 2021

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

Sub: Postal Ballot Notice - Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations")

Dear Sir,

This is further to our letter dated March 10, 2021 informing the Stock Exchanges inter-alia about the decision of the Board of Directors of Quick Heal Technologies Limited ("**Company**") to buyback upto 6,326,530 fully paid-up equity shares of face value of Rs. 10 each ("**Equity Shares**") from the shareholders holding equity shares on a proportionate basis through the "**Tender Offer**" route through stock exchange mechanism ("**Buyback**"), and new Employee stock option Scheme 2021 (ESOP 2021) subject to shareholders' approval.

In terms of Regulation 30 of the SEBI Listing Regulations, we enclose herewith a copy each of the Postal Ballot Notice and Postal Ballot Form which are being sent to the shareholders by the permitted modes. The said documents are being sent to the shareholders whose names appeared in the Register of Members/ Beneficial Owners, received from the Registrar and Share Transfer Agent, as on Friday, March 12, 2021 i.e. Cut-off date. The aforesaid documents are also available on the Company's website, i.e. www.quickheal.co.in.

The Company has engaged the services of Link lntime India Private Limited for the purpose of providing evoting facility to Members. The voting through Postal Ballot and e-voting will commence from 09.00 hours (IST) on Saturday, March 20, 2021 and end at 17.00 hours (IST) on Sunday, April 18, 2021. The results of the Postal Ballot will be declared on or before 17.00 hours (IST) on Monday, April 19, 2021, by the Managing Director or any other person authorized by him at the Registered Office at Marvel Edge, Office No. 7010 C & D, 7th Floor, Viman Nagar, Pune 411014. The results along with the Scrutinizer's Report will be displayed at the Registered Office of the Company besides being communicated to the BSE Limited and National Stock Exchange of India Limited, where Shares of the Company are listed. The said results along with the Scrutinizer's

Report will also be displayed on the Company's website www.quickheal.co.in as well as on Link Intime's website http://instavote.linkintime.co.in

As permitted, this letter is being submitted under Sd/- mode due to work from home as per the Government advisory on Covid-19 and as a part of safety measure.

Kindly take the same on record.

Thanking you,

Yours faithfully,
For **QUICK HEAL TECHNOLOGIES LIMITED**

Sd/-

A. Srinivasa Rao
Company Secretary

Quick Heal

Security Simplified

QUICK HEAL TECHNOLOGIES LIMITED

CIN: L72200MH1995PLC091408

Registered Office: Marvel Edge, Office No. 7010 C & D, 7th Floor, Viman Nagar, Pune - 411 014, India

Phone: +91 (20) 6681 3232; **E-mail**: cs@quickheal.co.in; **Website**: www.quickheal.co.in

Contact Person: Mr. Vinav Agarwal, Compliance Officer

NOTICE OF POSTAL BALLOT

[Pursuant to Section 110 of the Companies Act, 2013, as amended read with the Companies (Management and Administration) Rules 2014, as amended]

Dear Shareholder(s),

Notice is hereby given pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (the "**Companies Act**"), read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force, and as amended (the **"Rules"**) and pursuant to other applicable laws and regulations, that the resolutions appended below are proposed for approval of the shareholders of Quick Heal Technologies Limited **(the Company)** through postal ballot ("**Postal Ballot**")/ electronic voting ("**remote e-voting**").

The explanatory statement pursuant to Sections 102, 110 and other applicable provisions, if any, of the Companies Act pertaining to the aforesaid resolutions setting out the material facts concerning the item of business and the reasons thereof is annexed hereto for your consideration, along with a postal ballot form ("**Postal Ballot Form**").

Pursuant to Rule 22(5) of the Rules, the Board at its meeting held on March 10, 2021, has appointed Mr. Jayavant B Bhave, Practicing Company Secretary, as the Scrutinizer for conducting the Postal Ballot and remote e-voting process in a fair and transparent manner.

Shareholders have the option to vote either by Postal Ballot or through remote e-voting. Shareholders desiring to exercise their vote by Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the same duly completed in the enclosed self-addressed postage prepaid Business Reply Envelope. A Postal Ballot Form sent by courier or by registered post/speed post at the expense of the shareholder(s) will also be accepted. The remote e-voting period commences from 9.00 A.M. (IST) on Saturday, March 20, 2021 and ends at 5.00 P.M. (IST) on Sunday, April 18, 2021.

For the purpose of remote e-voting, the Company has engaged the services of Link Intime India Private Limited ("**Link Intime**"). In case a Shareholder has voted through remote e-voting facility, he/she is not required to send the physical Postal Ballot Form to the Scrutinizer.

The duly completed Postal Ballot Form should reach the Scrutinizer **not later than 1700 Hours IST on Sunday, April 18, 2021** to be eligible for being considered, failing which it will be strictly considered that no reply has been received from the shareholder. Shareholders desiring to opt for e-voting as per the facilities arranged by the Company are requested to read the instructions in the Notes under the section "General information and instruction relating to remote e-voting". References to postal ballot(s) in this postal ballot notice ("**Postal Ballot Notice**") include votes received electronically. The Scrutinizer will submit his report to the Managing Director of the Company or any other person authorized by him, after completion of scrutiny of the postal ballots (including remote e-voting).

The results of voting by Postal Ballot (i.e. through the Postal Ballot Forms and remote e-Voting) will be declared **on or before 1700 Hours IST on Monday, April 19, 2021** by the Managing Director of the Company or any other person authorized by him at the Registered Office at Marvel Edge, Office No. 7010 C & D, 7th Floor, Viman Nagar, Pune 411 014. The results along with the Scrutinizer's Report will be displayed at the Registered Office of the Company. The results shall be communicated to the Stock Exchanges (BSE Limited and National Stock Exchange of India Limited) and the same along with the Scrutinizer's Report will be displayed on the Company's website www.quickheal.co.in as well as on Link Intime's website https://instavote.linkintime.co.in.

The resolution, if passed by the requisite majority, shall be deemed to have been passed on April 18, 2021 i.e. the last date specified for receipt of duly completed Postal Ballot Forms or remote e-voting.

RESOLUTION NO. 1 - APPROVAL FOR BUYBACK OF EQUITY SHARES OF THE COMPANY.

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

"RESOLVED THAT pursuant to the provisions of Article 9 of the Articles of Association of the Company and the provisions of Sections 68, 69, 70 and 110 and all other applicable provisions, if any, of the Companies Act, 2013, as amended (the "**Companies Act**"), the Companies (Share Capital and Debentures) Rules, 2014, as amended, and the Companies (Management and Administration) Rules 2014, as amended and to the extent applicable, and in compliance with Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (the "**Buyback Regulations**"), including any amendments, statutory modifications or re-enactments for the time being in force, and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications, if any, as may be prescribed or imposed by the Securities and Exchange Board of India ("**SEBI**"), the stock exchanges on which the equity shares of the Company are listed (the "**Stock Exchanges**") and other authorities, institutions or bodies (the "**Appropriate Authorities**") while granting such approvals, permissions and sanctions, which may be agreed by the Board of Directors of the Company (hereinafter referred to as the "**Board**", which expression shall include any Committee constituted/to be constituted by the Board to exercise its powers, including the powers conferred by this resolution) and on the terms and conditions set out in the explanatory statement (which may be modified based on regulatory requirements), the approval of the shareholders be and is hereby accorded for the buyback by the Company of up to 6,326,530 fully paid-up equity shares of ₹ 10/- (Rupees ten only) each of the Company ("**Equity Shares**") (representing up to 9.85% of the total issued and paid-up equity share capital of the Company as per the audited standalone financial statements as at and for the period ended March 31, 2020) at a price of ₹ 245/- (Rupees two hundred and forty five only) per Equity Share ("**Buyback Price**") payable in cash for an aggregate amount of up to ₹ 1,550 million (Rupees one thousand five hundred and fifty million only) ("**Buyback Size**") (excluding any expenses incurred or to be incurred for the Buyback like filing fee payable to SEBI, advisory fees, public announcement publication expenses, printing and dispatch expenses, transaction costs viz. brokerage, applicable taxes such as buyback tax, securities transaction tax, goods and service tax, stamp duty, etc. and other incidental and related expenses), which is 24.09% and 24.24% of the aggregate of the fully paid-up equity share capital and free reserves as per the latest audited standalone and consolidated financial statements of the Company as on March 31, 2020, respectively, on a proportionate basis through the "**tender offer**" route as prescribed under the Buyback Regulations, from all the shareholders who hold Equity Shares as of the record date ("**Buyback**").

RESOLVED FURTHER THAT all of the shareholders of the Company will be eligible to participate in the Buyback, including promoters and promoter group of the Company (including members thereof) and persons in control (including persons acting in concert), who hold Equity Shares as of the record date (the "**Record Date**") to be subsequently decided by the Board or a committee of the Board.

RESOLVED FURTHER THAT 15% of the Equity Shares that the Company proposes to Buyback or number of Equity Shares entitled as per the shareholding of small shareholders as on the Record Date, whichever is higher, shall be reserved for small shareholders in accordance with the provisions of the Buyback Regulations.

RESOLVED FURTHER THAT the Company shall implement the Buyback through the "**tender offer**" route as prescribed under the Buyback Regulations using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with the circulars issued in relation thereto, including the circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, including any amendments or statutory modifications for the time being in force.

RESOLVED FURTHER THAT the Buyback from the shareholders who are residents outside India including Foreign Corporate Bodies (including erstwhile Overseas Corporate Bodies), Foreign Institutional Investors/Foreign Portfolio Investors, Non- Resident Indians, shareholders of foreign nationality, shall be subject to such approvals, if any and to the extent required from the concerned authorities including approvals from the Reserve Bank of India ("**RBI**") under the Foreign Exchange Management Act, 1999 and the rules and regulations framed thereunder, and that such approvals shall be required to be taken by such non-resident shareholders.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the power(s) conferred hereinabove as it may in its absolute discretion deem fit, to any Committee ("**Buyback Committee**") / any one or more

Director(s)/Officer(s)/Authorised Representative(s) of the Company to give effect to the aforesaid resolutions, including but not limited to finalizing the terms of the Buyback like record date, entitlement ratio, the time frame for completion of Buyback; appointment of merchant banker, brokers, lawyers, depository participants, escrow agents, bankers, advisors, registrars, scrutinizers, consultants/intermediaries/agencies, as may be required, for the implementation of the Buyback; preparing, finalizing, signing and filing of the public announcement, the draft letter of offer/ letter of offer with SEBI, the Stock Exchanges where the Equity Shares are listed and other appropriate authorities and to make all necessary applications to the appropriate authorities for their approvals including but not limited to approvals as may be required from the SEBI and RBI; and initiating all necessary actions for preparation and issue of various documents including public announcement, draft letter of offer, letter of offer, opening, operation and closure of necessary accounts including escrow account, special account with the bank, demat escrow account, trading account, entering into escrow agreements as required under the Buyback Regulations, filing of declaration of solvency, obtaining all necessary certificates and reports from statutory auditors and other third parties as required under applicable law, extinguishing dematerialized shares and physically destroying share certificates in respect of the Equity Shares bought back by the Company, and filing such other undertakings, agreements, papers, documents and correspondence, as may be required to be filed in connection with the Buyback with SEBI, RBI, Stock Exchanges, Registrar of Companies, Depositories and/or other regulators and statutory authorities as may be required from time to time.

RESOLVED FURTHER THAT nothing contained herein shall confer any right on the part of any shareholders to offer and/ or any obligation on the part of the Company or the Board or Buyback Committee to Buyback any shares, and/or impair any power of the Company or the Board or Buyback Committee to terminate any process in relation to such Buyback, if so permissible by law.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board and/or Buyback Committee is hereby empowered and authorised on behalf of the Company to accept and make any alteration(s), modification(s) to the terms and conditions as it may deem necessary, concerning any aspect of the Buyback, in accordance with the statutory requirements as well as to give such directions as may be necessary or desirable, to settle any questions, difficulties or doubts that may arise and generally, to do all acts, deeds, matters and things as the Board and/or any person authorised by the Board may, in its/his/her absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters consequential to the Buyback without seeking any further consent or approval of the shareholders or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution."

RESOLUTION NO. 2 - TO APPROVE QUICK HEAL TECHNOLOGIES LIMITED EMPLOYEES STOCK OPTIONS SCHEME – 2021

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any amendment thereto or re–enactment thereof), the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("**SEBI (SBEB) Regulations**"), the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), relevant provisions of Memorandum of Association and Articles of Association of the Company and subject to such other approval(s), permission(s) and sanction(s) as may be necessary and such conditions and modifications as may be prescribed or imposed while granting such approval(s), permission(s) and sanction(s), the consent of the Members of the Company be and is hereby accorded for approval of **Quick Heal Technologies Limited Employees Stock Options Scheme – 2021** ("**Scheme**") and the Board of Directors of the Company (hereinafter referred to as the "Board of Directors" which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee, which the Board of Directors has constituted to exercise its powers, including the powers, conferred by this resolution) be and is hereby authorised to create, grant, offer, issue and allot under the Scheme, in one or more tranches, Employee Stock Options ("**Options**") not exceeding 2,000,000 (two million) (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganization of the capital structure of the Company as may be applicable from time to time) to such Employee(s) who are in permanent employment whether working in India or out of India, and to the Directors whether a Whole time Director or not but excluding Independent Director, Non – Executive Directors of the Company and its Subsidiary Company(ies) (In India or Outside India) but excluding an Employee who is a Promoter or a person belonging to the Promoter Group; or a Director who either himself or through his Relative or through any Body Corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company

and to such other persons as may from time to time be allowed to be eligible for the benefits of the Scheme under applicable laws and regulations prevailing from time to time ("**Eligible Employees**"), exercisable into 2,000,000 (two million) equity shares of face value ₹ 10/- each (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganization of the capital structure of the Company as may be applicable from time to time), on such terms and conditions as may be fixed or determined by the Board of Directors in accordance with the Scheme.

RESOLVED FURTHER THAT the Scheme shall be administered by the Nomination and Remuneration Committee of the Company who shall have all necessary powers as defined in the Scheme and is hereby designated as Compensation Committee in pursuance of the SEBI (SBEB) Regulations for the purpose of administration and superintendence of the Scheme.

RESOLVED FURTHER THAT the Scheme shall be implemented through direct route for extending the benefits to the eligible Employees by the way of fresh allotment and will follow cash mechanism.

RESOLVED FURTHER THAT the new equity shares to be issued and allotted by the Company in the manner aforesaid shall rank pari passu in all respects with the then existing equity shares of the Company.

RESOLVED FURTHER THAT the Company shall conform to the applicable Accounting Policies, Guidelines or Accounting Standards as may be applicable from time to time, including the disclosure requirements prescribed therein.

RESOLVED FURTHER THAT the Board of Directors, subject to compliance of the applicable laws and regulations, be and is hereby authorized to modify, change, vary, alter, amend, suspend or terminate the Scheme and to do all such acts, deeds, matters and things as it may in its absolute discretion deems fit for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Members and to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Scheme and do all other things incidental to and ancillary thereof.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary including but not limited to appoint Advisors, Merchant Bankers, Consultants or Representatives, being incidental for the effective implementation and administration of the Scheme and to make applications to the appropriate Authorities, for their requisite approvals and take all necessary actions and to settle all such questions, difficulties or doubts whatsoever that may arise while implementing this resolution.

RESOLVED FURTHER THAT the Board of Directors be and is hereby also authorised to nominate and appoint one or more persons for carrying out any or all of the activities that the Board of Directors is authorised to do for the purpose of giving effect to this resolution."

By Order of the Board
For Quick Heal Technologies Limited

Sd/-

Mr. Kailash Katkar
Managing Director & CEO
(DIN 00397191)

Date : March 15, 2021
Place : Pune

NOTES:

1. The explanatory statement pursuant to Sections 102 and 110 of the Companies Act stating all material facts and the reasons for the proposal is annexed herewith. It also contains all the disclosures as specified in the Buyback Regulations, Companies Act and/or SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended ("**Listing Regulations**").
2. The Postal Ballot Notice is being sent to the shareholders of the Company whose names appear on the Register of Members/List of Beneficial Owners as received from the Depositories as on March 12, 2021. The Postal Ballot Notice is

being sent to shareholders in electronic form to the email addresses registered with their depository participants (in case of electronic shareholding) or the email addresses registered with the Company's Registrar and Share Transfer Agent (in case of physical shareholding). For shareholders whose email IDs are not registered, physical copies of the Postal Ballot Notice are being sent by permitted mode along with a self-addressed postage-prepaid Business Reply Envelope. Shareholders may note that this notice is also available on the website of the Company (www.quickheal.co.in) as well as on Link Intime's website https://instavote.linkintime.co.in/. Shareholders whose names appear on the Register of Members/List of Beneficial Owners as on March 12, 2021, will be considered for the purpose of voting/remote e-voting.

3. Resolutions passed by the shareholders through Postal Ballot are deemed to have been passed as if they have been passed at a General Meeting of the shareholders.

4. The shareholders can opt for only one mode of voting, i.e., either by physical ballot or remote e-voting. In case shareholders cast their votes through both the modes, votes cast through remote e-voting shall be treated as valid and votes cast through physical Postal Ballot Form will be treated as invalid.

5. In case a shareholder is desirous of obtaining a printed Postal Ballot Form or a duplicate, he or she may send an e-mail to cs@quickheal.co.in. The Registrar and Transfer Agent/Company shall forward the same along with self-addressed postage-prepaid Business Reply Envelope to the shareholder.

6. Voting rights shall be reckoned on the paid-up value of equity shares registered in the name of the shareholders as on March 12, 2021 ("**Cut-Off Date**"). Only those shareholders whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date will be entitled to cast their votes. A person who is not a shareholder on the Cut-Off Date should treat this notice for information purpose only.

7. In compliance with the provisions of Section 108 and 110 of the Companies Act read with the rules made thereunder, as amended and Regulation 44 of the Listing Regulations, the Company is pleased to provide remote e-voting facility to its Shareholders, holding equity shares in physical or dematerialized form, as on the Cut-Off Date, being March 12, 2021, to exercise their right to vote by electronic means on the businesses specified in the accompanying Notice through the electronic voting service facility arranged by Link Intime. Shareholders have the option to vote either through remote e-voting or through the Postal Ballot Form. The instructions for remote e-voting are annexed to this Postal Ballot Notice.

8. A shareholder cannot exercise his vote by proxy on Postal Ballot.

9. Shareholders desiring to exercise their vote by physical Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed and signed, in the enclosed self-addressed Business Reply Envelope to the Scrutinizer, so that it reaches the Scrutinizer not later than close of working hours (**i.e., 1700 hours IST)** on April 18, 2021. The postage will be borne by the Company. However, envelopes containing Postal Ballots, if sent by courier or registered/speed post at the expense of the shareholders will also be accepted. Any Postal Ballot received **after 1700 hours IST on April 18, 2021** will be considered invalid.

10. The Scrutinizer will submit his report to the Managing Director or any other person authorized by him after the completion of scrutiny, and the result of the voting by Postal Ballot will be announced by the Managing Director of the Company or any other person authorized by him **on or before 1700 hours IST on April 19, 2021** at the Registered Office of the Company. The result of the voting will also be displayed on the website of the Company (www.quickheal.co.in), besides being communicated to the Stock Exchanges.

11. The resolution(s), if passed by the requisite majority shall be deemed to have been passed on April 18, 2021, i.e. the last date specified for receipt of duly completed Postal Ballot Forms or remote e-voting.

12. All the material documents referred to in the explanatory statement will be available for inspection at the Registered Office of the Company between 10:00 a.m. and 4:00 p.m. IST on all working days from the date of dispatch of the Postal Ballot Notice until the last date for receipt of votes by Postal Ballot/remote e-voting.

13. A person whose name is recorded in the register of members or in register of beneficial owners maintained by the Depositories as on March 12, 2021, only shall be entitled to avail the facility of voting/remote e-voting.

14. Contact details of the person responsible to address the queries/grievances connected with the voting by Postal Ballot including voting by electronic means are as under:-

i) Mr. Vinav Agarwal, Compliance Officer, Quick Heal Technologies Limited, Marvel Edge, Office No. 7010 C & D, 7th Floor, Viman Nagar, Pune - 411 014; Email: cs@quickheal.co.in; or

ii) Mr. Jayavant B Bhave, Scrutinizer, Link Intime India Pvt. Ltd., C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai- 400083, Tel: 022 - 49186000; Email: enotices@linkintime.co.in.

15. The instructions for remote e-voting are as under:

The details of the process and manner for remote e-voting are explained herein below:

❖ **Log-in to e-Voting website of Link Intime India Private Limited (Link Intime)**

1. Visit the e-voting system of Link Intime. Open web browser by typing the following URL: https://instavote.linkintime.co.in.

2. Click on "Login" tab, available under 'Shareholders' section.

3. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT".

4. Your User ID details are given below:

   a. **Shareholders holding shares in demat account with NSDL:** Your User ID is 8 Character DP ID followed by 8 Digit Client ID

   b. **Shareholders holding shares in demat account with CDSL:** Your User ID is 16 Digit Beneficiary ID

   c. **Shareholders holding shares in Physical Form (i.e. Share Certificate):** Your User ID is Event No + Folio Number registered with the Company

5. Your Password details are given below:

   If you are using e-Voting system of Link Intime: https://instavote.linkintime.co.in for the first time or if you are holding shares in physical form, you need to follow the steps given below:

   Click on "Sign Up" tab available under 'Shareholders' section register your details and set the password of your choice and confirm (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).

	For Shareholders holding shares in Demat Form or Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders). • Members who have not updated their PAN with depository Participant or in the company record are requested to use the sequence number which is printed on Ballot Form / Attendance Slip indicated in the PAN Field.
DOB/ DOI	Enter the DOB (Date of Birth)/ DOI as recorded with depository participant or in the company record for the said demat account or folio number in dd/mm/yyyy format.
Bank Account Number	Enter the Bank Account number as recorded in your demat account or in the company records for the said demat account or folio number. • Please enter the DOB/ DOI or Bank Account number in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Bank Account number field as mentioned in instruction (iv-c).

   If you are holding shares in demat form and had registered on to e-Voting system of Link Intime: https://instavote.linkintime.co.in, and/or voted on an earlier voting of any company then you can use your existing password to login.

If Shareholders holding shares in Demat Form or Physical Form have forgotten password:

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

Incase shareholder is having valid email address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details etc. and confirm. (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)

NOTE: The password is to be used by demat shareholders for voting on the resolutions placed by the company in which they are a shareholder and eligible to vote, provided that the company opts for e-voting platform of Link Intime.

For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

❖ **Cast your vote electronically**

6. After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View "Event No" of the company, you choose to vote.

7. On the voting page, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.

   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'. You may also choose the option 'Abstain' and the shares held will not be counted under 'Favour/Against'.

8. If you wish to view the entire Resolution details, click on the 'View Resolutions' File Link.

9. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "SUBMIT". 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.

10. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

11. You can also take the printout of the votes cast by you by clicking on "Print" option on the Voting page.

❖ **General Guidelines for shareholders:**

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of Link Intime: https://instavote.linkintime.co.in and register themselves as **'Custodian / Mutual Fund / Corporate Body'**.

  They are also required to upload a scanned certified true copy of the board resolution /authority letter/ power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the **'Custodian / Mutual Fund / Corporate Body' login** for the Scrutinizer to verify the same.

- During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".

- Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

- In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions ("**FAQs**") and Instavote e-Voting manual available at https://instavote.linkintime.co.in, under Help section or write an email to enotices@linkintime.co.in or call at Tel : +91 (22) 49186000.

Explanatory Statement pursuant to Sections 102 and 110 of the Companies Act

Item No. 1- Approval for Buyback of Equity Shares of the Company.

Pursuant to the provisions of the Companies Act, Rules, the Companies (Share Capital and Debentures) Rules, 2014, as amended (the "**Share Capital Rules**"), Article 9 of the Articles of Association of the Company, and in compliance with the Buyback Regulations, the Board of Directors of the Company at its meeting held on March 10, 2021 has, subject to the approval of the shareholders of the Company by way of special resolution through postal ballot and subject to such approvals of statutory, regulatory or governmental authorities as may be required under applicable laws, approved the buyback of up to 6,326,530 fully paid-up equity shares of face value of ₹ 10/- each of the Company ("**Equity Shares**") (representing up to 9.85% of the total issued and paid-up equity share capital of the Company as per the audited standalone financial statements as at and for the period ended March 31, 2020) at a price of ₹ 245/- per Equity Share (the "**Buyback Price**") payable in cash for an aggregate amount of up to ₹ 1,550 million (Rupees one thousand five hundred and fifty million only), which is 24.09% and 24.24% of the aggregate of the fully paid-up equity share capital and free reserves as per the latest audited standalone and consolidated financial statements of the Company, as at March 31, 2020, respectively (the "**Buyback Size**") (excluding any expenses incurred or to be incurred for the Buyback like filing fee payable to SEBI, advisory fees, public announcement publication expenses, printing and dispatch expenses, transaction costs viz. brokerage, applicable taxes such as buyback tax, securities transaction tax, goods and service tax, stamp duty, etc. and other incidental and related expenses ("**Transaction Costs**")), through the "**tender offer**" route as prescribed under the Buyback Regulations and the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with the circulars issued in relation thereto, including the circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 or such other mechanism as may be applicable, on a proportionate basis, from the equity shareholders / beneficial owners of the Equity Shares of the Company as on the Record Date to be subsequently decided by the Board or a committee of the Board.

Since the Buyback constitutes more than 10% of the total paid-up equity capital and free reserves of the Company, in terms of Section 68(2)(b) of the Companies Act, it is necessary to obtain the consent of the shareholders of the Company, for the Buyback by way of a special resolution. Further, as per Section 110 of the Companies Act read with Rule 22(16)(g) of the Rules, the consent of the shareholders of the Company to the Buyback is required to be obtained by means of postal ballot. Accordingly, the Company is seeking your consent for the aforesaid proposal as contained in the resolution appended to this Postal Ballot Notice. Certain figures contained in this Postal Ballot Notice, including financial information, have been subject to rounding-off adjustments. All decimals have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

Requisite details and material information relating to the Buyback are given below:

(a) Date of the Board meeting at which the proposal for buy back was approved by the Board of Directors of the Company – March 10, 2021 ("**Board Meeting Date**")

(b) Necessity for the Buyback

The Buyback is being undertaken by the Company after taking into account the operational and strategic cash requirements of the Company in the medium term and for returning surplus funds to the shareholders in an effective and efficient manner. The Buyback is being undertaken for the following reasons:

(i) The Buyback will help the Company to distribute surplus cash to its shareholders holding Equity Shares thereby enhancing the overall return for them;

(ii) The Buyback, which is being implemented through the tender offer route as prescribed under the Buyback Regulations, would involve a reservation of up to 15% of the Equity Shares, which the Company proposes to buyback, for small shareholders or the actual number of Equity Shares entitled as per the shareholding of small shareholders on the Record Date, whichever is higher. The Company believes that this reservation for small shareholders would benefit a significant number of the Company's public shareholders, who would be classified as "Small Shareholders";

(iii) The Buyback is generally expected to improve return on equity through distribution of cash and improve earnings per share by reduction in the equity base of the Company, thereby leading to long term increase in shareholders' value; and

(iv) The Buyback gives an option to the Eligible Shareholders (as defined below) to either (A) participate in the Buyback and receive cash in lieu of their Equity Shares which are accepted under the Buyback, or (B) not to participate in the Buyback and get a resultant increase in their percentage shareholding in the Company post the Buyback, without additional investment.

(c) Maximum number of securities that the Company proposes to buyback

The Company proposes to buy back up to 6,326,530 fully paid up Equity Shares of face value of ₹ 10/- (Rupees ten only) each.

(d) Buyback price and the basis of arriving at buyback price

(i) The Equity Shares of the Company are proposed to be bought back at a price of ₹ 245/- (Rupees two hundred and forty five only) per Equity Share.

(ii) The Buyback Price has been arrived at after considering various factors including, but not limited to the trends in the volume weighted average prices and closing price of the Equity Shares on the Stock Exchanges where the Equity Shares of the Company are listed.

(iii) The Buyback Price represents:

- premium of 46.37% and 46.68% to the volume weighted average market price of the Equity Shares on the BSE and the NSE, respectively, during the 3 (three) months period preceding March 04, 2021, being the date of intimation to the Stock Exchanges regarding the Board Meeting Date ("**Intimation Date**"); and
- premium of 51.10% and 50.67% to the volume weighted average market price of the Equity Shares on the BSE and the NSE, respectively, during the 6 (six) months preceding the Intimation Date; and
- premium of 42.24% and 42.11% over the closing price of the Equity Shares on the BSE and the NSE respectively, as on the Intimation Date.
- premium of 20.04% and 19.72% over the closing price of the Equity Share on BSE and NSE, respectively, as on March 10, 2021, being the Board Meeting Date.

The closing market price of the Equity Shares as on the Intimation Date was ₹ 172.25 and ₹ 172.40 and as on the Board Meeting Date was ₹ 204.10 and ₹ 204.65 on the BSE and the NSE, respectively.

(e) Maximum amount of funds required for the Buyback and its percentage of the total paid up capital and free reserves and source of funds from which Buyback would be financed.

The maximum amount required for Buyback will not exceed ₹ 1,550 million (Rupees one thousand five hundred and fifty million only) (excluding Transaction Costs).

The maximum amount mentioned aforesaid is 24.09% and 24.24% of the aggregate of the fully paid-up equity share capital and free reserves as per the latest audited standalone and consolidated financial statements of the Company as on March 31, 2020 (being the latest audited financial statements available as on the Board Meeting Date), respectively, which is within the prescribed limit of 25%.

The funds for the implementation of the proposed Buyback will be sourced out of free reserves and securities premium of the Company and any other source as may be permitted by the Buyback Regulations or the Companies Act. Borrowed funds from banks and financial institutions, if any, will not be used for the Buyback.

The Company shall transfer from its free reserves or securities premium account, a sum equal to the nominal value of the Equity Shares bought back through the Buyback to the Capital Redemption Reserve account.

(f) Method to be adopted for the Buyback

The Buyback shall be on a proportionate basis through the tender offer route, as prescribed under the Buyback Regulations, to the extent permissible, and the "Mechanism for acquisition of shares through Stock Exchanges" as prescribed under the SEBI Circular. The Buyback will be implemented in accordance with the Companies Act, Rules, to the extent applicable, the Buyback Regulations and on such terms and conditions as may be deemed fit by the Company.

As required under the Buyback Regulations, the Company will announce a record date for the Buyback for determining the names of the shareholders holding Equity Shares of the Company who will be eligible to participate

in the Buyback ("**Eligible Shareholder(s)**"). Subject to the approval of the special resolution under this Postal Ballot Notice and subject to SEBI's comments on the draft letter of offer, Eligible Shareholders will receive a letter of offer along with a tender/offer form indicating their entitlement.

The Equity Shares to be bought back is divided in two categories:

(i) Reserved category for small shareholders; and

(ii) General category for all other shareholders.

As defined in Regulation 2(1)(n) of the Buyback Regulations, a "**small shareholder**" is a shareholder who holds Equity Shares having market value, on the basis of closing price on Stock Exchange having highest trading volume as on record date, of not more than ₹ 200,000/- (Rupees two hundred thousand only).

In accordance with Regulation 6 of the Buyback Regulations, 15% of the number of Equity Shares which the Company proposes to buyback or such number of Equity Shares entitled as per the shareholding of small shareholders as on the record date, whichever is higher, shall be reserved for the small shareholders as part of this Buyback.

Based on the holding on the record date, the Company will determine the entitlement of each Eligible Shareholder to tender their shares in the Buyback. This entitlement for each Eligible Shareholder will be calculated based on the number of Equity Shares held by the respective shareholder as on the record date and the ratio of the Buyback applicable in the category to which such shareholder belongs. In order to ensure that the same shareholders with multiple demat accounts/folios do not receive a higher entitlement under the Small Shareholder category, the Company proposes to club together the Equity Shares held by such shareholders with a common PAN for determining the category (Small Shareholder or General) and entitlement under the Buyback. In case of joint shareholding, the Company will club together the Equity Shares held in cases where the sequence of the PANs of the joint shareholders is identical. In case of physical shareholders, where the sequence of PANs is identical and where the PANs of all joint shareholders are not available, the Company will check the sequence of the names of the joint holders and club together the Equity Shares held in such cases where the sequence of the PANs and name of joint shareholders are identical. The shareholding of institutional investors like mutual funds, pension funds/trusts, insurance companies etc., with common PAN will not be clubbed together for determining the category and will be considered separately, where these Equity Shares are held for different schemes and have a different demat account nomenclature based on information prepared by the Registrar and Transfer Agent as per the shareholder records received from the Depositories.

Shareholders' participation in Buyback will be voluntary. Eligible Shareholders holding Equity Shares of the Company can choose to participate and get cash in lieu of shares to be accepted under the Buyback or they may choose not to participate. Eligible Shareholders holding Equity Shares of the Company may also accept a part of their entitlement. Eligible Shareholders holding Equity Shares of the Company also have the option of tendering additional shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other shareholders, if any.

The maximum tender under the Buyback by any Eligible Shareholder cannot exceed the number of Equity Shares held by the shareholder as on the record date.

The Equity Shares tendered as per the entitlement by Eligible Shareholders holding Equity Shares of the Company as well as additional shares tendered, if any, will be accepted as per the procedure laid down in Buyback Regulations. The settlement under the Buyback will be done using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI Circular.

Participation in the Buyback by shareholders may trigger capital gains taxation in India and in their country of residence. The Buyback transaction would also be chargeable to securities transaction tax in India. The shareholders are advised to consult their own legal, financial and tax advisors prior to participating in the Buyback.

Detailed instructions for participation in the Buyback (tender of Equity Shares in the Buyback) as well as the relevant time table will be included in the letter of offer to be sent to the Eligible Shareholder(s).

(g) Time limit for completing the Buyback

Subject to receipt of regulatory consents and approvals, if any, the Buyback is proposed to be completed within 12 months from the date of passing of special resolution detailed in this Postal Ballot Notice.

(h) Compliance with Section 68(2)(c) of the Companies Act

The aggregate paid-up share capital and free reserves as per the latest audited standalone financial statements of the Company as on March 31, 2020 is ₹ 6,433.72 million. Under the provisions of the Companies Act, the funds deployed for the Buyback cannot exceed 25% of the aggregate of the fully paid-up share capital and free reserves of the Company i.e., ₹ 1,608.43 million. The maximum amount proposed to be utilized for the Buyback, ₹ 1,550 million (Rupees one thousand five hundred and fifty million only), is therefore within the limit of 25% of the Company's fully paid-up share capital and free reserves as per the latest audited financial statements of the Company as on March 31, 2020. Further, under the Companies Act, the number of Equity Shares that can be bought back in any financial year cannot exceed 25% of the total paid-up equity capital of the Company in that financial year. Since the Company proposes to buyback up to 6,326,530 Equity Shares, the same is within the aforesaid 25% limit.

(i) Details of holding and transactions in the shares of the Company

(i) The aggregate shareholding of the Promoter and Promoter Group and persons who are in control as on the Board Meeting Date and the date of this Postal Ballot Notice, i.e., March 15, 2021, are as follows:

S. No.	Name of Shareholder	No. of Equity Shares	% Shareholding
1	Kailash Sahebrao Katkar	18,794,713	29.27
2	Sanjay Sahebrao Katkar	18,794,713	29.27
3	Anupama Kailash Katkar	4,585,176	7.14
4	Chhaya Sanjay Katkar	4,585,176	7.14
5	Sneha Kailash Katkar	2,567	Negligible
Total		**46,762,345**	**72.83**

(ii) No Equity Shares were purchased or sold by the Promoter and Promoter Group and persons in control of the Company during a period of six months preceding the Board Meeting Date and the date of this Postal Ballot Notice, i.e. March 10, 2021.

(j) Intention of Promoter and Promoter Group to participate in Buyback

In terms of the Buyback Regulations, under the tender offer route, the Promoter and Promoter Group have an option to participate in the Buyback. In this regard, the Promoter and Promoter Group entities have expressed their intention to participate in the Buyback vide their letters dated March 13, 2021 and may tender up to an aggregate maximum of 46,06,978 Equity Shares or such lower number of Equity Shares in accordance with the provisions of the Buyback Regulations. Please see below the maximum number of Equity Shares to be tendered by each of the Promoter and Promoter Group:

S. No.	Name of the Promoter and Promoter Group entity	Maximum Number of Equity Shares intended to be offered in the Buyback
1	Kailash Sahebrao Katkar	18,51,775
2	Sanjay Sahebrao Katkar	18,51,775
3	Anupama Kailash Katkar	451,714
4	Chhaya Sanjay Katkar	451,714
		46,06,978

The Buyback will not result in any benefit to Promoter and Promoter Group or any Directors of the Company except to the extent of the cash consideration received by them from the Company pursuant to their respective participation in the Buyback in their capacity as equity shareholders of the Company, and the change in their shareholding as per the response received in the Buyback, as a result of the extinguishment of Equity Shares which will lead to reduction in the equity share capital of the Company post Buyback.

Since the entire shareholding of the members of the Promoter and Promoter Group who intend to participate in the Buyback is in demat mode, the details of the date and price of acquisition/sale of the Equity Shares by the Promoter and Promoter Group Entities is set out below:

Kailash Sahebrao Katkar

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition/ Sale Price per Equity Share (₹)	Consideration
March 31, 1996	Allotment	100	10	10	1,000
March 31, 1997	Allotment	16,000	10	10	160,000
May 30, 1997	Transfer	(1,000)	10	10	10,000
March 31, 1998	Allotment	8,400	10	10	84,000
February 23, 2004	Allotment	8,012	10	10	80,120
February 25, 2004	Allotment	3,488	10	10	34,880
March 31, 2005	Bonus issue	70,000	10	-	-
March 6, 2006	Bonus issue	315,000	10	-	-
March 13, 2007	Bonus issue	1,260,000	10	-	-
March 31, 2008	Bonus issue	1,260,000	10	-	-
January 29, 2009	Allotment	70,000	10	10	700,000
August 6, 2010	Transposition	(62,600)	10	-	-
September 8, 2010	Transfer	(145,464)	10	768.67	111,813,813
January 17, 2010	Transfer	(10,910)	10	768.67	8,386,190
May 25, 2011	Allotment	2,897	10	0.5178*	1,500*
February 26, 2014	Bonus issue	19,557,461	10	-	-
February 16, 2016^	Offer for sale in IPO	(1,840,000)	10	321	590,640,000
June 12, 2019	Buyback	(1,716,671)	10	275	472,084,525
Total		**18,794,713**			

* 2,897 Shares were issued as per Scheme of merger of Cat Labs Private Limited (Transferor) and Quick Heal Technologies Private Limited (Transferee) in 2011. Therefore cost of acquisition of shares in the Transferor Company has been apportioned to the shares of Transferee Company as 150 Shares of Cat Labs Private Limited of ₹ 10 each aggregating to ₹ 1,500.

^ Date of allotment of shares under IPO

Sanjay Sahebrao Katkar

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition/ Sale Price per Equity Share (₹)	Consideration
March 31, 1996	Allotment	100	10	10	1,000
March 31, 1997	Allotment	7,000	10	10	70,000
May 30, 1997	Transfer	1,000	10	-	-
March 31, 1998	Allotment	4,400	10	10	44,000
June 1, 2000	Transfer	4,000	10	10	40,000
July 15, 2003	Transfer	4,000	10	10	40,000
February 23, 2004	Allotment	8,013	10	10	80,130
February 25, 2004	Allotment	6,487	10	10	64,870

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition/ Sale Price per Equity Share (₹)	Consideration
March 31, 2005	Bonus issue	70,000	10	-	-
March 6, 2006	Bonus issue	315,000	10	-	-
March 13, 2007	Bonus issue	1,260,000	10	-	-
March 31, 2008	Bonus issue	1,260,000	10	-	-
January 29, 2009	Allotment	70,000	10	10	700,000
August 6, 2010	Transposition	(62,600)	10	-	-
September 8, 2010	Transfer	(145,464)	10	768.67	111,813,813
January 17, 2010	Transfer	(10,910)	10	768.67	8,386,190
May 25, 2011	Allotment	2,897	10	0.5178*	1,500*
February 26, 2014	Bonus issue	19,557,461	10	-	-
February 16, 2016^	Offer for sale in IPO	(1,840,000)	10	321	590,640,000
June 12, 2019	Buyback	(1,716,671)	10	275	472,084,525
Total		**18,794,713**			

* 2,897 Shares were issued as per Scheme of merger of Cat Labs Private Limited (Transferor) and Quick Heal Technologies Private Limited (Transferee) in 2011. Therefore cost of acquisition of shares in the Transferor Company has been apportioned to the shares of Transferee Company as 150 Shares of Cat Labs Private Limited of ₹ 10 each aggregating to ₹ 1,500.

^ Date of allotment of shares under IPO

Anupama Kailash Katkar

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition/ Sale Price per Equity Share (₹)	Consideration
March 31, 1997	Allotment	3,000	10	10	30,000
February 23, 2004	Allotment	2,000	10	10	20,000
March 31, 2005	Bonus Issue	10,000	10	-	-
March 6, 2006	Bonus Issue	45,000	10	-	-
March 13, 2007	Bonus Issue	180,000	10	-	-
March 31, 2008	Bonus Issue	180,000	10	-	-
March 25, 2010	Transfer	140,000	10	10	1,400,000
August 6, 2010	Transposition	62,600	10	0	0
May 25, 2011	Allotment	2,897	10	0.5178*	1,500*
February 26, 2014	Bonus Issue	4,378,479	10	0	0
June 12, 2019	Buyback	(4,18,800)	10	275	115,170,000
Total	**-**	**4,585,176**	**-**	**-**	**-**

* 2,897 Shares were issued as per Scheme of merger of Cat Labs Private Limited (Transferor) and Quick Heal Technologies Private Limited (Transferee) in 2011. Therefore cost of acquisition of shares in the Transferor Company has been apportioned to the shares of Transferee Company as 150 Shares of Cat Labs Private Limited of ₹ 10 each aggregating to ₹ 1,500.

Chhaya Sanjay Katkar

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition/ Sale Price per Equity Share (₹)	Consideration
March 31, 1997	Allotment	3,000	10	10	30,000
February 23, 2004	Allotment	2,000	10	10	20,000
March 31, 2005	Bonus Issue	10,000	10	-	-
March 6, 2006	Bonus Issue	45,000	10	-	-
March 13, 2007	Bonus Issue	180,000	10	-	-
March 31, 2008	Bonus Issue	180,000	10	-	-
March 25, 2010	Transfer	140,000	10	10	1,400,000
August 6, 2010	Transposition	62,600	10	0	0
May 25, 2011	Allotment	2,897	10	0.5178*	1,500*
February 26, 2014	Bonus Issue	4,378,479	10	0	0
June 12, 2019	Buyback	(4,18,800)	10	275	115,170,000
Total	**-**	**4,585,176**	**-**	**-**	**-**

* 2,897 Shares were issued as per Scheme of merger of Cat Labs Private Limited (Transferor) and Quick Heal Technologies Private Limited (Transferee) in 2011. Therefore cost of acquisition of shares in the Transferor Company has been apportioned to the shares of Transferee Company as 150 Shares of Cat Labs Private Limited of ₹ 10 each aggregating to ₹ 1,500.

(k) Confirmations from Company as per the provisions of Buyback Regulations and Companies Act

(i) All the Equity Shares for Buyback are fully paid up;

(ii) The Company shall not issue any Equity Shares or other securities (including by way of bonus, or convert any outstanding ESOPs/outstanding instruments into Equity Shares) from the date of resolution passed by the shareholders approving the proposed Buyback till the date of expiry of the Buyback period;

(iii) The Company shall not raise further capital for a period of one year from the date of expiry of the Buyback period, except in discharge of subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into Equity Shares;

(iv) The Company shall not withdraw the Buyback after the draft letter of offer is filed with SEBI or the public announcement of the offer to buyback is made;

(v) The Company shall not buyback locked-in shares and non-transferable shares or other specified securities till the pendency of the lock-in or till the shares or other specified securities become transferable;

(vi) The Company shall transfer from its free reserves or securities premium account, a sum equal to the nominal value of the Equity Shares bought back through the Buyback to the Capital Redemption Reserve account;

(vii) The Company confirms that there are no defaults subsisting in repayment of deposits, redemption of debentures or interest thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company.

(viii) The Company further confirms that a period of more than three years has lapsed since any such default which has ceased to subsist.

(ix) The Company shall not buyback its Equity Shares from any person through negotiated deals whether on or off the Stock Exchanges or through spot transactions or through any private arrangement in the implementation of the Buyback;

(x) The Company has been in compliance with Sections 92, 123, 127 and 129 of the Companies Act; and

(xi) The ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up Equity Share capital and free reserves after the Buyback.

(xii) The Company shall not make any offer of buyback within a period of one year reckoned from the date of expiry of the Buyback Period;

(xiii) The Company has not undertaken a buyback of any of its securities during the period of one year immediately preceding the Board Meeting Date.

(xiv) That funds borrowed from Banks and Financial Institutions, if any, will not be used for the Buyback;

(xv) The Company shall comply with the statutory and regulatory timelines in respect of the buyback in such manner as prescribed under the Companies Act and/or the Buyback Regulations and any other applicable laws;

(xvi) There is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act, as on date;

(xvii) The buyback shall be completed within a period of one (1) year from the date of passing of this special resolution approving the buyback through postal ballot;

(xviii) The Company shall pay the consideration only by way of cash.

(xix) The Company shall not buyback its shares or other specified securities so as to delist its shares or other specified securities from the stock exchange as per Regulation 4(v) of Buyback Regulation.

(l) Confirmations from the Board

The Board of Directors of the Company has confirmed that it has made a full enquiry into the affairs and prospects of the Company and, after taking into account the financial position of the Company including the projections and also considering all contingent liabilities, has formed the opinion that:

(i) That immediately following the Board Meeting Date and the date on which the results of the postal ballot including e-voting for the proposed Buyback will be announced, there will be no grounds on which the Company could be found unable to pay its debts;

(ii) That as regards the Company's prospects for the year immediately following the Board Meeting Date and the date on which the results of the postal ballot including e-voting for the proposed Buyback will be announced, having regard to Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from that date; and

(iii) That in forming the aforementioned opinion, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Companies Act and the Insolvency and Bankruptcy Code, 2016, as amended.

(m) Report addressed to the Board of Directors by the Company's Auditors on the permissible capital payment and the opinion formed by Directors regarding insolvency

The text of the Report dated March 10, 2021 of MSKA & Associates, the Statutory Auditors of the Company, addressed to the Board of Directors of the Company is reproduced below:

Quote

Statutory Auditor's report in respect of proposed buyback of equity shares by Quick Heal Technologies Limited ('the Company') in terms of clause (xi) of Schedule I of Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 (as amended) ("Buyback Regulations").

To,

The Board of Directors
Quick Heal Technologies Limited
Marvel Edge, Office No. 7010 C&D,
7th Floor, Opposite Neco Garden Society,
Viman Nagar, Pune - 411014

We have performed the following procedures agreed with you vide engagement letter dated March 09, 2021, in connection with the proposal of Quick Heal Technologies Limited ('Company') to buy-back its shares in pursuance of the provisions of Section 68, 69 and 70 of the Companies Act, 2013 ('the Act) read with Rule 17 of Companies (Share Capital

and Debentures) Rules 2014 ('the Rules') and Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 ('the Regulation'), approved by the Board of Directors of the Company at the Board Meeting held on March 10, 2021.

Board of Directors Responsibility for the statement

The preparation of the Statement of determination of the amount of permissible capital payment for the buyback is the responsibility of the Board of Directors of the Company, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes design, implementation and maintenance of control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

The Board of Directors are responsible to make full inquiry into the affairs and prospects of the Company and to form an opinion that the Company will not be rendered insolvent within a period of one year from the date of the board meeting as well as the date of special resolution passed by the Shareholders at their meeting held for the purposes of the buyback and such declaration has been signed by at-least two directors.

Auditor's Responsibility

Pursuant to the requirements of the Regulations, it is our responsibility to provide reasonable assurance on the following "Reporting Criteria":

i) Whether the amount of capital payment for the buyback is within the permissible limit and computed in accordance with the provision of Section 68 of the Act;

ii) Whether the Board of Directors has formed the opinion, as specified in Clause (x) of Schedule I to the Regulation, on reasonable grounds that the Company having regard to its state of affairs will not be rendered insolvent within a period of one year from the date of board meeting as well as the date of special resolution passed by the Shareholders at their meeting held for the purposes of the buyback; and

iii) Whether, we are aware of anything to indicate that the opinion expressed by the Directors in the declaration as of any of the matters mentioned in the declaration is unreasonable in circumstances as at the date of declaration.

The standalone and consolidated financial statements as at March 31, 2020, have been audited by us, on which we issued an unmodified audit opinion vide our reports dated May 21, 2020. Our audits of these financial statements were conducted in accordance with the Standards on Auditing, as specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

We have been provided with the following documents:

a) Audited standalone and consolidated financial statement of the Company for the year ended March 31, 2020

b) Board Resolution for approval of buyback of shares and approval of declaration of Directors in terms of section 68(6) of Companies Act, 2013 dated March 10, 2021

c) Calculation of permissible amount of buy back of securities as per section 68 of the Act

d) Affidavit verifying the declaration of solvency dated March 10, 2021 stating that Company shall not be rendered insolvent within a period of one year from the date as per the provision of the Act read with the Rules and the Regulation

e) Article of Association of the Company

f) Calculation of debt to capital ratio

g) Bank confirmations regarding the outstanding debts, if any

A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the Reporting criteria mentioned in Auditor's Responsibility paragraph above. The procedures selected

depend on the auditor's judgement, including the assessment of the risks associated with the Reporting Criteria. We have performed the following procedures in relation to the Statement

1. Inquired into the state of affairs of the Company in relation to its audited standalone and consolidated financial statement for the year ended March 31, 2020
2. Examined authorization for buyback from the Article of Association of the Company
3. With respect to the amount of permissible capital payment for buy back of shares, verified whether the same is within the limits as specified under Section 68 of the Act
4. Examined the ratio of debt owned by the Company, if any, is not more than twice the capital and free reserves after such buyback, based on both, the audited standalone and consolidated financial statement of the Company as on March 31, 2020
5. Examined the bank confirmations obtained
6. Examined that all the shares for buyback are fully paid up
7. Examined resolutions passed in the meetings of the Board of Directors for approval of buyback of shares and declaration of solvency by Directors
8. Examined affidavit verifying the declaration of solvency dated March 10, 2021.

Opinion

Based on our examination and according to the information and explanation given to us, in our opinion

1. Statement of permissible capital payment towards buyback of shares as annexed to this report, has been properly determined in accordance with Section 68 of the Act and Regulation 4(i) of Regulations; and
2. The Board of Directors at their meeting held on March 10, 2021 have formed its opinion, as specified in clause (x) of Schedule I of the Regulation, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of board meeting as well as the date of special resolution passed by the Shareholders at their meeting held for the purposes of the buyback, and we are not aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matter mentioned in the declaration is unreasonable in circumstances as at the date of declaration.

We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Our report is addressed to Board of Directors of the Company pursuant to the requirement of the Regulation solely to enable them to include it (a) in the explanatory statement to be included in the postal ballot notice to be circulated to the shareholders, (b) in the public announcement to be made to the Shareholders of the Company, (c) in the draft letter of offer and letter of offer to be filed with the Securities and Exchange Board of India, the stock exchanges, the Registrar of Companies as required by the Regulations, the National Securities Depository Limited and the Central Depository Securities (India) Limited and for providing to the Merchant Banker to the Buyback Offer, and should not be used by any other person or for any other purpose. This report may not be useful for any other purpose. MSKA & Associates shall not be liable to the Company or any other concerned, for any claims, liabilities or expenses relating to this assignment. This report relates only to the items specified above.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Sd/-

Nitin Manohar Jumani
Partner
Membership No. 111700
UDIN: 21111700AAAABG1098

Place : Pune
Date : March 10, 2021

Encl: Statement of permissible capital payment

Statement of permissible capital payment

Computation of amount of permissible capital payment towards buyback of equity shares in accordance with Section 68(2) of the Act

(Amount in INR Million)

Particulars	As at March 31, 2020	
	Standalone	Consolidated
Equity Share Capital	642.03	642.03
Total (A)	**642.03**	**642.03**
Retained Earnings	4747.59	4,707.81
Securities Premium Account	593.84	593.84
General reserves	450.26	450.26
Total Free Reserves (B)	**5791.69**	**5751.91**
Grand Total (A+B)	**6433.72**	**6393.94**
Maximum amount of capital payment permissible for the buy back-back of equity shares in accordance with Section 68(2) of the Act (25% of paid up equity capital and free reserves)	**1608.43**	**1598.48**

Notes:

1. Calculation in respect of Permissible Capital payment for buy back is based on the audited standalone and consolidated financial statement for the year ended March 31, 2020.
2. Amalgamation reserve, capital redemption reserve, employee stock option reserve, reserve on fair value through other comprehensive income and foreign currency translation reserve has not been considered for the purpose of above computation.

For and on behalf of **Quick Heal Technologies Limited**

Kailash Katkar
Managing Director & Chief Executive Officer
DIN Number: 00397191

Sd/-

Place: Pune
Date: March 10, 2021

Nitin Kulkarni
Chief Financial Officer

Sd/-

Place: Pune
Date: March 10, 2021

Unquote

All the material documents referred to in the Notice and Explanatory Statement such as the Memorandum and Articles of Association of the Company, relevant Board resolution for the Buyback, the Auditors Report dated March 10, 2021 and the audited standalone and consolidated financial statements as at March 31, 2020 are available for inspection by the shareholders of the Company at its Registered Office on any working day between 10:00 a.m. and 4:00 p.m. to the last date of receipt of Postal Ballot Form specified in the accompanying Notice.

In the opinion of the Board, the proposal for the Buyback is in the interest of the Company and its shareholders holding Equity Shares of the Company. The Directors, therefore, recommend the special resolution as set out in the accompanying Notice for approval by the shareholders.

None of the Directors or any Key Managerial Personnel of the Company or their respective relatives are in anyway, concerned or interested, financially or otherwise, either directly or indirectly in passing of the said resolution, save and except to the extent of their respective interest as shareholders of the Company, as applicable.

Item No. 2 – To approve Quick Heal Technologies Limited Employees Stock Options Scheme – 2021

Equity based remuneration includes alignment of personal goals of the Employees with Organizational objectives by participating in the ownership of the Company. The Board of Directors of your Company understands the need to enhance the Employee engagement, to reward the Employees for their association and performance as well as to motivate them to contribute to the growth and profitability of the Company.

In order to reward and retain the key Employees and to create a sense of ownership and participation amongst them, the Board of Directors in its meeting held on March 10, 2021, approved Quick Heal Technologies Limited Employees Stock Options Scheme – 2021 ("**Scheme**") to or for the benefit of such Employee(s) who are in permanent employment whether working in India or out of India, and to the Directors whether a Whole Time Director or not but excluding Independent Director and Non – executive director, of the Company and its Subsidiary Company(ies) (In India or Outside India) but excluding an Employee who is a Promoter or a person belonging to the Promoter Group; or a Director who either himself or through his Relative or through any Body Corporate, directly or indirectly, holds more than ten percent of the outstanding Equity Shares of the Company and to such other persons as may from time to time be allowed to be eligible for the benefits of the Scheme under applicable laws and regulations prevailing from time to time ("**Eligible Employees**").

In terms of Regulation 6 of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("**SEBI (SBEB) Regulations**") and Section 62 and other applicable provisions of the Companies Act, for issue of Equity Shares to the Employees of the Company, the approval of the existing Members by way of Special Resolution is required. The Special Resolution set out at Item No. 2 is seeking your approval for the formulation and implementation of the Scheme and issuance of Equity Shares thereunder.

Further, as per Regulation 6(3)(c) of SEBI (SBEB) Regulations,2014, approval of the Members by way of separate Special Resolution is also required for extension of the benefits of the Scheme including grant of Options therein, to the Employees of Subsidiary Company(ies). The Special Resolution set out at Item No. 2 is seeking your approval for the said purpose.

The salient features and other details of the Scheme as required pursuant to Regulation 6(2) of SEBI (SBEB) Regulations are as under:

1. Brief Description of the Scheme:

The Scheme shall be called as Quick Heal Technologies Limited Employees Stock Options Scheme – 2021.

The Purpose of the Scheme includes the followings:

a. To motivate the Employees to contribute to the growth and profitability of the Company.

b. To retain the Employees and reduce the attrition rate of the Company.

c. To achieve sustained growth and the creation of Shareholder value by aligning the interests of the Employees with the long term interests of the Company.

d. To create a sense of ownership and participation amongst the Employees to share the value they create for the Company in the years to come, and

e. To provide additional deferred rewards to Employees.

2. Total number of Options to be granted under the Scheme:

The maximum number of Options that may be granted pursuant to this Scheme shall not exceed 2,000,000 (two million) which shall be convertible into equal number of Equity Shares.

If any Option granted under the Scheme lapses or is forfeited or surrendered under any provision of the Scheme, such Option shall be available for further grant under the Scheme unless otherwise determined by the by the Board of Directors of the Company (hereinafter referred to as the "Board of Directors" which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee).

Further, the maximum number of Options that can be granted and the Equity Shares arise upon exercise of these Options shall stand adjusted in case of corporate action (as defined in the Scheme).

3. Identification of classes of employees entitled to participate and be beneficiaries in Scheme:

a. A permanent Employee of the Company who has been working in India or outside India; or

b. a Director of the Company, whether a Whole Time Director or not but excluding an Independent Director and Non – Executive Director; or

c. an Employee as defined in clause (a) or (b) of a Subsidiary, in India or outside India of the Company

<u>But does not include:</u>

a. an Employee who is a Promoter or a person belonging to the Promoter Group; or

b. A Director who either himself or through his Relative or through any Body Corporate, directly or indirectly, holds more than ten percent of the outstanding Shares of the Company.

4. Requirement of Vesting and period of Vesting:

Vesting period shall commence after minimum 1 (One) year from the grant date and it may extend upto maximum of 4 (Four) years from the grant date.

Vesting of Options will be on yearly basis and can vary from Grantee to Grantee as per the discretion of the Committee whose decision shall be final and binding.

The Actual vesting may further be linked with the eligibility criteria, as determined by the Board of Directors and mentioned in the grant letter.

5. Maximum period within which the Options shall be vested:

The Options granted under the Scheme shall vest within a maximum period of Four (4) years from the grant date.

6. Exercise Price or Pricing Formula:

The exercise price shall be based on the Market Price of the Company.

For the above purpose Market price means the latest available closing price on a recognized stock exchange on which the Equity Shares of the Company are listed on the date immediately prior to the relevant date.

Explanation – Since the Equity Shares of the Company are listed on more than one stock exchange, the closing price on the stock exchange having higher trading volume shall be considered as the market price.

The Board of Directors has a power to provide suitable discount on such price as arrived above. However, in any case the exercise price shall not go below the par value of Equity Share of the Company.

7. Exercise period and process of Exercise:

The exercise period for shall be 3 (Three) years from the date of respective vesting.

After vesting, Options can be exercised, either all at once or in tranches, through cash route under which the Grantee will receive the Equity Shares equivalent to the number of the Options exercised in accordance with the terms and conditions of the Scheme after he has submitted the exercise application along with payment of the exercise price, applicable taxes and other charges, if any.

The mode and manner of the exercise shall be communicated individually.

8. Appraisal process for determining the eligibility of the Employees to Scheme:

The Board of Directors may on the basis of all or any of the following criteria, decide on the Employees / Grantees who are eligible for the grant / vesting of Options under the Scheme and the terms and conditions thereof.

- Loyalty: It will be determined on the basis of tenure of employment of an Employee / Grantee in the Company / Subsidiary Company.
- Performance of Employee / Grantee: Employee's / Grantee's performance during the financial year in the Company / Subsidiary Company on the basis of decided parameters.
- Performance of Company: Performance of the Company as per the standards set by the Board of Directors.
- Any other criteria as decided by the Committee in consultation with Board of Directors from time to time.

9. The Maximum number of Options to be granted per Employee and in aggregate:

The maximum number of Options that can be granted to any eligible Employee during any one year shall not be equal to or exceed 1% of the issued capital of the Company at the time of grant. The Committee may decide to grant such number of Options equal to or exceeding 1% of the issued capital to any eligible Employee as the case may be, subject to the separate approval of the Shareholders in a general meeting.

The maximum number of Options that may be granted pursuant to this Scheme shall not exceed 2,000,000 (two million) which shall be convertible into equal number of Equity Shares.

10. The Maximum quantum of benefits to be provided per Employee under the scheme:

The maximum quantum of benefits that will be provided to every eligible Employee under the Scheme will be the difference between the market value of Company's Equity Share on the Stock Exchanges as on the date of exercise of Options and the exercise price paid by the Employee.

11. Whether the Scheme(s) is to be implemented and administered directly by the Company or through a Trust:

The Scheme shall be implemented through direct route for extending the benefits to the eligible Employees by the way of fresh allotment and will follow cash mechanism.

The Scheme shall be administered by the Nomination and Remuneration Committee which shall delegate some or all of its power to any other Committee or Persons for proper administration of the Scheme.

12. Whether the Scheme involves new issue of shares by the company or secondary acquisition by the Trust or both:

The Scheme involves new issue of Equity Shares by the Company.

13. The amount of loan to be provided for implementation of the Scheme by the Company to the Trust, its tenure, utilization, repayment terms, etc.:

Not applicable since the scheme is proposed to be implemented by direct route.

14. The Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the Trust for the purposes of the Scheme:

Not applicable since the scheme is proposed to be implemented by direct route.

15. Disclosure and accounting policies:

The Company shall comply with the disclosures requirements and the accounting policies prescribed under Regulation 15 of the SEBI (SBEB) Regulations or as may be prescribed by regulatory authorities from time to time.

16. The method which the Company shall use to value its Options:

The Company shall comply with the requirements of IND-AS and shall use Fair Value method.

17. Statement with regard to Disclosure in Director's Report:

As the company is adopting fair value method, presently there is no requirement for disclosure in director's report. However, if in future, the Company opts for expensing of share based employee benefits using the intrinsic value, then the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("**EPS**") of the company shall also be disclosed in the Directors' report.

None of the Directors, Manager, Key Managerial Personnel of the Company, and any relatives of such Director, Manager, Key Managerial Personnel is in any way concerned or interested, financially or otherwise, in these resolutions except to the extent of Equity Shares held by them in the Company or the Options that may be granted under the said Scheme.

The Board of Directors of the Company recommends the Resolutions to be passed as Special Resolutions as set out at Item No. 2 for approval of the Members.

Quick Heal Technologies Limited Employees Stock Options Scheme – 2021 and other documents referred to in the aforesaid resolutions are available for inspection electronically.

By Order of the Board
For Quick Heal Technologies Limited

Sd/-

Mr. Kailash Katkar
Managing Director & CEO
(DIN 00397191)

Date : March 15, 2021
Place : Pune

Additional disclosure regarding special resolution passed on August 11, 2017 at the Annual General Meeting of the Company regarding ESOP Scheme 2014, for all Shareholders of the Company. The salient features and other details as required pursuant to Regulation 6(2) of SEBI (SBEB) Regulations are as under:

1. **Brief Description of the Scheme:**

   The Scheme is being called as ESOP 2014.

   The Purpose of the Scheme includes the followings:

   a. To reward the Employees for their past association and performance as well as to motivate them to contribute to the growth and profitability of the Company.

   b. To attract, retain and motivate talented and critical employees.

   c. To encourage employees to align individual performance with company objectives.

   d. To reward employee performance with ownership in proportion to their contribution.

   e. To align employee interest with those of the organization.

   f. To encourage employees to create share market value.

2. **Total number of Options to be granted under the Scheme:**

   The existing pool of Options under the Scheme is 13,00,000. Out of the overall Options, as on March 15, 2021, the details of Options granted, lapsed, exercised and pending to be granted is as follow:

Options granted as on date	Options Lapsed	Options exercised	Balance available options as on date
19,66,500	6,67,119	3,10,204	619

   If any Option granted under the Scheme lapses or is forfeited or surrendered under any provision of the Scheme, such Option shall be available for further grant under the Scheme unless otherwise determined by the by the Board of Directors of the Company (hereinafter referred to as the "Board of Directors" which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee).

   Further, the maximum number of Options that can be granted and the Equity Shares arise upon exercise of these Options shall stand adjusted in case of corporate action (as defined in the Scheme).

3. **Identification of classes of employees entitled to participate and be beneficiaries in Scheme:**

   a. A permanent Employee of the Company who has been working in India or outside India; or

   b. a Director of the Company, whether a Whole Time Director or not but excluding an Independent Director or

   c. an Employee as defined in clause (a) or (b) of a Subsidiary, in India or outside India of the Company

   <u>But does not include:</u>

   a. an Employee who is a Promoter or a person belonging to the Promoter Group; or

   b. A Director who either himself or through his Relative or through any Body Corporate, directly or indirectly, holds more than ten percent of the outstanding Shares of the Company.

4. **Requirement of Vesting and period of Vesting:**

   Options granted under ESOP 2014 would vest not earlier than one year and not more than five years from the date of grant of such Options. Vesting of options would be subject to continued employment with the Company and thus the options would vest on passage of time. In addition to this, the Board may, on the recommendation of the Nomination, Remuneration and Compensation Committee, also specify certain performance parameters subject to which the options would vest. The specific vesting schedule and conditions subject to which vesting would take place would be outlined in the document given to the option grantee at the time of grant of options. The decision of the Nomination, Remuneration and Compensation Committee will be final in respect of performance parameters whether achieved or not and whether to allow vesting of those options as detailed in this document. The Nomination, Remuneration and Compensation Committee will have absolute right in deciding the vesting of options.

5. **Maximum period within which the Options shall be vested:**

The Options granted under the Scheme shall vest within a maximum period of Five (5) years from the grant date.

6. **Exercise Price or Pricing Formula:**

The exercise price shall be determined by the Board on the recommendation of the Nomination, Remuneration and Compensation Committee.

7. **Exercise period and process of Exercise:**

The exercise period shall be 5 (Five) years from the date of respective vesting.

After vesting, Options can be exercised, either all at once or in tranches, through cash route under which the Grantee will receive the Equity Shares equivalent to the number of the Options exercised in accordance with the terms and conditions of the Scheme after he has submitted the exercise application along with payment of the exercise price, applicable taxes and other charges, if any.

The mode and manner of the exercise shall be communicated individually.

8. **Appraisal process for determining the eligibility of the Employees to Scheme:**

The Board of Directors may on the basis of all or any of the following criteria, decide on the Employees / Grantees who are eligible for the grant / vesting of Options under the Scheme and the terms and conditions thereof.

- Loyalty: It will be determined on the basis of tenure of employment of an Employee / Grantee in the Company / Subsidiary Company.
- Performance of Employee / Grantee: Employee's / Grantee's performance during the financial year in the Company / Subsidiary Company on the basis of decided parameters.
- Performance of Company: Performance of the Company as per the standards set by the Board of Directors.
- Any other criteria as decided by the Nomination and Remuneration Committee in consultation with Board of Directors from time to time.

9. **The Maximum number of Options to be granted per Employee and in aggregate:**

The total number of options that can be granted under the scheme shall not exceed 13,00,000. As on March 15, 2021, 619 are pending to be granted in the Scheme.

The maximum number of Options that can be granted to any eligible Employee during any one year shall not be equal to or exceed 1% of the issued capital of the Company at the time of grant. The Committee may decide to grant such number of Options equal to or exceeding 1% of the issued capital to any eligible Employee as the case may be, subject to the separate approval of the Shareholders in a general meeting.

10. **The Maximum quantum of benefits to be provided per Employee under the scheme:**

The maximum quantum of benefits that is (for Options already granted) and will be (for Options to be granted) provided to every eligible Employee under the Scheme is/will be the difference between the market value of Company's Equity Share on the Stock Exchanges as on the date of exercise of Options and the exercise price paid by the Employee.

11. **Whether the Scheme(s) is to be implemented and administered directly by the Company or through a Trust:**

The Scheme is being implemented through direct route for extending the benefits to the eligible Employees by the way of fresh allotment and is following cash mechanism.

The Scheme is being administered by the Nomination and Remuneration Committee which shall delegate some or all of its power to any other Committee or Persons for proper administration of the Scheme.

12. **Whether the Scheme involves new issue of shares by the company or secondary acquisition by the Trust or both:**

The Scheme involves new issue of Equity Shares by the Company.

13. **The amount of loan to be provided for implementation of the Scheme by the Company to the Trust, its tenure, utilization, repayment terms, etc.:**

Not applicable since the scheme is being implemented by direct route.

14. **The Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the Trust for the purposes of the Scheme:**

    Not applicable since the scheme is being implemented by direct route.

15. **Disclosure and accounting policies:**

    The Company shall and is presently complying with the disclosures requirements and the accounting policies prescribed under Regulation 15 of the SEBI (SBEB) Regulations or as may be prescribed by regulatory authorities from time to time.

16. **The method which the Company shall use to value its Options:**

    The Company shall and is presently complying with the requirements of IND-AS and is using Fair Value method.

17. **Statement with regard to Disclosure in Director's Report**:

    As the company is adopting fair value method, presently there is no requirement for disclosure in director's report. However, if in future, the Company opts for expensing of share based employee benefits using the intrinsic value, then the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("EPS") of the company shall also be disclosed in the Directors' report.

By Order of the Board
For Quick Heal Technologies Limited

Sd/-

Mr. Kailash Katkar
Managing Director & CEO
(DIN 00397191)

Date : March 15, 2021
Place : Pune

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QUICK HEAL TECHNOLOGIES LIMITED
CIN: L72200MH1995PLC091408
Regd. Office: MARVEL EDGE 7010 C & D, OPPOSITE NECO GARDEN SOCIETY, VIMAN NAGAR, PUNE- 411014
Tel. No.: +91 20- 66813232
Email: cs@quickheal.co.in ; Website: www.quickheal.co.in

POSTAL BALLOT FORM

(Please read carefully the instructions printed overleaf before exercising the vote)

Serial No.:

1.	Name & Registered Address of the sole / first named Shareholder	
2.	Name(s) of the joint Shareholder, if any	
3.	Registered folio No. (Applicable to Shareholders holding shares in Physical form)	
4.	DP ID No. / Client ID No. (Applicable to investors holding shares in dematerialized form)	
5.	No. of shares held	

I/We hereby exercise my/our vote in respect of the Special resolution to be passed through postal ballot for the business stated in the Notice of postal ballot dated **15th March, 2021** issued by the Company by sending my /our assent or dissent to the said resolution by placing the tick (√) mark at the appropriate box below:

Item No.	Description of the Resolution	No. of Equity Share(s)	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1.	Approval for Buyback of Equity Shares of the Company			
2.	To approve Quick Heal Technologies Limited Employees Stock Options Scheme – 2021			

Place : _____

Date : _____, 2021

_____
(Signature of the Member / AR)

NOTE: Please read the instructions printed overleaf carefully before exercising your vote through this Postal Ballot Form.

ELECTRONIC VOTING PARTICULARS

Event Number	USER ID	Password / Pin
«EVENT»		

GENERAL INSTRUCTIONS

A member desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form (no other form or photocopy thereof is permitted). The duly completed Postal Ballot Form should reach to the Scrutinizer, in the enclosed self-attested business reply envelope. Postage will be borne and paid by the Company. However, envelopes containing Postal Ballot Form(s), if deposited in person or if sent by the courier or registered/ speed post at the expense of the Member will also be accepted.

1. The self-addressed business reply envelope bears the name and postal address of the Scrutinizer appointed by the Buyback Committee.
2. This form should be completed and signed by the Member/Authorised Representative (as per the specimen signature registered with the Company/ Depository Participants). In case of joint holding, this Form should be completed and signed by the first named Member and in his absence, by the next named Member.
3. Consent must be accorded by placing a tick mark [✓] in the column, 'I assent to the resolution' or dissent must be accorded buy placing a tick mark [✓] in the column, 'I dissent to the resolution'.
4. Duly completed Postal Ballot Form should reach the Scrutinizer not later than the close of working hours i.e. 5.00 p.m. on Sunday, April 18, 2021. All Postal Ballot Forms received after this date and time will be treated as if reply from such member(s) has not been received.
5. There will be only one Postal Ballot Form for every Folio/Client ID irrespective of the number of Joint Member(s).
6. In case of shares held by companies, trust, societies, etc. the duly completed Postal Ballot Form should be accompanied by a certified true copy of the Board Resolution/ Authority Letter, along with attested specimen signature(s) of the duly authorized signatory(ies) who is authorised to vote, failing which the Postal Ballot Form will be treated as invalid.
7. A member may request for a duplicate Postal Ballot Form, if so required. However, the duly completed duplicate Postal Ballot Form should reach the Scrutinizer not later than the last date of receipt of Postal Ballot Form, i.e. 5.00 p.m. on Sunday, April 18, 2021.
8. Voting rights shall be reckoned on the paid up value of the shares registered in the name of the Members as on cut-off date i.e. Friday, March 12, 2021.
9. Members are requested not to send any other paper along with Postal Ballot Form in the enclosed self-addressed business reply envelope, as all such envelopes will be sent to Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.
10. The exercise of vote under postal ballot process is not permitted through proxy.
11. The Scrutinizer's decision on the validity of the Postal Ballot will be final and binding.
12. Incomplete, unsigned or incorrect Postal Ballot Forms will be rejected.

The result of the postal ballot will be declared by the Managing Director or any other person authorised by him on or before April 19, 2021. The result of the Postal Ballot will be displayed on the website of the Company www.quickheal.co.in for the information of the Members.

The Company is pleased to offer e-voting facility as an alternate, for all the Members of the Company to enable them to cast their votes electronically instead of dispatching Postal Form. E-Voting is optional. The detailed procedure for e-voting is part of the Postal Ballot Notice. If the voting rights are exercised through e-voting, there is no need to use the Postal Ballot Form. In case the shareholders cast their vote by physical Postal Ballot as well as e-voting, then the voting done through valid e-voting shall prevail and the voting done by physical Postal Ballot will be treated as invalid.

A Postal Ballot Form shall be considered invalid if:

1. A form other than one issued by the Company has been used;
2. It has not been signed by or on behalf of the member of the Company;
3. Signature on the Postal Ballot Form does not match the specimen signatures of the member available with the Company;
4. It is not possible to determine without any doubt the assent or dissent of the Member;
5. Neither assent nor dissent is mentioned;
6. Any competent authority has given directions in writing to the Company to freeze the voting rights of the Member;
7. The envelope containing the Postal Ballot Form is received after the last date and time prescribed;
8. The Postal Ballot Form, signed in representative capacity, is not accompanied by a certified true copy of the relevant specific authority;
9. It is defaced or mutilated in such a way that its identity as a genuine form cannot be established;
10. A Member has made any amendment to resolution or imposed any condition while exercising his vote.