

22nd May, 2017

Ref No.: QHTL/Sec/SE/2017-18/22

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: Report of Monitoring Agency under Regulation 32(6) of SEBI (LODR) Regulation 2015

Dear Sir/Madam,

Please find enclosed herewith report of Monitoring Agency under Regulation 32(6) of SEBI (LODR) Regulation 2015.

This is for your information and records.

For Quick Heal Technologies Limited



Vijay Shirode
Company Secretary

Encl: As Above



Complete Protection For



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AXB/CO/IFB-TS/17-18/38
May 3, 2017

To,
Quick Heal Technologies Limited
Marvel Edge, 7010 C&D, 7th Floor,
Opp. NECO Garden Society
Pune – 411 014

Kind Attn: Mr. Rajesh Ghonasgi

Dear Sir,

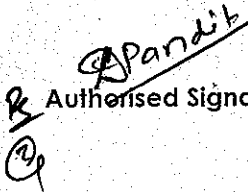
**Sub : Quick Heal Technologies Limited - initial public offering of equity shares by the
Company aggregating upto Rs. 250 Crores**

We write in our capacity of Monitoring Agent for the captioned initial public offering of the Company and refer to our duties cast under Regulation 16(2) of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009.

In terms of above, please find attached the Monitoring Report for the half year ended 31st March, 2017, as per Schedule IX of the aforesaid SEBI Regulations.

Request you to kindly take the same on records.

Thanking you,
For **Axis Bank Limited**


R. Pandit
Authorized Signatory

Monitoring Report

Name of the Monitoring Agency: Axis Bank Limited

Monitoring Report for the half year ended: 31st March, 2017

(1) Name of the Issuer: **Quick Heal Technologies Limited**

(2) About the issue whose proceeds to be monitored:

Particulars	Details
(a) Issue date	18 February 2016
(b) Type of issue (public/rights).	Public issue
(c) Type of specified securities	Equity shares
(d) Issue size	Fresh issue of Rs. 2500 million
(e) Amount collected	Rs.2500 million

(3) Details of the arrangement made to ensure the monitoring of issue proceeds. Monitoring Agency Agreement dated 29th January 2016 with Axis Bank Limited

(4) Project details (to be monitored): **Not Applicable**

(a) Name of the project (particulars and location): **Not Applicable**

(b) Cost of the project details: **Not Applicable**

(As mentioned in the offer document)

Item Head	Original Cost	Revised	Remarks

Proposal to finance cost overrun, if any: **Not Applicable**

(d) Progress in the project: **Not Applicable**

(i) Expenditure incurred during the six months period (Rs. crores) **Not Applicable**

Item Head	During Six months	Cumulative

Means of finance raised during six months period (Rs. Crores)

(e) If total cumulative amount raised is more than the expenditure incurred on the project, explain how the surplus funds are utilised/ proposed to be utilised. Give details on investment like instruments, maturity, earnings and other conditions. Indicate name of the party/ company in which amounts have been invested. The following data shall be given separately for investment in group companies and others: **Not Applicable**

Type of instrument/	Amount invested	Maturity	Earnings

(f) Comments on utilization of funds: please refer to point (i) below

(g) If there is any delay in implementation of the project, the same may be specified along with the reason thereof and the proposed course of action. (Please give the comparative statement of schedule of various activities as mentioned in the offer document and their actual implementation). **Not Applicable**



(h) Status of Government/ statutory approvals related to the project as disclosed in offer document.
Not Applicable

(i) Technical assistance/ collaboration (Please mention arrangements contemplated at the time of issue and the progress thereafter) **Not Applicable**

(j) Major deviations from the earlier progress reports: **Not Applicable**

(k) Any favorable/ unfavorable events improving /affecting project viability: **Not Applicable**

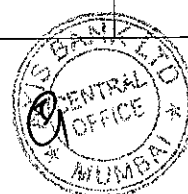
(l) Any other relevant information/observation:

- The Company has incurred an excess amount of amount of Rs. 14.94 million as issue related expenses against as disclosed in the Offer Document (i.e. amount disclosed in Offer document is Rs. 157.49 million – actual amount incurred is 172.44 Million). The said expenses are shown under the head of General Corporate expenses
- The expenses related to other shareholders aggregating to Rs. 125.07 million were also paid through the books of Company in addition to the issue related expenses paid by the Company
- Pursuant to the terms of objects clause of Offer Document dated September 29, 2015 (the Offer Document) the Company proposes to deploy the entire Net Proceeds towards the objects as described in the offer document during fiscal years 2017, 2018 and 2019, as applicable. In the event that the estimated utilization of the net Proceeds in a scheduled fiscal year is not completely met, the same shall be utilized in the next fiscal year. Accordingly, we have noticed that as per the projection provided in the Offer Document the Company was required to spend Rs. 370 million in the year 2017 under the head advertising and Sales promotion. However the Company has actually spent Rs. 88.76 million during the current fiscal.
- Pursuant to the terms of objects clause the Company was required to spend Rs. 220 million under the head Capital expenditure on research and development. However, the Company has actually spent Rs. 232.22 million. There is an excess expenditure of Rs. 12.22 million under the head Capital expenditure on research and development during the fiscal.

Utilisation of issue proceeds till 31st March, 2017

(Amount in Rupees million)

Particulars	Utilization from Net Proceeds as proposed in RHP	Actual utilisation made from the net proceeds till 30 th September, 2016	Actual utilisation made from the net proceeds from 1 st October, 2016 to 31 st March, 2017	Balance Available
Advertising and sales promotion	1,110.00	8.74	80.02	1021.24
Capital expenditure on research and development	418.8	216.31	15.91	186.58
Purchase, development and renovation of office premises in Kolkata, Pune and New Delhi	275.95	44.19	13.1	218.66



General corporate purposes	537.76	14.95*	62.88	459.94
Total	2,342.51	284.19	171.91	1886.41

Thanking you,

For Axis Bank Limited

Pandit

Authorised Signatory
Date: 03.05.2017



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