

**Name of the Issue: Quick Heal Technologies Limited**

<b>1 Type of Issue</b>	Initial Public Offer
<b>2 Issue Size (INR in crore)</b>	451.25*

\*Source: Prospectus dated February 13, 2016

<b>3 Grade of issue along with name of the rating agency</b>	
<b>Name</b>	N.A.
<b>Grade</b>	N.A.

<b>4 Subscription Level (Number of times)</b>	11.07*
---	--------

\* Before technical rejections and excluding anchor portion  
Source: Minutes for basis of allotment dated February 15, 2016

<b>5 QIB Holding (as a % of Outstanding Capital) as disclosed to the stock exchanges</b>	
<b>Particulars</b>	<b>%age</b>
(i) On Allotment **	15.3%
(ii) at the end of the 1st Quarter immediately after the listing of the issue (March 31, 2016) **	6.8%
(iii) at the end of 1st FY (March 31, 2016) **	6.8%
(iv) at the end of 2nd FY (March 31, 2017) **	9.4%
(v) at the end of 3rd FY (March 31, 2018) **	8.1%

\*\* Source: stock exchange filings

<b>6 Financials of the issuer</b>			
	(Rs. Million)		
<b>Parameters</b>	<b>1st FY (March 31, 2016)</b>	<b>2nd FY (March 31, 2017)</b>	<b>3rd FY (March 31, 2018)</b>
Income from operations	3,021	3,000	3,183
Net Profit for the period **	579	532	830
Paid-up equity share capital	700	701	704
Reserves excluding revaluation reserves	5,593	5,916	6,535

Source: stock exchange filings

\*\* Excludes other comprehensive income

<b>7 Trading Status in the scrip of the issuer</b>	
The company's equity shares are listed on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE")	
The shares have not been suspended or delisted	
<b>Particulars</b>	<b>Status</b>
(i) at the end of 1st FY (March 31, 2016)	Frequently Traded
(ii) at the end of 2nd FY (March 31, 2017)	Frequently Traded
(iii) at the end of 3rd FY (March 31, 2018)	Frequently Traded

<b>8 Change in Directors of Issuer from the disclosures in the offer document</b>		
<b>Particulars</b>	<b>Name of Director</b>	<b>Appointed / Resigned</b>
(i) at the end of 1st FY (March 31, 2016)	-	-
(ii) at the end of 2nd FY (March 31, 2017)	-	-
(iii) at the end of 3rd FY (March 31, 2018)	-	-

<b>9 Status of implementation of project/ commencement of commercial production</b>	
(i) as disclosed in the offer document	Not applicable
(ii) Actual implementation	Not applicable
(iii) Reasons for delay in implementation, if any	Not applicable

<b>10 Status of utilization of issue proceeds</b>						
(i) As disclosed in the offer document						
	(Rs. Million)					
<b>Expenditure Items</b>	<b>Total Estimated cost</b>	<b>Amount to be financed from Net Proceeds</b>	<b>Estimated schedule of deployment of Net Proceeds for Fiscal</b>			
			<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Advertising and sales promotion	1,110	1,110	-	370	370	370
Capital expenditure on research and development	419	419	-	220	100	99
Purchase, development and renovation of office premises in Kolkata, Pune and New Delhi	276	276	57	219	-	-
General corporate purposes	538	538	1	161	188	188
<b>Total</b>	<b>2,343</b>	<b>2,343</b>	<b>58</b>	<b>970</b>	<b>658</b>	<b>657</b>

Source: Prospectus dated February 13, 2016

(ii) Actual utilization						
	(Rs. Million)					
<b>Expenditure Items</b>	<b>Actual deployment of Net Proceeds for Fiscal</b>					
	<b>2016</b>	<b>2017</b>	<b>2018*</b>	<b>2019</b>	<b>Total</b>	
Advertising and sales promotion	-	89	155	Not available	244	
Capital expenditure on research and development	6	226	77	Not available	309	
Purchase, development and renovation of office premises in Kolkata, Pune and New Delhi	20	38	130	Not available	187	
General corporate purposes	-	80	22	Not available	102	
<b>Total</b>	<b>25</b>	<b>433</b>	<b>384</b>	<b>Not available</b>	<b>843</b>	

Source: Company stock exchange filing  
\* Monitoring agency report available only till December 2017  
(iii) Reasons for deviation, if any  
Not applicable

## 11 Comments of monitoring agency

- (i) Comments on use of funds Not applicable
- (ii) Comments on deviations, if any, in the use of proceeds of the issue from the objects stated in the Offer document Not applicable
- (iii) Any other reservations expressed by the monitoring agency about the end use of funds

- The Company has incurred excess amount of INR 14.94 million as issue related expenses against disclosure in the offer document (i.e. amount disclosed in offer document is INR 157.49 million - actual amount incurred is INR 172.44 million). The said expenses are shown under the head of general corporate expenses

- Expenses related to other shareholders aggregating to INR 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 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 INR 370 million in the year 2017 under the head advertising and sales promotion. However the Company has actually spent INR 88.76 million during the current fiscal

- Pursuant to the terms of objects clause the Company was required to spend INR 220 million under the head capital expenditure on research and development. However, the Company has actually spent INR 232.22 million. There is an excess expenditure of INR 12.22 million under the head capital expenditure on research and development

## 12 Pricing Data

Issue Price (Rs.) 321  
Listing Date 18-Feb-16

Price parameters	Close of 30th calendar day from listing day <sup>(1)</sup>		At close of 90th calendar day from listing day <sup>(2)</sup>		As at the end of the 1st FY after the listing of the issue (March 31, 2016)		
	At close of listing day Feb 18, 2016	Mar 18, 2016	May 17, 2016	Closing price	High <sup>3</sup>	Low <sup>3</sup>	
Market Price (BSE)	254	222	257	217	220	214	214
Market Price (NSE)	254	220	257	218	220	214	214
BSE Sensex	23,649	24,353	25,774	25,342	25,480	25,223	25,223
CNX Nifty	7,192	7,604	7,891	7,738	7,778	7,702	7,702
Sectoral Index (BSE Tech)	5,720	5,991	6,116	6,105	6,139	6,043	6,043
				As at the end of the 2nd FY after the listing of the issue (March 31, 2017)			
Price parameters	Closing price	High <sup>3</sup>	Low <sup>3</sup>	Closing price	High <sup>3</sup>	Low <sup>3</sup>	
Market Price (BSE)	237	239	235	291	294	266	266
Market Price (NSE)	236	239	235	290	294	268	268
Index (of the Designated Stock Exchange): BSE <sup>(1)</sup>	29,621	29,688	29,553	33,255	33,289	32,998	32,998
CNX Nifty	9,174	9,192	9,152	10,212	10,220	10,128	10,128
Sectoral Index (BSE Tech)	5,771	5,792	5,737	6,582	6,590	6,519	6,519

(1) 30th calendar day has been taken as listing date plus 29 calendar days. Where the 30th day is a holiday the immediately following trading day has been considered

(2) 90th calendar day has been taken as listing date plus 89 calendar days. Where the 90th day is a holiday the immediately following trading day has been considered

(3) Intraday high low prices for Mar 31 considered

## 13 Basis for Issue Price

Accounting ratio	Quick Heal Technologies Limited	As disclosed in the offer document (FY 2015) <sup>(1)</sup>	At the end of 1st FY (FY 2016) <sup>(2)</sup>	At the end of 1st FY (FY 2017) <sup>(3)</sup>	At the end of 1st FY (FY 2018) <sup>(3)</sup>
EPS <sup>(2)</sup>	Issuer:	8.69	9.27	7.55	11.79
	Industry Avg:	Not applicable	Not applicable	Not available	Not available
P/E	Issuer:	36.4x	23.4x	31.1x	24.6x
	Basic <sup>(2)</sup>	36.9x	23.5x	31.3x	24.6x
	Diluted <sup>(2)</sup>	Not applicable	Not applicable	Not available	Not available
RoNW	Issuer:	16.4%	9.2%	8.0%	11.5%
	Industry Avg:	Not applicable	Not applicable	Not available	Not available
NAV per share based on Balance Sheet	Issuer:	53.82	89.87	94.38	102.84
	Industry Avg:	Not applicable	Not applicable	Not available	Not available

Notes:

<sup>(1)</sup> Sourced from the Prospectus dated February 13, 2016

<sup>(2)</sup> Based on Fully Diluted EPS

<sup>(3)</sup> Financials sourced from stock exchange filings; Share price as per NSE for Issuer

<sup>(4)</sup> For the offer document: P/E represents the implied multiple at Cap price and EPS of year ended Mar 31, 2015

## 14 Any other material information

Particulars	Date
FY18 results and announcement of final dividend	10-May-18
Resignation of Chief Financial Officer Mr. Rajesh Ghonaegi	7-Feb-18
FY17 results and announcement of final dividend	12-May-17
Quick Heal appoints Vijay Mhaskar as Chief Operating Officer	28-Sep-16
Dismissal of suit filed by NCS Computech Ltd against the Company by City Civil Court at Calcutta	30-Jun-16
Dismissal of suit filed by Mr. Keshav Malani and Mr. Yash Malani against the Company by City Civil Court at Calcutta	23-Jun-16
FY16 results and announcement of final dividend	11-May-16

Note: Further details on the above and a complete list of material information as disclosed by the Company is available on the website of the stock exchanges