

PUBLIC ANNOUNCEMENT

FOR THE ATTENTION OF THE SHAREHOLDERS/BENEFICIAL OWNERS OF EQUITY SHARES OF QUICK HEAL TECHNOLOGIES LIMITED ("COMPANY") FOR THE BUYBACK OF EQUITY SHARES THROUGH TENDER OFFER UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (BUY-BACK OF SECURITIES) REGULATIONS, 2018, AS AMENDED

This Public Announcement ("Public Announcement") is being made in relation to the Buyback (as defined hereinafter) of Equity Shares (as defined hereinafter) of the Company pursuant to the provisions of Regulation 7(i) of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 ("Buyback Regulations") and contains the disclosures as specified in Schedule II to the Buyback Regulations read with Schedule I of the Buyback Regulations.

OFFER TO BUYBACK UP TO 50,00,000 FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 10/- (RUPEES TEN ONLY) EACH ("EQUITY SHARES") AT A PRICE OF ₹ 300/- (RUPEES THREE HUNDRED ONLY) PER EQUITY SHARE, PAYABLE IN CASH, ON A PROPORTIONATE BASIS THROUGH THE TENDER OFFER ROUTE (THROUGH STOCK EXCHANGE MECHANISM).

1 THE BUYBACK OFFER

1.1 The Board of Directors (hereinafter referred to as the "Board", which expression includes any committee constituted by the Board to exercise its powers, including the powers conferred by this resolution) of the Company, at its meeting held on July 21, 2022, "Board Meeting") has, subject to the approval of the shareholders of the Company by way of a special resolution through e-voting and subject to such approvals of regulatory and/or statutory authorities as may be required under applicable law, approved the proposal for the buyback of up to 50,00,000 Equity Shares at a price of ₹ 300/- (Rupees three hundred only) ("Buyback Price"), payable in cash, for an amount aggregating up to ₹ 150 crores (Rupees one hundred and fifty crores only) ("Maximum Buyback Size") (being less than 25% of the total paid-up equity capital and free reserves of the Company as per the latest standalone and consolidated audited financial statements of the Company as on March 31, 2022), from the shareholders of the Company ("Shareholders") on a proportionate basis through the tender offer process, in accordance with Article 9 of the Articles of Association of the Company and the provisions of the Companies Act, 2013, as amended ("Companies Act" or "Act") and, the Companies (Share Capital and Debentures) Rules, 2014, as amended ("Share Capital Rules"), Companies (Management and Administration) Rules, 2014, as amended ("Management Rules"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations") to the extent applicable and in compliance with the Buyback Regulations ("Buyback" or "Buyback Offer"). The Maximum Buyback Size does not include 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"). The Buyback is 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 BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") (collectively, "Stock Exchanges") and other authorities, institutions or bodies ("Appropriate Authorities") while granting such approvals, permissions and sanctions, which may be agreed by the Board and on the terms and conditions set out in the explanatory statement contained in the notice of Shareholders' meeting dated August 2, 2022 ("Notice").

1.2 Since the Buyback is more than 10% of the total paid-up equity share capital and free reserves of the Company, in terms of Section 68(2)(b) of the Act, the Board had sought approval of the Shareholders of the Company for the Buyback, by way of a special resolution. The shareholders of the Company approved the Buyback, by way of a special resolution, through e-voting pursuant to the Notice, the results of which were announced on August 27, 2022 ("Shareholders' Approval").

1.3 The Buyback is proposed to be undertaken 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, and circular SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021, including any amendment thereof ("SEBI Circulars"). The Buyback shall be undertaken on a proportionate basis from the shareholders as of Record Date (defined below) ("Eligible Shareholders") through the tender offer process prescribed under Regulation 4(iv)(a) of the Buyback Regulations. Please refer to Paragraph 10 below for further details regarding the Record Date and shareholders' entitlement to tender the Equity Shares in the Buyback.

1.4 The Buyback from the Eligible Shareholders who are residents outside India including Foreign Corporate Bodies (including erstwhile Overseas Corporate Bodies), 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, as amended, and that such approvals shall be required to be taken by such non-resident shareholders.

1.5 In terms of the Buyback Regulations, under tender offer route, the promoters and the promoter group of the Company ("Promoter and Promoter Group"), have the option to participate in the Buyback. In this regard, the Promoters have expressed their intention to participate in the Buyback vide their letters dated July 21, 2022 and may tender up to an aggregate maximum of 36,41,860 Equity Shares or such lower number of Equity Shares in accordance with the provisions of the Buyback Regulations. The maximum number of Equity Shares to be tendered by each of the Promoters have been detailed in Paragraph 6.4 of this Public Announcement.

1.6 The aggregate paid-up share capital and free reserves as per the latest audited standalone and consolidated financial statements of the Company as on March 31, 2022 is ₹ 607.04 crores and ₹ 608.24 crores, respectively. 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., ₹ 151.76 crores and ₹ 152.06 crores, respectively. The maximum amount proposed to be utilized for the Buyback, ₹ 150 crores (Rupees one hundred and fifty crores 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 standalone and consolidated financial statements of the Company as on March 31, 2022. 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. The Company proposes to Buyback up to 50,00,000 Equity Shares, representing 8.6% of the total issued and paid-up equity share capital of the Company as of March 31, 2022. Therefore, the number of Equity Shares proposed to be purchased under the Buyback does not exceed 25% of the total paid-up equity capital of the Company as of March 31, 2022.

1.7 The Buyback will not result in any benefit to Promoters 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.

1.8 A copy of this Public Announcement is available on the website of the Company at www.quickheal.co.in, and is expected to be available on the website of SEBI i.e. www.sebi.gov.in during the period of the Buyback and on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com respectively.

1.9 Participation in the Buyback by shareholders will trigger tax on distributed income to shareholders (hereinafter referred to as "Buyback Tax") and such tax is to be discharged by the Company. This may trigger capital gains taxation in the hands of shareholders in India and in their country of residence. The transaction of Buyback would also be chargeable to securities transaction tax in India. In due course, the Eligible Shareholders will receive a letter of offer, which will contain a more detailed note on taxation. The shareholders are advised to consult their own legal, financial and tax advisors prior to participating in the Buyback.

2 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" (as defined below);
- (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 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.

3 MAXIMUM AMOUNT OF FUNDS REQUIRED FOR THE BUYBACK, ITS PERCENTAGE OF THE TOTAL PAID-UP CAPITAL AND FREE RESERVES, AND SOURCES OF FUNDS FROM WHICH BUYBACK WOULD BE FINANCED

3.1 The maximum amount required for Buyback will not exceed ₹ 150 crores (Rupees one hundred and fifty crores only) (excluding Transaction Costs).

3.2 The maximum amount mentioned above is 24.71% and 24.66% 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, 2022 (being the latest audited financial statements available as on the date of the Board Meeting), respectively, which is within the prescribed limit of 25%.

3.3 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.

3.4 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.

4 MAXIMUM PRICE FOR BUYBACK OF THE EQUITY SHARES AND BASIS OF ARRIVING AT THE BUYBACK PRICE

- 4.1 The Equity Shares of the Company are proposed to be bought back at a price of ₹ 300/- (Rupees three hundred only) per Equity Share.
- 4.2 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.
- 4.3 The Buyback Price represents:
- (i) premium of 71.81% and 72.89% 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 July 15, 2022*, being the date of intimation to the Stock Exchanges regarding the date of the Board Meeting ("Intimation Date"); and
 - (ii) premium of 57.29% and 58.11% 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
 - (iii) premium of 79.75% and 79.96% over the closing price of the Equity Shares on the BSE and the NSE respectively, as on the Intimation Date.
- (iv) premium of 50.87% and 50.98% over the closing price of the Equity Share on BSE and NSE, respectively, as on July 21, 2022, being the date of the Board Meeting.

*Including the price and volume data of the Intimation Date

4.4 The closing market price of the Equity Shares as on the Intimation Date was ₹ 166.90 and ₹ 166.70 and as on the date of the Board Meeting was ₹ 198.85 and ₹ 198.70 on the BSE and the NSE, respectively.

5 MAXIMUM NUMBER OF EQUITY SHARES THAT THE COMPANY PROPOSES TO BUYBACK

The Company proposes to buyback up to 50,00,000 fully paid-up Equity Shares of face value of ₹ 10/- (Rupees ten only) each, representing 8.6% of the total issued and paid-up equity share capital of the Company as of March 31, 2022.

6 DETAILS OF SHAREHOLDING AND INTENTION OF PROMOTERS AND PROMOTER GROUP TO PARTICIPATE IN THE BUYBACK

6.1 The aggregate shareholding of the Promoters and Promoter Group and persons in control of the Company as on the date of the Board meeting, i.e. July 21, 2022, the date of the Notice, i.e. August 2, 2022, and the date of this Public Announcement, are as follows:

Sl. No.	Name of the Promoter and Promoter Group entity	No. of Equity Shares	% Shareholding
1	Kailash Sahebrao Katkar	1,69,86,298	29.28
2	Sanjay Sahebrao Katkar	1,69,86,298	29.28
3	Anupama Kailash Katkar	41,44,007	7.14
4	Chhaya Sanjay Katkar	41,44,007	7.14
5	Sneha Kailash Katkar	2,567	Negligible
Total		4,22,63,177	72.84

6.2 No shares or other specified securities in the Company were either purchased or sold by Promoters and Promoter Group and by persons who are in control of the Company during a period of 6 months preceding the date of the Board Meeting and the date of the Notice.

6.3 The details of the shareholding of the Directors and Key Managerial Personnel of the Company as on the date of the Board Meeting, i.e. July 21, 2022, the date of the Notice, i.e. August 2, 2022, and the date of this Public Announcement, are as follows:

Sl. No.	Name of the Directors/Key Managerial Personnel	Designation	No. of Equity Shares	% Shareholding
1	Kailash Katkar	Chief Executive Officer	1,69,86,298	29.28
2	Sanjay Katkar	Joint Managing Director	1,69,86,298	29.28
3	Navin Sharma	Chief Financial officer	1,853	Negligible
Total			3,39,72,596	58.56

6.4 Intention of Promoters and Promoter Group to participate in Buyback:

In terms of the Buyback Regulations, under the tender offer route, the Promoters and Promoter Group have an option to participate in the Buyback. In this regard, the Promoters have expressed their intention to participate in the Buyback vide their letters dated July 21, 2022 and may tender up to an aggregate maximum of 36,41,860 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 Promoters:

Sl. No.	Name of the Promoters	Maximum Number of Equity Shares intended to be offered
1.	Kailash Sahebrao Katkar	14,63,810
2.	Sanjay Sahebrao Katkar	14,63,810
3.	Anupama Kailash Katkar	3,57,120
4.	Chhaya Sanjay Katkar	3,57,120
Total		36,41,860

6.5 Since the entire shareholding of the Promoters is in dematerialized form, the details of the date and price of acquisition/sale of the Equity Shares by the Promoters who intend to participate in the Buyback is set out below:

Kailash Sahebrao Katkar

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition/ Price per Equity Share (₹)	Consideration (₹)
March 31, 1996	Allotment	100	10	10	1,000
March 31, 1997	Allotment	16,000	10	10	1,60,000
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	3,15,000	10	-	-
March 13, 2007	Bonus issue	12,60,000	10	-	-
March 31, 2008	Bonus issue	12,60,000	10	-	-
January 29, 2009	Allotment	70,000	10	10	7,00,000
August 6, 2010	Transposition	(62,600)	10	-	-
September 8, 2010	Transfer	(1,45,464)	10	768.67	11,18,13,813
January 17, 2010	Transfer	(10,910)	10	768.67	83,86,190
May 25, 2011	Allotment	2,897	10	0.5178*	1,500*
February 26, 2014	Bonus issue	1,95,57,461	10	-	-
February 16, 2016 ^A	Offer for sale in IPO	(18,40,000)	10	321	59,06,40,000
June 12, 2019	Buyback	(17,16,671)	10	275	47,20,84,525
June 21, 2021	Buyback	(18,08,415)	10	245	44,30,61,675
Total		1,69,86,298			

^A2,897 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.

^A Date of approval on basis of allotment.

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
March 31, 2005	Bonus issue	70,000	10	-	-
March 6, 2006	Bonus issue	3,15,000	10	-	-
March 13, 2007	Bonus issue	12,60,000	10	-	-
March 31, 2008	Bonus issue	12,60,000	10	-	-
January 29, 2009	Allotment	70,000	10	10	7,00,000
August 6, 2010	Transposition	(62,600)	10	-	-
September 8, 2010	Transfer	(1,45,464)	10	768.67	11,18,13,813
January 17, 2010	Transfer	(10,910)	10	768.67	83,86,190
May 25, 2011	Allotment	2,897	10	0.5178*	1,500*
February 26, 2014	Bonus issue	1,95,57,461	10	-	-
February 16, 2016 ^A	Offer for sale in IPO	(18,40,000)	10	321	59,06,40,000
June 12, 2019	Buyback	(17,16,671)	10	275	47,20,84,525
June 21, 2021	Buyback	(18,08,415)	10	245	44,30,61,675
Total		1,69,86,298			

^A2,897 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.

^A Date of approval on basis of allotment.

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	1,80,000	10	-	-
March 31, 2008	Bonus Issue	1,80,000	10	-	-
March 25, 2010	Transfer	1,40,000	10	10	14,00,000
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	43,78,479	10	0	0
June 12, 2019	Buyback	(4,18,800)	10	275	11,51,70,000
June 21, 2022	Buyback	(4,41,169)	10	245	10,80,86,405
Total		-	41,44,007	-	-

^A2,897 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	1,80,000	10	-	-
March 31, 2008	Bonus Issue	1,80,000	10	-	-
March 25, 2010	Transfer	1,40,000	10	10	14,00,000
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	43,78,479	10	0	0
June 12, 2019	Buyback	(4,18,800)	10	275	11,51,70,000
June 21, 2022	Buyback	(4,41,169)	10	245	10,80,86,405
Total		-	41,44,007	-	-

^A2,897 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.

7 CONFIRMATIONS FROM THE COMPANY AS PER THE PROVISIONS OF THE BUYBACK REGULATIONS AND THE 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;

- (v) 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;
- (vi) 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;
- (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, based on standalone and consolidated financial statements of the Company, as prescribed under the Companies Act and rules made thereunder and Buyback Regulations;
- (xii) The Company will ensure consequent reduction of its share capital post Buyback and the Equity Shares bought back by the Company will be extinguished and physically destroyed in the manner prescribed under the Buyback Regulations and the Companies Act within the specified timelines;
- (xiii) 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;
- (xiv) The Company has not undertaken a buyback of any of its securities during the period of one year immediately preceding the date of the Board Meeting;
- (xv) That funds borrowed from banks and financial institutions, if any, will not be used for the Buyback;
- (xvi) 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;
- (xvii) There is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act, as on date;
- (xviii) The buyback shall be completed within a period of one year from the date of passing of the resolution approving the Buyback through e-voting;
- (xix) The Company shall pay the consideration only by way of cash; and
- (xx) 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.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W
Sd/-
Nitin Manohar Jumani
Partner
Membership No. 111700
UDIN: 22111700ANKGOR5667
Place: Pune
Date: July 21, 2022
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 Crores)		
Particulars	As at March 31, 2022	
	Standalone	Consolidated
Equity Share Capital	58.01	58.01
Total (A)	58.01	58.01
Retained Earnings	501.70	502.9
Securities Premium Account	2.30	2.3
General Reserves	45.03	45.03
Total Free Reserves (B)	549.03	550.23
Grand Total (A+B)	607.04	608.24
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)	151.76	152.06

- Notes:
- 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, 2022.
 - 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**
Sd/-
Kailash Katkar
Managing Director & Chief Executive Officer
DIN Number: 00397191
Place: Pune
Date: July 21, 2022

- 10 RECORD DATE AND SHAREHOLDER'S ENTITLEMENT**
- 10.1 As required under the Buyback Regulations, the Company has fixed Friday, September 14, 2022 (**"Record Date"**), as the Record Date for the purpose of determining the entitlement and the names of the Shareholders, who will be eligible to participate in the Buyback. Eligible Shareholders holding Equity Shares, as on the Record Date will receive a letter of offer in relation to the Buyback (**"Letter of Offer"**) along with a tender offer form indicating the entitlement of the Eligible Shareholder for participating in the Buyback.
- 10.2 The Equity Shares proposed to be bought back by the Company shall be divided into two categories: (a) reserved category for small shareholders; and (b) general category for all other Eligible Shareholders.
- 10.3 As defined in Regulation 2(1)(n) of the Buyback Regulations, a "Small Shareholder" is a shareholder of the Company who holds Equity Shares whose market value, on the basis of the closing price of the Equity Shares on the Stock Exchanges having the highest trading volume as on the Record Date, is not more than ₹ 2,00,000/- (Rupees Two hundred thousand and only).
- 10.4 In accordance with Regulation 6 of the Buyback Regulations, 15% (fifteen percent) of the number of Equity Shares which the Company proposes to buyback or number of Equity Shares entitled as per the shareholding of Small Shareholders, whichever is higher, shall be reserved for the Small Shareholders as part of this Buyback.
- 10.5 Based on the shareholding on the Record Date, the Company will determine the entitlement of each Eligible Shareholder, to tender their Equity Shares in the Buyback. This entitlement for each Eligible Shareholder will be calculated based on the number of Equity Shares held by the respective Eligible Shareholder as on the Record Date and the ratio of Buyback applicable in the category to which such Eligible Shareholder belongs. In order to ensure that the same shareholder 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 Buyback. In case of joint shareholding, the Company will club together the equity shares held in cases where the sequence of PANs of the joint shareholders is 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.
- 10.6 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. Further, the Equity Shares held under the category of "clearing members" or "corporate body margin account" or "corporate body - broker" as per the beneficial position data as on Record Date with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are assumed to be held on behalf of clients.
- 10.7 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. In case the Eligible Shareholder holds equity shares through multiple demat accounts, the tender through a demat account cannot exceed the number of equity shares held in that demat account.
- 10.8 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. If the Buyback entitlement for any shareholder is not a round number, then the fractional entitlement shall be ignored for computation of Buyback entitlement to tender Equity shares in Buyback. The settlement under the Buyback will be done using the mechanism notified by SEBI Circulars.
- 10.9 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
- 10.10 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).

- 11 PROCESS AND METHODOLOGY FOR BUYBACK**
- 11.1 The Buyback is open to all Eligible Shareholders holding Equity Shares either in physical and/or in dematerialized form on the Record Date.
- 11.2 The Buyback shall be implemented using the "Mechanism for acquisition of shares through Stock Exchange" as specified by SEBI Circulars (**"Stock Exchange Mechanism"**) and following the procedure prescribed in the Companies Act and the Buyback Regulations and as may be determined by the Board (including the Buyback Committee constituted by the Board authorized to complete the formalities of the Buyback) and on such terms and conditions as may be permitted by law from time to time.
- 11.3 For implementation of the Buyback, the Company has appointed Ambit Capital Private Limited as the registered broker to the Company (**"Company's Broker"**) to facilitate the process of tendering of Equity Shares through the Stock Exchange Mechanism for the Buyback. In the tendering process, the Company's Broker may also process the orders received from the Eligible Shareholders. The contact details of the Company's Broker are as follows:


Ambit Capital Private Limited
Ambit House, 449, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013
Tel: + 91 (22) 6623 3000; **Fax:** + 91 (22) 6623 3100;
Contact Person: Mr. Sameer Parkar
E-mail ID: sameer.parkar@ambit.co
Website: www.ambit.co
SEBI Registration Number: INZ000259334
CIN: U74140MH1997PTC107598

- 11.4 The Company will request BSE to provide the separate acquisition window (**"Acquisition Window"**) to facilitate placing of sell orders by Eligible Shareholders who wish to tender Equity Shares in the Buyback. BSE will be the designated stock exchange for the purpose of this Buyback (**"Designated Stock Exchange"**). The details of the Acquisition Window will be specified by the Designated Stock Exchange from time to time.

- 11.5 During the period for the order for selling the Equity Shares will be placed in the Acquisition Window by Eligible Shareholders through their respective stock brokers (**"Seller Member(s)"**) during normal trading hours of the secondary market. The Seller Member can enter orders for Equity Shares held in dematerialized form and physical form. In the tendering process, the Company's Broker may also process the orders received from the Eligible Shareholders.
- 11.6 In the event the Seller Member(s) of any Eligible Shareholder is not registered with BSE as a trading member/ stock broker, then that Eligible Shareholder can approach any BSE registered stock broker and can register themselves by using quick unique client code (**"UCC"**) facility through the BSE registered stock broker (after submitting all details as may be required by such BSE registered stock broker in compliance with applicable law). In case the Eligible Shareholders are unable to register using UCC facility through any other BSE registered broker, Eligible Shareholders may approach Company's Broker i.e., Ambit Capital Private Limited to place their bids, subject to completion of KYC requirements as required by the Company's broker.
- 11.7 Modification/ cancellation of orders and multiple bids from a single Eligible Shareholder will be allowed during the tendering period of the Buyback. Multiple bids made by a single Eligible Shareholder for selling Equity Shares shall be clubbed and considered as "one bid" for the purposes of acceptance.
- 11.8 The cumulative quantity tendered shall be made available on the website of BSE (www.bseindia.com) throughout the trading session and will be updated at specific intervals during the tendering period.
- 11.9 Further, the Company will not accept Equity Shares tendered for Buyback which under restraint order of the court for transfer/ sale and/ or title in respect of which is otherwise under dispute or where loss of share certificates has been notified to the Company and the duplicate share certificates have not been issued either due to such request being under process as per the provisions of law or otherwise.
- 11.10 PROCEDURE TO BE FOLLOWED BY ELIGIBLE SHAREHOLDERS HOLDING EQUITY SHARES IN DEMATERIALIZED FORM:**
- 11.10.1 Eligible Shareholders who desire to tender their Equity Shares in electronic form under Buyback would have to do so through their respective Seller Member(s) by indicating to their broker the details of Equity Shares they intend to tender under the Buyback.
- 11.10.2 The Seller Member(s) would be required to place an order/bid on behalf of the Eligible Shareholders who wish to tender Equity Shares in the Buyback using the Acquisition Window of the Designated Stock Exchange. For further details, Eligible Shareholders may refer to the circulars issued by BSE Limited (**"BSE"**) or **"Stock Exchange"**) and Indian Clearing Corporation Limited (**"Clearing Corporation"**).
- 11.10.3 The details of the settlement number under which the lien will be marked on the Equity Shares tendered for the Buyback will be provided in a separate circular to be issued by the Stock Exchange or the Clearing Corporation.
- 11.10.4 The lien shall be marked by the Seller Member in the demat account of the Eligible Shareholder for the shares tendered in tender offer. Details of shares marked as lien in the demat account of the Eligible Shareholder shall be provided by the depositories to Clearing Corporation. In case, the Shareholders demat account is held with one depository and clearing member pool and Clearing Corporation Account is held with other depository, shares shall be blocked in the shareholders demat account at source depository during the tendering period. Inter depository tender offer (**"IDT"**) instructions shall be initiated by the shareholders at source depository to clearing member/ Clearing Corporation account at target depository. Source depository shall block the shareholder's securities (i.e. transfers from free balance to blocked balance) and send IDT message to target depository for confirming creation of lien. Details of shares blocked in the shareholders demat account shall be provided by the target depository to the Clearing Corporation.
- 11.10.5 For custodian participant orders for Equity Shares held in dematerialized form, early pay-in is mandatory prior to confirmation of the order/bid by the custodian. The custodian shall either confirm or reject the orders not later than the closing of trading hours on the last day of the tendering period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, any order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.
- 11.10.6 Upon placing the bid, the Seller Member(s) shall provide a Transaction Registration Slip (**"TRS"**) generated by the exchange bidding system to the Eligible Shareholder on whose behalf the bid has been placed. The TRS will contain the details of the order submitted like bid ID number, application number, DP ID, client ID, number of Equity Shares tendered etc.
- 11.10.7 It is clarified that in case of dematerialized Equity Shares, submission of the tender form and TRS is not mandatory. After the receipt of the demat Equity Shares by the Clearing Corporations and a valid bid in the exchange bidding system, the Buyback shall be deemed to have been accepted, for Eligible Shareholders holding Equity Shares in demat form.
- 11.10.8 The Eligible Shareholders will have to ensure that they keep the depository participant (**"DP"**) account active and unlocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Buyback decided by the Company. Further, Eligible Shareholders will have to ensure that they keep the saving account attached with the DP account active and updated to receive credit remittance due to acceptance of Buyback of shares by the Company.
- 11.11 PROCEDURE TO BE FOLLOWED BY ELIGIBLE SHAREHOLDERS HOLDING EQUITY SHARES IN PHYSICAL FORM:**
- 11.11.1 In accordance with SEBI's circular dated July 31, 2020 (Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/144), shareholders holding Equity Shares in physical form are allowed to tender such shares in a buyback undertaken through the tender offer route. However, such tendering shall be as per the provisions of the Buyback Regulations.
- 11.11.2 Eligible Shareholders who are holding physical Equity Shares and intend to participate in the Buyback will be required to approach their respective Seller Member along with the complete set of documents for verification procedures to be carried out before placement of the bid. Such documents will include the (i) the Tender Form duly signed by all Eligible Shareholders (in case shares are in joint names, in the same order in which they hold the shares), (ii) original share certificate(s), (iii) valid share transfer form(s)/Form SH-4 duly filled and signed by the transferors (i.e. by all registered Shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Company, (iv) self-attested copy of PAN Card(s) of all Eligible Shareholders, (v) any other relevant documents such as power of attorney, corporate authorization (including board resolution/specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder is deceased, etc., as applicable. In addition, if the address of the Eligible Shareholder has undergone a change from the address registered in the register of members of the Company, the Eligible Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar card, voter identity card or passport.
- 11.11.3 Based on the documents mentioned in paragraph 11.11.2 above, the concerned Seller Member shall place an order/ bid on behalf of the Eligible Shareholders holding Equity Shares in physical form who wish to tender Equity Shares in the Buyback, using the acquisition window of the Designated Stock Exchange. Upon placing the bid, the Seller Member shall provide a TRS generated by the exchange bidding system to the Eligible Shareholder. TRS will contain the details of order submitted like folio number, certificate number, distinctive number, number of Equity Shares tendered etc.
- 11.11.4 Any Seller Member /Eligible Shareholder who places a bid for physical Equity Shares, is required to deliver the original share certificate(s) & documents (as mentioned above) along with TRS generated by exchange bidding system upon placing of bid, either by registered post, speed post or courier or hand delivery to the Registrar to the Buyback i.e. Link Intime India Private Limited (at the address mentioned at paragraph 14 below) on or before the offer closing date. The envelope should be super scribed as "Quick Heal Technologies Limited Buyback 2022". One copy of the TRS will be retained by Registrar to the Buyback and it will provide acknowledgement of the same to the Seller Member.
- 11.11.5 The Eligible Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents are submitted. Acceptance of the physical Equity Shares for Buyback by the Company shall be subject to verification as per the Buyback Regulations and any further directions issued in this regard. The Registrar to the Buyback will verify such bids based on the documents submitted on a daily basis and till such verification, the Designated Stock Exchange shall display such bids as 'unconfirmed physical bids'. Once Registrar to the Buyback confirms the bids, they will be treated as 'confirmed bids' and displayed on the BSE website.
- 11.11.6 In case any Eligible Shareholder has submitted Equity Shares in physical form for dematerialisation, such Eligible Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Buyback before the closure of the tendering period of the Buyback.
- 11.11.7 An unregistered shareholder holding Equity Shares in physical form may also tender their Equity Shares in the Buyback by submitting the duly executed transfer deed for transfer of shares, purchased prior to the Record Date, in their name, along with the offer form, copy of his PAN card and of the person from whom he has purchased shares and other relevant documents as required for transfer, if any.
- 11.12 The Buyback from the Eligible Shareholders who are residents outside India including foreign corporate bodies (including erstwhile overseas corporate bodies), foreign portfolio investors, non-resident Indians, members of foreign nationality, if any, shall be subject to the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder, if any, Income Tax Act, 1961 and rules and regulations framed thereunder, as applicable, and also subject to the receipt / provision by such Eligible Shareholders of such approvals, if and to the extent necessary or required from concerned authorities including, but not limited to, approvals from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder, if any.
- 11.13 The reporting requirements for non-resident shareholders under Reserve Bank of India, Foreign Exchange Management Act, 1999, as amended and any other rules, regulations, guidelines, for remittance of funds, shall be made by the Eligible Shareholders and/ or the Seller Member.

- 12 METHOD OF SETTLEMENT**
- 12.1 Upon finalization of the basis of acceptance as per the Buyback Regulations:
- 12.1.1 The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.
- 12.1.2 The Company will pay the consideration to the Company's Broker who will transfer the funds pertaining to the Buyback to the Clearing Corporation's bank account as per the prescribed schedule. For Equity Shares accepted under the Buyback, the Clearing Corporation will make direct funds payout to respective Eligible Shareholders. If the Eligible Shareholders' bank account details are not available or if the funds transfer instruction is rejected by RBI/Bank, due to any reason, then such funds will be transferred to the concerned Seller Member's settlement bank account for onward transfer to such Eligible Shareholders.
- 12.1.3 For the Eligible Shareholders holding Equity Shares in physical form, the funds pay-out would be given to their respective Selling Member's settlement accounts for releasing the same to the respective Eligible Shareholder's account.
- 12.1.4 In case of certain shareholders viz., NRIs, non-residents etc. (where there are specific regulatory requirements pertaining to funds payout including those prescribed by the RBI) who do not opt to settle through custodians, the funds payout would be given to their respective Seller Member's settlement accounts for releasing the same to such shareholder's account. For this purpose, the client type details would be collected from the depositories, whereas funds payout pertaining to the bids settled through custodians will be transferred to the settlement bank account of the custodian, each in accordance with the applicable mechanism prescribed by BSE Limited and the Clearing Corporation from time to time.
- 12.1.5 Details in respect of shareholder's entitlement for tender offer process will be provided to the Clearing Corporation by the Company or Registrar to the Buyback. On receipt of the same, Clearing Corporation will cancel the excess or unaccepted blocked shares in the demat account of the shareholder. On settlement date, all blocked shares mentioned in the accepted bid will be transferred to the Clearing Corporation.
- 12.1.6 In the case of inter depository, Clearing Corporation will cancel the excess or unaccepted shares in target depository. Source depository will not be able to release the lien without a release of IDT message from target depository. Further, release of IDT message shall be sent by target depository either based on cancellation request received from Clearing Corporation or automatically generated after matching with bid accepted detail as received from the Company or the Registrar to the Buyback. Post receiving the IDT message from target depository, source Depository will cancel/release excess or unaccepted block shares in the demat account of the shareholder. Post completion of tendering period and receiving the requisite details viz., demat account details and accepted bid quantity, source depository shall debit the securities as per the communication/message received from target depository to the extent of accepted bid shares from shareholder's demat account and credit it to Clearing Corporation settlement account in target Depository on settlement date.
- 12.1.7 Excess or unaccepted Equity Shares which are in physical form, if any, tendered by the Eligible Shareholders would be returned back to the concerned Eligible Shareholders directly by the Registrar to the Buyback. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Equity Shares in physical form, in case the Equity Shares accepted by the Company are less than the Equity Shares that are tendered.
- 12.1.8 The Equity Shares bought back in dematerialized form would be transferred directly to the demat escrow account of the Company opened for the Buyback (**"Company Demat Escrow Account"**) provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Company Demat Escrow Account on receipt of the Equity Shares from the clearing and settlement mechanism of the Designated Stock Exchange.
- 12.1.9 The Seller Member(s) would issue contract note and pay the consideration for the Equity Shares accepted under the Buyback. The Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback.
- 12.1.10 Eligible Shareholders who intend to participate in the Buyback should consult their respective Seller Member(s) for details of any cost, applicable taxes, charges and expenses (including brokerage) etc., that may be levied by the Seller Member(s) upon the selling shareholders for tendering Equity Shares in the Buyback (secondary market transaction). The Buyback consideration received by the Eligible Shareholders in respect of accepted Equity Shares could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Manager to the Buyback and Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Eligible Shareholders.
- 12.1.11 The lien marked against unaccepted Equity Shares will be released, if any, or would be returned by registered post or by ordinary post or courier (in case of physical shares) at the Eligible Shareholders' sole risk. Eligible Shareholders should ensure that their depository account is maintained till all formalities pertaining to the Offer are completed.
- 12.2 The Equity Shares lying to the credit of the Company Demat Escrow Account will be extinguished in the manner and following the procedure prescribed in the Buyback Regulations.
- 13 COMPLIANCE OFFICER**
- The Company has designated the following as the Compliance Officer for the Buyback:
- Name :** Mr. Vinav Agarwal
Designation : Compliance Officer
Address : Marvel Edge 7010 C & D, Opposite Neco Garden Society, Viman Nagar, Pune 411 014
Phone : +91 (20) 66813232
Email : cs@quickheal.co.in
Website : www.quickheal.co.in
- In case of any clarifications or to address investor grievance, the Shareholders may contact the Compliance Officer, from Monday to Friday between 10:00 am to 5:00 pm on all working days except public holidays, at the above-mentioned address.
- 14 INVESTOR SERVICE CENTER AND REGISTRAR TO THE BUYBACK**
- The Company has appointed the following as the Registrar to the Buyback:

LINKIntime
Link Intime India Private Limited
Address: C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai-400083
Contact Person: Mr. Sumeet Deshpande
Tel: +91 (22) 49186200
Fax: +91 (22) 49186195
E-mail: quickheal.buyback2022@linkintime.co.in
Website: www.linkintime.co.in
CIN: U67190MH1999PTC118368
SEBI Registration Number: INR000004058
In case of any query, the Shareholders may also contact the Registrar to the Buyback, from Monday to Friday between 10:00 am to 5:00 pm on all working days except public holidays at the above-mentioned address.

- 15 MANAGER TO THE BUYBACK**
- The Company has appointed the following as Manager to the Buyback:
- 
AMBIT PRIVATE LIMITED
Address : Ambit House, 449, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013
Tel : + 91 (22) 6623 3030
Fax : + 91 (22) 3982 3020
Contact Person : Mr. Miraj Sampat / Mr. Jatin Jain
Email : quickheal.buyback2022@ambit.co
Website : www.ambit.co
CIN : U65923MH1997PTC109992
SEBI Registration No. : INM000010585
- 16 DIRECTORS' RESPONSIBILITY STATEMENT**
- In terms of Regulation 24(i)(a) of the Buyback Regulations, the Board of Directors accepts full and final responsibility for all the information contained in this Public Announcement and confirms that such document contains true, factual and material information and does not contain any misleading information.

For and on behalf of the Board of Directors of
Quick Heal Technologies Limited

Sd/-	Sd/-	Sd/-
Kailash Katkar Managing Director & CEO DIN: 00397191	Sanjay Katkar Joint Managing Director & CTO DIN: 00397277	Vinav Agarwal Compliance Officer Membership No. A40751

Date: August 27, 2022
Place: Pune