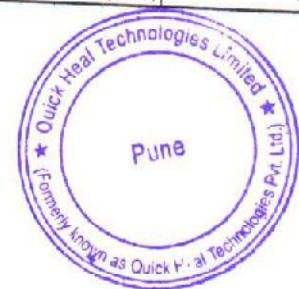


**STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2016**

Sr. No.	Particulars	(₹ in Millions)	
		Quarter ended	
		June 30, 2016 (Unaudited)	June 30, 2015 (Refer note 2)
	<b>Income from operations</b>		
1	a) Income from operations		
	b) Other operating income	475.14	479.60
	<b>Total income from operations (a+b)</b>	-	-
		<b>475.14</b>	<b>479.60</b>
2	<b>Expenses</b>		
	a) Cost of materials consumed	20.35	22.55
	b) Changes in inventories of finished goods	(1.47)	2.36
	c) Employee benefits expense	237.36	195.11
	d) Depreciation and amortisation expense	73.88	57.02
	e) Other expenses	233.96	200.60
	<b>Total expenses</b>	<b>564.08</b>	<b>477.64</b>
3	<b>Profit/(loss) from operations before other income, finance costs and exceptional items (1-2)</b>	<b>564.08</b>	<b>477.64</b>
4	Other income	(88.94)	1.96
5	<b>Profit/(loss) from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>74.16</b>	<b>18.93</b>
6	Finance costs	(14.78)	20.89
7	<b>Profit/(loss) from ordinary activities after finance costs but before exceptional items (5-6)</b>	<b>-</b>	<b>-</b>
8	Exceptional items (refer note 9)	(14.78)	20.89
9	<b>Profit/(loss) from ordinary activities before tax (7-8)</b>	<b>37.80</b>	<b>-</b>
10	Tax expense	(52.58)	20.89
11	<b>Net profit/(loss) from ordinary activities after tax (9-10)</b>	<b>(18.70)</b>	<b>4.90</b>
12	Extraordinary items (net of tax expense)	(33.88)	15.99
13	<b>Net profit/(loss) for the period (11-12)</b>	<b>-</b>	<b>-</b>
14	Other comprehensive income (after tax) (refer note 10)	(33.88)	15.99
15	<b>Total comprehensive income/(loss) for the period (13+14)</b>	<b>(3.06)</b>	<b>(0.13)</b>
16	Paid-up equity share capital (face value of ₹ 10 each)	(36.94)	15.86
17	<b>Earnings per share of ₹ 10 each:</b>	<b>700.32</b>	<b>610.70</b>
	(before and after extraordinary items) (not annualised for the quarters)		
	a) Basic	(0.48)	0.26
	b) Diluted	(0.48)	0.26

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**STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2016**

- The aforesaid financials results for the quarter ended June 30, 2016 have been subject to limited review by the auditors of the Company in terms of Regulation 33 of the Securities and Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements ('LODR')) Regulations, 2015 and reviewed by the Audit Committee and approved by the Board of Directors of the Company at the respective meetings held on August 05, 2016.
- First time adoption of Ind AS:** The Company adopted Indian Accounting Standards ("Ind AS") from April 1, 2016 and accordingly, the transition was carried out, from the Accounting Principles generally accepted in India as specified under Section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 (previous GAAP), in accordance with Ind AS-101- First time adoption of Indian Accounting Standards. Accordingly, the impact on transition has been recorded in opening reserves as at April 1, 2015 and the periods presented have been restated accordingly.

As the Company got listed on February 18, 2016, the Statement was drawn in accordance with Regulation 33 of SEBI LODR Regulations, 2015 for the first time for the quarter and year ended March 31, 2016. The Ind AS financial results and financial information for the quarter ended June 30, 2015 have been compiled by the management after making necessary adjustments to give a true and fair view of the results. This information has not been subject to any limited review or audit.

- The Company has opted to avail the relaxation provided by SEBI Circular CIR/CFD/FAC/62/2016 dated July 5, 2016 in respect of disclosure requirements and accordingly the figures for the quarter ended March 31, 2016 and year ended March 31, 2016 have not been presented.

The Company has also prepared a reconciliation of the net profit for the quarter ended June 30, 2015 under previous GAAP with the total comprehensive income as reported in these financial results under Ind AS. The net profit reconciliation for the quarter ended June 30, 2015 is presented below:

		(₹ in Millions)	
Sr. No.	Particulars	Quarter ended June 30, 2015	Notes
	Net profit after tax under previous GAAP	14.11	
(a)	On account of measuring investments at fair value through profit and loss (FVTPL)	2.19	(a) / (b)
(b)	On account of remeasurement of defined benefit plans	0.20	
(c)	On account of remeasurement of stock compensation expenses at fair value	(0.78)	
(c)	Deferred tax on above adjustments (net)	0.27	
	<b>Net profit after tax for the period under Ind AS</b>	<b>15.99</b>	
	<b>Other comprehensive income (net of tax)</b>	<b>(0.13)</b>	(c)
	<b>Total comprehensive income for the period under Ind AS</b>	<b>15.86</b>	

**Notes:**

- Under previous GAAP, current investments were stated at lower of cost and fair value. Under Ind AS, these financial assets have been classified as FVTPL on the date of transition and fair value changes after the of transition has been recognised in statement of profit and loss.
  - Under previous GAAP, non-current investments were stated at cost. Where applicable, provision was made to recognise the decline, other than temporary, in valuation of such investments. Under Ind AS, financial assets in equity instruments have been classified as Fair Value through Other Comprehensive Income (FVTOCI) through an irrevocable election at the date of transition.
  - Other comprehensive income for the quarter ended June 30, 2015 include re-measurement of defined benefit plans.
- There is a possibility that these quarterly financial results may require adjustment before constituting the final Ind AS financial statements as of and for the year ending March 31, 2017 due to changes in financial reporting requirements arising from new or revised standards or interpretations issued by MCA / other regulatory authorities or changes in the use of one or more optional exemptions from full retrospective application of certain Ind AS as permitted under Ind AS-101.
  - During the previous year, the Company had received two statement of demands of service tax under the provisions of Finance Act, 1994 for ₹ 846.06 million (excluding penalty of ₹ 560.72 million stated in one of the demands) covering the period from March 01, 2011 to March 31, 2015 on supply of anti-virus software in Compact Disk. The Company has filed an appeal with Customs, Excise and Service Tax Appellate Tribunal, New Delhi against one of the demand and is in the process of filing a reply against the second demand notice with the appropriate authorities. Based on a technical circular issued by the government authorities and an independent legal opinion, the Company is confident of getting this claim set aside and accordingly no provision has been considered necessary in this regard and also for the subsequent period till June 30, 2016.
  - During the quarter ended June 30, 2016, the suit filed before the Civil Judge (Senior Division) at Serampore Court, Hooghly District, West Bengal by one of the erstwhile distributor of the Company against the Company and others, claiming Intellectual Property Rights to one of the brand names (Quick Heal - Total Security) and alleging illegal usage of said brand name by the Company and the suit filed before the City Civil Court, Calcutta by certain individuals who are relative of the erstwhile distributor claiming ownership of certain shares of the Company have been dismissed by the respective Courts.
  - The Company is engaged in providing security software solutions. Based on similarity of activities/products, risk and reward structure, organisation structure and internal reporting systems, the Company has structured its operations into one operating segment viz. anti-virus and as such there is no separate reportable operating segment as defined by Ind AS 108 "Operating segments".

**8. Reconciliation of income from operations as per previous GAAP and Ind AS:**

		(₹ in Millions)	
Sr. No.	Particulars	Quarter ended	
		June 30, 2016	June 30, 2015
a)	Income from operations as per previous GAAP	511.85	519.66
b)	Less: Sales incentive and promotional expenses (including channel spends)	36.71	40.06
	<b>Income from operations as per Ind AS</b>	<b>475.14</b>	<b>479.60</b>

- Exceptional item for the quarter ended June 30, 2016 represents provision for impairment of financial asset (loan and interest receivable) amounting to ₹ 37.80 million.
- Other comprehensive income, net of tax, for the quarter ended June 30, 2016 includes gain on remeasurement of defined benefit plan of ₹ 0.49 Million and fair value (loss) for investment in equity instrument amounting to (₹ 3.55) million.
- The Company has opted to publish only standalone unaudited financial results. The Company would be consolidating and presenting its consolidated financial statements as at and for the year ended March 31, 2017.



*(Signature)*