



**BRIEF SYNOPSIS OF SCHEME OF CAPITAL REDUCTION**

1. **PALRED TECHNOLOGIES LIMITED** (formerly known as Four Soft Limited) (hereinafter referred to as "Company"), is engaged in the business of providing IT solutions to e-commerce and media and entertainment.
2. The Company has sold off its business undertaking in the Month of October, 2013, by obtaining shareholders' consent in terms of Section 293(1) (a) of the Companies Act, 1956, for a consideration of Rs. 251,65,90,355/- (Rupees Two Hundred and Fifty One Crores Sixty Five Lakhs Ninety Thousand Three Hundred and Fifty Five only). Later, the Board of Directors decided to pay an interim dividend to the shareholders of the Company and accordingly a dividend of Rs. 29/- (Rupees Twenty Nine only) per share of Rs. 5/- (Rupees Five only) was paid to the shareholders on 3,90,36,970 (Three Crores Ninety Lakhs Thirty Six Thousand Nine Hundred and Seventy) equity shares aggregating Rs. 113,20,72,130/- (Rupees One Hundred Thirteen Crores Twenty Lakhs Seventy Two Thousand One Hundred and Thirty only).
3. Subsequent to the payment of dividend, the Board at its Meeting held on 1<sup>st</sup> December, 2014, after considering the present business model, the future revenues and other business factors, opined that the present shareholders' funds available with the Company are in excess of Rs. 38 Crores, which could not be effectively deployed in the business. Hence, after evaluating various alternatives, the Board at their meeting held on 1st December, 2014 decided to reduce 60% of the paid up equity share capital of the Company by cancelling and extinguishing 60% of the equity shares of the Company of face value of Rs. 05/- (Rupees Five only) each and by returning to the shareholders an amount of Rs. 16.50/- (Rupees Sixteen and Fifty Paise only) per share of Rs. 05/- each at a premium of Rs. 11.50/- (Rupees Eleven and Fifty Paise).





4. According to the scheme of capital reduction, the paid-up equity share capital of the company shall be reduced from Rs. 19,51,84,850 (Rupees Nineteen Crores Fifty One Lakhs Eighty Four Thousand Eight Hundred and Fifty Only) divided into 3,90,36,970 (Three Crores Ninety Lakhs Thirty Six Thousand Nine Hundred and Seventy Only) equity shares of Rs. 5/- (Rupees Five Only) to Rs. 7,80,73,940 (Rupees Seven Crore Eighty Lakhs Seventy Three Thousand Nine Hundred and Forty Only) divided into 1,56,14,788 (One Crore Fifty Six Lakhs Fourteen Thousand Seven Hundred and Eighty Eight Only) equity shares of Rs. 5/- (Rupees Five Only) each.
5. If a shareholder holds 10 (Ten) equity shares of Rs. 5/- (Rupees Five) each amounting to Rs. 50/- (Rupees Fifty), shall receive 4 (Four) Equity shares of Rs. 5/- (Rupees Five) each aggregating to Rs. 20/- (Rupees Twenty).

For Palred Technologies Limited

  
Palem Srikanth Reddy  
Managing Director  
(DIN-00025889)

