

PALRED TECHNOLOGIES LIMITED

(Formerly known as Four Soft Limited)

(CIN: L72200AP1999PLC033131)

Registered Office: Plot No 2, 8-2-703/2/B, Road No 12, Banjara Hills, Hyderabad-500 034.

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Recommendations of the Committee of Independent Directors (IDC) on the Open Offer to the Shareholders of Palred Technologies Limited (*Formerly known as Four Soft Limited*) ("PTL" or the "Target Company") under Regulation 26(7) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent Amendments thereto [**"SEBI (SAST) Regulations"**].

1.	Date	October 14, 2014
2.	Name of the Target Company (TC)	Palred Technologies Limited
3.	Details of the Offer pertaining to TC	The Offer is being made by the Acquirer, Mr. Palem Srikanth Reddy along with the PAC, Ms. Stuthi Reddy in terms of Regulation 3(1) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 for the acquisition of 1,01,49,700 Equity Shares of Rs. 5 each, of the Target Company, representing 26.00% of the Voting Capital at a price of Rs. 16.70 per Equity Share
4.	Name(s) of the Acquirer and PAC with the Acquirer	Mr. Palem Srikanth Reddy (Acquirer) along with Ms. Stuthi Reddy (PAC)
5.	Name of the Manager to the Offer	Mark Corporate Advisors Private Limited
6.	Members of the Committee of Independent Directors	1. Mr. T. R. Sivarama Krishnan- Chairman 2. Mr. E. Srinivas Prasad
7.	IDC Member's relationship with the TC (Director, Equity shares owned, any other contract / relationship), if any	IDC members are Independent Directors on the Board of the Target Company. They do not have any Equity Holding in the Target Company. None of them have entered into any other contract or have other relationship with the Target Company.
8.	Trading in the Equity shares/ other securities of the TC by	No trading in the Equity Shares of the Target Company has been done by IDC Members by any of the IDC members.
9.	IDC Member's relationship with the Acquirer (Director, Equity shares owned, any other contract / relationship), if any.	None of the IDC Members are Directors in companies where the Acquirer and the PAC are acting as Director(s) nor have any relationship with the Acquirers in their personal capacities.
10.	Trading in the Equity shares/ other securities of the Acquirer by IDC Members.	Not Applicable
11.	Recommendation on the Open offer, as to whether the offer is fair and reasonable	IDC is of the view that Open Offer is fair and reasonable
12.	Summary of reasons for recommendation	IDC has reviewed (a) the Public Announcement dated August 06, 2014 in connection with the Offer issued on behalf of Mr. Palem Srikanth Reddy (Acquirer) and Ms. Stuthi Reddy (PAC) ("PA"/"Public Announcement") (b) The Detailed Public Statement ("DPS") which was published on August 11, 2014 and (c) The Draft Letter of Offer ("DLoF") dated August 18, 2014. IDC has taken into consideration the following for making the recommendation: (i.) Based on the review of PA, DPS and DLoF, the IDC is of the opinion that the Offer Price offered by the Acquirer and the PAC (being the highest price amongst the selective criteria) is in line with the regulation prescribed by SEBI under the SEBI (SAST) Regulations and prima facie appears to be justified. (ii.) The Offer Price is higher than the Volume Weighted Average Price of the Equity Shares for a period of Sixty (60) Trading Days immediately preceding the date of PA.
13.	Details of Independent Advisors, if any.	None
14.	Any other matter(s) to be highlighted	None

To the best of our knowledge and belief, after making proper enquiry, the information contained in or accompanying this statement is, in all material respect, true and correct and not misleading, whether by omission of any information or otherwise, and includes all the information required to be disclosed by the TC under the SEBI (SAST) Regulations.

For **Palred Technologies Limited**
Sd/-

Place: Hyderabad

Date : October 14, 2014

T. R. Sivarama Krishnan
Chairman-IDC