



To,  
The Manager,  
NSE Limited,  
Exchange Plaza, BandraKurla Complex,  
Bandra (E), Mumbai- 400051.

Date: 14.02.2019

Dear Sir/Madam,

Sub: Outcome of board meeting under regulation 33 (3) (c) of SEBI (Listing Obligations and Disclosure requirements) regulations, 2015

Ref: Palred Technologies Limited (Scrip code: PALREDTEC)

With reference to the subject cited, this is to inform the Exchange that at the Board meeting of M/s. Palred Technologies Limited held on Thursday, the 14<sup>th</sup> day of February, 2019 at 4:00 p.m. at the registered office of the Company situated at Plot No: 2, H. No: 8-2-703/2/B, Road No: 12, Banjara Hills, Hyderabad Telangana – 500 034 the following were duly considered and approved by the Board.

1. Un-audited financial results for the (Standalone & Consolidated) Quarter ended 31.12.2018.
2. Limited Review Report for the quarter ended 31.12.2018

The meeting of the Board of Directors commenced at 4:00 P.M. (IST) and concluded at 06:00 P.M. (IST).

This is for the information and records of the Exchange, please.

Thanking you.

Yours faithfully,  
For Palred Technologies Limited

  
Naveen Kumar  
Company Secretary



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**PALRED TECHNOLOGIES LIMITED**

(FORMERLY KNOWN AS FOUR SOFT LIMITED)

CIN No. : L72200AP1990PLC033131

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

Tele : +91 40 6713 8810 | Website : [www.palred.com](http://www.palred.com)

Walker Chandiook & Co LLP  
7th Floor, Block III,  
White House, Kundan Bagh,  
Begumpet,  
Hyderabad - 500 016  
India

T +91 40 6630 8200  
F +91 40 6630 8230

## **Independent Auditor's Review Report on Standalone Quarterly and Year to Date Financial Results of the Palred Technologies Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

### **To the Board of Directors of Palred Technologies Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results ("Statement") of Palred Technologies Limited ("the Company") for the quarter ended 31 December 2018 and year to date results for the period 1 April 2018 and 31 December 2018, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

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# Walker Chandiook & Co LLP

3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, and other recognized accounting practices and policies has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For Walker Chandiook & Co LLP**

Chartered Accountants

Firm Registration No: 001076N/N500013

*Nikhil Vaid*  
**Nikhil Vaid**

Partner

Membership No.: 213356



Place: Hyderabad

Date: 14 February 2019

**PALRED TECHNOLOGIES LIMITED**

(H.No. 8-2-703/2/B, Plot No.2, Road No.12, Banjara Hills, Hyderabad-500 034, Telangana)

**Unaudited Standalone Financial Results for the quarter and nine months ended 31 December 2018**

| Particulars                                                                  | ₹ in Lakhs except earnings per share |                          |                          |                          |                          |                        |
|------------------------------------------------------------------------------|--------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|------------------------|
|                                                                              | Quarter ended                        |                          |                          | Nine months ended        |                          | Year ended             |
|                                                                              | 31-Dec-18<br>(Unaudited)             | 30-Sep-18<br>(Unaudited) | 31-Dec-17<br>(Unaudited) | 31-Dec-18<br>(Unaudited) | 31-Dec-17<br>(Unaudited) | 31-Mar-18<br>(Audited) |
| Other income                                                                 | 36.59                                | 42.35                    | 44.37                    | 120.31                   | 131.60                   | 231.53                 |
| <b>Total income</b>                                                          | <b>36.59</b>                         | <b>42.35</b>             | <b>44.37</b>             | <b>120.31</b>            | <b>131.60</b>            | <b>231.53</b>          |
| <b>Expenses</b>                                                              |                                      |                          |                          |                          |                          |                        |
| Employee benefits expense                                                    | 16.31                                | 15.76                    | 18.84                    | 47.73                    | 49.38                    | 66.83                  |
| Depreciation and amortisation expense                                        | 2.61                                 | 2.54                     | 5.60                     | 7.78                     | 14.37                    | 22.63                  |
| Other expenses                                                               | 11.99                                | 20.96                    | 17.27                    | 53.01                    | 61.38                    | 70.23                  |
| <b>Total expenses</b>                                                        | <b>30.91</b>                         | <b>39.26</b>             | <b>41.71</b>             | <b>108.52</b>            | <b>125.13</b>            | <b>159.69</b>          |
| <b>Profit before tax and exceptional item</b>                                | <b>5.68</b>                          | <b>3.09</b>              | <b>2.66</b>              | <b>11.79</b>             | <b>6.47</b>              | <b>71.84</b>           |
| Exceptional item (refer note 5)                                              | 3,090.71                             | 1,000.00                 | -                        | 4,090.71                 | -                        | -                      |
| <b>(Loss)/profit before tax and exceptional item</b>                         | <b>(3,085.03)</b>                    | <b>(996.91)</b>          | <b>2.66</b>              | <b>(4,078.92)</b>        | <b>6.47</b>              | <b>71.84</b>           |
| Tax expenses                                                                 | -                                    | -                        | -                        | -                        | -                        | -                      |
| <b>(Loss)/profit for the period/year</b>                                     | <b>(3,085.03)</b>                    | <b>(996.91)</b>          | <b>2.66</b>              | <b>(4,078.92)</b>        | <b>6.47</b>              | <b>71.84</b>           |
| <b>Other comprehensive income, net of taxes</b>                              |                                      |                          |                          |                          |                          |                        |
| Items that will not be reclassified to profit or loss                        |                                      |                          |                          |                          |                          |                        |
| Remeasurement of post-employment benefit obligations, net of taxes           | 0.10                                 | 0.09                     | (0.10)                   | 0.29                     | (0.30)                   | 0.39                   |
| <b>Other comprehensive income/(loss)</b>                                     | <b>(0.10)</b>                        | <b>(0.09)</b>            | <b>0.10</b>              | <b>(0.29)</b>            | <b>0.30</b>              | <b>(0.39)</b>          |
| <b>Total comprehensive income/(loss)</b>                                     | <b>(3,085.13)</b>                    | <b>(997.00)</b>          | <b>2.76</b>              | <b>(4,079.21)</b>        | <b>6.77</b>              | <b>71.45</b>           |
| Paid-up equity share capital (Face value ₹10 per share)                      | 973.26                               | 973.26                   | 973.26                   | 973.26                   | 973.26                   | 973.26                 |
| Other equity                                                                 |                                      |                          |                          |                          |                          | 6,832.04               |
| <b>Earnings per equity share (EPES)</b><br>(not annualised for the quarters) |                                      |                          |                          |                          |                          |                        |
| Basic and Diluted EPES                                                       | (31.70)                              | (10.24)                  | 0.03                     | (41.91)                  | 0.07                     | 0.75                   |

**Notes:**

- The unaudited standalone financial results for the quarter and nine months ended 31 December 2018 were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on 14 February 2019.
- The standalone financial results for the quarter and nine months ended 31 December 2018 were subjected to a limited review by the statutory auditors of the Company.
- During the quarter ended 31 December 2018, the Company has invested in 675,675 equity shares of ₹10 each of Palred Electronics Private Limited (formerly known as Palred Online Technologies Private Private), a subsidiary of the Company, at a premium of ₹19.60 per equity share, aggregating to ₹200 lakhs approximately.
- The Company has adopted Ind AS 115 using modified retrospective application method with effect from 1 April 2018 and accordingly these standalone financial results are prepared in accordance with recognition and measurement principles laid down in Ind AS 115, Revenue from Contracts with Customers. There is no material impact of adoption of Ind AS 115 in revenue on standalone financial results.
- Due to changes in the business conditions viz. subsidiary companies facing increased competition, higher customer acquisition costs etc., the subsidiary companies incurred significant losses for 9 months period ended 31 December 2018. The subsidiary companies have strategically downsized the operations and employee base to cut down the future losses and Management has revised the future projection and estimate of recoverable amount of investments in subsidiaries. On the basis of Management evaluation, the aggregate carrying amount of investments exceeds the recoverable amount by ₹4,090.71 lakhs as of 31 December 2018. Accordingly, the Management has created provision for diminution in value of investments aggregating to ₹4,090.71 lakhs as at 31 December 2018.

For and on behalf of the Board of Directors  
**Palred Technologies Limited**

**Palen Srikanth Reddy**  
Chairman and Managing Director  
DIN : 00025889



Place: Hyderabad  
Date: 14 February 2019

Walker Chandiook & Co LLP  
7th Floor, Block III,  
White House, Kundan Bagh,  
Begumpet,  
Hyderabad - 500 016  
India

T +91 40 6630 8200  
F +91 40 6630 8230

**Independent Auditor's Review Report on Consolidated Quarterly and Year to Date Financial  
Results of the Palred Technologies Limited Pursuant to the Regulation 33 of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015**

**To the Board of Directors of Palred Technologies Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results ("Statement") of Palred Technologies Limited ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as 'the Group'), (Refer Annexure 1 for the list of subsidiaries included in the Statement) for the quarter ended 31 December 2018 and the consolidated year to date results for the period 1 April 2018 to 31 December 2018, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.



Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

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number AAC-2085 and its registered office  
at L-41 Connaught Circus, New Delhi,  
110001, India

3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, and other recognized accounting practices and policies has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. We did not review the interim financial information of four subsidiaries, included in the Statement, whose interim financial information reflects total revenues of ₹24.24 Lakhs and ₹120.93 Lakhs for the quarter and nine months ended 31 December 2018 respectively, and net loss after tax (including other comprehensive loss) of ₹24.80 Lakhs and ₹14.88 Lakhs for the quarter and nine months ended 31 December 2018 respectively. Such interim financial information has not been reviewed and has been furnished to us by the Management and our conclusion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of the aforesaid subsidiaries is based solely on such interim financial information certified by the Management. Our review report is not modified in respect of this matter.

**For Walker Chandiook & Co LLP**

Chartered Accountants

Firm Registration No: 001076N/N500013

*Nikhil Vaid*  
**Nikhil Vaid**

Partner

Membership No.: 213356



Place: Hyderabad

Date: 14 February 2019

## Annexure 1

### List of subsidiaries included in the Statement

- A. Palred Electronics Private Limited (formerly known as Palred Online Technologies Private Limited), India
- B. Palred Technology Services Private Limited, India
- C. Palred Retail Private Limited, India
- D. Palred Technology Services Inc., United States of America
- E. Palred Online Bilism Teknolojileri Ticaret Anonim Sirketi, Republic of Turkey
- F. Palred Online Technologies Limited, Hong Kong
- G. Palred Technology Shenzhen Company Ltd, China



**PALRED TECHNOLOGIES LIMITED**

(H.No. 8-2-703/2/B, Plot No.2, Road No.12, Banjara Hills, Hyderabad-500 034, Telangana)

**Unaudited Consolidated Financial Results for the quarter and nine months ended 31 December 2018**

| Particulars                                                                  | ₹ in Lakhs except earnings per share |                          |                          |                          |                          |                        |
|------------------------------------------------------------------------------|--------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|------------------------|
|                                                                              | Quarter ended                        |                          |                          | Nine months ended        |                          | Year ended             |
|                                                                              | 31-Dec-18<br>(Unaudited)             | 30-Sep-18<br>(Unaudited) | 31-Dec-17<br>(Unaudited) | 31-Dec-18<br>(Unaudited) | 31-Dec-17<br>(Unaudited) | 31-Mar-18<br>(Audited) |
| Revenue from operations                                                      | 744.25                               | 886.73                   | 1,391.27                 | 2,664.72                 | 3,609.02                 | 5,122.13               |
| Other income                                                                 | 46.53                                | 68.88                    | 49.66                    | 167.32                   | 151.89                   | 258.82                 |
| <b>Total revenue</b>                                                         | <b>790.78</b>                        | <b>955.61</b>            | <b>1,440.93</b>          | <b>2,832.04</b>          | <b>3,760.91</b>          | <b>5,380.95</b>        |
| <b>Expenses</b>                                                              |                                      |                          |                          |                          |                          |                        |
| Purchases of stock-in-trade                                                  | 481.38                               | 323.87                   | 507.44                   | 1,188.97                 | 1,447.26                 | 2,098.15               |
| Changes in inventories of stock-in-trade                                     | (136.98)                             | 100.40                   | (28.76)                  | 6.70                     | (123.75)                 | (150.63)               |
| Employee benefits expense                                                    | 167.84                               | 192.57                   | 205.43                   | 569.04                   | 563.72                   | 759.28                 |
| Finance costs                                                                | 4.63                                 | 1.84                     | -                        | 7.68                     | -                        | 3.94                   |
| Depreciation and amortisation expense                                        | 18.31                                | 15.07                    | 17.10                    | 49.16                    | 51.99                    | 88.70                  |
| Other expenses                                                               | 490.05                               | 553.56                   | 867.72                   | 1,675.64                 | 2,341.43                 | 3,223.80               |
| <b>Total expenses</b>                                                        | <b>1,025.23</b>                      | <b>1,187.31</b>          | <b>1,568.93</b>          | <b>3,497.19</b>          | <b>4,280.65</b>          | <b>6,023.24</b>        |
| <b>Loss for the period/year</b>                                              | <b>(234.45)</b>                      | <b>(231.70)</b>          | <b>(128.00)</b>          | <b>(665.15)</b>          | <b>(519.74)</b>          | <b>(642.29)</b>        |
| <b>Other comprehensive income, net of taxes</b>                              |                                      |                          |                          |                          |                          |                        |
| <b>Items that will not be reclassified to profit or loss</b>                 |                                      |                          |                          |                          |                          |                        |
| Remeasurement of post-employment benefit obligations, net of taxes           | 0.27                                 | 0.26                     | (0.95)                   | 0.80                     | (2.85)                   | 1.07                   |
| <b>Items that will be reclassified to profit or loss</b>                     |                                      |                          |                          |                          |                          |                        |
| Exchange differences on translation of foreign operations                    | 7.23                                 | (12.28)                  | -                        | (15.99)                  | -                        | 0.76                   |
| <b>Other comprehensive income/(loss)</b>                                     | <b>(7.50)</b>                        | <b>12.02</b>             | <b>0.95</b>              | <b>15.19</b>             | <b>2.85</b>              | <b>(1.83)</b>          |
| <b>Total comprehensive loss</b>                                              | <b>(241.95)</b>                      | <b>(219.68)</b>          | <b>(127.05)</b>          | <b>(649.96)</b>          | <b>(516.89)</b>          | <b>(644.12)</b>        |
| <b>Loss for the period attributable to:</b>                                  |                                      |                          |                          |                          |                          |                        |
| Owners of the parent                                                         | (213.16)                             | (201.32)                 | (109.75)                 | (591.49)                 | (444.99)                 | (547.37)               |
| Non-controlling interests                                                    | (21.29)                              | (30.38)                  | (18.25)                  | (73.66)                  | (74.75)                  | (94.92)                |
| <b>Total comprehensive loss attributable to:</b>                             |                                      |                          |                          |                          |                          |                        |
| Owners of the parent                                                         | (220.45)                             | (190.33)                 | (108.80)                 | (577.82)                 | (442.14)                 | (549.08)               |
| Non-controlling interests                                                    | (21.50)                              | (29.35)                  | (18.25)                  | (72.14)                  | (74.75)                  | (95.04)                |
| Paid-up equity share capital (Face value ₹10 per share)                      | 973.26                               | 973.26                   | 973.26                   | 973.26                   | 973.26                   | 973.26                 |
| Other equity                                                                 |                                      |                          |                          |                          |                          | 3,296.82               |
| <b>Earnings per equity share (EPES)</b><br>(not annualised for the quarters) |                                      |                          |                          |                          |                          |                        |
| Basic and Diluted EPES                                                       | (2.19)                               | (2.07)                   | (1.13)                   | (6.08)                   | (4.68)                   | (5.72)                 |

**Notes:**

- The unaudited consolidated financial results for the quarter ended 31 December 2018 were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on 14 February 2019.
- The unaudited consolidated financial results for the quarter ended 31 December 2018 were subjected to a limited review by the statutory auditors of the Company.
- During the quarter ended 31 December 2018, Palred Retail Private Limited, a subsidiary of the Company has issued 581,500 equity shares of ₹10 each, at par, ₹1 paid up to Mr. Palam Srikant Reddy and the directors of the said subsidiary, aggregating to ₹5.81 Lakhs approximately.
- The Group has adopted Ind AS 115 using modified retrospective application method with effect from 1 April 2018 and accordingly these consolidated financial results are prepared in accordance with recognition and measurement principles laid down in Ind AS 115, Revenue from Contracts with Customers. There is no material impact of adoption of Ind AS 115 in revenue on consolidated financial results.
- The Group operates in one reportable segment which is "Trading in computers, mobiles, electronic products, fashion accessories and providing related services".

Place: Hyderabad  
Date: 14 February 2019

For and on behalf of the Board of Directors  
**Palred Technologies Limited**

**Palam Srikant Reddy**  
Chairman and Managing Director  
DIN : 00025889

