

VMF SOFT TECH LTD.

To,

Dy. Manager – DCS
Bombay Stock Exchange Limited,
P.J. Towers, Dalal Street,
Mumbai – 400 001.

Sub: BRIEF SYNOPSIS OF THE SCHEME OF ARRANGEMENT AND AMALGAMATION OF VMF SOFT TECH LIMITED WITH TEKRTI SOFTWARE PRIVATE LIMITED:

1. **Reduction of capital** where by existing share holders of VMF Soft Tech Limited will get Equity shares of Rs.5/- each as against the holding of Equity Shares of Rs.10/- each. (You may please note that par value of the share has been reduced to Rs. 5/- each instead of Rs.10/- whereby Rs. 5/- per share has been reduced) The Court order in this regard is as follows;

Reduction in paid-up capital of the Company from Rs. 9,23,91,000 consisting of 92,39,100 Equity Shares of Rs.10/- each to Rs. 4,61,95,500 consisting of 92,39,100 equity shares of Rs.5/- each, whereby Rs.5/- per share, in fully paid par value is extinguished out of every equity shares of Rs.10/- paid up and equity share after such reduction shall be deemed to be paid up only to the extent of Rs.5/- per equity share.

There are no fractional shares due to reduction as only the par value of share is reduced.

FOR BETTER UNDERSTANDING AND CLARITY A SHARE HOLDER IN VMF SOFT TECH LIMITED WILL BE HOLDING SHARES AS MENTIONED BELOW:

S.No:	Particulars	No: of shares	Amount paid up per share (Rs.)	Total Value (Rs.)
1.	Before Scheme	100	10	1000
2.	After Reduction of Capital	100	5	500



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2. Amalgamation of Tekriti Software Private Limited with our company has been approved by the Hon'ble High Court of AP and as per the scheme, share holders of Tekriti will be allotted as follows, as per court order;

750 (Seven Hundred and Fifty) Equity shares of Rs.5/- (Rupees Five Only) each credited as fully paid in the Transferee Company (VMF Soft Tech Limited) for every 100 (Hundred) Equity Shares fully paid up in the Transferor Company (Tekriti Software Private Limited).

In other words, each shareholder who is holding 100 shares of Rs. 10 each in *Tekriti Software Private Limited* will get 750 equity shares of Rs. 5 each in *VMF Soft Tech Limited*.

3. CHANGE IN NAME OF THE COMPANY:

To Change the name of the Company to Kellton Infotech Limited or such other names as may be approved by ROC, A.P.

The company is in the process of completing other formalities with ROC, in obtaining new Certificate of Incorporation.

THE PROPOSED RESTRUCTURING OF CAPITAL BY REDUCTION, AND CHANGE IN NAME OF THE COMPANY PURSUANT TO THE SCHEME OF ARRANGMENT AMALGAMATION SHALL BE REFLECTED IN THE BOOKS OF ACCOUNTS OF TRANSFEREE COMPANY IN THE FOLLOWING MANNNER AS ON EFFECTIVE DATE.

Particulars	As on 30.06.2011	As on Effective Date
I) Restructuring of Capital by Reduction		
Share Value of each share	Rs. 10/-	Rs. 5/-
Authoirised Share Capital –		
a) No. of shares	2,00,00,000 of Rs 10/- each	4,00,00,000 of Rs. 5/- each
b) Amount	Rs. 20,00,00,000/-	Rs. 20,00,00,000/-
Paid up share capital		
a) No. of Shares	92,39,100 of Rs.10/- each	92,39,100 of Rs.5/- each
b) Amount	Rs. 9,23,91,000/-	Rs. 4,61,95,500/-

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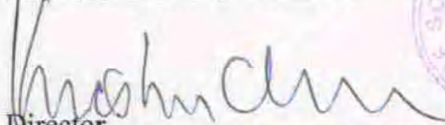
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Profit and Loss Account	Rs. (5,91,68,541)	Rs. (1,29,73,041)*
II) Scheme of Amalgamation		
Authorised share Capital		
a) No of Shares	2,00,00,000 of Rs 10/- each.	4,70,00,000 of Rs. 5/- each.
b) Amount	Rs. 20,00,00,000/-	Rs. 23,50,00,000/-
Additional paid up capital		
a) No of shares	Nil	2,62,50,000 of Rs. 5/- each
b) Amount	Nil	Rs.13,12,50,000/-
Total Paid up Share Capital		
a) No of Shares	92,39,100 of Rs. 10/- Each	3,54,89,100 of Rs. 5/- Each
b) Amount	Rs. 9,23,91,000 /-	Rs.17,74,45,500/-
III) Name	VMF SOFTTECH LIMITED	KELLTON INFOTECH LIMITED

*(After adjusting reduction of share capital)

Thanking you

For VMF Soft Tech Limited


Director



Place: Hyderabad

Date: 23.10.2012

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