



Safa Systems & Technologies Limited

CIN NO:L52100KL2021PLC071051; GST No: 32ABGCS8921G1ZB

Date: 24th May, 2024

To,

The Manager,
Listing Department,
BSE Limited,
Phiroze Jeejeebhoy Towers Dalal Street
28th Floor, Dalal Street, Mumbai- 400001

Company Symbol: SSTL
Script Code: 543461

Subject: Outcome of the Board Meeting under Regulation 30 & 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/Madam,

This is to inform you that the Board of Directors of the Company at their meeting held on **Friday, 24th May, 2024** at the registered office of the Company at **46/2631 B, Safa Arcade, Kaniyapilly Road, Chakkaraparambu, Ernakulam, Kerala - 682028, India** have approved the Standalone and Consolidated Audited Financial Results of the Company along with Audit Report for the half and year ended on **31st March, 2024**. A copy of the said financial results along with the Audit Report of the Statutory Auditors thereon is enclosed herewith.

The meeting of the Board of Directors commenced at 10:00 P.M. and concluded at 10:45 P.M.

You are requested to take the same on record and do the needful.

Thanking you,

Yours faithfully,

**For & on behalf of
Safa Systems & Technologies Limited**

**Faizal Bavaraparambil Abdul Khader
Managing Director
DIN: 07729191**

Encl: As above



F.R.N. 022743N

KAPISH JAIN & ASSOCIATES

CHARTERED ACCOUNTANTS

Head Office: 504, B-Wing, Statesman House, 148, Barakhamba Road, New Delhi - 110001 | Phone : +91-11-43708987

Mobile : +91 9971 921466 | Email : ca.kapish@gmail.com | Website : www.kapishjainassociates.com; www.cakja.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of **Safa Systems & Technologies Limited**
Report on the Audit of the Standalone Annual Financial Results

Opinion

We have audited the accompanying standalone annual financial results of **Safa Systems & Technologies Limited** ("*the Company*") for the six-months ended and year ended 31 March 2024 ("the Statement" or "standalone annual financial results"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other financial information for the year ended 31 March 2024.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone annual financial results.

Management's and Board of Director's Responsibilities for the Standalone Annual Financial Results

These standalone annual financial results have been prepared on the basis of the standalone annual financial statements.

The Company's Management's and the Board of Director's are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net profit/loss and other financial information in accordance with the recognition and measurement principles laid down in Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone annual financial results, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of Standalone Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone annual financial results made by the management and Board and Board of Directors.

- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Other Matters

- (1) In accordance with the provisions of Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and other applicable rules, regulations and guidelines of SEBI and applicable provisions of Companies Act, 2013, the Company has made a preferential issue for consideration other than cash under non-promoter category with a swap of equity shares as follows:
 - a) at a ratio of 1:1 in exchange of every one equity share of Effective Lifestyle Private Limited ("the ELPL"), one equity share of the Company has been issued to the existing shareholders of the ELPL. Accordingly, the Company has issued 47,00,000 equity shares worth Rs. 705.00 lakhs with a face value of Rs. 10 per share and at a premium of Rs. 5 per share against 47,00,000 equity shares acquired of the ELPL. As a result of this share swap, the Company has acquired 69.42% of equity shares of Effective Lifestyle Private Limited (a subsidiary company).
 - b) at a ratio of 5:1 in exchange of every one equity share of Kanone Technologies Private Limited ("the Kanone"), five equity share of the Company has been issued to the existing shareholders of the Kanone. Accordingly, the Company has issued 52,00,000 equity shares worth Rs. 780.00 lakhs with a face value of Rs. 10 per share and at a premium of Rs. 5 per share against 10,40,000 equity shares acquired of the Kanone. As a result of this share swap, the Company has acquired 49.74% of equity shares of Kanone Technologies Private Limited (an associate company).

(2) The standalone annual financial results include the results for the six months ended 31 March 2024 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the end of September of the current financial year which were subject to limited review by us.

Our opinion on the standalone annual financial results is not modified in respect of this matter.

For **Kapish Jain & Associates**
Chartered Accountants
Firm Registration Number 022743N



CA Kapish Jain
Partner
Membership No. 514162
UDIN 24514162BKBHVF9719

Place: New Delhi
Date: 24 May 2024

SAFA SYSTEMS & TECHNOLOGIES LIMITED

Regd. Office : 46/2631 B,Safa Arcade, Kaniyapilly Road Chakkaraparambu, Ernakulam, Kerala -682028

CIN: L52100KL2021PLC071051, Email: office@sssinfo.in

**STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS
FOR THE SIX MONTHS AND YEAR ENDED 31 MARCH 2024**

Rs. In Lakhs unless otherwise stated

Sl. No	Particulars	Six months ended			Year ended	
		31.03.2024	30.09.2023	31.03.2023	31.03.2024	31.03.2023
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	Income					
	a) Revenue from operations	29,505.00	24,286.54	22,934.16	53,791.54	41,616.90
	b) Other income	109.49	150.96	321.12	260.45	366.08
	Total income	29,614.49	24,437.50	23,255.28	54,051.99	41,982.98
2	Expenses					
	a) Purchase of stock in trade	28,652.57	24,227.56	22,564.61	52,880.13	40,742.74
	b) Changes in inventories of stock in trade	430.72	(232.81)	99.68	197.91	371.79
	c) Employee benefits expense	52.39	34.62	40.91	87.01	68.23
	d) Finance costs	191.92	201.51	165.75	393.43	299.15
	e) Depreciation and amortisation expense	1.35	10.22	4.11	11.57	6.77
	f) Other expenses	115.93	74.19	186.24	190.12	268.61
	Total expenses	29,444.88	24,315.29	23,061.30	53,760.17	41,757.29
3	Profit/(loss) before exceptional item & tax (1-2)	169.61	122.21	193.98	291.82	225.69
4	Exceptional Items	-	-	-	-	-
5	Profit/(loss) before tax (3-4)	169.61	122.21	193.98	291.82	225.69
6	Tax expense					
	1) Current tax	(43.69)	(37.85)	(56.35)	(81.54)	(64.36)
	2) Deferred tax	2.11	1.16	(2.72)	3.27	(3.08)
7	Net Profit/(Loss) after tax (5-6)	128.04	85.52	134.91	213.55	158.25
8	Paid-up Equity Share Capital (Face value of Rs.10/- each)	2,497.76	1,507.76	1,507.76	2,497.76	1,507.76
9	Reserves (excluding revaluation reserve)				894.59	186.03
10	Earnings per share (of Rs.10/- each) Basic & Diluted (Rs.)	0.85	0.57	0.89	1.42	1.05

Notes:-

- The above Standalone Financial Results were reviewed by the Audit Committee and were thereafter approved by the Board of Directors at their meeting held on 24 May 2024.
- The above results have been prepared in accordance with the recognition and measurement principles of Accounting Standard("AS"), prescribed under Section133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
- The Company is engaged in the business of trading & distribution of mobile phones,electronic gadgets,mobile phone accessories,computer and computer parts and other electronic media equipment's. Hence, the Company has a single reportable segment as per the Accounting Standard - 17.

4 STANDALONE STATEMENT OF ASSETS & LIABILITIES

Rs. In Lakhs unless otherwise stated

Particulars	Standalone	
	As at 31.03.2024	As at 31.03.2023
EQUITY AND LIABILITIES		
1 Shareholders' funds		
a) Share capital	2,497.76	1,507.76
b) Reserves and surplus	894.59	186.03
Total Equity	3,392.35	1,693.79
2 Liabilities		
Non-current liabilities		
a) Long-Term Borrowings	403.60	626.91
b) Deferred tax liability	-	2.99
c) Other long-term liabilities	-	-
d) Long-term provisions	4.85	6.91
Total non-current liabilities	408.45	636.81
Current liabilities		
a) Short-Term Borrowings	3,700.20	3,657.22
b) Trade payables		
(i) Total outstanding dues of micro enterprises and small enterprises; and	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,226.24	730.58
c) Other current liabilities	169.66	8.83
d) Short-term provisions	78.96	72.18
Total current liabilities	5,175.06	4,468.81
Total equity and liabilities	8,975.86	6,799.41
Assets		
1 Non-current assets		
a) Property, plant and equipment	96.01	95.41
b) Intangible assets	0.03	0.08
c) Deferred tax assets	0.29	202.40
d) Non-current investment	1,485.00	-
e) Long-term loans and advances	202.33	-
f) Other non-current assets	-	-
Total non-current assets	1,783.66	297.89
2 Current assets		
a) Inventories	705.85	903.76
b) Trade receivables	4,149.27	4,597.08
c) Cash and bank balances	264.35	219.34
d) Short-term loans and advances	588.16	620.08
e) Other current assets	1,484.57	161.26
Total current assets	7,192.20	6,501.52
Total assets	8,975.86	6,799.41

5 STANDALONE STATEMENT OF CASH FLOWS

Rs. In Lakhs unless otherwise stated

	For the year ended	
	As at 31.03.2024	As at 31.03.2023
A. Cash flow from operating activities		
Profit/(loss) before tax	291.83	225.69
Adjustments for :		
Depreciation and amortisation expense	11.57	6.77
Liability no longer required, written back	-	(228.90)
Bad Debts	-	50.44
Net (profit)/ loss on disposal of property, plant and equipment	-	(0.28)
Interest expense and finance cost	(15.34)	299.16
Interest and other income	393.43	(5.78)
	681.49	347.10
Changes in assets and liabilities		
(Increase) / Decrease in inventories	197.91	371.79
(Increase) / Decrease in trade receivables	447.81	(1,630.20)
(Increase) / Decrease in loans and advances	31.98	(12.75)
(Increase) / Decrease in other assets	(1,323.31)	(1.82)
Increase / (decrease) in trade payables	495.67	381.11
Increase / (decrease) in provisions	(3.27)	14.73
Increase / (decrease) in other liabilities	160.82	(3.79)
Cash generated from operating activities	689.10	(533.83)
Taxes paid (net of refunds)	(73.55)	(9.42)
Net cash generated from operating activities	615.55	(543.25)
B. Cash Flow from Investing Activities		
Purchase of property, plant and equipment	(12.12)	(38.60)
Sale proceeds from sale of property, plant and equipment	15.34	0.33
Interest and other income	-	5.78
Net cash generated from/(used in) investing activities	3.22	(32.49)
C. Cash flows from financing activities		
Proceeds from issues of equity shares	-	-
Interest and finance cost	(393.43)	(299.15)
Net proceed (repayment) of long term borrowings	(223.31)	(68.63)
Net proceed (repayment) of short term borrowings	42.98	1,012.74
Net cash generated from/(used in) financing activities	(573.76)	644.96
Net increase/(decrease) in cash and cash equivalents (A+B+C)	45.01	69.22
Cash and cash equivalents at the beginning of year	219.34	150.12
Cash and cash equivalents at the end of year	264.35	219.34
Cash and cash equivalents comprise of:		
Cash on hand	26.68	31.77
Balance with banks		
- in current accounts	50.17	0.07
- deposits with original maturity of less than three months	187.50	187.50
	264.35	219.34

* The above statement of cash flow has been prepared under the 'Indirect Method'.

6 In accordance with the provisions of Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and other applicable rules, regulations and guidelines of SEBI and applicable provisions of Companies Act, 2013, the Company has made a preferential issue for consideration other than cash under non-promoter category with a swap of equity shares as follows:

(a) at a ratio of 1:1 in exchange of every one equity share of Effective Lifestyle Private Limited ("the ELPL"), one equity share of the Company has been issued to the existing shareholders of the ELPL. Accordingly, the Company has issued 47,00,000 equity shares worth Rs. 705.00 lakhs with a face value of Rs. 10 per share and at a premium of Rs. 5 per share against 47,00,000 equity shares acquired of the ELPL. As a result of this share swap, the Company has acquired 69.42% of equity shares of Effective Lifestyle Private Limited (a subsidiary company).

(b) at a ratio of 5:1 in exchange of every one equity share of Kanone Technologies Private Limited ("the Kanone"), five equity share of the Company has been issued to the existing shareholders of the Kanone. Accordingly, the Company has issued 52,00,000 equity shares worth Rs. 780.00 lakhs with a face value of Rs. 10 per share and at a premium of Rs. 5 per share against 10,40,000 equity shares acquired of the Kanone. As a result of this share swap, the Company has acquired 49.74% of equity shares of Kanone Technologies Private Limited (an associate company).

7 The figures for the previous period have been regrouped / rearranged / reclassified wherever necessary to make them comparable with those of current period.

For and Behalf of Board of
Safa Systems & Technologies Limited

FAIZAL B. A.
Managing Director
DIN 07727191

Date: 24 May 2024
Place: Emakulam



F.R.N. 022743N

KAPISH JAIN & ASSOCIATES

CHARTERED ACCOUNTANTS

Head Office: 504, B-Wing, Statesman House, 148, Barakhamba Road, New Delhi - 110001 | Phone : +91-11-43708987

Mobile : +91 9971 921466 | Email : ca.kapish@gmail.com | Website : www.kapishjainassociates.com; www.cakja.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of **Safa Systems & Technologies Limited**
Report on the Audit of the Consolidated Annual Financial Results

Opinion

We have audited the accompanying consolidated annual financial results of **Safa Systems & Technologies Limited** (*“the Holding Company”*) and its subsidiary (*Holding Company and its subsidiary together referred to as “the Group”*) and its associates for the six-months ended and year ended 31 March 2024 (*“the Statement”* or *“consolidated annual financial results”*), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (*“SEBI”*) (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (*“Listing Regulations”*).

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the unaudited management certified financial statements of a subsidiary and an associate, the aforesaid consolidated annual financial results:

a. includes the results of the following entity:

S. No.	Name of the entity	Relation
1	Effective Lifestyle Private Limited (w.e.f. 28 March 2024)	Subsidiary Company
2	Kanone Technologies Private Limited (w.e.f. 28 March 2024)	Associate

b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

c. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Accounting Standards, and other accounting principles generally accepted in India, of the consolidated net profit and other financial information of the Group for the year ended 31 March 2024.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (*“SAs”*) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated annual financial results.

Management's and Board of Director's Responsibilities for the Consolidated Annual Financial Results

These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements.

The Company's Management's and the Board of Director's are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net profit/loss and other financial information in accordance with the recognition and measurement principles laid down in Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the each Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated annual financial results by the Management and the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated annual financial results, the respective Management and the Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Management of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of Consolidated Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated annual financial results made by the management and Board and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated annual financial results of which we are the independent auditors. For the other entities included in the consolidated annual financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated annual financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

Other Matters

(1) The accompanying Statement includes unaudited statements and other unaudited financial information in respect of:

- 1 (one) subsidiary, whose financial statements and other financial information reflect total assets of Rs. 691.87 Lakhs as at March 31, 2024, and total revenues of Rs. 6.01 Lakhs, total net profit / (loss) after tax of Rs. 1.09 Lakhs for the year ended on that date and net cash outflows / (inflows) of Rs. 0.44 Lakhs for the year ended March 31, 2024, whose financial statements and other financial information have not been audited by their auditors;
- 1 (one) associate, whose financial statements includes the Group's share of net profit of Rs. 10.79 Lakhs for the year ended March 31, 2024, as considered in the Statement whose financial statements and other financial information have not been audited by their auditors.

These unaudited financial statements and other financial information have been approved and furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and associates, is based solely on such unaudited financial statements and other financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and financial information certified by the Management.



(2) In accordance with the provisions of Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and other applicable rules, regulations and guidelines of SEBI and applicable provisions of Companies Act, 2013, the Holding Company has made a preferential issue for consideration other than cash under non-promoter category with a swap of equity shares as follows:

- a) at a ratio of 1:1 in exchange of every one equity share of Effective Lifestyle Private Limited (“the ELPL”), one equity share of the Holding Company has been issued to the existing shareholders of the ELPL. Accordingly, the Holding Company has issued 47,00,000 equity shares worth Rs. 705.00 lakhs with a face value of Rs. 10 per share and at a premium of Rs. 5 per share against 47,00,000 equity shares acquired of the ELPL. As a result of this share swap, the Holding Company has acquired 69.42% of equity shares of Effective Lifestyle Private Limited (a subsidiary company).
- b) at a ratio of 5:1 in exchange of every one equity share of Kanone Technologies Private Limited (“the Kanone”), five equity share of the Holding Company has been issued to the existing shareholders of the Kanone. Accordingly, the Holding Company has issued 52,00,000 equity shares worth Rs. 780.00 lakhs with a face value of Rs. 10 per share and at a premium of Rs. 5 per share against 10,40,000 equity shares acquired of the Kanone. As a result of this share swap, the Holding Company has acquired 49.74% of equity shares of Kanone Technologies Private Limited (an associate company).

(3) The consolidated annual financial results include the results for the six months ended 31 March 2024 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the end of September of the current financial year which were subject to limited review by us.

Our opinion on the consolidated annual financial results is not modified in respect of this matter.

For **Kapish Jain & Associates**
Chartered Accountants
Firm Registration Number 022743N



CA Kapish Jain
Partner
Membership No. 514162
UDIN 24514162BKBHVG2048

Place: New Delhi
Date: 24 May 2024

SAFA SYSTEMS & TECHNOLOGIES LIMITED

Regd. Office : 46/2631 B,Safa Arcade, Kaniyapilly Road Chakkaraparambu,Ernakulam, Kerala -682028
CIN: L52100KL2021PLC071051, Email: office@sssinfo.in

**STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS
FOR THE SIX MONTHS AND YEAR ENDED 31 MARCH 2024**

Rs. in Lakhs, unless otherwise stated

Sl.No	Particulars	Six months ended			Year ended	
		31.03.2024	30.09.2023	31.03.2023	31.03.2024	31.03.2023
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	Income					
	a) Revenue from operations	53,797.54	-	-	53,797.54	-
	b) Other income	260.46	-	-	260.46	-
	Total income	54,058.00	-	-	54,058.00	-
2	Expenses					
	a) Purchase of stock in trade	52,880.13	-	-	52,880.13	-
	b) Changes in inventories of stock in trade	197.91	-	-	197.91	-
	c) Employee benefits expense	87.51	-	-	87.51	-
	d) Finance costs	393.43	-	-	393.43	-
	e) Depreciation and amortisation expense	11.97	-	-	11.97	-
	f) Other expenses	193.22	-	-	193.22	-
	Total expenses	53,764.17	-	-	53,764.17	-
3	Profit/(loss) before exceptional item & tax (1-2)	293.83	-	-	293.83	-
4	Share of profit / (loss) of associate	10.79	-	-	10.79	-
5	Exceptional Items	-	-	-	-	-
6	Profit/(loss) before tax (3+4-5)	304.62	-	-	304.62	-
7	Tax expense					
	1) Current tax	82.45	-	-	82.45	-
	2) Deferred tax	(3.27)	-	-	(3.27)	-
8	Net Profit/(Loss) after tax (6-7)	225.44	-	-	225.44	-
9	Attributable to :					
	Equity shareholders of the company	225.19	-	-	225.19	-
	Non-controlling interest	0.25	-	-	0.25	-
		225.44	-	-	225.44	-
10	Paid-up Equity Share Capital (Face value of Rs.10/- each)	2,497.76	-	-	2,497.76	-
11	Reserves (excluding revaluation reserve)	-	-	-	906.23	-
12	Earnings per share (of Rs.10/- each)	1.50	-	-	1.50	-
	Basic & Diluted (Rs.)					

Notes:-

- The above Financial Results were reviewed by the Audit Committee and were thereafter approved by the Board of Directors at their meeting held on 24 May 2024.
- The above results have been prepared in accordance with the recognition and measurement principles of Accounting Standard("AS"), prescribed under Section133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
- The Holding Company is engaged in the business of trading & distribution of mobile phones,electronic gadgets,mobile phone accessories,computer and computer parts and other electronic media equipment's. Hence, the Holding Company has a single reportable segment as per the Accounting Standard - 17.

4 CONSOLIDATED STATEMENT OF ASSETS & LIABILITIES

Rs. in Lakhs, unless otherwise stated

Particulars	Consolidated	
	As at 31.03.2024	As at 31.03.2023
EQUITY AND LIABILITIES		
1 Shareholders' funds		
a) Share capital	2,497.76	-
b) Reserves and surplus	906.23	-
Total Equity	3,403.99	-
2 Non-controlling Interest	206.53	-
3 Liabilities		
Non-current liabilities		
a) Long-Term Borrowings	403.60	-
b) Deferred tax liability	-	-
c) Other long-term liabilities	-	-
d) Long-term provisions	4.85	-
Total non-current liabilities	408.45	-
Current liabilities		
a) Short-Term Borrowings	3,714.00	-
b) Trade payables		
(i) Total outstanding dues of micro enterprises and small enterprises; and	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,226.25	-
c) Other current liabilities	170.74	-
d) Short-term provisions	80.47	-
Total current liabilities	5,191.46	-
Total equity and liabilities	9,210.43	-
Assets		
1 Non-current assets		
a) Property, plant and equipment	98.75	-
b) Intangible assets	0.03	-
c) Goodwill on consolidation	236.90	-
d) Deferred tax assets	0.29	-
e) Non-current investment	794.61	-
f) Long-term loans and advances	202.33	-
g) Other non-current assets	6.07	-
Total non-current assets	1,338.98	-
2 Current assets		
a) Inventories	705.85	-
b) Trade receivables	4,156.35	-
c) Cash and bank balances	268.03	-
d) Short-term loans and advances	1,255.65	-
e) Other current assets	1,485.57	-
Total current assets	7,871.45	-
Total assets	9,210.43	-

5 CONSOLIDATED STATEMENT OF CASH FLOWS

Rs. in Lakhs, unless otherwise stated

	For the year ended	
	As at 31.03.2024	As at 31.03.2023
A. Cash flow from operating activities		
Profit/(loss) before tax	293.83	-
Adjustments for :		
Depreciation and amortisation expense	11.97	-
Liability no longer required, written back	-	-
Adjustment on consolidation	(30.37)	-
Net (profit)/ loss on disposal of property, plant and equipment	-	-
Interest expense and finance cost	(15.34)	-
Interest and other income	393.43	-
	653.52	-
Changes in assets and liabilities		
(Increase) / Decrease in inventories	(705.85)	-
(Increase) / Decrease in trade receivables	(4,156.35)	-
(Increase) / Decrease in loans and advances	(1,457.97)	-
(Increase) / Decrease in other assets	(1,491.64)	-
Increase / (decrease) in trade payables	1,226.25	-
Increase / (decrease) in provisions	85.32	-
Increase / (decrease) in other liabilities	170.74	-
Cash generated from operating activities	(5,675.99)	-
Taxes paid (net of refunds)	-	-
Net cash generated from operating activities	(5,675.99)	-
B. Cash Flow from Investing Activities		
Purchase of property, plant and equipment	(110.75)	-
Sale proceeds from sale of property, plant and equipment	15.34	-
Investment	690.39	-
Interest and other income	-	-
Net cash generated from/(used in) investing activities	594.98	-
C. Cash flows from financing activities		
Proceeds from issues of equity shares	1,625	-
Interest and finance cost	(393.43)	-
Net proceed (repayment) of long term borrowings	403.60	-
Net proceed (repayment) of short term borrowings	3,714.00	-
Net cash generated from/(used in) financing activities	5,349.03	-
Net increase/(decrease) in cash and cash equivalents (A+B+C)	268.03	-
Cash and cash equivalents at the beginning of year	-	-
Cash and cash equivalents at the end of year	268.03	-
Cash and cash equivalents comprise of:		
Cash on hand	30.31	-
Balance with banks		
- in current accounts	50.22	-
- deposits with original maturity of less than three months	187.50	-
	268.03	-

* The above statement of cash flow has been prepared under the 'Indirect Method'.

6 In accordance with the provisions of Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and other applicable rules, regulations and guidelines of SEBI and applicable provisions of Companies Act, 2013, the Holding Company has made a preferential issue for consideration other than cash under non-promoter category with a swap of equity shares as follows:

a) at a ratio of 1:1 in exchange of every one equity share of Effective Lifestyle Private Limited ("the ELPL"), one equity share of the Holding Company has been issued to the existing shareholders of the ELPL. Accordingly, the Holding Company has issued 47,00,000 equity shares worth Rs. 705.00 lakhs with a face value of Rs. 10 per share and at a premium of Rs. 5 per share against 47,00,000 equity shares acquired of the ELPL. As a result of this share swap, the Holding Company has acquired 69.42% of equity shares of Effective Lifestyle Private Limited (a subsidiary company).

b) at a ratio of 5:1 in exchange of every one equity share of Kanone Technologies Private Limited ("the Kanone"), five equity share of the Holding Company has been issued to the existing shareholders of the Kanone. Accordingly, the Holding Company has issued 52,00,000 equity shares worth Rs. 780.00 lakhs with a face value of Rs. 10 per share and at a premium of Rs. 5 per share against 10,40,000 equity shares acquired of the Kanone. As a result of this share swap, the Holding Company has acquired 49.74% of equity shares of Kanone Technologies Private Limited (an associate company).

7 The consolidated financial results for the six months and year ended on 31 March 2024 includes the following entities of the Group:

S.No.	Name of entity	Relation
1	Effective Lifestyle Private Limited (w.e.f. 28 March 2024)	Subsidiary Company
2	Kanone Technologies Private Limited (w.e.f. 28 March 2024)	Associate Company

8 The figures for the previous period have been regrouped / rearranged / reclassified wherever necessary

For and Behalf of Board of
Safa Systems & Technologies Limited

FAIZAL B. A.
Managing Director
DIN 07727191

Date: 24 May 2024
Place: Ernakulam



Safa Systems & Technologies Limited

CIN NO:L52100KL2021PLC071051; GST No: 32ABGCS8921G1ZB

Date: 24th May, 2024

To,

The Manager, Listing Department, BSE Limited, Phiroze Jeejeebhoy Towers Dalal Street 28th Floor, Dalal Street, Mumbai- 400001	Company Symbol: SSTL Script Code: 543461
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Dear Sir/Madam,

Sub: Declaration pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2016

Dear Sir/ Madam,

We, Safa Systems & Technologies Limited, a public limited Company having its registered office at 46/2631 B, Safa Arcade, Kaniyapilly Road, Chakkaraparambu, Ernakulam, Kerala – 682028, India, hereby declares that Statutory Auditor of the Company has issued unmodified opinion on Standalone and Consolidated Annual Audited Financial Results for the year ended 31st March, 2024.

You are requested to take the same on record and do the needful.

**For & on behalf of
Safa Systems & Technologies Limited**

**Faizal Bavaraparambil Abdul Khader
Managing Director
DIN: 07729191**

Encl: As above