



Safa Systems & Technologies Limited

CIN NO:L52100KL2021PLC071051; GST No: 32ABGCS8921G1ZB

To,

Date:17.02.2024

The Manager, BSE Limited, Department of Corporate Services, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001	Scrip Code: 543461 Symbol: SSSL
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Subject: - Disclosure regarding acquisition pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir / Madam,

Further to our intimation to the stock exchanges dated 07th February, 2024 and 12th February 2024 pursuant to Regulation 30(6) read with Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), we wish to inform that the Board of Directors of the Company, at its meeting held on 17th February, 2024, approved the acquisition of 67,70,000 (Sixty Seven Lakhs Seventy Thousand) equity shares of INR 10/- (Ten) each representing 100% paid-up equity share capital (“**Purchase Shares**”) of Effective Lifestyle Private Limited (“**ELPL**”) for a total purchase consideration of INR 8,80,10,000/- (Rupees Eight Crores Eighty Lakhs Ten Thousand Only) (“**Purchase Consideration**”) and 10,40,000 (Ten Lakhs Forty Thousands Only) equity shares of INR 10/- (Ten) each representing 51% paid-up equity share capital (“**Purchase Shares**”) of Kanone Technologies Private Limited (“**KTPL**”) for a total purchase consideration of INR 6,76,00,000/- (Rupees Six Crores Seventy Six Lakhs Only) (“**Purchase Consideration**”). The Purchase Consideration payable by the Company for such purchase of 100% of ELPL’s and 51% of KTPL’s shall be discharged by way of issue and allotment of 1,19,70,000 (One Crore Nineteen Lakh Seventy Thousand) equity shares of the Company having face value of INR 10/- each to the Shareholders of ELPL and KTPL at a price of INR 13/- per equity share, on a preferential basis. The proposed transaction is being done at “arm’s length” taking into account the valuation report issued by Mr. Subodh Kumar Registered Valuer (IBBI/RV/05/2019/11705), in accordance with the applicable laws.

The acquisition of Purchase Shares shall be subject to such regulatory/ statutory approvals as may be required under applicable laws including the approval of the minority shareholders of the Company by way of postal ballot. This is for the information and records.

In compliance with Relation 30 of SEBI (LODR) Regulation, 2015 read with SEBI Circular No. SEBIHO/CFDfCFD-PoD-1/P/CIRI2023/123 dated 13th July, 2023 and Master Circular No. SEBI/HO/CFD/PoD2/CIR/PI2023/120 dated 11th July, 2023. Disclosure concerning the above acquisition is enclosed as Annexure-A.

The meeting of the Board of Directors commenced at 11:30 A.M. and concluded at 12:30 P.M.

Thanking you,

**Yours faithfully,
By Order of the Board
For Safa Systems & Technologies Limited**

**Rupal Pandey
Company Secretary and Compliance Officer
Mem. No.: A70332
Date: 17.02.2024
Place: Kochi
Encl: As Above**



Annexure-A

Disclosures in terms of Regulation 30 of the Listing Regulations read with SEBI Circular on disclosure of material events/information

S. No.	Particular	
1.	Name of the target entity, details in brief such as size, turnover etc.	<ul style="list-style-type: none">• Kanone Technologies Private Limited (“KTPL”), a Private limited company incorporated under the Companies Act, 2013 (CIN: U74999KL2021PTC071243) and having its registered office at Building No. 46/2678 B4, Kaniyappilly Road Chakkaraparambu, Vennala P.O., Ernakulam, Kerala-682028, India (the “Company”), The turnover of KTPL on 31st January 2024 is Rs. 3,35,15,30,357.07.• Effective Lifestyle Private Limited (ELPL), a Private limited company incorporated under the Companies Act, 2013 (CIN: U72900MP2016PTC035242) and having its registered office at 401, Palasia Tower 1/2 Race Course Road, Indore, Madhya Pradesh-452001, India (the “Company”), The turnover of KTPL on 31st January 2024 is Rs. NIL.
2.	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at “arm’s length”	N.A.
3.	Industry to which the entity being acquired belongs	Kanone Technologies Private Limited (“KTPL”) – Trading & Distributors. Effective Lifestyle Private Limited (ELPL) - Information Technology.
4.	Objects and impact of	With the growth of the Indian Trading and Distribution and Information Technology market and export potential, SSTL would need to increase its



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	acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	production capacity by 2030-31, almost double from current levels. This would happen over several locations, some of which are known and some being studied. The Board of Directors considered this and decided that for the purpose of efficiency in Business, it is best to bring all related activities under SSSL. Accordingly, the Board approved the chase of 100% of ELPL's and 51% of KTPL's equity shares, and discharge the consideration for such purchase of 100% of ELPL's and 51% of KTPL's equity shares by way of issue of the Company's equity shares on a preferential basis for consideration other than cash, subject to all legal and regulatory compliances including minority shareholders' approval.		
5.	Brief details of any governmental or regulatory approvals required for the acquisition.	The transaction shall be completed after taking the requisite approvals of the stock exchanges, as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and other Government approvals under Foreign Exchange Management Act, 1999 as may be applicable.		
6.	Indicative time period for completion of the acquisition	Before 15 th April 2024		
7.	Consideration - whether cash consideration or share swap or any other form and details of the same	The consideration by the Company for the purchase of 100% of the ELPL's equity shares and 51% of KTPL's equity shares shall be discharged by way of issue and allotment of 1,19,70,000 equity shares of the Company having face value of INR 10/- each to the shareholders of ELPL and KTPL, at a price of INR 13/- per equity share, on a preferential basis.		
8.	Cost of acquisition and/or the price at which the shares are acquired	The Board approved the acquisition of 10,40,000 equity shares of KTPL representing 51% paid up capital of KTPL and 67,70,000 equity shares of ELPL representing 100% paid up capital of ELPL having face value of INR 10/- for a total purchase consideration of INR 15,56,10,000.		
9.	Percentage of shareholding/ control acquired and/ or number of shares acquired	The Board approved to acquire 100% equity shares of ELPL and 51% equity shares of KTPL subject to all legal and regulatory compliances including minority shareholders' approval if required.		
10.	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation,	Particular	KTPL	ELPL
		Product/ Line of Business	Trading and Distribution	Information Technology
		Date of Incorporation	29.09.2021	19.01.2026
		Last 3 years turnover: (in Lakhs)		



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history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief)	FY2022-23	25316.83	1.8
	FY2021-22	2327.87	1.785
	FY2020-21	-	NIL

Thanking you,

Yours faithfully,

By Order of the Board

For Safa Systems & Technologies Limited

Rupal Pandey

Company Secretary and Compliance Officer

Mem. No.: A70332

Date: 17.02.2024

Place: Kochi

Encl: As Above