

THIS IS AN ABRIDGED PROSPECTUS CONTAINING SALIENT FEATURES OF THE PROSPECTUS. YOU ARE ENCOURAGED TO READ GREATER DETAILS AVAILABLE IN THE PROSPECTUS.

THIS ABRIDGED PROSPECTUS CONTAINS FOUR PAGES OF APPLICATION FORM ALONG WITH INSTRUCTIONS AND EIGHT PAGES OF ABRIDGED PROSPECTUS. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

You may obtain a physical copy of the Application form and the Prospectus from stock exchange, Syndicate Banks, Registrar to the Issue, Share Transfer Agents, Depository participants, Stock Brokers, Underwriters, Bankers to the Issue, Self-Certified Syndicate Banks, our Company and Lead manager. You may also download the Prospectus from the websites of SEBI, Lead Manager and Stock Exchange where the equity shares are proposed to be listed (Stock Exchange) that is www.sebi.gov.in, www.finshoregroup.com, and www.bseindia.com and website of issuer company www.sssinfo.in respectively.



SAFA SYSTEMS & TECHNOLOGIES LIMITED

Corporate Identity Number: U52100KL2021PLC071051

Registered office: 46/2631 B, Safa Arcade, Kaniyapilly Road, Chakkaraparambu, Ernakulam-682028, Kerala, India

Contact Person: Ms. Pushpita Dasgupta, Company Secretary & Compliance Officer, **Tel No:** 7593001140;

E-Mail: office@sssinfo.in, **Website:** www.sssinfo.in

OUR PROMOTERS: (I) MR. FAIZAL BAVARAPARAMBIL ABDUL KHADER
(II) MR. BAVARAPARAMBIL ABDHULKADHER HYDROSE

ISSUE DETAILS, LISTING AND PROCEDURE

This is an **Initial Public Offering (IPO)** of equity shares of face value of ₹10/- each of Safa Systems & Technologies Limited and we plan to raise ₹400 Lakhs by issuing 40,00,000 equity shares at an offer price of ₹10/- per Equity Share at Par. These equity shares are proposed to be listed on **SME Platform of BSE Limited**.

This is a Fixed Price issue for an initial public issue of 40,00,000 Equity Shares of face value of ₹10/- each and the minimum lot size is 10,000 Equity Shares and in multiples of 10,000 Equity Shares thereof and for which pre-issue advertisement shall be advertised in English national daily "*Financial Express*", Hindi National Daily "*Jansatta*" and Kerala regional daily "*Metro Vaartha*" after filing Prospectus with the Registrar of Companies, Ernakulam. For details of "*Basis for issue Price*" please refer page no. 54 of the Prospectus.

PROCEDURE

If you wish to know about processes and procedures applicable to public issues, you may request for a copy of the General Information Document (GID) from Lead Manager or download it from the website of BSE (www.bseindia.com), website of issuer company (www.sssinfo.in) or LM (www.finshoregroup.com).

ELIGIBILITY FOR THE ISSUE

This being an issue under Chapter IX of SEBI (ICDR) Regulations, 2018. The company is eligible for the issue in terms of Regulation 229(2) of SEBI (ICDR) Regulations, 2018. Please note that the company is not compulsorily required to allot at least 75% of the net issue to public, to Qualified Institutional Buyers (QIBs).

INDICATIVE TIME TABLE

The below dates are indicative. However actual dates may vary.

Issue Opening Date	January 28, 2022 (Friday)	Unblocking of funds from ASBA Account	February 07, 2022 (Monday)
Issue Closing Date	February 01, 2022 (Tuesday)	Credit of Equity Shares to demat accounts of Allottees	February 08, 2022 (Tuesday)
Finalisation of basis of allotment with the Designated Stock Exchange	February 04, 2022 (Friday)	Commencement of trading of Equity Shares on the Stock Exchange	February 09, 2022 (Wednesday)

The above time table, other than issue opening and closing dates, is indicative in nature and does not constitute any obligation on the Company or the LM. While our Company shall ensure that all the steps for completion of all the necessary formalities for the listing and trading of our equity shares on the **SME Platform of BSE Limited** are taken within 6 working days of the issue closing date, the time table may change due to various factors such as extension of the issue period by the Company or any delay in receiving final listing and trading approval from the BSE. The Commencement of the trading of Equity shares will be entirely at the discretion of the Stock Exchange in accordance with the applicable laws.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of the Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page no. 17 of the Prospectus and on page no. 9 of this form.

PRICE INFORMATION OF LEAD MANAGER: FINSHORE MANAGEMENT SERVICES LIMITED

Sr. No.	Issue Name	Issue Size (₹ in Cr.)	Issue Price (In ₹)	Listing Date	Opening price on listing date (In ₹)	+/- % change in closing price, [+/- % change in closing benchmark] 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] – 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] – 180 th calendar days from listing
1	White Organic Retail Ltd.	15.46	63/-	10/05/2019	64.20	31.83 [5.75]	15.87 [-2.06]	15.87 [7.43]
2	SK International Export Ltd.	3.96	20/-	15/07/2019	19.20	-16.00 [-4.98]	-9.75 [-1.98]	0.00 [6.95]
3	Alphalogic Techsys Ltd.	6.18	84/-	05/09/2019	83.00	7.86 [2.81]	1.07 [11.00]	16.67 [4.09]
4	Tranway Technologies Ltd.	4.24	10/-	05/02/2020	11.10	50.00 [-6.49]	1.00 [-22.91]	-21.90 [-8.59]
5	ICL Organic Dairy Products Ltd.	4.08	20/-	17/02/2020	20.80	-25.00 [-25.52]	-3.25 [-24.25]	9.75 [-7.74]
6	DJ Mediaprint & Logistics Ltd.	2.40	20/-	13/04/2020	20.60	165.00 [2.22]	64.50 [19.24]	105.00 [32.00]
7	Promax Power Ltd.	1.60	10/-	12/10/2021	11.00	54.00 [0.11]	126.00 [-0.85]	N. A.
8	Dynamic Services & Security Ltd.	24.13	51/-	13/10/2021	53.00	-13.73 [-0.80]	-20.00 [-0.87]	N. A.
9	Destiny Logistics & Infra Limited	5.39	20/-	13/10/2021	20.70	-27.00 [-0.80]	-41.75 [-0.87]	N. A.
10	Timescan Logistics (India) Limited	4.81	51/-	12/01/2022	82.00	N. A.	N. A.	N. A.

Status as on 17-01-2022

- in case where the security is not being traded on 30th, 90th and 180th day, the previous working day has been considered.
- in case where 30th, 90th and 180th day is holiday, the previous working day has been considered for benchmark and security purpose.
- the benchmark index is SENSEX where the securities have been listed in BSE SME and Nifty where securities have been listed in NSE Emerge.

Summary statement of Disclosure for last 4 Years:

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount – 30 th calendar day from listing day			Nos. of IPOs trading at premium – 30 th calendar day from listing day			Nos. of IPOs trading at discount -180 th calendar day from listing day			Nos. of IPOs trading at premium – 180 th calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2018-19	8	57.68	1	1	2	1	N. A	3	3	1	2	1	N. A	1
2019-20	6	52.42	N. A	1	2	N. A	2	1	N. A	1	2	N. A	N. A	3
2020-21	1	2.40	N. A	N. A	N. A	1	N. A	N. A	N. A	N. A	N. A	1	N. A	N. A
2021-22	4	35.93	N. A	1	1	1	N. A	N. A	N. A	N. A	N. A	N. A	N. A	N. A

Status as on 17-01-2022

GENERAL INFORMATION

Names of Lead Manager	FINSHORE MANAGEMENT SERVICES LIMITED Anandlok, Block-A, 2 nd Floor, Room No. 207, 227 A.J.C. Bose Road, Kolkata-700020, India Telephone: +91-33-22895101 Contact Person: Mr. S. Ramakrishna Iyengar Email: ramakrishna@finshoregroup.com, Website: www.finshoregroup.com Investor grievance email: info@finshoregroup.com SEBI Registration Number: INM000012185 CIN No: U74900WB2011PLC169377
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Name of Market Maker	NIKUNJ STOCK BROKERS LIMITED A-92, Ground Floor, Left Portion, Kamla Nagar, New Delhi – 110092 Telephone: 011 – 47030015 Email ID: complianceofficer@nikunjonline.com Contact Person: Mr. Pramod Kumar Sultania SEBI Registration Number: INZ000169335 CIN NO: U74899DL1994PLC060413
Name of Registrar to the Issue	CAMEO CORPORATE SERVICES LIMITED “Subramanian Building”, #1, Club House Road, Chennai - 600 002, India Telephone: +91-44-40020700, 28460390, Facsimile: +91-44-28460129 Email: investor@cameoindia.com, Website: www.cameoindia.com Contact Person: Mr. R.D. Ramasamy, Director SEBI Registration Number: INR000003753 CIN No: U67120TN1998PLC041613
Name of Statutory Auditor	“M/s. Kapish Jain & Associates” Chartered Accountants
Name of Peer Review Auditor	“M/s. Kapish Jain & Associates” Chartered Accountants
Name of Credit Rating Agency and the rating or grading obtained, if any	Not Applicable
Name of Debenture trustee, if any	Not Applicable
Self-Certified Syndicate Banks	The list of banks is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 which is updated from time to time.
Non-Syndicate Registered Brokers	You can submit Application Forms in the Issue to Non-Syndicate Registered Brokers at the Non-Syndicate Broker Centres. Registered Brokers at the Broker Centres. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the website of the Stock Exchange (www.bseindia.com). For further details, see sectioned titled “ Issue Procedure ” beginning at page no. 164 of the prospectus.
Details regarding website address(es)/ link(s) from which the investor can obtain list of registrars to issue and share transfer agents, depository participants and stock brokers who can accept application from investor (as applicable)	The details of the Designated Registrar to issue and Share Transfer Agents Locations and Designated Collecting Depository Participant and stock brokers Locations, along with their names and contact details are available on the websites of the Stock Exchange as updated from time to time

PROMOTERS OF ISSUER COMPANY

- Mr. Faizal Bavaraparambil Abdul Khader**, aged 42 is the son of Bavaraparambil Abdhulkadher Hydrose. He was pursuing Chartered accountancy and have qualified intermediate stages of chartered accountancy in the year 2002. He started his career in 2004 by taking over the family business and in 2012 he and his family together formed the partnership firm under the name Safa Systems & Solutions which does the distribution of telecommunication, electronics & IT Products. He is also a partner in Ina India Formulations which is a formaldehyde manufacturing unit which was acquired in the year 2018.
- Mr. Bavaraparambil Abdhulkadher Hydrose**, aged 67 years, started his career in the year 1975. The first business he undertook was wholesale trading of lemon, arecanut and spices, as a proprietorship concern. Thereafter in 1986, he started the business of manufacturing of Hawaii Sheets used for the manufacture of Slippers. The Hawaii Rubber sheets business flourished well and established reputation across the state of Kerala. This business helped Mr. B H Abdul Khader to learn about the various business opportunities across the country.
In the year 1990, with the experience gained over the last few years, Mr. Abdul Khader decided to venture into a new line of business, i.e., Veneer manufacturing and sales. As the experience and expertise in the wood and allied industries, Mr. Abdul Khader ventured into a new business- Manufacturing of Plywood. In the year 1995, Mr. B H Abdul Khader established “Safa Plywoods Pvt Ltd”.
In 2012 he and his family together formed the partnership firm under the name Safa Systems & Solutions which does the distribution of telecommunication, electronics & IT Products.

For Further details on: “**Our Promoters and Promoter Group**” refer Page No. 109 of the Prospectus.

BUSINESS MODEL/BUSINESS OVERVIEW AND STRATEGY

About Incorporation:

Our Company was originally incorporated as “Safa Systems & Solutions”, a Partnership firm in the state of Kerala on October 18, 2012. Subsequently, we have converted the Partnership firm into a Public Limited Company in the name of “Safa Systems & Technologies Limited” on September 21, 2021 bearing Corporate Identification Number U52100KL2021PLC071051 vide Certificate of Incorporation issued by Registrar of Companies - Central Registration Centre.

Brief Overview of Our Company and Business:

Safa Systems & Solutions, the erstwhile partnership firm, started its business in the year 2012 as a new entrant in the field of consumer durable like Mobile phones and its accessories. We were appointed for all Kerala distribution for Micromax Smartphones and the initial year net turnover (after

considering sales return) i.e., in the financial year 2012-13 was ₹7.84 crores. In the financial year 2013-14, we crossed a net turnover of ₹51.24 Crores. In the year 2015, we also made an arrangement with Micromax for its Feature Phones distributions in the State of Kerala, and in the financial year 2014-15 and 2015-16, we crossed a net turnover of ₹94.98 Crores and ₹90.90 crores respectively. In the Financial year 2016-17, our net turnover dropped to ₹73.30 crores because of the brand issues with Micromax. Until then we were only dealing with the products of Micromax.

In the year 2017-18, we decided to create a portfolio of brands rather than sticking to one brand and we were looking forward to capture 25% to 30% of the Smartphones market size in the state of Kerala. In the same year we signed up with the brand OPPO and we crossed a net turnover of ₹169.41 Crores.

In the financial year 2018-19 we signed up with more brands like Xiaomi, Vivo, LG, etc. and our net turnover was ₹254.92 Crores.

Further, In the Financial Year 2019-20 we also signed up with more brands like Huawei, Motorola, etc. and we crossed a net turnover of ₹255.12 Crores.

In the Financial Year 2020-21 we signed up with the brand One Plus for the Kerala region. The net turnover in financial year 2020-21 dropped to ₹208.51 crores due to Covid-19, pandemic.

The journey from 2012 to date was quite remarkable and we felt the need to structure the business from partnership firm to corporate setup, unorganized to organized and well professionally managed organisation. Accordingly, the partnership firm was converted into Limited Company in the year 2021.

Presently, our company is in the business of distributorship of consumer durable products like Mobile phones, Mobile phone accessories, Tablets, LED TVs, Home appliances and wearable devices of various brands like Xiaomi, OPPO, TECNO, Micromax, One Plus in Kerala. The company works in B2B (Business to Business) model.

Distributorship Agreements:

The Company has entered into various distributorship agreement, details as mentioned below:

Sl. No.	Name of the Company	Name of the Brand
1	Xiaomi Technology India Private Limited*	Xiaomi
2	Sansco Technologies Kerala Private Limited	Oppo
3	G Mobile Devices Private Limited	Tecno
4	Haijin Trade India Private Limited	Vivo
5	Micromax Infomatics Limited*	Micromax
6	Oppo Mobiles India Private Limited	One Plus

* Note: The agreement was in the name of the partnership firm i.e., Safa Systems & Solutions. The company is under process to transfer the distributorship agreement with Xiaomi and Micromax from partnership firm to company.

The range of products which we deal as on date includes Telecommunication devices, Accessories, LED television, Tablets, Internet of Things Products, Home appliances, etc. The commitment, dedication, delivery, and quality services are well known in the industry and we have built our goodwill and reputation from it. The Company is one of the key distributors of Electronic Products and accessories in Kerala. Presently the Company has its distributorship agreement with the reputed Brands like Xiaomi, OPPO, TECNO, Micromax, One Plus for distribution of the Smartphones, LED TV and accessories in the State of Kerala.

We value relationships with all our stakeholders: clients, employees, investors, vendors and others. All our endeavors have always had an inherent objective of providing value to all the people associated with us. We do not see our business as an isolated entity that is driven by self-interest, but view it as part of a beautiful and efficient business ecosystem where our every move makes a positive difference for all the entities involved. Every member of our organization is committed to our vision and business ethics.

We are deeply committed to quality services, dedication and commitment, an idea that permeates everything we do and everything we achieve. The ultimate goal of all our plans, infrastructure, processes, systems, is customer satisfaction. It is the one constant element at the foundation of all our thoughts. All our work offers value to the customer vis-à-vis their requirements.

The company has been also awarded with ISO 9001:2015 quality certifications, for the assessment of their Quality Management System and found to conform to the requirement of ISO 9001:2015 for the scope of provisions of Marketing, trading and Distribution of -TV, Mobile Phones, Mobile Phone Accessories, Home Appliances, Tablets, and IT enable products.

Our Business Strategy:

- Focus on Increase in Volume of Sales:** As a part of our growth strategy our focus is on increasing sales volume through expansion, diversification and spread in geographical outreach. We believe that our growth in local market can fetch us new business expansion and opportunities. We are currently providing our services to several clients Domestically. Our emphasis is on scaling of our operations in other markets which shall provide us with attractive opportunities to grow our client base and revenues.
- Increase geographical presence:** Going forward we plan to establish our presence in more regions in the country. Our emphasis is on expanding the scale of our operations as well as growing our supply chain network, which we believe will provide attractive opportunities to grow our client base and revenues.
- Leverage and enhance our brand name:** We believe that our brand commands a recall amongst the consumers in the areas where we operate due to its image and goodwill established over the years. We intend to leverage the brand equity that we enjoy. Also, we plan to leverage our existing brands, which have good recall with customers to introduce a wider range of products.

4. **Improving operational efficiencies:** Our Company intends to improve operating efficiencies to achieve cost reductions to have a competitive edge over the peers, especially when the Company expands its business to other states where certain competitive businesses are already established. The core idea is to minimize cost of operations without affecting the quality of services provided by the Company. Further we believe that this can be done through domestic presence and economies of scale. We believe in strong in-house management to control the entire process. It controls costs by eliminating unnecessary intermediaries for procuring materials in cost efficient manner by optimizing logistics.
5. **Leveraging our Market skills and Relationships:** This is a continuous process in our organization and the skills that we impart in our people give importance to customers. We aim to do this by leveraging our marketing skills and relationships and further enhancing customer satisfaction. We plan to increase our customers by meeting contracts in hand on time, maintaining our customer relationship and renewing our relationship with existing buyers.

BOARD OF DIRECTORS

Sr. No.	Name	Details	Experience
1.	Faizal Bavaraparambil Abdul Khader	Promoter and Managing Director	Faizal Bavaraparambil Abdul Khader , aged 42 is the son of Bavaraparambil Abdhulkadher Hydrose. He was pursuing Chartered accountancy and have qualified intermediate stages of chartered accountancy in the year 2002. He started his career in 2004 by taking over the family business and in 2012 he and his family together formed the partnership firm under the name Safa Systems & Solutions which does the distribution of telecommunication, electronics & IT Products. He is also a partner in Ina India Formulations which is a formaldehyde manufacturing unit which was acquired in the year 2018.
2.	Sruthi Muhammed Ali	Whole time Director	Shruthi Muhammed Ali , aged 38 is the wife of Faizal Bavaraparambil Abdul Khader, who has done her post graduate in Planning & Entrepreneurship. In 2012, she entered into partnership within the family business for distribution of Telecommunication, electronics & IT related products under the name Safa Systems & Solutions.
3.	Bavaraparambil Abdhulkadher Hydrose	Non-Executive Director	Bavaraparambil Abdhulkadher Hydrose , aged 67 years, started his career in the year 1975. The first business he undertook was wholesale trading of lemon, arecanut and spices, as a proprietorship concern. Thereafter in 1986, he started the business of manufacturing of Hawaii Sheets used for the manufacture of Slippers. The Hawaii Rubber sheets business flourished well and established reputation across the state of Kerala. This business helped Mr. B H Abdul Khader to learn about the various business opportunities across the country. In the year 1990, with the experience gained over the last few years, Mr. Abdul Khader decided to venture into a new line of business, i.e., Veneer manufacturing and sales. As the experience and expertise in the wood and allied industries, Mr. Abdul Khader ventured into a new business- Manufacturing of Plywood. In the year 1995, Mr. B H Abdul Khader established “Safa Plywoods Pvt Ltd”. In 2012 he and his family together formed the partnership firm under the name Safa Systems & Solutions which does the distribution of telecommunication, electronics & IT Products.
4.	Bengolan Anilkumar	Independent Director	Bengolan Anilkumar , aged about 40 years is a Bachelor of Business Administration from Periyar University in the year 2012. He has over 9 years of experience in training and supervising sales staff, and planning and implementing sales strategies nationwide in various companies in the past. He has been appointed as Independent Director of the company considering his experience in the field of sales & marketing, which could add value and productivity to its sales & marketing team as well as the management.
5.	Sankaranarayanan Nair Sreejith	Independent Director	Sankaranarayanan Nair Sreejith , aged about 32 years is a Commerce Graduate from the University of Kerala. Mr. Nair is having over 5 years of experience in Finance & Accounting, specifically, analyzing of cash flows, completing reports and financial statements, and performing in-depth financial market research. He Possess a well-developed analytical skill, and excellent time management abilities he has been appointed an Independent Director of the Company.

OBJECTS OF THE ISSUE

The Issue includes a fresh Issue of 40,00,000 Equity Shares of our Company at an Issue Price of ₹10/- per Equity Share aggregating to ₹400 Lakhs. Our Company proposes to utilize the funds which are being raised through this Issue towards the below mentioned objects and gain benefits of listing on SME Platform of BSE Limited.

The objects to the Issue are:

- A. To meet the working capital requirements of the Company
 B. To meet the Issue Expenses
 C. General Corporate Purposes

Our Company believes that listing will enhance our Company's corporate image, brand name and create a public market for its Equity Shares in India. It will also make future financing easier and affordable in case of expansion or diversification of the business. Further, listing attracts interest of institutional investors as well as foreign institutional investors.

The main objects clause of our Memorandum enables our Company to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum. The fund requirement and deployment are based on internal management estimates and has not been appraised by any bank or financial institution.

Requirement of Funds:

The following table summarizes the requirement of funds:

Sr. No.	Particulars	Estimated Amount	% of total issue size	Amount to be financed from Issue Proceeds
A	To meet Working capital requirements	321.00	80.25%	321.00
B	General corporate Expenses	30.00	7.50%	30.00
C	Public Issue Expenses	49.00	12.25%	49.00
	Gross Issue Proceeds	400.00	100.00%	400.00
	Less: Issue Expenses	49.00	12.25%	49.00
	Net Issue Proceeds	351.00	87.75%	351.00

The issue proceeds are estimated to be utilized in the FY 2021-22 itself.

For further details please refer chapter "Object of the issue" beginning on page no. 50 of the prospectus.

The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in light of changes in external circumstances or costs, other financial conditions, business or strategy etc.

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues/rights issues, if any, of the Company in the preceding 10 years: Not Applicable

Name of monitoring agency, if any: Not Applicable

Terms of Issuance of Convertible Security, if any: Not Applicable

PRE-ISSUE SHAREHOLDING PATTERN

Sr. No.	Particulars	Pre-Issue number of shares	% Holding of Pre-issue
1.	Promoter & Promoter Group	1,10,77,550	100.00%
2.	Public	NIL	N.A.
	Total	1,10,77,550	100.00%

For further details please refer "Capital Structure" beginning on Page no. 39 of the Prospectus.

Number/amount of equity shares proposed to be sold by selling shareholder: Not Applicable

RESTATED AUDITED KEY FINANCIALS

(Amount in ₹)

Particulars	07-10-2021	31-03-2021	31-03-2020	31-03-2019
Total Revenue	1,45,19,21,573	2,08,66,08,695	2,55,22,54,669	2,55,74,23,363
Net Profit/(Loss) before tax	36,70,718	39,43,683	41,91,196	70,83,017
Net Profit/(Loss) after tax	27,32,918	29,34,567	31,20,164	35,78,827
Equity Share Capital	8,43,75,000	8,43,75,000	8,43,75,000	8,17,37,080
Reserves and Surplus	-	-	-	-
Net worth	8,43,75,000	8,43,75,000	8,43,75,000	8,17,37,080
Face Value of Shares	10/-	100/-	100/-	100/-
Basic & Diluted earnings per share (₹)	0.32*	N.A.	N.A.	N.A.
Return on net-worth (%)	3.24*	3.48	3.70	4.38
Net Asset Value Per Share (₹)	10.00*	N.A.	N.A.	N.A.

*(Not Annualised)

However, the Company has allotted 19,03,200 Equity Shares on 08-12-2021 pursuant to conversion of “Safa Systems & Solutions”, a partnership firm into Public Limited Company under Companies Act, 2013. Also, on 08-12-2021, the Company has allotted 7,36,850 Equity Shares pursuant to conversion of loan taken from Safa Plywood Pvt. Ltd.

For further Detailed information, please refer Chapter “Capital Structure and Basis for Issue Price” beginning from page no. 39 and 54 of prospectus respectively.

INTERNAL RISK FACTORS

The below mentioned risks are top 5 risk factors as per the Prospectus.

- 1) Our Company’s business highly depends on the brands recognition and reputation of the products it offers to sale and their inability to maintain or enhance brands image that we distribute or sale could have a material adverse effect on our business, financial condition and results of operations.
- 2) Substantial part of our business income is dependent on a few major customers and the loss of, or a significant reduction in product demands by such customers could adversely affect our business.
- 3) Our reliance on licensed brands exposes us to additional risks and uncertainties in our business, including the event we are unable to extend our distributorship agreement with the brands in the future.
- 4) Impact of conversion of the partnership firm M/s Safa Systems & Solutions to Safa Systems & Technologies Limited. Some of the Insurance, licenses & agreements is still prevailing in the name of the erstwhile partnership firm. Further, some of the distributorship agreements entered into with the Manufacturers/suppliers of the branded products are continuing in the name of the erstwhile partnership firm and are pending to be re-executed in the name of the Company.
- 5) As per restated financial statement, there are some contingent liabilities which may occur in future as on the date of the prospectus, i.e., Our Company has not registered itself under PF Act & ESIC Act and has not considered the impact of provisions of AS 15 Provision for Retirement benefits. Further our company has issued Bank Guarantee of ₹ 750.00 Lakhs to Xiaomi Technology as security deposit.

For further details please refer the chapter “Risk Factor” on page no. 17 of our Prospectus.

SUMMARY OF OUTSTANDING LITIGATION, CLAIMS AND REGULATORY ACTION

- A. **Total number of outstanding litigations against the Company and amount involved:** There is no outstanding litigation against the Company. *For further details of “Outstanding Litigation and Material Developments” please refer page no. 140 of the Prospectus.*
- B. **Brief details of top 5 material outstanding litigations against the Company and amount involved:** Not Applicable
- C. **Regulatory action, if any – disciplinary action taken by SEBI or stock exchange against the promoters in last 5 financial years including outstanding action, if any – NIL**
- D. **Brief details of outstanding criminal proceedings against the promoters – NIL**

For further details of “Outstanding Litigation and Material Developments” please refer page no. 140 of the Prospectus.

ANY OTHER IMPORTANT INFORMATION AS PER LEAD MANAGER / ISSUER - NIL

DECLARATION BY THE COMPANY

We certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements in the prospectus are true and correct.

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