



SIL: SEC: BSE: 2021-22

May 22, 2021

**The Secretary
BSE Limited
P J Towers
Dalal Street
Mumbai – 400 001**

Scrip Code: 540143

Dear Sir

Sub: Outcome of the Board Meeting.

Further to our letter dated May 18, 2021 and in accordance with Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (Listing Regulations) the Board at its meeting held on today, inter alia:

1. Considered and approved a proposal to acquire 100% stake in IT CATS, LLC, USA at a value of Rs.16.06 Crores through swap of shares for consideration other than cash by issue of equity shares of the company by way of preferential allotment at a price not below Rs.254/- per equity share or at a price as calculate under SEBI (ICDR) Regulations, 2018 (“Proposed Transaction”), subject to shareholders and other applicable regulatory approvals for the proposed transaction and subject to compliance with all applicable regulations and in accordance with the provisions of Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, (“SEBI ICDR Regulations”), applicable FEMA Regulations and other applicable laws as amended and also approved the execution of definitive agreement in connection with the Proposed Transaction.

The details as required under Listing Regulations with respect to acquisition of IT CATS LLC are enclosed as Annexure to this letter.

2. Approved a proposal to issue 2,00,000 equity shares of the Company at a price not below Rs.254/- per share or at a price as calculate under SEBI (ICDR) Regulations, 2018 on preferential basis to the entities belonging to promoters and non promoter group in accordance with the provisions of Chapter V of the SEBI (ICDR) Regulations, 2018 and applicable provisions of the Companies Act, 2013 and rules made thereunder.

We would also like to inform that a Meeting of the Members of the Company will be held for seeking their approval for the above proposals, the date of which will be fixed in due course.

The meeting of the Board of Directors commenced at 3.45 pm and concluded at 4.15 pm.

We would request you to kindly take the above information / documents on record.

Thanking you
Yours faithfully
for **Sagarsoft (India) Limited**

**J.Raja Reddy
Company Secretary**



Details as specified in Para A of Part A of Schedule III of Listing Regulations

A	Name of the target entity, details in brief such as size, turnover etc.	<p>The name of the target entity is IT CATS LLC, USA (doing business as Infoway Software) having its office at 388 Washington Rd, Suite A Sayreville NJ 08872.</p> <p>Revenue of USD 8.3 Million in the calendar year 2020.</p> <p>IT CATS is a full-service IT consulting company, It provide IT personnel with a broad range of technical skills, including but not limited to ERP, client/server and web based application and database development.</p> <p>Sagarsoft (India) Limited is acquiring 100% stake in IT CATS LLC, USA by swap of shares by way of preferential allotment.</p>
B	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”	<p>Yes. Mr.Satish Kalva, is holding 100% stake in IT CATS, LLC, who is also a non-executive director of Sagarsoft (India) Limited and the company is acquiring 100% stake from him and hence it will be treated as a related party transaction.</p> <p>The promoter/ promoter group/ group companies have no interest in the entity being acquired.</p> <p>The transaction is being done at arm’s length basis.</p>
C	Industry to which the entity being acquired belongs	Temporary staffing, Short-term and Long-term contract staffing with the opportunity for permanent hire and Offsite contract project staffing.
D	Objects and effects of 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)	The acquisition is a step towards expanding its business operations and enhancing the IT consulting capabilities which are an integral part of IT business by adding staffing strategical development, agile program management and organizational change management capabilities which allow to provide end-end digital services to its customers.
E	Brief details of any governmental or regulatory approvals required for the acquisition.	The Company will obtain all approvals as may be required under applicable laws from any regulatory authority for completion of the Proposed Transaction.
F	Indicative time period for completion of the acquisition	The transaction is expected to be completed by end of August, 2021.
G	Nature of consideration - whether cash consideration or share swap and details of the same.	In the form of issue of equity shares of Sagarsoft (India) Limited at a price as calculated under SEBI (ICDR) Regulations, 2018.



H	Cost of acquisition or the price at which the shares are acquired	The company proposes to acquire 100% stake in IT CATS LLC, at a value of Rs.16.06 Crores.
I	Percentage of shareholding / control acquired and / or number of shares acquired;	100%
J	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief);	<p>IT CATS LLC is a limited liability company incorporated in USA in 2004 and later acquired by Mr.Satish Kalva in 2012 which is a full-service IT consulting company with a broad range of technical skills, including but not limited to ERP, client/server and web based application and database development and have a wide range of professional experience and can function in various roles from Programmers, QA, Testers, Business Analysts to Project Managers throughout the project life cycle.</p> <p>The team of experienced recruiters and managers have the capability to vet resources at several levels including technical skills, functional skills and checking on other common human factors that affect the overall health of the client's project.</p> <p>Mr.Satish Kalva continues to drive the company into a fully-fledged Information Technology Services company serving Fortune 500 companies. His leadership and broad based experience in Technology & Industry ensures continued growth and overall success.</p> <p>The following are the details of turnover for the last three calendar years: 2020: USD 8.3 Million 2019: USD 7.4 Million 2018: USD 6.1 Million</p>

for **Sagarsoft (India) Limited**

J.Raja Reddy
Company Secretary