CANARYS AUTOMATIONS LIMITED
(formerly Canarys Automations Private Limited)
CIN: L31101KA1991PLC012096
Reg Off: No. 566 & 567, 2nd Floor, 30th Main,
Attimabbe Road, Banagirinagara, Banashankari
3rd Stage, Bengaluru 560085, Karnataka India
Contact No: +91 98458 62780;
Email Id: fin@ecanarys.com
website: www.ecanarys.com

Date: 31st October 2024

To,
The Manager – Listing Department,
National Stock Exchange of India Ltd.,
Exchange Plaza, Plot No. C/1, G - Block,
Bandra-Kurla Complex, Bandra (East),
Mumbai - 400 051.

Symbol: CANARYS
ISIN: INE0QG301017

Dear Sir / Madam,

Sub: Outcome of the Board Meeting held on Thursday, 31st October 2024 in accordance with Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the Board of Directors of the Company at its meeting held today i.e. **Thursday, 31st October 2024**, inter-alia, considered and approved the following:

1. **Execution of the Share Purchase Agreement ("SPA") and Acquisition.**

The Board have approved execution of share purchase agreement entered with Promoters and Promoter Group of Fortira Inc. USA ("**Target Company**") namely Ananth Iyengar, Nanda Kanuri, Michael Zalepa and Ramakrishna Kambhampati (Together referred to as "**Promoters**" or "**Sellers**") for acquisition of 51% of the total paid up share capital along with complete management and control of Target Company subject to regulatory approvals as may be required. The company shall have an option to acquire upto 100% within a period of 3 years.

The information in connection with the transaction, pursuant to Regulation 30 of the SEBI Listing Regulations read with SEBI circular SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated 11 July 2023 and SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13 July 2023, pertaining to above mentioned investments is enclosed in "***Annexure I***".

The requisite disclosure, pursuant to Part A Para A of Schedule III of Regulation 30 of the SEBI Listing Regulations and in terms of SEBI circular SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated 11 July 2023 and SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13 July 2023, pertaining to above mentioned investments is enclosed in "***Annexure II***".

2. **Variation in terms of the objects of the public issue as stated in the prospectus of the Company dated 06th October 2023:**

While the Company has made its best efforts to deploy the IPO proceeds as per the terms of the issue mentioned in prospectus dated 06th October 2023, Rs. 1,650 Lakhs is unutilized as on October 17, 2024. Out of Rs. 1,650 Lakhs it is proposed to alter the utilization of Rs. 894 Lakhs earmarked for creation of new delivery center including infrastructure thereof and upgrading existing facilities to strategic investment by way of acquisition of equity shares of Fortira Inc., USA, a company incorporated under, having registered office situated at 4365 US Highway 1,Suite 105 , Princeton, NJ 08540, USA which operating in similar lines of business (the "**Target Company**"). The Company proposes to acquire 51% stake in the Target Company at an consideration of USD 2.55 Million equivalent Indian Rupees. Further, the Company will acquire rest 49% within 3 years from the date of 51% acquisition.

This strategy is expected to improve our financial performance in the long run by helping us grow and increase our profits. The said proposal is subject to approval of the members of the Company through Postal Ballot mechanism, as per section 27 of the Companies Act 2013 read with the Companies (Incorporation) Rules, 2014 and the Companies (Prospectus and Allotment of Securities) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and other applicable laws, if any.

3. The Board, in the aforesaid connection and pursuant to section 110, section 108 read with rule 22 and rule 20 of the Companies (Management and Administration), Rules, 2014,approved draft Postal ballot Notice of the Shareholders of the Company and authorized to issue the said notice to seek necessary approval of the Shareholders for Variation in terms of the objects of the public issue as stated in the prospectus of the Company dated 06th October 2023.

The Meeting of the Board of Directors commenced at **01:08 P.M (IST)** and concluded at **01:19 P.M (IST).**

We request you to take this information on your records & kindly acknowledge the receipt of the same.

Thanking you,

Yours truly,

For **CANARYS AUTOMATIONS LIMITED**
(formerly known as Canarys Automations Private Limited)

Ambikeshwari M A
Digitally signed by Ambikeshwari M A
Date: 2024.10.31 13:39:21 +05'30'

CS Ambikeshwari M A
Company Secretary & Compliance Officer
Membership No. A67639

Details of Share Purchase Agreement (SPA)

Disclosure in connection with the SPA, pursuant to Part A Para A of Schedule III of Regulation 30 of the SEBI Listing Regulation, 2015 read with SEBI circular SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated 11 July 2023 and SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13 July 2023

Annexure I

Sr. No.	*Particulars*	*Details*
1.	name(s) of parties with whom the agreement is entered;	The parties to the share purchase agreement ("SPA") are as follows: a. Canarys Automations Limited ("**Acquirer**") b. Ananth Iyengar, Nanda Kanuri, Michael Zalepa and Ramakrishna Kambhampati (Together referred to as "**Promoters**" or "**Sellers**").
2.	purpose of entering into the agreement;	The SPA has been entered into Parties for recording the terms and conditions for acquiring 51% stake of Fortira Inc. ("**Target Company**") from the Ananth Iyengar, Nanda Kanuri, Michael Zalepa and Ramakrishna Kambhampati (Together referred to as "**Promoters**" or "**Sellers**"). The Company has an option to acquire 100% in the Target Company within a period of 3 years.

3.	shareholding, if any, in the entity with whom the agreement is executed;	Nil
4.	significant terms of the agreement (in brief) special rights like right to appoint directors, first right to share subscription in case of issuance of shares, right to restrict any change in capital structure etc.;	Pursuant to SPA, the Company shall have the right to nominate majority of the Directors on the Board and control over the affairs of the Target Company upon completion of the transaction and subject to the approval of regulatory authorities.
5.	whether, the said parties are related to promoter/promoter group/ group companies in any manner. If yes, nature of relationship;	The Sellers, and the directors of Target Company are not related to the promoter/ promoter group/group companies of the Company in any manner.
6.	whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length";	Presently, the acquisition is not a related party transaction. There is no interest by promoter/ promoter group/ group companies. However, Company may have commercial transaction in normal course of business with Fortira. Post the consummation of transaction, Fortira will become a related party.
7.	in case of issuance of shares to the parties, details of issue price, class of shares issued;	Not Applicable.
8.	any other disclosures related to such agreements, viz., details of nominee on the board of directors of the listed entity, potential conflict of	Not Applicable

	interest arising out of such agreements, etc;	
9.	in case of termination or amendment of agreement, listed entity shall disclose additional details to the stock exchange(s): a) name of parties to the agreement; b) nature of the agreement; c) date of execution of the agreement; d) details of amendment and impact thereof or reasons of termination and impact thereof.	Not Applicable

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Details of Acquisition

Disclosure pursuant to Part A Para A of Schedule III of Regulation 30 of the SEBI Listing Regulation, 2015 read with SEBI circular SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated 11 July 2023 and SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13 July 2023

Annexure II

Sr. No.	*Particulars*	*Details*
1.	Name of the target entity, details in brief	Fortira Inc. USA ("Fortira") is a USA based entity, is founded by Ananth Iyengar, Nanda Kanuri, Michael Zalepa and Ramakrishna Kambhampati primarily engaged in information technology services. Fortira Inc., headquartered in New Jersey, USA is a leading IT services provider known for delivering a comprehensive range of technology and consulting services that empower businesses to innovate and scale effectively. Established with a mission to bridge the gap between technology and business goals, Fortira offers expertise in custom software development, IT consulting, and project management. Their services extend to areas like data analytics, FinOps and cybersecurity, positioning them as a trusted partner for industries including Financial Services, Healthcare, Telecommunications, and Pharma. Fortira's client-focused model emphasizes

		personalized services, allowing them to address unique business challenges while enhancing operational efficiency. The company's commitment to quality and its adaptive approach to emerging technologies underscore its reputation as a reliable partner in advancing innovation and workforce solutions for North American clients. **Turnover**: In calendar year 2023 the Company has done total turnover of USD 14.14 Million
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"	No, the acquisition is being done with an unrelated party. However, the Company has done business with target in the past for 15 years.
3.	Industry to which the entity being acquired belongs	Information Technology
4.	Objects and impact 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)	Acquisition is aimed to expand Canarys reach in North America and strengthen its presence with Canarys Solutions.

5.	Brief details of any governmental or regulatory approvals required for the acquisition	NA
6.	Indicative time period for completion of the acquisition	The Company expects to complete the transaction by 31st March 2025
7.	Consideration - whether cash consideration or share swap or any other form and details of the same	Cash
8.	Cost of acquisition and/or the price at which the shares are acquired	The Acquirer intends to purchase a 100% stake in the Target company through a Secondary Stake sale by the Promoters of the Target as below: • Tranche I – acquisition of 51% stake at an enterprise valuation of $5.0 Million • Tranche II – acquisition of 49% stake, enterprise valuation to be decided basis the formula listed in clause (5) of the Term Sheet.
9.	Percentage of shareholding / control acquired and / or number of shares acquired	51% at the time of acquisition Balance 3 years from the date of acquisition

10.	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)	Date of Incorporation Business - Fortira is a full lifecycle digital engineering firm offering digital advisory through scaled engineering services. CY22 – USD 16,528,769 CY23 - USD 14,147,211